C0. Introduction

C0.1

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

Momentum Metropolitan Holdings Limited (Momentum Metropolitan or MMH) is one of South Africa's largest diversified financial services companies with a primary listing on the Johannesburg Stock Exchange Limited and secondary listings on the A2X Financial Markets and the Namibian Stock Exchange. Momentum Metropolitan was formed on 1 December 2010 as a result of the merger between Metropolitan and Momentum, two sizeable insurance-based financial services companies in South Africa.

Outside South Africa, MMH operates in five African countries through Momentum Metropolitan Africa, which includes Botswana, Ghana, Lesotho, Mozambique and Namibia. MMH exited Kenya in June 2022. Momentum Investments has operations in the United Kingdom and Guernsey. The Group has a health insurance joint venture in India and Guardrisk has businesses in Gibraltar and Mauritius.

With a market capitalisation of R22 billion and an embedded value of R45.4 billion as at 30 June 2022, Momentum Metropolitan remains one of South Africa's larger life insurers and integrated financial services companies.

MMH's business is about protection (life and non-life), investments and long-term savings solutions, and healthcare administration conducted through the Momentum, Metropolitan, Guardrisk and Eris Properties brands.

It offers the following products and services for both individuals and companies (including institutions and organisations):

• Long and short-term Insurance

• Employee benefits including healthcare and retirement provision

• Asset management, property management, investments and savings

• Healthcare administration and health risk management

• Client engagement solutions, including the Momentum Multiply wellness and rewards programme

Momentum Metropolitan has a financial year end of 30 June and information provided in this report relates to the 2022 financial year. However, carbon footprint information relates to the calendar year 1 January to 31 December 2022 to coincide with the South African carbon tax reporting requirements.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
No

Select the number of past reporting years you will be providing Scope 1 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for
<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Botswana
Ghana
Gibraltar
Guernsey
Lesotho
Mauritius
Mozambique
Namibia
South Africa
United Kingdom of Great Britain and Northern Ireland

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 activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

	Does your organization undertake this activity?	Insurance types underwritten	Industry sectors your organization lends to, invests in, and/or insures
Banking (Bank)	No	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset owner)	Yes	<Not Applicable>	Exposed to all broad market sectors
Insurance underwriting (Insurance company)	Yes	General (non-life) Life and/or Health	Exposed to all broad market sectors

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	ZAE000269890

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 or committee	Responsibilities for climate-related issues
Board-level committee	The Board designated Social, Ethics and Transformation Committee (SETC) has the delegated accountability for sustainability matters within Momentum Metropolitan, thus, it is responsible for overseeing the response to and performance on identified climate risks and opportunities. During F2021 the SETC approved the sign-up and formal adoption of the Taskforce on Climate-Related Financial Disclosures (TCFD) recommendations, becoming the first listed insurance group in South Africa to appear on the global TCFD supporters list. During F2022 the SETC interrogated and approved MMH's new Sustainability Framework which was launched in June 2022. Rather than having a separate climate strategy, MMH's climate change response forms part of the Sustainability Framework that articulates MMH's commitment to integrate and collaborate on all sustainability matters within the Group. The SETC also approved the 2022 Sustainability Report – MMH's first Sustainability Report that provides insight into the Sustainability Framework, related performance, and future commitments. It also approved for publishing MMH's second TCFD Report which covers Momentum Metropolitan's journey towards climate change resilience. The report also discloses progress and processes in place towards mitigating and adapting to climate-risk across the Group's enabling functions and portfolio of businesses using the framework provided by the TCFD recommendations.
Board-level committee	The Board designated Risk, Capital, and Compliance Committee (BRCC) oversees the quality, integrity, and reliability of the Groups' risk, capital, and compliance management, which includes climate change risk and any other risks and opportunities that could result of from it. The BRCC approves (with input from key stakeholders) the risk appetite for climate change related risks. It provides independent oversight of the design, implementation and adherence to internal climate change risk management procedures and the effectiveness thereof at a Group level. The BRCC will continue to fulfil this responsibility, but recognises the varied touchpoints and intersections with other Board committees on climate care. The BRCC is chaired by a non-executive director who is a SETC member.
Board-level committee	The Board designated Investments Committee oversees responsible and economically sensible investments. This includes oversight of ESG matters, integrated into investment decisions.

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 – all meetings	Overseeing major capital expenditures Reviewing and guiding strategy Overseeing and guiding scenario analysis Reviewing and guiding the risk management process	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities 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 Momentum Metropolitan Board provides leadership, direction and oversight of the Group's strategy and operations. The Board is ultimately responsible for the governance and end-to-end process of sustainability, climate risk management and the assessment of its effectiveness. Climate change will have a significant impact for Momentum Metropolitan and the society within which it operates. Thus, the Board and delegated committees monitor and address material matters relating to climate change to ensure business sustainability. The Board committees with oversight over climate-related matters are the SETC, the BRCC and the Investment Committee. The SETC meets three times each year, the BRCC meets every quarter while the Investment Committee has 7 meetings per year. Good corporate governance practices ensure the flow of decision-useful information between the Board, Board committees, management committees and boards of subsidiaries where these structures are in place. The Sustainability Forum is a senior management advisory committee on operational sustainability matters which aims to drive the incorporation of climate change mitigation and adaptation initiatives within the broader business. Should MMH invest in a new building, the Board designated SETC will review the business plan by taking into account climate – related issues, for example, initiatives towards reducing energy and water consumption as well as managing the energy generated in the new buildings.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Criteria used for assessing board skills include experience on boards, business, academia and policy work where relevant. The Chair of SETC and non-executive director on the MMH Board has over 15 years' experience as advisor on integrating water, energy, climate change, food systems and social considerations such as gender to international organisations. MMH recognises that the development of climate and broader sustainability-related skills is a critical enabler for advancing its climate change response. Current expertise is bolstered by a focus on sustainability as a pillar in the formal Executive Leadership Development Programme and learning opportunities for business unit sustainability leads who are all at senior management level. The SETC members' specialist skills encompass global climate policy and nexus modelling, which assesses the interconnectedness of land, water, food, and energy systems and integrates these externalities into large infrastructure financing models. This is complemented by actuarial and management experience in financial services, with a focus on long-term insurance and risk modelling, economic capital, and the integration of risk management into decisionmaking. The BRCC specialists' skills enable the effective oversight of the quality, integrity and reliability of the Group's risk, capital, and compliance management. A current key focus area of this committee is the development and embedding of the climate risk framework, and ensuring consistent application across the Group, with respect to the management assessment and reporting of climate-related risk. The Investment Committee members specialists' skills encompass research and innovation, data analysis, corporate leadership, coordination, and communication skills to tackle climate change. This is complemented by actuarial and management experience in financial services, with a focus on long-term investment and risk modelling, asset management, and the integration of risk management into decision-making. Most of the Investment Committee members also completed the PRI African Asset Owners Climate Awareness course in 2021.	<Not Applicable>	<Not Applicable>

C1.2

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

Position or committee
Chief Executive Officer (CEO)

Climate-related responsibilities of this position
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
The Group CEO is a member of the SETC and BRCC and ultimately accountable for managing the Groups' performance, inclusive of factors such as climate change that could impede MMH's ability to deliver on strategic objectives.

All sustainability issues, including climate-related issues, are monitored as part of MMH's risk management process whereby climate-related issues are raised at the various board committee meetings.

Position or committee
Chief Financial Officer (CFO)

MMH's Group Finance Director (FD) is the equivalent of a CFO

Climate-related responsibilities of this position
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Integrating climate-related issues into the strategy
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
The Group FD is responsible for the Groups' business performance and has oversight of all sustainability and climate change initiatives within the business, including managing the financial impacts of sustainability-related risks.

The Group FD reports directly to the CEO (who is a member of the SETC and the BRCC) and has accountability for the Sustainability Department, which is responsible, with the risk department, for identifying and raising climate-related risks and opportunities.

In addition to this, the MMH Facilities Department who are responsible for implementation of energy efficient and clean energy facilities within MMH reports to the Group FD. As a result, the Group FD also has a key role in finalizing decisions on the installation of clean and energy efficient technologies. This means that climate-related issues can be addressed at the highest level.

Position or committee
Chief Sustainability Officer (CSO)

MMH's Group Sustainability Head is the equivalent of a CSO

Climate-related responsibilities of this position
Conducting climate-related scenario analysis
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Finance - CFO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
Group Sustainability is the custodian of environmental matters within the Group and supports the identification, assessment and management of climate-related and broader sustainability risks and opportunities. It fosters the implementation of policies, frameworks, and strategy.

The Group Sustainability Head reports to the Group FD and is assisted by the Sustainability Forum (a senior management advisory committee on operational sustainability matters) to drive the incorporation of climate change mitigation and adaptation initiatives within the broader business.

All sustainability issues, including climate-related issues, are monitored as part of MMH's risk management process whereby climate-related issues are raised at the SETC meetings.

Position or committee
Other, please specify (Dedicated responsible investment team)

Climate-related responsibilities of this position
Integrating climate-related issues into the strategy
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing activities

Reporting line
Investment - CIO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
Momentum Investments apply responsible investment and investment governance practices across all savings and investment products. This includes considering environmental, social and governance risks of assets invested in, as it is relevant for the overall investment objective – across all asset classes, sectors, markets and over time.

The Responsible Investments team reports to the Deputy Chief Investment Officer who serves on the Responsible Investments Committee which serves as an oversight function to monitor the integration of Responsible Investment principles across the investment team.

However, since the Sustainability Department are coordinators of sustainability across the business they also incorporate and report on the Responsible Investments efforts and initiatives to identify, manage and incorporate climate risks and opportunities in investments to the SETC in order to demonstrate sustainability initiatives across the entire business.

Position or committee
Chief Risks Officer (CRO)

Climate-related responsibilities of this position
Developing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets

Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
From F2023 the Chief Risk Officer will have additional responsibility for embedding the climate risk framework, ensuring consistent application across the Group, with respect to the management assessment and reporting of climate related risks and opportunities.

The CRO is accountable for setting the strategy by which climate related risks and opportunities are identified, assessed and monitored by the various CROs in MMH's federated businesses. The chosen approach needs to support MMH's Climate Maturity Plan and direct the organisations decarbonisation plans.

The CRO reports directly to the CEO (who is a member of the SETC and the BRCC).

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	

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
Chief Financial Officer (CFO)

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Energy efficiency improvement
Reduction in total energy consumption

Incentive plan(s) this incentive is linked to
Long-Term Incentive Plan

Further details of incentive(s)
MMH's Climate maturity plan will be rolled out over the next 3 financial year cycles. Meeting KPIs set to improve climate maturity and developing decarbonisation plans, positively impacts bonusses or discretionary pay.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Achieving energy targets by including renewable energy into total energy consumption will achieve energy security, cost efficiencies while reducing carbon emissions and improve MMH's climate performance while assisting in achieving decarbonisation plans.

Entitled to incentive
Chief Sustainability Officer (CSO)

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Achievement of a climate-related target
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Implementation of employee awareness campaign or training program on climate-related issues
Other (please specify) (Compliance with climate change regulations)

Incentive plan(s) this incentive is linked to
Not part of an existing incentive plan

Further details of incentive(s)

Achieving targets positively impact on bonuses or discretionary pay.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The Group Sustainability Head's key performance areas include MMH's performance on climate targets, whether or not the company's carbon footprint has been successfully completed and verified timeously as well as compliance with climate change regulations, e.g. The Department of Forestry, Fisheries and the Environment (DFFE) National GHG Emissions Reporting and National Treasury's Carbon Tax.

Entitled to incentive
Dedicated Responsible Investment staff

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Increased investment in low-carbon R&D
Increased share of revenue from low-carbon products or services in product or service portfolio
Increased engagement with investee companies on climate-related issues
Increased alignment of portfolio/fund to climate-related objectives

Incentive plan(s) this incentive is linked to
Not part of an existing incentive plan

Further details of incentive(s)
Delivering on Key Performance Indicators (KPIs) positively impact on bonuses or discretionary pay.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The Responsible Investment team key performance areas include integrating responsible investment practices across all savings and investment products, reporting responsible investing stewardship annually and disclosing proxy voting activities.

Entitled to incentive
Chief Risk Officer (CRO)

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Board approval of climate transition plan
Progress towards a climate-related target
Increased supplier compliance with a climate-related requirement

Incentive plan(s) this incentive is linked to
Long-Term Incentive Plan

Further details of incentive(s)
MMH's Climate maturity plan will be rolled out over the next 3 financial year cycles. Meeting KPIs set to improve climate maturity and developing decarbonisation plans, positively impacts bonusses or discretionary pay.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Achieving energy targets by including renewable energy into total energy consumption will achieve energy security, cost efficiencies while reducing carbon emissions and improve MMH's climate performance while assisting in achieving decarbonisation plans.

C-FS1.4

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

	Employment-based retirement scheme that incorporates ESG criteria, including climate change	Describe how funds within the retirement scheme are selected and how your organization ensures that ESG criteria are incorporated	Provide reasons for not incorporating ESG criteria into your organization's employment-based retirement scheme and your plans for the future
Row 1	Yes, as the default investment option for all plans offered	MMH offers an employment-based retirement scheme that incorporates ESG principles including climate risk. The retirement scheme incorporates ESG principles across all investment option plans. The employee selects their own investment option. The scheme enables employees to choose their investment portfolio from a shortlist selected by MMH. Where MMH make investment decisions, MMH policies require that ESG and climate risks are considered. MMH engages with companies on ESG factors via staff or collaborators and also require external managers to engage with companies on ESG factors on our behalf.	<Not Applicable>

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	The emerging risks that have been identified have been categorised in Own Risk and Solvency Assessment framework (ORSA) by an approximate time horizon and placed on three different orbits as follows: The inner orbit represents a short-term horizon indicating a term of less than 12 months (1 year).
Medium-term	1	3	The middle orbit represents a medium-term horizon indicating a term of one to three years.
Long-term	3		The outer orbit represents a long-term horizon indicating a term of three years and beyond. Life products and annuities require a longer planning horizon.

C2.1b

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

Impact assessment criteria include the evaluation of impacts relating to finances, reputation, regulation, employees, security and business operations. Some impacts will be in one sphere and others will be in combination. MMH defines substantive financial and strategic impact with regards to operational risk as being:

Financial: Aggregate financial losses related to operational risk incidents exceeding R235m annually.

Reputational: Negative media coverage that may impact the share price, result in brand damage and/or some loss of market share.

Legal and Regulatory: Fines exceeding R5 million, increased scrutiny from Regulators or sanctions, litigation and/or class actions.

People: Injuries to employees or third parties, and/or loss of senior leadership or high staff turnover.

Systems, Processes and Operations: Outages due to breakdown in critical systems and processes with disruption to operations and impact on productivity.

Client: Notable increase in customer and/or ombudsman complaints.

A risk that can have a substantive impact at a corporate level is mapped on the risk and controls taxonomy defined as part of the Own Risk and Solvency Assessment Process (ORSA) framework. Guidelines for the assessment of this inherent risk exposure are defined in the impact and likelihood table of the MMH Risk Rating Methodology.

For quantifiable financial risks the Group has a Risk Appetite framework which assesses financial impact to the business with respect to the following financial risks:

· Regulatory solvency cover (the ratio of regulatory own funds to the Solvency Capital Requirement), where a target range is set to ensure appropriate resilience of the group solvency position;

· Earnings at risk, which assesses the potential variance in the budgeted Normalised Headline Earnings from the level of financial risk-taking and the quantitative risk profile; and

· Liquidity risk, which considers liquidity from a short-term and long-term perspective, and the need to meet all regulatory requirements.

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
At MMH Risk Management is a documented process where climate-related risks and opportunities are identified and assessed in an integrated way in the company's centralized enterprise risk management program covering all possible types/sources of risks and opportunities.

Within Momentum Metropolitan, the facilitation and identification of organisational and business risks is managed by the risk management functions at group and business portfolio level. As coordinators of sustainability across the business, the Sustainability Department plays a key part of identifying and managing climate-related risks and opportunities that are reported to the Board delegated SETC.

Terminologies used in the risk management process are defined as follows:
• Inherent risk exposure - A subjective measure of risk based on likelihood and impact of consequence, without considering the effectiveness of controls. (This produces a score that indicates the "worst-case" exposure in the event that there are no controls in place.)
• Residual risk exposure - A subjective measure of risk based on likelihood and impact of consequence, after considering the adequacy and effectiveness of controls. (This produces a score that indicates the "current" exposure.)
• Target risk exposure - A subjective measure of risk based on likelihood and impact of consequence, after considering the effectiveness of additional controls still to be implemented. (This produces a score that indicates the "risk appetite" or desired level of risk.)

Inherent risk exposures will be rated, based on the level of impact as high, medium-high, medium-low or low. The residual and target risk exposures will be rated as high, medium-high, medium-low or low based on the controls in place or to be put in place.

MMH then rates the impact of the identified risk based on impact criteria that are set out in a well-defined impact table. Impact or consequence refers to the extent to which a risk event might affect the business. Impact assessment criteria may include financial, regulatory, reputational, employee, customer and operational impacts.

When performing a risk assessment, the relevant impact factors are to be selected and rated. The weighting of impact factors must be determined at the time of performing the assessment. All risks and opportunities are prioritized based on a risk rating methodology that considers a wide range of factors, including impact, likelihood, vulnerability and velocity. Based on the outcome of the impact, likelihood, vulnerability and velocity, the risk will be prioritized, risk appetite applied and then tabled at the appropriate Board committee. The same applies for an opportunity identified.

A risk that has a significant impact (impact to be substantive at the corporate level), is recognised through the Own Risk and Solvency Assessment (ORSA) process. Risk events identified need to be mapped to the risk and controls taxonomy as defined in the ORSA framework.
The ORSA method requires that all material risks be considered that may have an impact on the ability of Momentum Metropolitan to meet its obligations to its stakeholders. Included in the assessment is a consideration of the impact of future changes in economic conditions and other external factors.

The Groups risk classification is designed to best reflect risk exposures by risk category, that can be event driven, functional, a life cycle or regulatory classification approach. Each main risk category is supported by the appropriate policies, methodologies and frameworks designed to give insight to the application of the risk identification, assessment, monitoring, managing, and reporting.

The Groups ORSA considers some of the following risk types at a high level: Market Risk, Long- & Short-Term Insurance Risks; Operational Risk, Legal and Compliance Risk, and Tax Risks. Climate-related impacts are cross-cutting in nature and are expected to impact some of the risk types already addressed in the ORSA.

Physical and transition risks are expected to have consequences for financial risks such as credit, market, liquidity, and operational risk. For example, market risk is considered as part of the businesses' financial risk, and legal and compliance risks are considered as part of business risk whilst on an asset level, the physical impacts can affect individual facilities.

Over the years, Momentum Metropolitan's understanding of climate-related risks and opportunities has been enhanced, hence they are integrated and considered in the ORSA.

A key part of identifying risks is ensuring that the risk is mitigated, and any opportunities are incorporated into business operations,
thus contributing towards the shift to a greener economy.

C2.2a

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

	Relevance & inclusion	Please explain

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	South Africa's current climate-related regulation such as carbon taxes, national greenhouse gas reporting regulations and the climate change bill to enable a transition to a low carbon economy will have an impact on Momentum Metropolitan's business operations. MMH's Sustainability Department makes efforts to adhere to any climate-related legislation or regulation that affects the business. For example, MMH responded to the current legislation requirements by DFFE requiring JSE listed companies to assess their stationary combustion activities with a combined capacity that exceeds the 10MW(Th) threshold due to the number of generators utilized during load shedding. Specifically, the National Greenhouse Gas Emissions Reporting Regulations (NGERs) make the annual reporting of carbon emissions from stationary facilities mandatory for data providers whose energy production, energy consumption, or greenhouse gas emissions meet specified thresholds. MMH adheres to this by making a verified annual submission of Annexure 2 & 3 facilities to the DFFE as a means of disclosing its emissions resulting from the use of generator diesel.
Emerging regulation	Relevant, always included	MMH's Sustainability Department continually monitors, reviews, and assesses emerging legislative and regulatory changes as part of its risk management framework to mitigate and manage potential impacts on business operations. This includes changes (increases) in water and electricity tariffs that could affect operations as well as future carbon tax, disclosure and reporting requirements during Phase 2 of the Carbon Tax as well as amendments to schedule 2 of the Electricity Regulation Act. The Sustainability team has formed a close relationship with the Facilities team in order to monitor energy technology retrofits (their possible energy savings and carbon emission reductions) as well as the water management initiatives at MMH head offices as these initiatives have long-term financial savings for the business operations. The Sustainability Department also works closely with Responsible Investments and risks specialists to ensure they are kept informed and updated of any emerging regulations that could affect the business risk and investment portfolios. Schedule 2 of the Electricity Regulation Act, 2006 (ERA) amended the licensing exemption and registration requirements for trading, generation, transmission and distribution of electricity in terms of the ERA. MMH's impact investment portfolio focusses on three areas – alternative energy, diversified infrastructure and social infrastructure while the Empowerment Financing division has R2.3 billion invested in renewable energy. Eris properties are investing in solar PV projects for electricity and the recent developments of gradual deregulation of the South African electricity supply industry could affect investments and own operations.
Technology	Relevant, always included	Technology risk refers to the financial risk of not keeping up with technological innovations and trends as well as the potential losses attributed to technology failure. MMH has in place a Technology Risk Management Policy which documents sound practices to help ensure that technology risk within MMH is managed and measured in an effective and consistent manner. Key elements are described in the Technology Risk Management Framework. Possible technology risks that could affect the MMH group are inclusive of but not limited to the implementation of energy efficient and water savings technology as well as investment in renewable energy technologies. The MMH Facilities team takes great care and consideration in the technologies installed within the MMH head offices; specifically with regards to new buildings energy efficient technologies are installed. An example is the multi-tenant R1.5 billion development, The Marc in Sandton, and the Cornubia office in Durban, which have received 5- and 4- Star Green Rating from the Green Building Council of South Africa respectively. Further, the renewable energy sector continues to grow and technologies are constantly improving. MMH is an investor within the renewable energy sector and thus failure to invest in the correct technologies by renewable energy companies could have an impact on MMH investment outcomes.
Legal	Relevant, always included	Within MMH, legal risk is not managed in isolation but is aligned with the group's overall strategic objectives. The MMH Legal Risk Management Policy provides guidance on how legal risk should be managed in the business and is aligned to the ORSA Framework. Climate-related litigation claims could stem from non-compliance with the Carbon Tax, national greenhouse gas reporting regulations and the climate change bill and could include monetary fines for the business as well as reputational damage. In order to manage and mitigate possible litigation claims the Legal and Sustainability Departments review and assess new and emerging legislation and assess how it will affect MMH. Based on this assessment, the risk is prioritised and tabled at the relevant board meeting for example, at the SETC meeting.
Market	Relevant, always included	Market risk refers to financial loss due to adverse movements in the market value of assets supporting liabilities relative to the value of those liabilities, or due to a decrease in the net asset value, as a consequence of changes in market conditions or as a result of the performance of investments held. There is a global shift towards a demand for environmentally friendly products which contribute towards the transition to a green economy as well as the incorporation of sustainability (environmental, social and governance) issues in all spheres of the business. The effects of climate change and other environmental issues could have both risks and opportunities for the MMH group. As a signatory of the UNPRI, Momentum Investments has in place a Climate Change Investment Policy and a Responsible Investments Policy which address the importance of taking concerns such as climate risk and ESG risk factors into consideration and that they may affect the sustainable nature of an investment. MMH is also the first insurance company in South Africa to become a formal/public supporter of the Task Force on Climate Related Financial Disclosures (TCFD) - the first industry-led initiative working to bring climate-related financial disclosure and reporting to the forefront. Adoption of the TCFD recommendations facilitates companies and investors routine consideration of the effects of climate change in business and investment decisions. During F2021 MMH became a supporter and signatory to the international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment. In response to the changing market, MMH invested in a number of renewable energy projects as part of its empowerment finance programme with R2.3 billion invested in renewable energy projects to date, with a further R3.9 billion due to be invested before the end of the 2022 calendar year.
Reputation	Relevant, always included	Reputational risk refers to the potential loss of financial and/or social capital as well as market share due to damage to the company's reputation. Reputational risk is often measured in lost revenue, increased operating, capital or regulatory costs and/or destruction of shareholder value. MMH discloses climate-related and ESG information through CDP and to the DFFE. MMH is a formal/public supporter of TCFD, a signatory of the UNPRI and the Just Transition and a supporter of CRISA (Code for Responsible Investing South Africa) . Together with MMH's Annual Integrated Report and reporting suite, the disclosures and affiliations promote investor confidence and reduce reputational risk pertaining to climate-related risks and the management thereof. MMH's reputation could be negatively impacted from the decision to underwrite (or not underwrite) or invest in carbon-intensive projects that could affect consumer perception. To mitigate the risk of damaged reputation from stakeholder concerns or negative stakeholder feedback, MMH focuses on proxy voting as part of its responsible investing processes, which forms part of its core belief that sustainable and responsible investment practices are material factors underpinning long-term success, as well as the success of clients. A theme that is gaining traction is that of rehabilitation funds. It is an integral and practical part of the Just Transition, which needs addressing now. While this applies mostly to environmental degradation due to mining operations, the implications are far-reaching. On occasion, rehabilitation funds are abused and the money transferred out of these funds are sometimes never returned. When the mine then eventually closes, there could almost be nothing left in the rehabilitation fund to rehabilitate a degraded environment. MMH, as an asset owner, contacted Thungela Resources, a coal mining company, after its listing in July 2021 to try and ascertain whether enough attention and money was being provided to its rehabilitation funds as the mine had an estimated economic life of eight years. To mitigate the challenge of insufficient rehabilitation funds MMH's cell captive insurer, Guardrisk, responded with a mining rehabilitation product that provides the required guarantee that funds will be available to ensure the restoration of the post-mined landscape. The mining rehabilitation guarantees provide mines with the resources to meet their legal and financial obligations at closure.

	Relevance & inclusion	Please explain
Acute physical	Relevant, always included	Acute climate risks, such as extreme weather events, pose numerous challenges to MMH - a significant player in the short-term insurance industry. MMH is affected by increasing insurance claims due to damages or morbidity caused by extreme weather events such as the KwaZulu-Natal floods in April 2022 that impacted jobs, business operations, transport, infrastructure and access to basic services. Momentum Insure experienced a tripling of claims compared to the previous six years, as a result of it. Fortunately, as a signatory of TCFD and the UNPRI, and supporter of CRISA, MMH subscribes to the principles for sustainable insurance which include incorporating ESG issues in the insurance business and working together with stakeholders to raise awareness on ESG as well as developing solutions. The Responsible Investment team has identified physical risks, such as droughts, fires or flooding, which could result in large unexpected financial losses for businesses. The negative effect will not only have a financial implication, it will also affect some of the most pertinent concerns in SA, which are the socio-economic factors. Communities' wellness will be directly affected by extreme weather events and may well be linked directly to job losses, housing shortages, supply of food, water shortages and restricted access to quality education. MMH has acknowledged that it is in our interest to encourage companies to increase resilience to environmental shocks. Lastly, the sustainability, risk management and operations departments also assess current climate risk related issues, and how they affect MMH. Based on the assessment, the action plan to address the issue is discussed and tabled at the relevant sub-committee board meeting (for example at the quarterly SETC and even the Risk, Capital and Compliance Committee meetings).
Chronic physical	Relevant, always included	Longer-term shifts in climate patterns impact business as several parts of South Africa in which MMH operates are already experiencing rises in mean temperature, drought (resulting in increased fire events) and sea level rise. South Africa ranks as one of the 30 driest countries in the world and is expected to be approaching water scarcity by 2025. By 2030, South Africa can expect a 17% water deficit, which will only be exacerbated by the impacts of climate change affecting communities, businesses and government. The severe droughts experienced in Cape Town in 2017 directly impacted MMH as one of its head offices is located in Bellville, Cape Town. In order to contribute towards water management, the facilities team implemented the following initiatives to achieve ongoing water savings: • reduced water pressure in the taps; • replacing water-cooled systems with air cooled chiller plants in identified buildings; • created a mechanism to keep water pressure at levels suitable for the operation of a modified fire system; • installed borehole; and • installed back-up tanks on emergency fire tanks to ensure water for sprinkler systems to protect employees and buildings despite possible municipal outages. The back-up tanks also support kitchens and ablution facilities in the event of a water outage. These risks will have an impact on the operations and finances of the business. For instance, floods and storm events will not only increase claims to the insurance company but they will also impact the well-being of the MMH staff and their ability to work efficiently.

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	Explain why your portfolio's exposure is not assessed and your plans to address this in the future
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2c

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

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Investing (Asset manager)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Scenario analysis Internal tools/methods	Momentum Metropolitan's investment portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate. Climate change is a genuine risk for companies, some companies are more climate sensitive and therefore need to have plans in place to transition to a low carbon economy. Investment teams are exposed to these companies through various levels of engagement. For direct investments and where investment management agreements are in place with underlying investment managers, MMH can establish its exposure to climate risk sensitive companies and have the ability to engage directly with those companies. Asset assessments across all assets under management, enables the identification of where the biggest exposures are when it comes to climate sensitive companies and helps to prioritize engagements with those companies. MMH believes that a collective approach makes more impactful engagements and have therefore applied to become signatories to the Climate Action 100+ initiative to serve on the Sasol and Eskom engagement group. Through an annual responsible investment rating assessment of external appointed investment managers, MMH assesses who acknowledges climate change as a risk and encourage them to incorporate these considerations in a climate investment policy. This responsible investment rating model complements the appointment, monitoring and reviewing process of the investment managers. Hereby establishing which appointees don't acknowledge climate-related risks and allows for a more targeted engagement to ensure alignment and compliance to MMH's responsible investment and climate investment policies. Through involvement with the Association for Savings and Investment South Africa (ASISA), support for the Code for Responsible Investing in South Africa (CRISA) and being a signatory to the United Nations-supported Principles for Responsible Investment (PRI), MMH endeavours to encourage other investment managers, service providers, asset consultants and investment owners to apply responsible investment practices in their daily operations. During F2021 MMH became a signatory to the PRI-led international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment.
Investing (Asset owner)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Scenario analysis Internal tools/methods	Momentum Metropolitan's investment portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate. Momentum Investments as asset owners apply a Responsible Investing approach to investing that aims to incorporate environmental, social and governance (ESG) factors into investment decisions, across all asset classes, sectors, markets and through time. MMH has in place a Climate Change Investment Policy and a Responsible Investments Policy which addresses the importance of taking concerns such as climate risk and ESG risk factors into consideration as they may affect the sustainable nature of an investment. Through involvement with the Association for Savings and Investment South Africa (ASISA), support for the Code for Responsible Investing in South Africa (CRISA) and being a signatory to the United Nations-supported Principles for Responsible Investment (PRI), Momentum Investments endeavours to encourage other investment managers, service providers, asset consultants and investment owners to apply responsible investment practices in their daily operations. As supporter of and adopting the TCFD recommendations MMH incorporates routine consideration of the effects of climate change in business and investment decisions. As such MMH has included a new question to assess if climate-related risks were acknowledged and evident in the respective investment manager's policies. During F2021 MMH became a supporter and signatory to the international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment. Momentum Outcome-based Solutions created an investment manager Responsible Investment rating model to establish the level of RI practices applied by the various investment managers. This model complements the appointment, monitoring and reviewing process of the investment managers. RI rating model consists of the following indicators: Investment management organisation This indicator guides the understanding of RI culture within the investment management company. Company values should inform their policies and lead to fair and transparent information for their stakeholders. Investment management resources This indicator gives insight into the level of oversight and accountability assigned to management and investment staff to ensure RI practices are upheld within their organisation. To assess the level of ESG expertise or function that can interpret how ESG risks translate into investment decision making and outcomes, which determines the level of quality of ESG integration. ESG integration This indicator helps to understand to what extent investment managers integrate ESG across their assets under management. The key point is the extent of ESG integration rather than the type or form being implemented. Active ownership This indicator provides insight into the extent to which the investment manager contributes to a well-balanced economy for investors. It is used to assess to what degree the fiduciary's formal rights are used to influence the activity and behaviour of invested companies. During the annual RI rating assessment process, MMH uses this as an opportunity to engage with the investment managers and bring them along on the RI journey. MMH gives recommendations to the investment managers that will positively contribute to their responsible investment practices.

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Insurance underwriting (Insurance company)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Scenario analysis Internal tools/methods	Momentum Metropolitan's insurance portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate. Momentum Metropolitan has a Climate Change Position Statement is supportive of the Principles for Sustainable Insurance (PSI) initiative, which aims to ensure that all activities in the insurance value chain are responsible and include environmental, social and governance (ESG) issues.

C-FS2.2d

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

	We consider climate-related information	Explain why you do not consider climate-related information and your plans to address this in the future
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2e

(C-FS2.2e) Indicate the climate-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision-making.

Portfolio
Investing (Asset manager)

Type of climate-related information considered
Energy usage data

Process through which information is obtained
Directly from the client/investee

Industry sector(s) covered by due diligence and/or risk assessment process
Real Estate

State how this climate-related information influences your decision-making
Eris Property Group (Eris), a subsidiary of Momentum Metropolitan, is a fully integrated property development, investment and services group which provides a range of commercial property skills in the South African and sub-Saharan African markets. Its property management division has a total GLA of 1.36 million square metres under management, across a portfolio of properties valued at more than R22 billion.

Eris's efforts to reduce its electricity and water consumption and related costs in the buildings under its management, include:
• Smart metering to reduce water and electricity waste
• The use of ground water and water harvesting
• Installing energy efficient lighting in all its buildings.

During F2022 Eris spent R224 000 on upgrading the common areas in the Mamoste Gateway Centre and the Emala Mall in Witbank with energy efficient lighting as well as upgrading to energy efficient lighting in the Mezz parking at 1 On Langford, Westville Block A.

During F2021 Eris installed solar systems at seven of its retail sites with 2 more solar PV systems commissioned during F2022. Kigeni Ventures owns the solar PV systems while Eris purchases the electricity generated by the systems. During 2022 the solar PV systems generated more than 10 357 MWh, which is equivalent to providing clean energy to 943 households. This not only reduced energy consumption, but the Eris Property Group was able to avoid 9 839 tonnes of greenhouse gas emissions.

The Eris team is constantly looking for ways to reduce costs - it is investigating incorporating electric car chargers at all of their green rated buildings in future and other ways to reduce their carbon footprint.

During F2022 Eris, through its direct ESG-focused property portfolio, Momentum Direct Property Fund, set targets to achieve the following by 2030:
• Roll out solar installation projects at 14 retail properties
• Reduce emissions by a total of 16 800 tonnes of CO2e
• Generate 17 710 MWh per year through clean energy sources
• Provide the equivalent of 2 548 households with clean energy.

Eris has applied for carbon credits which could in future be used by Momentum Metropolitan to offset its carbon footprint.

Portfolio
Investing (Asset owner)

Type of climate-related information considered
Emissions data

Process through which information is obtained
Directly from the client/investee

Industry sector(s) covered by due diligence and/or risk assessment process
Energy
Telecommunication Services

State how this climate-related information influences your decision-making
Momentum Investments has an impact investment portfolio that focusses on three areas – alternative energy, diversified infrastructure and social infrastructure.

The Momentum Alternative Energy Fund is a local impact portfolio that targets fundamental social and environmental challenges while also seeking a financial return. The portfolio invests in sustainable energy companies that are engaged in alternative energy technologies including renewable energy technology; renewable energy developers; energy storage; energy efficiency; enabling energy infrastructure. The fund will not invest in companies involved with fossil fuel and consumables, and related technologies.

MMH partnered with the Umoya wind farm in the Western Cape to provide renewable energy - a round 1 project in South Africa's Renewable Energy Independent Power Producer Procurement Programme (REIPPP). In F2021 it refinanced the Ilangalethu Karoshoek Solar CSP 1 with a capacity of 100 MWp in the Northern Cape, a round 3 plant in South Africa's REIPPP, commissioned at the end of November 2018. In addition to the series of concave mirrors, which is used to harvest the sun's energy, it has a tank of molten salt that is heated and can therefore continue to produce electricity for up to four hours after sunset.

These 2 SA projects generated 533 392 MWhs during F2022, equivalent to powering 147 200 homes while saving 559 954 tCO2e emissions.

The Momentum Diversified Infrastructure Fund is a local impact portfolio that is invested in core infrastructure assets that provide essential services and have measurable impact outcomes. Underlying assets have stable and predictable cash flows as well as strong environmental, social and governance features.

CIVH provides affordable access to the internet, which has global carbon-reducing impacts and it is a key enabler to spur economic growth and to enable more people to participate fuller in the economy.

The Momentum Social Infrastructure Fund is a local impact portfolio aimed at supporting the provision of student housing in the higher education sector, quality affordable housing as well as rural and peri-urban retail shopping centres. Each investment has measurable impact metrics, which the portfolio team measures, monitors and reports as part of the impact measurement and management framework.

With a focus on sustainable and clean energy, as well as driving climate action, MMH enables investment returns in the alternative investment, low-carbon space.

Portfolio
Insurance underwriting (Insurance company)

Type of climate-related information considered
Other, please specify (Broad environmental performance - environmental impact and capital required to comply with Environmental Management Act)

Process through which information is obtained
From an intermediary or business partner

Industry sector(s) covered by due diligence and/or risk assessment process
Food, Beverage & Tobacco

State how this climate-related information influences your decision-making
Increasingly extreme weather events around the globe leave little doubt that climate change will impact on agriculture and food availability in the future.

South Africa's agricultural industry has three layers of diversity, each with their own challenges. The climate and soil differ significantly from area to area; a wide range of crops are grown and a broad segment of farms – from small emerging to large corporate farmers – compete in relatively small geographical spaces.

Large parts of South Africa's grain production regions are rain-fed and vulnerable to drought and grain price volatility. This leads to volatile output levels and severe financial pressure across the value chain.

Traditional crop insurance products, such as multi-peril crop insurance (MPCI), are often not best suited to the South Africa's grain industry as it inherently includes a great deal of anti-selection, leading to high prices. This is particularly problematic as high and volatile prices could automatically exclude emerging farmers, who are the most vulnerable to inclement weather patterns. For instance, a corporate farm would have the resources to withstand a year, or maybe even two, of drought but an emerging farmer would be hard hit in the first year.

MMH's cell captive insurer, Guardrisk, has through innovation provided a tailor-made solution suited to grain farmers in the non-life insurance sector to mitigate and reduce the financial risks faced by South African grain farmers who are vulnerable to drought and grain price volatility.

Through its partnership with Agnovate, Guardrisk has developed a multi-peril yield insurance (MPYI) product which calculates insurance rates according to the historical yield performance of a predefined production area and considers similar soil and climate in one geographical area. Claims are based on the weighted average of yield shortfall determined across the production area and clients pre-agree to absorb a percentage of the total financial loss. In addition, it is a product offering and innovation to support environmental performance.

The product meets the demand for climate change related insurance and even reduced premiums associated with direct impacts from weather related events. Gross written premiums in F2022 increased by 86% to R5.2 million from R2.8 million in F2021.

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

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback

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
The 2021 report from the International Energy Agency still forecasts growth in demand for all fossil fuels for the next few years until peaks start to occur in the middle of this decade (for coal) or not until 2050 (for gas), depending on how seriously the world takes global warming and the 1.5°C target.

With coal still providing approximately 77% of South Africa's primary energy needs and electricity production today, the decarbonisation of the South African economy will take some time as part of the Just Energy Transition.

South Africa's GDP growth is heavily dependent on high-emission industries that contribute to climate change, such as mining, which remains a significant sector from an employment perspective and the socio-economic impact of potential job losses and worker displacement during a transition should be carefully managed.

The South African investment universe is much smaller than those in more developed countries. It is therefore impractical, from a portfolio management perspective, to exclude shares within portfolios from that universe.

A theme that is gaining traction is that of rehabilitation funds. It is an integral and practical part of the Just Transition, which does not need addressing in a strategic way in the future. The funds must be provided for NOW. While this applies mostly to environmental degradation due
to mining operations, the implications are far-reaching.

On occasion, rehabilitation funds are abused and the money transferred out of these funds are sometimes never returned. When the mine then eventually closes, there could almost be nothing left in the rehabilitation fund to rehabilitate a degraded environment.

Thungela Resources was established in July 2022 when Anglo American divested itself from all its South African coal mining holdings. At the time of listing the mine's economic life was estimated to be eight years and it faced a simultaneous environmental and social challenge.

Just after Thungela's listing in July 2021, as an asset owner, MMH questioned the company on whether enough attention and money was being provided to its rehabilitation funds.

The risk for MMH relates to negative reputational impacts from the decision to underwrite (or not underwrite) or invest in carbon-intensive projects that could affect consumer perception and MMH's reputational status and social license to operate.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium

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)
51000000

Potential financial impact figure – maximum (currency)
9279000000

Explanation of financial impact figure
The financial impact from reputational risk is measured in lost revenue, increased operating, capital or regulatory costs and/or destruction of shareholder value due to loss of customer, employee and investor confidence.

When Thungela Resources was still a part of the Anglo American Group, the latter's six-monthly profit in June 2021 was R351 million, while the comparative June 2022 figure was R9.63 billion (after divestment). It is therefore estimated that Thungela Resources' financial liability could be the difference of R9.279 billion. In the light of the current spike in fossil fuel prices one can surmise that depending on the sustainability of the recent steep rise in coal prices this figure might be substantially revised upwards.

MMH's investment returns for F2022 was R1 020 million. A 5% drop in investment returns would result in a loss of income of R51 million. Increased staff turn-over from reputational damage and difficulty in new attracting staff would result in increased costs of employment.

Cost of response to risk
18600000000

Description of response and explanation of cost calculation
To mitigate the risk of damaged reputation from stakeholder concerns or negative stakeholder feedback, MMH focuses on proxy voting as part of its responsible investing processes, which forms part of its core belief that sustainable and responsible investment practices are material factors underpinning long-term success, as well as the success of clients.

Proxy voting allows investors to have their say, influence and improve areas such as the quality of management, remuneration policies and other governance issues, while still allowing these shares in portfolios over time.

Thungela Resources assured MMH, as it was still early days, that adequate provision would be made for rehabilitation funds and there would be ethical provisioning and maintenance of these funds in future by the company.

In line with South Africa's National Environmental Management Act, 1998, mining companies must make adequate financial provision to ensure mitigation and remediation of adverse environmental impacts or damage caused by mining activities. Acting on this obligation could include progressive rehabilitation, decommissioning, closure and post-closure activities, as well as the pumping and treatment of polluted or extraneous water.

To mitigate the challenge of funds being available to ensure restoration of a post-mined landscape in the sector, MMH's cell captive insurer, Guardrisk, responded with a mining rehabilitation product that provides the required guarantee that funds will be available to ensure the restoration of the post-mined landscape. The product serves as a vehicle that drives the principle of a shared responsibility between business and government to help facilitate the development of strong and sustainable communities.

The mining rehabilitation guarantees provide mines with the resources to meet their legal and financial obligations at closure.

The cost in response to the risk relates to the R18.6 billion of the mining rehabilitation guarantees provided by Guardrisk at June 2022 which increased by 127% from June 2021. Additional costs relates to staff salaries.

Comment

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Investing (Asset manager) portfolio

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact
Increased direct costs

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

Company-specific description
Eris Property Group (Eris), a subsidiary of Momentum Metropolitan, is a fully integrated property development, investment and services group which provides a range of commercial property skills in the South African and sub-Saharan African markets. Its property management division has a total GLA of 1.36 million square metres under management, across a portfolio of properties valued at more than R22 billion.

South Africa's national power supplier and largest emitter, Eskom, is exempt from paying carbon taxes during the first phase that came into force on 1 June 2019. Had it been included its tax liability is estimated at R11.5-billion per annum and most likely it would have passed on the costs through increased tariffs, which will increase operational costs (electricity bills) for Eris and MMH.

From 2007 to 2022, electricity tariffs increased by 653%, whilst inflation over this period was 129%. Thus, electricity tariffs increased four-fold (or quadrupled) in real money terms in 14 years.

The heavily indebted Eskom increased electricity prices by an average of 15.63% in April 2021 with a further increase of 9.61% in April 2022.

Due to various reasons Eskom is not producing enough electricity to meet demand and is relying on load shedding to prevent the entire system from failing when the demand for electricity strains the production capacity. Load shedding is characterized by periods of widespread national-level rolling blackouts. According to the CSIR, South Africa experienced over 150 days of load shedding in 2022, up from 75 in 2021 and 54 in 2020.

During load shedding consumers revert to back-up diesel generators giving rise to additional cost and greenhouse gas emissions as the 2022 carbon fuel levy is 10c/litre of diesel.

The risk to Eris and MMH in South Africa relates to increased electricity costs and energy taxes/levies that are likely to substantially increase the operational costs, coupled with additional emissions from diesel which could impact on competitiveness.

Time horizon
Short-term

Likelihood
Very likely

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)
4765000

Potential financial impact figure – maximum (currency)
50000000

Explanation of financial impact figure
Eris' portfolio of properties under management is valued at more than R22 billion. Increased utility costs (electricity, water and waste) could lead to vacancies that will impact performance.

Eris derives income from the properties under its management. The Momentum Direct Property Portfolio, which has total assets under management exceeding R10 billion, has achieved annualised returns of 7.36% over the last three years. Increased costs and vacancies could reduce returns. A 0.5% reduction in performance could translate into R10 billion * 0.5% = R50 million less income for Eris.

Kigeni Ventures operate and maintain the solar PV systems on the roofs at no cost to the offtaker. Eris only purchase the energy generated by the solar PV systems and plant ownership transfers to Eris at the end of the power purchase agreement (PPA) term.

Kigeni Ventures' unit costs per kWh generated is charged at a 20 - 35% discount to current Eskom tariffs for electricity. Annual escalations are linked to inflation or NERSA increases.

The difference between what Eskom would have charged for the electricity vs the payment to Kigeni Ventures for the 10 357 MWhs renewable energy purchased from the solar PV systems, was calculated as an estimated saving of R4 765 000 based on a 20% discount to the Eskom tariff of R2.30 per kWh (R0.46 /kWh).

The financial impact will increase over time as more and more solar PV systems are installed reducing reliance on the Eskom grid with its supply issues. In addition to this there is an unquantified benefit of using green energy while receiving a stable supply of energy with price stability.

Cost of response to risk
224000

Description of response and explanation of cost calculation
In order to reduce or curtail electricity costs and carbon emissions Eris moved its head office in Johannesburg into one of its own developments in Sandton in F2021. The Marc is a prestigious multi-use, multi-tenant 5-star green-rated premises with energy and water efficient technologies and is also a MMH head office.

Eris's efforts to reduce its electricity consumption and related costs in the buildings under its management, include the installation of smart meters to reduce electricity waste and the installation of energy efficient lighting in all its buildings.

During F2022 Eris spent R224 000 to upgrade the lights in common areas of the Mamoste Gateway Centre and the Emala Mall in Witbank as well as upgrading the lighting in the Mezz parking at 1 On Langford, Westville Block A.

During F2021 Eris installed solar systems at seven of its retail sites with 2 more solar PV systems commissioned during F2022. Kigeni Ventures owns the solar PV systems while Eris purchases the electricity generated by the systems. During 2022 the solar PV systems generated more than 10 357 MWh, which is equivalent to providing clean energy to 943 households. This not only reduced energy consumption, but the Eris Property Group was able to avoid 9 839 tonnes of greenhouse gas emissions.

Eris, through its direct property portfolio, Momentum Direct Property Fund, invested significantly in the past years to reduce energy costs and its carbon footprint.

As an ESG-focused property fund, Momentum Direct Property Fund aims to achieve the following by 2030:
• Roll out solar installation projects at 14 retail properties
• Reduce emissions by a total of 16 800 tonnes of CO_2e
• Generate 17 710 MWh per year through clean energy sources
• Provide the equivalent of 2 548 households with clean energy.

Eris has applied for carbon credits which could in future be used by Momentum Metropolitan to offset its carbon footprint.

The total cost in response to the risk relates to the R224 000 spent on the lighting upgrades as the solar PV plants did not require capital outlay.

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
Opp2

Where in the value chain does the opportunity occur?
Insurance underwriting portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development of climate adaptation, resilience and insurance risk solutions

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

Company-specific description

Momentum Metropolitan is supportive of the Principles for Sustainable Insurance (PSI) initiative, which aims to ensure that all activities in the insurance value chain are responsible and include environmental, social and governance (ESG) issues. The changing risk landscape is leading to diverse, interconnected and complex risk that also present new opportunities for MMH.

Increasingly extreme weather events around the globe leave little doubt that climate change will impact on agriculture and food availability in the future.

South Africa's agricultural industry has three layers of diversity, each with their own challenges. The climate and soil differ significantly from area to area; a wide range of crops are grown and a broad segment of farms – from small emerging to large corporate farmers – compete in relatively small geographical spaces.

Large parts of South Africa's grain production regions are rain-fed and vulnerable to drought and grain price volatility. This leads to volatile output levels and severe financial pressure across the value chain.

Traditional crop insurance products, such as multi-peril crop insurance (MPCI), are often not best suited to the South Africa's grain industry as it inherently includes a great deal of anti-selection, leading to high prices. This is particularly problematic as high and volatile prices could automatically exclude emerging farmers, who are the most vulnerable to inclement weather patterns. For instance, a corporate farm would have the resources to withstand a year, or maybe even two, of drought but an emerging farmer would be hard hit in the first year.

MMH's cell captive insurer, Guardrisk, has through innovation provided a tailor-made solution suited to the local market in the non-life insurance sector to meet the demand for climate change related insurance and even reduced premiums associated with direct impacts from weather related events. This will therefore improve the profitability of products and improve persistency (lapse rate).

Time horizon
Medium-term

Likelihood
Likely

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)
53900000

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

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

Explanation of financial impact figure
In line with the Reinvent and Grow strategy MMH has a normalised headline earnings (NHE) target of R5 billion in F2024 of which Non-Life Insurance contributes 20% or R1 billion. During F2022 the Non-life Insurance contribution to NHE was 10% or R461 million, while Guardrisk continued on its growth trajectory contributing R449 million to NHE – an increase of 19% from F2021.

The estimated financial impact of growth in the Non-Life Insurance sector is therefore estimated to be R539 million to reach the R1 billion target in F2024. Should Guardrisk contribute 10% to the growth, the financial impact for MMH would be R539 million * 10% = R53.9 million.

Cost to realize opportunity
5500000

Strategy to realize opportunity and explanation of cost calculation
Various product development teams within MMH continually review MMH product offerings to ensure they meet the needs of the market. MMH's three year Reinvent and Grow strategy (2021 – 2024) advocates the development of new and refreshed products. As part of product innovation and a step towards providing insurance products that are linked to climate change issues, MMH (through Guardrisk) provides tailor-made insurance for grain farmers. This was done in order to mitigate and reduce the financial risks faced by South African grain farmers who are vulnerable to drought and grain price volatility.

Through its partnership with Agnovate, Guardrisk has developed a multi-peril yield insurance (MPYI) product which calculates insurance rates according to the historical yield performance of a predefined production area and considers similar soil and climate in one geographical area. Claims are based on the weighted average of yield shortfall determined across the production area and clients pre-agree to absorb a percentage of the total financial loss. Launched in August 2019, volatile climatic conditions triggered several claims since then. The product responded in accordance with expectations; adequately protecting clients' risks and living up to its promises. This is evident in that gross written premiums in F2022 increased by 86% to R5.2 million (F2021: R2.8 million).

In addition to developing new and innovative products, the way in which MMH conducts business is innovative and indirectly enables the business to adapt to the effects of the changing climate and thus creating resilience of its new and existing products. The new-generation crop insurance product is based on state-of-the-art technology, which is suited to the modern farming client.

The product development teams continue to identify and develop the appropriate non-life insurance products to address this opportunity. Product developer's salaries form part of MMH total remuneration expense.

Since March 2022, Guardrisk, partnering with the Momentum Metropolitan Foundation and Agri Enterprises, funds a three-year programme that aims to create a sustainable capacity-building intervention for 60 female farmers to develop entrepreneurial capacity that will drive economic growth in local communities.

The cost of to realize the opportunity relates to the share of salaries, marketing and other costs for developing new and innovative non-life products which is estimated to be R5.5 million per annum.

Comment

Identifier
Opp4

Where in the value chain does the opportunity occur?
Investing (Asset owner) portfolio

Opportunity type
Products and services

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

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

Company-specific description
Momentum Metropolitan recognizes that Responsible Investing (RI) is an opportunity and as such incorporate environmental, social and governance (ESG) factors into investment decisions across all asset classes, sectors and markets.

In order to realize the opportunity Momentum Investments has an impact investment portfolio that focusses on three areas – alternative energy, diversified infrastructure and social infrastructure.

The Momentum Alternative Energy Fund is a local impact portfolio that targets fundamental social and environmental challenges while also seeking a financial return. The portfolio invests in the equity and debt instruments of sustainable energy companies and projects. Sustainable energy companies are those which are engaged in alternative energy technologies including renewable energy technology; renewable energy developers; energy storage; energy efficiency; enabling energy infrastructure. The portfolio will not invest in companies involved with fossil fuel and consumables, and related technologies.

The Momentum Diversified Infrastructure Fund is a local impact portfolio that is invested in core infrastructure assets that provide essential services and have measurable impact outcomes. It provides diversification benefits and attractive financial returns including income and inflation protection. Underlying assets have stable and predictable cash flows as well as strong environmental, social and governance features. It is predominantly invested in South African as well as Southern African Development Community opportunities with positive social and environmental delivery objectives.

The Momentum Social Infrastructure Fund is a local impact portfolio, where the investment manager deploys capital to address pressing social challenges, while also seeking a financial return. Investments are aimed at supporting the provision of student housing in the higher education sector, quality affordable housing as well as rural and peri-urban retail shopping centres. This fund holds equity and debt instruments in operating companies and projects that develop and manage qualifying facilities. Each investment has measurable impact metrics, which the portfolio team measures, monitors and reports as part of the impact measurement and management framework.

With a focus on sustainable and clean energy, as well as driving climate action, MMH enables investment returns in the alternative investment, low-carbon space.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium-high

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)
68000000

Potential financial impact figure – maximum (currency)
2500000000

Explanation of financial impact figure
At F2022 year end Momentum Investments had R736.5 billion assets under management of which R258 million was invested in the 3 impact funds.

Financial impact for MMH relates to investment returns (interest and dividends) on funds deployed. During F2022 Momentum Investments received investment returns of R68 million with normalised headline earnings of R938 million. MMH conservatively estimated that investment returns on the Alternative Energy Fund, Diversified and Social Infrastructure Funds for the next 10 years could be between R1.5 billion and R2.5 billion.

MMH's Empowerment Financing division has invested R2.3 billion in renewable energy projects to date, with a further R3.9 billion due to be invested before the end of the 2022 calendar year, which is evidence of the opportunity to invest funds in low-emission technologies.

Cost to realize opportunity
146000000

Strategy to realize opportunity and explanation of cost calculation
Momentum Investment's strategy to realise the opportunity, as part of Momentum Alternative Energy Fund, in F2022 partnered with the Umoya wind farm, in Hopefield in the Western Cape and the West Coast National Park to provide renewable energy.

It also invested in Ilangalethu Karoshoek Solar CSP 1 with a capacity of 100 MWp in the Northern Cape which is a round 3 plant in South Africa's Renewable Energy Independent Power Producer Procurement Programme and was commissioned at the end of November 2018. In addition to the series of concave mirrors, which is used to harvest the sun's energy, it also has a tank of molten salt that is heated and can therefore continue to produce electricity for up to four hours after sunset.

These 2 projects generated 533 392 MWhs during F2022, equivalent to powering 147 200 homes while saving 559 954 tCO2e emissions.

Since 2009, as part of the Momentum Diversified Infrastructure fund, MMH invested in Community Investment Ventures (CIVH) which owns two main businesses being Dark Fibre Africa (DFA) and Vumatel.

DFA owns a fibre infrastructure network, which it makes available to a large network of customers on an open-access basis. These customers include telecommunication providers, academic institutions, municipalities, government and other corporates. Vumatel provides fibre access to homes and businesses through internet service providers.

ICT, though affordable access to the internet, has global carbon-reducing impacts and it is a key enabler to spur economic growth and to enable more people to participate fuller in the economy. Fibre infrastructure is a very capital-intensive business and CIVH enables telecoms providers to more efficiently use their capital by using DFA's

network, and hence drive down the cost of data access.

During F2022 fibre coverage to service business increased by 48.15% to 20 000 kilometres. 620 000 homes were connected while households with fibre increased by 60.13% to 1.5 million homes.

MMH continues to identify and implement opportunities for sustainable growth and investment returns by identifying innovative and diverse initiatives as alternative investments.

The total cost to realise the opportunity is R146 million invested in the Umoya wind farm and Ilangalethu Karoshoek solar plant (R96m) and R50 million invested in CIVH as part of a rights issue to more optimally structure its balance sheet and position it for further growth.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan
No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan
<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan
<Not Applicable>

Description of feedback mechanism
<Not Applicable>

Frequency of feedback collection
<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)
<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
MMH's Sustainability Department together with Responsible Investments and the risk analytics have started a journey of better understanding science-based targets and the fossil fuel exposure of its Scope 3 (Investments) carbon emissions in order to be able to determine how to contribute towards a low-carbon transition plan through daily operations and investments.

The complex nature of climate change and predicted future impacts make it challenging for historical data to be used to mitigate and adapt to this pending reality. Thus, a more forward-looking approach is necessary to inform future modelling and to deepen MMH's understanding of the associated socio-economic implications.

During F2021 MMH signed the Just Transition statement and was part of the PRI international investor working group on Just Transition which provided MMH with useful insight and opportunity to learn what information and data is needed as investors to understand companies' approaches to the Just Transition.

During F2022 members from the Sustainability Forum, which consist of senior management from the Momentum Metropolitan Group and its subsidiaries, assessed the climate change landscape and went on to map out qualitative scenarios for the Group.

These scenarios are a positive step in MMH's journey towards understanding climate change risk and its implications for the business. They will strengthen planning and strategic integration of climate risk whilst enabling MMH to identify and prioritise actions summarized in a low-carbon transition plan that will help the business adapt to achieve a sustainable 1.5°C pathway.

The Group made the decision to pursue net-zero targets linked to the preferred goal of limiting global warming to 1.5°C to accelerate MMH's climate action. A workgroup, supported by the Sustainability Forum will start the research and analysis in February 2023 to develop a framework that will guide prioritisation, resourcing and implementation.

Momentum Metropolitan seeks to improve the way it considers and addresses climate risk. Therefore, suitable methodologies to be able to conduct quantitative climate change risk scenarios will be identified in the near future. These quantitative scenarios will not only strengthen planning, forecasting and strategy integration, they will be a step closer towards MMH's net zero climate strategy.

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios: NGFS scenarios framework	Portfolio	<Not Applicable>	Momentum Metropolitan conducted climate-related scenario analysis using the NGFS framework to evaluate the impact it could have on Life Insurance, Non-Life insurance and Investments businesses – both from a physical climate (weather-related events and trends) and a transitional (transition to a low-carbon economy) perspective. In time the analysis will include at least one other climate scenario. The NGFS, a Group of central banks and academic advisors, provide a common reference framework for financial institutions to analyse key physical and transition risks and opportunities, including the economic impact of climate change. In assessing transition risk and opportunity, output from the NGFS, numerous relevant papers and findings and the National Business Initiative (NBI) were used because they collate extensive and diversified research at both global and local level. These were supplemented by relevant findings from the IPCC and its work on the role of businesses in achieving a Just Transition for South Africa. MMH's own proprietary research and forecasting of socio-economic and political trends were also used. MMH adopted two contrasting climate scenarios: a "Net Zero 2050" and "Current Policies" scenario across two time-horizons: 2022-2035 and 2035–2060. The Net Zero 2050 under an Orderly Transition aligns most closely with the ambitions of the Paris Agreement to limit temperature increases to 1.5°C above pre-industrial levels. Under this scenario, steps are immediately taken to halve GHG emissions by 2030 and reach net-zero emissions by 2050. This optimistic scenario aligns with the TCFD recommendation to include at least one scenario that results in warming below 2°C, and entails significant levels of transition risk and opportunity. Under Current Policies, the ambitions of the Paris Agreement are not met. The increase in global temperatures could range from 2°C-3.6°C, with 2.7 °C being the median. Despite current GHG reduction policies being implemented, GHG emissions continue with significant physical climate change impacts due to rising temperatures. MMH chose this as second scenario as it is distinctly different from the Net Zero 2050 scenario and aligns with current international GHG reduction targets and country commitments. Under this scenario where the policy environment is known, there are certain transitional impacts, but the physical risks and opportunities are materially higher than in the Net Zero 2050 scenario.
Physical climate scenarios: RCP 4.5	Portfolio	<Not Applicable>	Momentum Metropolitan conducted climate-change scenario analysis using the NGFS framework to evaluate the impact it could have on Life Insurance, Non-Life insurance and Investments businesses – both from a physical climate (weather-related events and trends) and a transitional (transition to a low-carbon economy) perspective. In time the analysis will include at least one other climate scenario. Physical climate risks and opportunities were identified by using a selection of climate models provided by institutions such as the Intergovernmental Panel on Climate Change (IPCC), the South African Council for Scientific and Industrial Research (CSIR), climate research NGO Climate Analytics, the South African Weather Service (SAWS) and The World Bank. Using climate models it is possible to determine different physical impacts across South Africa – including average temperature change, precipitation, drought, and sea-level rise. MMH adopted two contrasting climate scenarios: a "Net Zero 2050" and "Current Policies" scenario across two time-horizons: 2022-2035 and 2035–2060. The Net Zero 2050 under an Orderly Transition aligns most closely with the ambitions of the Paris Agreement to limit temperature increases to 1.5°C above pre-industrial levels and entails significant levels of transition risk and opportunity. Under Current Policies, the ambitions of the Paris Agreement are not met. The increase in global temperatures could range from 2°C-3.6°C, with 2.7 °C being the median. Despite current GHG reduction policies being implemented, GHG emissions continue with significant physical climate change impacts due to rising temperatures. MMH chose this as second scenario as it is distinctly different from the Net Zero 2050 scenario and aligns with current international GHG reduction targets and country commitments. Under this scenario where the policy environment is known, there are certain transitional impacts, but the physical risks and opportunities are materially higher than in the Net Zero 2050 scenario. Many countries have updated their GHG reduction commitments under their NDCs, but their policies on how to achieve these commitments must still be presented. This creates uncertainty of whether the stated reduction objectives will be met. MMH modelled the IPCC representative concentration pathways RCP4.5 and RCP6 with the Current Policies scenario for physical risk analysis.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

The qualitative assessment looked at the inherent impact and likelihood of source events for the two selected scenarios (Net Zero 2050 and Current Policies) across the two time-horizons: 2022-2035 and 2035-2060 within the Life Insurance, Non-Life insurance and Investments businesses.

The focal question was to identify physical and transitional climate risk types and to assess them from a materiality perspective across different risk types in MMH's risk taxonomy (for example, market, regulatory, longevity, mortality, morbidity, lapse, counterparty credit, operational, strategic, and business, non-life insurance and reputation).

Results of the climate-related scenario analysis with respect to the focal questions

A special Climate Risk Steering Committee was formed to facilitate the scenario analysis process. External climate consultants were also used to give guidance on climate trends and how these should be reported in alignment with TCFD reporting requirements.

The assessment was used to determine the materiality for other principal risk types considering the following factors:
• Potential claims
• Potential mismatch between value of assets underwritten and cost of replacement
• Shifts in geographic distribution of natural hazard and health risks
• Adequacy of reinsurance cover and pricing
• Technological investment for the low-carbon economic transition
• Affordability and adequacy of insurance cover
• Impact on the value of investments over the short and long-terms

It highlighted that further work needs to be performed include the following:
• Determining the level of exposure relative to the Group's risk appetite and risk strategy
• Assessing the adequacy and effectiveness of controls to determine the residual risk exposure
• Linking this process with scenario outcomes in the MMH ORSA process
• Determining metrics and targets for key climate change risk indicators

MMH recognises that the challenges of climate change will continue to evolve and that it is only starting the process to fully understand the impact that it will have on businesses, suppliers and customers.

While progress was made in the past year, MMH will increase efforts to integrate climate change awareness into all aspects of business, strengthen ownership and accountability for climate change and broaden the scenario analysis work.

MMH will therefore continue to identify top-priority climate risks and opportunities; further refine stress testing business resilience in response to these risks and opportunities; and interrogate the financial impacts that it could have on businesses.

C3.3

(C3.3) 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	Climate-related risks and opportunities have been integrated into business strategy as reflected in Momentum Metropolitan's implementation of its Responsible Investment guidelines across all asset classes, sectors and markets over the short, medium and long term. MMH realizes the need for product innovation in insurance products and as such Guardrisk, MMH's cell captive insurer, has through innovation provided a tailor-made solution suited to grain farmers in the non-life insurance sector to mitigate and reduce the financial risks faced by South African grain farmers who are vulnerable to drought and grain price volatility. Through its partnership with Agnovate, Guardrisk has developed a multi-peril yield insurance (MPYI) product which calculates insurance rates according to the historical yield performance of a predefined production area and considers similar soil and climate in one geographical area. Claims are based on the weighted average of yield shortfall determined across the production area and clients pre-agree to absorb a percentage of the total financial loss. The product meets the demand for climate change related insurance and even reduced premiums associated with direct impacts from weather related events. Rehabilitation funds is an integral and practical part of the Just Transition, which requires that the funds must be provided for now, not in future. On occasion, rehabilitation funds are abused and the money transferred out of these funds are sometimes never returned. When the mine then eventually closes, there could be nothing left in the rehabilitation fund to rehabilitate a degraded environment. In line with SA's National Environmental Management Act, 1998, mining companies must make adequate financial provision to ensure mitigation and remediation of adverse environmental impacts or damage caused by mining activities. Acting on this obligation could include progressive rehabilitation, decommissioning, closure and post-closure activities, as well as the pumping and treatment of polluted or extraneous water. To address the challenge of funds post-closure, MMH's cell captive insurer, Guardrisk, responded with a mining rehabilitation product that provides the required guarantee that funds will be available to restore the post-mined landscape, ensuring mines have the resources to meet their legal and financial obligations at closure.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	Yes	MMH developed a proprietary SDG impact framework, committed to by all investment teams, in which it set targets and track investment performance against six SDGs over the medium and long term. Against SDG 7: Affordable and Clean Energy and SDG 13: Climate Action, the following metrics are tracked: • Investment value in clean energy sources • Number of solar PV sites funded • Percentage of appointed third party investment managers with climate change policies • Percentage of private market General Partners with climate change strategies • Percentage of green-rated buildings in the listed property portfolio • Percentage of heavy emitting companies that publish TCFD reports Eris Property Group (Eris), a subsidiary of Momentum Metropolitan, is a fully integrated property development, investment and services group which provides a range of commercial property skills in the South African and sub-Saharan African markets. Its property management division has a total GLA of 1.36 million square metres under management, across a portfolio of properties valued at more than R22 billion. During F2021 Eris installed solar systems at seven of its retail sites with 2 more solar PV systems commissioned during F2022. Kigeni Ventures owns the solar PV systems while Eris purchases the electricity generated by the systems. During 2022 the solar PV systems generated more than 10 357 MWh, which is equivalent to providing clean energy to 943 households. This not only reduced energy consumption, but the Eris Property Group was able to avoid 9 839 tonnes of greenhouse gas emissions. During F2022 Eris, through its direct ESG-focused property portfolio, Momentum Direct Property Fund, set targets to achieve the following by 2030: • Roll out solar installation projects at 14 retail properties • Reduce emissions by a total of 16 800 tonnes of CO2e • Generate 17 710 MWh per year through clean energy sources • Provide the equivalent of 2 548 households with clean energy. As asset manager Eris therefore entered into a joint venture with a renewable energy company to develop 14 solar photovoltaic (PV) projects at various retail properties by 2030.
Investment in R&D	Yes	Technological innovations and trends as well as the potential losses attributed to technology failure have influenced MMH's strategy over the short, medium and long term. MMH has in place a Technology Risk Management Policy which documents sound practices to help ensure that technology risks and opportunities within MMH are managed and measured in an effective and consistent manner. The Technology Risk Management Framework assists Momentum Investments and Eris in decisions to invest in alternative energy, diversified infrastructure and social infrastructure. During F2022 the Momentum Alternative Energy Fund invested in the Umoya wind farm in the Western Cape and during F2021 refinanced the 100 MWp Karoshoek solar plant while Eris installed solar systems at nine of its sites with more in the pipeline. The Eris team is constantly looking for ways to reduce costs with new technology - it is investigating incorporating electric car chargers at all of their green rated buildings in future and other ways to reduce their carbon footprint. Research and development of new technology also affect the implementation of energy efficient and water savings technology in MMH's own operations.
Operations	Yes	Climate risks and opportunities could impact MMH operations due to extreme weather events resulting in damage infrastructure such as buildings, roads and bridges as staff may not be able to work in the offices or even travel to work. These climate-related risks, together with Covid-19, resulted in MMH incorporating in its strategy remote working in the short, medium and long term. MMH implemented technologies that enable staff to work remotely, thus business productivity will largely not be affected by weather-related events. Continuously increasing energy tariffs resulted in MMH implementing several programmes that reduce the energy consumption in their main offices and data centres. More than R400 million was invested for upgrading the Parc du Cap (Cape Town) and Centurion main office buildings, which includes retrofitting energy efficient air conditioner chillers and lighting, which has reduced both water and energy consumption. Upgrades in IT equipment resulted in improved power usage effectiveness (PUE) at the main data centres (Centurion and Parc du Cap). The current Data Centre Modernisation project aims to further reduce energy usage through ICT Kit power efficiency. This is achieved by having data centres migrate from power-intensive devices such as servers and storage to energy-efficient infrastructure solutions. New infrastructure migrations in Centurion are showing a large decrease in ICT device count while still growing the business. Converged infrastructure allows the increase of capacity while reducing energy, cooling, and physical footprint. The MMH Facilities team takes great care and consideration in the technologies installed within the MMH head offices; specifically with regards to new buildings energy efficient technologies are installed. An example is the multi-tenant development, The Marc in Sandton, and the Cornubia office in Durban, which have received 5- and 4-Star Green Rating from the Green Building Council of South Africa respectively.

C3.4

(C3.4) 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	Revenues Capital expenditures Capital allocation Access to capital Assets Claims reserves	Revenues: Although not explicitly considered, all current market trends are taken into consideration during the budgeting process. Climate change will impact revenue growth in line with any impact that may occur on the macro-economic climate of the country e.g., drought could result in lower crop production and thus, a lower demand for insurance and savings products. The impact of climate change could also result in increased claims from both short-term and long-term insurance as well as cost of additional reinsurance arrangements. However, in order to manage the potential increased claims, Momentum Insure sends weather alert notifications to its customers to warn them of any upcoming, possibly catastrophic, weather events such as hail or storms. Regardless, these possible impacts are factored into MMH's annual and medium-term budgeting and financial management processes. Capital expenditures/capital allocation: As a result of the 2017 Western Cape water crisis, MMH incurred an increased capital cost of R30 million in order to adapt to the drought and the environmental impact on its operations. The following long-term initiatives were implemented at our Parc du Cap office located in the Western Cape in order to reduce the risks brought about by water shortage (Medium impact). • Changed the water-cooled systems with air- cooled chiller plant in the identified buildings • Fire system modification – created own mechanism to keep water pressure at levels suitable for operation of the fire system • Sanitation system modification • Borehole installations • Back-up tanks on emergency fire tanks installed to ensure water for sprinkler systems to protect employees and buildings despite possible municipal outages. The back-up tanks also support kitchens and ablution facilities in the event of a water outage. More than R400 million was invested for upgrading the Parc du Cap (Cape Town) and Centurion main office buildings, which includes retrofitting energy efficient air conditioner chillers and lighting, which has reduced both water and energy consumption. R33 million was invested in upgrades in IT equipment that resulted in improved power usage effectiveness (PUE) at the main data centres (Centurion and Parc du Cap). The current Data Centre Modernisation project aims to further reduce energy usage through ICT Kit power efficiency. This is achieved by having data centres migrate from power-intensive devices such as servers and storage to energy-efficient infrastructure solutions. New infrastructure migrations in Centurion are showing a large decrease in ICT device count while still growing the business. Converged infrastructure allows the increase of capacity while reducing energy, cooling, and physical footprint. Access to Capital: Responsibly investing in water infrastructure over the long-term In F2021 MMH invested R600 million in two water infrastructure projects. One of the these is a bulk raw water infrastructure project, and the second project will increase access to clean water. During F2022 MMH provided Rand Water with a SDG-linked loan. Rand Water is a South African water utility that supplies potable water to Gauteng province and other areas of the country and is the largest water utility in Africa. The loan conditions require that Rand Water install additional solar energy as per SDG 7's goals for affordable and clean energy. A 2021 baseline was created with specific targets for June 2023 and June 2025. Should the targets be met, the interest rate on the loan will be reduced by 0.03% to 0.05%. Assets: MMH is increasing the capital outlay to owned MMH buildings in order to ensure that they are energy efficient, utilize less water and have an overall less impact on the environment. Another example is the multi-tenant development, The Marc in Sandton, and the Cornubia office in Durban, which have received 5- and 4- Star Green Rating from the Green Building Council of South Africa respectively. This will ultimately increase the asset value for MMH over the long term. Claims Reserves: Increased claims from extreme weather events such as storms etc. are expected. These increasing claims from both short-term and long-term insurance have been factored into MMHs annual and medium-term budgeting and financial management process.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C-FS3.6

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

	Policy framework for portfolio activities that include climate-related requirements for clients/investees, and/or exclusion policies	Explain why the policy framework for your portfolio activities do not include climate-related requirements for clients/investees, and/or exclusion policies
Row 1	Yes, our policies include climate-related requirements that clients/investees need to meet	<Not Applicable>

C-FS3.6a

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio
Investing (Asset owner)

Type of policy
Sustainable/Responsible Investment Policy

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
MMH Climate Change Investment Policy - May 2021.pdf
MMH Just-transition-investor-statement.pdf
MMH Responsible Investment Policy - May 2021.pdf

Criteria required of clients/investees
Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Set an emissions reduction target
Other, please specify (Adopt the TCFD recommendations)

Value chain stages of client/investee covered by criteria
Direct operations and supply chain

Timeframe for compliance with policy criteria
Clients/investees must be compliant within the next year

Industry sectors covered by the policy
Energy
Telecommunication Services
Real Estate

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
Climate change is a real risk that affects the sustainability of markets and companies globally and it is therefore especially relevant to MMH's investment decision-making process.

Direct investments and investment management agreements require appointees to adopt and comply with MMH's responsible investment policies, which includes the climate investment policy, and requires the acknowledgement of the importance of a Just Transition.

MMH encourages management to equip themselves to transition to a low carbon business. With appointed investment managers, MMH conduct an annual investment manager responsible investment rating assessment, where they are encouraged to adopt a climate-change focus for a sustainable and Just Transition future.

Assessments include if climate-related risks were acknowledged and evident in the respective investment managers' policies. Information on how to write a climate-change investment policy and information on TCFD recommendations were shared as MMH wants appointed investment managers to be aligned to its investment approach. The total universe assessed for the calendar year 2021, were 56 investment managers in South Africa.

Through stewardship efforts, MMH engages with the companies in which it invests and focuses on ensuring that management considers climate-change risks and ESG is directly linked (at least 5%) to the CEO's remuneration policy.

C-FS3.6c

(C-FS3.6c) Why does the policy framework for your portfolio activities not include climate-related requirements for clients/investees, and/or exclusion policies?

Currently no exclusion policies exist as MMH encourages investees to increase their awareness of climate matters, and to ensure that they also have a climate focus for a sustainable and resilient future business.

As investors, MMH acknowledges change is inevitable and, therefore, the future of employment in the most affected sectors such as energy, oil and gas need to be considered carefully to ensure a Just Transition is achieved. As an example, the coal industry remains a significant sector in many developing and developed countries from an employment perspective and the socio-economic impact of potential job losses and worker displacement during a transition should be carefully managed.

It is not only about phasing out polluting sectors, but also about creating new jobs, new skills, new investments, and the opportunity to create a resilient economy. Social dialogue is key to collaborate and to acknowledge in policies that a Just Transition is necessary.

Apart from not investing in any new thermal coal projects, MMH's investment approach is not exclusionary. Rather, a stewardship approach in which MMH engages directly with investees who are deemed heavy carbon emitters and have signed the PRI-led international statement of investor commitment to support a Just Transition on climate change.

For considering investments in fossil fuel - businesses will be subject to whether:

· Entities report in line with the TCFD recommendations.

· Decommissioning stages of the project are in place to allow for renewable and or low carbon technology investments in future.

· The banks involved with the transaction apply the Equator Principles, which is a set of voluntary standards designed to help banks identify and manage social and environmental risks associated with the projects.

C-FS3.7

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

	Climate-related requirements included in selection process and engagement with external asset managers	Primary reason for not including climate-related requirements in selection process and engagement with external asset managers	Explain why climate-related requirements are not included in selection process and engagement with external asset managers and your plans for the future
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS3.7a

(C-FS3.7a) Provide details of the climate-related requirements included in your selection process and engagement with external asset managers.

Coverage
All assets managed externally

Mechanisms used to include climate-related requirements in external asset manager selection
Include climate-related requirements in performance indicators and incentive structures
Publish requirements of external investment managers in relation to climate issues
Review investment manager's climate-related policies

Describe how you monitor and engage with asset managers to ensure investment activities are consistent with your climate strategy
Climate change is a genuine risk for companies, some companies are more climate sensitive and therefore need to have plans in place to transition to a low carbon economy.

Through MMH's annual responsible investment rating assessment of external appointed investment managers, MMH assesses who acknowledges climate change as a risk and encourage them to incorporate these considerations in a climate investment policy. This responsible investment rating model complements the appointment, monitoring and reviewing process of the investment managers. Hereby establishing which appointees don't acknowledge climate-related risks and allows MMH to have a more targeted engagement to ensure alignment and compliance to MMH's responsible investment and climate investment policies.

The percentage of appointed investment managers with climate policies increased from 10% (2021) to 23% (2022) while climate change policy coverage of investments increased from 16.36% (2021) to 21.55% (2022). Eight of the nine companies MMH engaged with during 2022 published their reports in line with the TCFD recommendations.

Through involvement with the Association for Savings and Investment South Africa (ASISA), support for the Code for Responsible Investing in South Africa (CRISA) and being a signatory to the United Nations-supported Principles for Responsible Investment (PRI), MMH endeavors to encourage other investment managers, service providers, asset consultants and investment owners to apply responsible investment practices in their daily operations. During F2021 MMH became a signatory to the PRI-led international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment.

C4. Targets and performance

C4.1

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

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number
Int 2

Is this a science-based target?
No, and we do not anticipate setting one in the next two years

Target ambition
<Not Applicable>

Year target was set
2018

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Location-based

Scope 3 category(ies)
<Not Applicable>

Intensity metric
Metric tons CO2e per unit FTE employee

Base year
2014

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
0.08

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
3.34

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
3.42

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure
<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure
100

Target year
2030

Targeted reduction from base year (%)
25

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]
2.565

% change anticipated in absolute Scope 1+2 emissions
25

% change anticipated in absolute Scope 3 emissions
0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
0.216

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
2.442

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
2.658

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
89.1228070175439

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
MMH has a company-wide intensity target to reduce Scope 1 &2 GHG emissions per FTE by 25% in 2030, from a 2014 baseline year.

Plan for achieving target, and progress made to the end of the reporting year

MMH achieved energy savings by installing a live management system for energy data at the Centurion head office monitoring the efficiency projects installed under Phase A and B that included retrofitting of chillers and lighting technologies.
Upgrades in IT equipment resulted in improved power usage effectiveness (PUE) at the main data centres (Centurion and Parc du Cap).
The Data Centre Modernisation project aims to further reduce energy usage through ICT Kit power efficiency. This is achieved by having data centres migrate from power-intensive devices such as servers and storage to energy-efficient infrastructure solutions. New infrastructure migrations in Centurion are showing a large decrease in ICT device count while still growing the business. Converged infrastructure allows the increase of capacity while reducing energy, cooling, and physical footprint.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
No other climate-related targets

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	2	
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	1	158.08
Not to be implemented	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	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
158.08

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
284000

Investment required (unit currency – as specified in C0.4)
1600000

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
New energy efficient chillers were installed in Parc Du Cap data centre to achieve energy and cost savings while reducing emissions.

C4.3c

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

Method	Comment
Compliance with regulatory requirements/standards	MMH complies with environmental regulation, a result of this has been the need to reduce emissions in order to reach the desired targets. In addition to this, MMH seeks to ensure that their head office buildings are compliant with regulatory standards while any new buildings are green building certified and compliant with SANS204 standard for energy efficiency in buildings.
Dedicated budget for energy efficiency	MMH requires a dedicated budget for the upgrade of infrastructure which results in the upgrade and installation of energy efficiency technologies. As a result, the board approves and sets aside a budget required to ensure energy efficiency within the company's main office buildings is improved. Once the board approves budget, the facilities team, as project managers/implementers, receive a dedicated budget that will ensure efficient and timeous implementation of projects and initiatives that contribute towards energy efficiency and water use reduction.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C-FS4.5

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?

Yes

C-FS4.5a

(C-FS4.5a) Provide details of your existing products and services that enable clients to mitigate and/or adapt to climate change, including any taxonomy used to classify the products(s).

Product type/Asset class/Line of business

Investing	Infrastructure

Taxonomy or methodology used to classify product

Evaluating the carbon-reducing impacts of ICT

Description of product

MMH through the Momentum Diversified Infrastructure fund, invested in Community Investment Ventures (CIVH).

CIVH is active in the telecommunications and information technology sectors and owns two main businesses being Dark Fibre Africa (DFA) and Vumatel.

DFA owns a fibre infrastructure network, which it makes available to a large network of customers on an open-access basis. These customers include telecommunication providers, academic institutions, municipalities, government and other corporates. Vumatel provides fibre access to homes and businesses through internet service providers.

Affordable access to the internet, has global carbon-reducing impacts and it is a key enabler to spur economic growth and to enable more people to participate fuller in the economy. Fibre infrastructure is a very capital-intensive business, and CIVH enables telecoms providers to more efficiently use their capital by using DFA's network, and hence drive down the cost of data access.

During F2022 fibre coverage to service business increased by 48.15% to 20 000 kilometres. 620 000 homes were connected while households with fibre increased by 60.13% to 1.5 million homes.

Vumatel has a strategy of connecting schools for free where their infrastructure passes the school. So far, it has connected more than 300 schools with 1 Gbps fibre connectivity.

Product enables clients to mitigate and/or adapt to climate change

Mitigation
Adaptation

Portfolio value (unit currency – as specified in C0.4)

44600000

% of total portfolio value

0.02

Type of activity financed/insured or provided

Paperless/digital service

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
Yes, a divestment

Name of organization(s) acquired, divested from, or merged with
Momentum Metropolitan in Kenya

Details of structural change(s), including completion dates
Momentum Metropolitan exited Kenya in June 2022 - therefore all consumption was excluded for the 2022 reporting year.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the impact does not meet our significance threshold	<Not Applicable>	The base year recalculation policy provides a framework for all MM Holdings current and future carbon footprint calculations. This policy applies to all divisions and businesses included in the MMH carbon footprint MMH's base year emissions recalculation policy gives a significance threshold for historic emissions recalculations and details the appropriate context for any significant changes that shall trigger base year emissions recalculation. MMH's base year emissions shall be recalculated and restated under the following circumstances: • Where significant changes in the accuracy of published emission factors occur. In such cases, MMH will utilise the most accurate factor. • Any emission factor change that results in a 5% variance in emissions for that emission source shall trigger recalculation and restating of published emissions. • A methodological change to either the organisational boundary or operational boundary shall require a recalculation. • In the situation where MMH has performed or undertaken any of the following, recalculation will occur dependent on data availability within the new entity: - Mergers or acquisitions - Divestitures - Insourcing/outsourcing of emitting activities • Any error in a previous year's submission that is picked up in the current submission that results in a 5% variance in emissions for that emission source shall trigger recalculation and restating of that particular year's carbon footprint. Responsibility for the policy resides with the Head of Sustainability. The policy will be reviewed every three years or earlier if it becomes necessary. The effective date of the policy was from 2014, after acceptance by the Social, Ethics and Transformation Committee. Dated: November 2013 Updated: March 2018 MMH's exit from Kenya does not meet the significance threshold of 5%.	No

C5.2

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

Scope 1

Base year start
July 1 2013

Base year end
June 30 2014

Base year emissions (metric tons CO2e)
1444.38

Comment

Scope 2 (location-based)

Base year start
July 1 2013

Base year end
June 30 2014

Base year emissions (metric tons CO2e)
58209.08

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment
No instruments were purchased.

Scope 3 category 1: Purchased goods and services

Base year start
July 1 2013

Base year end
June 30 2014

Base year emissions (metric tons CO2e)
1113.64

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
July 1 2013

Base year end
June 30 2014

Base year emissions (metric tons CO2e)
6555.55

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start
July 1 2013

Base year end
June 30 2014

Base year emissions (metric tons CO2e)
10813.86

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) 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)

3567.98

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

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 have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

C6.3

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

Reporting year

Scope 2, location-based

40436.99

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

No renewable energy or instruments were purchased.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 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, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Geography - Ghana and Mozambique operations.
Scope 1 emissions for most non-SA offices (if applicable, as these are small, leased premises).
Electricity and water consumption associated with vacant space in MMH-owned properties.

Scope(s) or Scope 3 category(ies)

Scope 1
Scope 2 (location-based)
Scope 3: Purchased goods and services
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Waste generated in operations
Scope 3: Business travel

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are not relevant

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

3

Estimated percentage of total Scope 3 emissions this excluded source represents

3

Explain why this source is excluded

Lack of data.

Explain how you estimated the percentage of emissions this excluded source represents

Ghana & Mozambique (5 small offices) combined represented 1% of MMH's global GLA in 2022.
Omitted emissions are unlikely to account for more than 3% of MMH's 2022 Scope 1, 2 or 3 GHG emissions and are therefore not relevant.

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

Emissions in reporting year (metric tons CO2e)

472.39

Emissions calculation methodology

Supplier-specific method

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

100

Please explain

Consumption of office paper and municipal water
Paper emission factors: Mondi Rotatrim Paper Profile – released February 2022 and Sappi Typek Paper Profile – released May 2023 indicating electricity usage and CO2 emissions per tonne of paper and Eskom 2022. Defra 2022: Material use emission factor for other paper.
The paper size is determined, the weight per page is worked out. The total grams per paper type is calculated (weight of page multiplied by the number of pages). The kg's of paper is then calculated and multiplied by the emission factor of that paper type according to the GHG Protocol. This is done per paper size per paper make.

Data is sourced from various countries for water. The kL of water is calculated and multiplied by the emission factor for water. Emission factor for Gibraltar, Guernsey and UK sourced from Defra 2022, using UK rate. Water emission factor for South Africa and Rest of Africa is sourced from Friedrich, Pillay & Buckley 2007 "The use of LCA in the water industry and the case for an environmental performance indicator." Water SA, Vol. 33.

Capital goods

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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

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

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
5550.22

Emissions calculation methodology
Supplier-specific method
Fuel-based method

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

Please explain
Transmission and Distribution losses
Purchased electricity (kWhs) consumed were used to calculate emissions according to the GHG Protocol using the emissions factor from the Eskom 2022 Annual Integrated Report and IEA emission factors for electricity for the African countries.
Well-To-Wheel (WTW) emissions is based on petrol and diesel purchased for owned cars and generators - stationary and mobile fuel.

Upstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
275.62

Emissions calculation methodology
Waste-type-specific method

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

Please explain
Waste to landfill and recycled
Tonnes of wet waste to landfill and tonnes of municipal waste recycled were used to calculate emissions according to the GHG Protocol using Defra's 2022 emission factors for municipal waste and Friedrich and Trois (2013), GHG emission factors developed for the collection, transport and landfilling of municipal waste in South African municipalities.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
5238.06

Emissions calculation methodology
Fuel-based method
Distance-based method

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

Please explain
Business travel in rental cars, commercial airlines, accommodation and travel claims
Car rental - kilometres travelled, engine size and type of fuel used provided by service provider. Defra's 2022 emission factors for business travel - land and fuels used for WtW.
Air travel - flight information provided by service provider, including class of travel, departure dates and destination of each leg. Carbon Calculated determined the distance travelled. Defra's 2022 emission factors for business travel - air used.
Hotel accommodation - bednights provided by service provider. Defra's 2022 emission factors for hotel stay in South Africa and internationally used.
Travel claims - calculated using the available records for reimbursive travel.
Emissions were calculated according to the GHG Protocol.
It is assumed that there is one occupant per vehicle rented.
Hotel accommodation was based on estimated number of nights away on business travel and calculations were based on 1 person occupying a room per night.

Employee commuting

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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

Upstream leased assets

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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

Downstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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
MMH's services are not physical intermediate products that require further processing. It is not responsible for directly generating greenhouse gas emissions.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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
MMH offers financial services and insurance products and its sold products do not consume energy when used to generate GHG emissions.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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
MMH offers financial services and insurance products and hence, do not produce sold products that need to be treated at end of life.
Policy paper used is already accounted for under purchased goods and services.

Downstream leased assets

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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
MMH does not operate any franchises.

Investments

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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

Other (upstream)

Evaluation status

Emissions in reporting year (metric tons 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

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons 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

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

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
5.92e-7

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
44004.97

Metric denominator
unit total revenue

Metric denominator: Unit total
74327000000

Scope 2 figure used
Location-based

% change from previous year
9.54

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities
Change in revenue

Please explain
Scope 1 & 2 emissions increased by 0.58% despite MMH installing new energy efficient chillers in the Parc Du Cap data centre to achieve energy and cost savings while reducing emissions.
Revenue increased by 11.19% resulting in a decrease in the intensity figure for revenue.

Intensity figure
2.658

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
44004.97

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
16558

Scope 2 figure used
Location-based

% change from previous year
0.13

Direction of change
Increased

Reason(s) for change
Other emissions reduction activities
Change in physical operating conditions

Please explain
Scope 1 & 2 emissions increased by 0.58% despite MMH installing new energy efficient chillers in the Parc Du Cap data centre to achieve energy and cost savings while reducing emissions. Load shedding by Eskom resulted in generators used for back-up electricity increasing diesel consumption.
FTEs increased by 0.46% resulting in an increase in the intensity figure for revenue.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Africa *South Africa, Namibia, Botswana and Lesotho*	3567.98

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary fuels: Diesel	2571.79
Mobile fuels: Petrol and diesel	481.35
Product use emissions: Refrigerant gases (Kyoto)	514.84

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
South Africa	39740.95	
Other, please specify (Botswana, Namibia, Lesotho, Gibraltar, Guernsey, Mauritius, United Kingdom)	696.04	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased electricity	40436.99	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

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?

Increased

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 in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	No additional renewable energy or instruments were purchased in 2022.
Other emissions reduction activities	158.08	Decreased	0.36	MMH installed new energy efficient chillers in the Parc Du Cap data centre to achieve energy and cost savings while reducing emissions. Total Scope 1 & 2 emissions for 2021 were 43 749 tCO2e. We therefore arrived at -0.36% through (-158 / 43 749) * 100 = -0.36%
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	764.25	Decreased	1.75	Scope 2 emissions reduced due to Eskom's emissions factor for South Africa decreasing from 1.06 tCO2e/kWh in 2021 to 1.04 tCO2e/kWh in 2022. Total Scope 1 & 2 emissions for 2021 were 43 749 tCO2e. We therefore arrived at -1.75% through (-764 / 43 749) * 100 = -1.75%
Change in boundary		<Not Applicable>		
Change in physical operating conditions	1177.83	Increased	2.69	Eskom's rotational load shedding (national power cuts) during the year resulted in increased diesel consumption in generators. Total Scope 1 & 2 emissions for 2021 were 43 749 tCO2e. We therefore arrived at 2.69% through (1 177 / 43 749) * 100 = 2.69%
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

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?

More than 0% but less than or equal to 5%

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	No

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)	HHV (higher heating value)	0	12125	12125
Consumption of purchased or acquired electricity	<Not Applicable>	0	40167	40167
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>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	0	52292	52292

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
LHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value
LHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
12125

MWh fuel consumed for self-generation of electricity
10157

MWh fuel consumed for self-generation of heat
1968

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Diesel & petrol

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
South Africa

Consumption of purchased electricity (MWh)
38212

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
38212

Country/area
Other, please specify (Botswana, Lesotho, Mauritius, Namibia, Gibraltar, Guernsey and the United Kingdom)

Consumption of purchased electricity (MWh)
1955

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1955

C9. Additional metrics

C9.1

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

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
MMH 2022 GHG Verification Opinion Declaration_20July2023.pdf

Page/ section reference
Pages 1-5

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
MMH 2022 GHG Verification Opinion Declaration_20July2023.pdf

Page/ section reference
Pages 1-5

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
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Waste generated in operations
Scope 3: Business travel

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
MMH 2022 GHG Verification Opinion Declaration_20July2023.pdf

Page/section reference
Pages 1-5

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
C5. Emissions performance	Year on year change in emissions (Scope 1 and 2)	ISO14064-3	Organisation-wide, annual assurance of Scope 1 & 2 emissions compared to the prior year, together with explanations for changes MMH 2022 GHG Verification Opinion Declaration_20July2023.pdf
C5. Emissions performance	Year on year change in emissions (Scope 3)	ISO14064-3	Organisation-wide, annual assurance of Scope 3 emissions compared to the prior year, together with explanations for changes MMH 2022 GHG Verification Opinion Declaration_20July2023.pdf
C5. Emissions performance	Year on year emissions intensity figure	ISO14064-3	Year-on-year emissions intensity figures for FTEs and GLA reviewed as part of the verification process. MMH 2022 GHG Verification Opinion Declaration_20July2023.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.
South Africa carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

South Africa carbon tax

Period start date
January 1 2021

Period end date
December 31 2021

% of total Scope 1 emissions covered by tax
0

Total cost of tax paid
0

Comment
Both the Carbon Tax Act and the Customs and Excise Amendment Act came into effect on 1 June 2019.
The carbon tax filing and payment for the period January to December 2021 was due by 31 March 2022.
Refrigerant gas consumption has been excluded for the first phase of the carbon tax and the 2021/2022 carbon fuel levy of 8 cents per litre on petrol and 9 cents on diesel is added to operating costs as part of the fuel price – taxed at source.

MMH's combined generator capacity exceeds 10MW(Thermal) and therefore it has to submit environmental levy accounts annually, although no tax is due or payable. The data is independently verified annually.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

As part of South Africa's ongoing efforts to move towards a low carbon economy and to meet South Africa's INDC targets, the Carbon Tax Act and the Customs and Excise Amendment Act came into effect on 1 June 2019.

The tax rate was set at R120 per tonne of CO2e (carbon dioxide equivalent) produced and increases annually by inflation plus 2 per cent. During the first stage, a percentage-based threshold of 60% will apply, below which tax is not payable. The first phase was extended from 31 December 2022 to 31 December 2025.

The intention is to provide for a tax-free liability threshold of 10 megawatts (MW) thermal capacity. The threshold is high enough to exclude non-industrial activities from the carbon tax, but low enough to make the tax applicable to most high-emitting industries in the country.

The South African Greenhouse Gas (GHG) Reporting Regulations require all South African companies that are in control of certain listed activities exceeding a specified threshold to report their GHG emissions to the DFFE. DFFE will use the GHG emissions reported by companies as basis for carbon tax liability calculations.

An entity liable for mandatory reporting was obliged to register each facility on the internet-based National Atmospheric Emission Inventory System (NAEIS). Once registered, liable entities are required to report their aggregated South African facilities' GHG emissions at company level for the preceding calendar year to DFFE by 31 March each year via NAEIS.

MMH has assessed all its facilities and registered with DFFE. Although MMH is not liable for carbon tax during the first phase, it still needs to submit environmental levy accounts regardless of whether any carbon tax payment is due.

The Sustainability Department is responsible for ensuring that MMH is compliant with the DFFE emissions reporting obligation annually. It therefore compiles a carbon footprint inventory for Scope 1, 2 and 3 emissions which is independently verified each year.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently 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 investees

C12.1a

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

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Collaborate with suppliers on innovative business models to source renewable energy

% of suppliers by number
1

% total procurement spend (direct and indirect)
1

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

Rationale for the coverage of your engagement
MMH developed a proprietary SDG impact framework, committed to by all investment teams, in which it set targets and track investment performance against six SDGs. Against SDG 7: Affordable and Clean Energy and SDG 13: Climate Action, some of the metrics tracked include:
• Investment value in clean energy sources
• Number of solar PV sites funded
• Percentage of green-rated buildings in the listed property portfolio

As asset manager Eris Property Group (Eris), a fully integrated property development, investment and services group, provides a range of commercial property skills in the South African and sub-Saharan African markets. Its property management division has a total GLA of 1.36 million square metres under management, across a portfolio of properties valued at more than R22 billion.

During F2022 Eris, through its direct ESG-focused property portfolio, Momentum Direct Property Fund, set targets to achieve the following by 2030:
• Roll out solar installation projects at 14 retail properties
• Reduce emissions by a total of 16 800 tonnes of CO2e
• Generate 17 710 MWh per year through clean energy sources
• Provide the equivalent of 2 548 households with clean energy.

Eris continues to look for innovative ways to increase its renewable energy consumption to reduce greenhouse gas emissions and explores alternative finance arrangements for the use of renewable energy to reach its target.

Impact of engagement, including measures of success
During F2021 Eris installed solar systems at seven of its retail sites with 2 more solar PV systems commissioned during F2022. Kigeni Ventures owns the solar PV systems while Eris purchases the electricity generated by the systems. During 2022 the solar PV systems generated more than 10 357 MWh, which is equivalent to providing clean energy to 943 households. This not only reduced energy consumption, but the Eris Property Group was able to avoid 9 839 tonnes of greenhouse gas emissions.

Eris therefore entered into a joint venture with a renewable energy company to develop 14 solar photovoltaic (PV) projects at various retail properties by 2030.

In order to pursue green-rated building status MMH's offices in Centurion and Parc du Cap are looking to instal solar PV systems on its roofs & parking lots, together with Battery Energy Storage Systems (BESS).

Self-generated or purchased renewable energy will achieve energy self-sufficiency, ensure price certainty, secure long-term energy supply with resultant large operational costs savings.

Comment

C-FS12.1c

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

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement
Exercise active ownership
Encourage better climate-related disclosure practices among investees

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b
0

Investing (Asset managers) portfolio coverage

Investing (Asset owners) portfolio coverage
100

Rationale for the coverage of your engagement
Engagement targeted at investees with increased climate-related risks

Impact of engagement, including measures of success
Direct investments and investment management agreements require appointees to adopt and comply with MMH's responsible investment policies, which includes the climate investment policy, and requires the acknowledgement of the importance of a Just Transition.

Through stewardship efforts, MMH engages with the companies in which it invests and focuses on ensuring that management considers climate-change risks.

During 2022 as participants in Climate Action 100+, MMH held direct discussions with the Sasol Board of directors and management team to consider that ESG is directly linked (at least 5%) to the CEO's remuneration policy.

Engagements included discussions on the opportunity for Sasol to refinance its loan facilities using a combination of green bonds and sustainability-linked loans to achieve specific climate mitigation goals, such as rolling out renewables and reconfiguring operations to more eco-efficient feed stock and emission mitigation measures.

Measures of success: Sasol's 2023 remuneration policy integrates metrics aligned to its transition strategy and Sasol committed to an active plan and strategy to achieve net zero by 2050.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?
No, but we plan to introduce climate-related requirements within the next two years

C-FS12.2

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

	Exercise voting rights as a shareholder on climate-related issues	Primary reason for not exercising voting rights as a shareholder on climate-related issues	Explain why you do not exercise voting rights on climate-related issues
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS12.2a

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder
Exercise voting rights directly

How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?
<Not Applicable>

Percentage of voting disclosed across portfolio
100

Climate-related issues supported in shareholder resolutions
Climate-related disclosures

Do you publicly disclose the rationale behind your voting on climate-related issues?
Yes, for all

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, we engage directly with policy makers

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
Yes

Attach commitment or position statement(s)
MMH Climate Change Investment Policy - May 2021.pdf
MMH Just-transition-investor-statement.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
Momentum Metropolitan is represented by various business unit representatives who engage with Government, Regulators, Industry Bodies and Business Partners on policy issues impacting the business inclusive of climate change.

The various representatives meet on a regular basis with their associations to debate and give recommendations on various topics to ensure sustainability in their business models.

The Sustainability Department is coordinating sustainability issues, inclusive of climate-related issues, across the business and incorporate and report on the Responsible Investments engagement activities to the SETC - feedback on issues is reported as per MMH's Risk Management policy.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers
The Green Finance Taxonomy for South Africa - a catalogue that defines a minimum set of assets, projects and sectors that are eligible to be defined as 'green' in line with international best practice and national priorities. It will also help curb greenwashing, and the disclosure practices will enable transparency and accountability among market participants.

Category of policy, law, or regulation that may impact the climate
Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate
Transparency requirements

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
South Africa

Your organization's position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
MMH responded to the consultation and sent a written response to National Treasury on the Green Finance Taxonomy for South Africa which was adopted in March 2022. It is aligned with the European Union Taxonomy and opens the market for green economic growth.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
<Not Applicable>

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
Momentum-Metropolitan-Integrated-Report-2022.pdf

Page/Section reference
Momentum Metropolitan Integrated Report 2022 – pp 1 - 117

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication
In mainstream reports, incorporating the TCFD recommendations

Status
Complete

Attach the document
TCFD-Report-2022.pdf

Page/Section reference
TCFD Report 2022 – pp 1-28

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication
In voluntary sustainability report

Status
Complete

Attach the document
Momentum-Metropolitan-Sustainability-Report-2022.pdf

Page/Section reference
Momentum Metropolitan Sustainability Report 2022 – pp 1 - 64

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment
This is Momentum Metropolitan's inaugural Sustainability Report.

Publication
In voluntary communications

Status
Complete

Attach the document
Annual-Stewardship-Report-Momentum-Investments-Nov-2022.pdf

Page/Section reference
Annual Stewardship Report 2021 – pp 1 - 32

Content elements
Strategy
Risks & opportunities
Other metrics

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Climate Action 100+ International Corporate Governance Network (ICGN) Principle for Responsible Investment (PRI) Task Force on Climate-related Financial Disclosures (TCFD) UNEP FI Principles for Sustainable Insurance Other, please specify (Just Transition on Climate Change; Association for Savings and Investment South Africa (ASISA), NBI)	MMH is a participant of the Climate Action 100+ global investor initiative who in South Africa identified two specific emitters for long-term engagement: Sasol and Eskom. MMH is part of this industry grouping and its responsible investment team is part of the Sasol engagement group, while the fixed interest team forms part of the Eskom engagement group. MMH has been a signatory of the United Nations-supported Principles for Responsible Investment (PRI) initiative since 2006, which commits MMH to consider social and environmental criteria in investment analysis and the decision-making processes, accompanied by annual reporting. MMH signed the PRI-led international statement of investor commitment to the Just Transition initiative and serve on the working group. In May 2021, MMH became the first South African insurance company to sign up as a formal supporter of the TCFD. MMH is a signatory to and supporter of the UN Principles for Sustainable Insurance. MMH is a supporter of the CRISA and responded to the CRISA 2020 revision consultation draft. MMH is a member of the ICGN and also serves on the ASISA Responsible Investment Committee, with wide representation across various technical and investment committee working groups. MMH is a member of the Investments Consultants Sustainability Working Group (ICSWG) and contributed to the guide for assessing climate competency of investment consultants, published in January 2021. As member of the NBI MMH is funding a programme that supports skills development in the green economy through a partnership with TVET colleges. MMH supports the NBI advocacy work between government, private sector and civil society.

C14. Portfolio Impact

C-FS14.0

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Investing in all carbon-related assets (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
2396000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0.28

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
At F2022 year end MMH had R859.3 billion assets under management and administration of which R96 million was invested in the Alternative Energy Fund funding the Umoya wind farm and Karoshoek solar plant, while the Empowerment Financing division has invested R2.3 billion in renewable energy projects.
The percentage of carbon-related assets reported is therefore R2.396 billion / R859.3 billion = 0.28%

Investing in coal (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
0

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
No investments in coal as asset manager.

Investing in oil and gas (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
0

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
No investments in oil & gas as asset manager.

Investing all carbon-related assets (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
43632272704

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
11.12

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
The discretionary assets of MML Ltd were assessed as at June 2022; the climate sensitive companies were identified within the listed space under the energy sector, basic materials (mining), consumer discretionary (transport), Consumer staples, Industrials, and real estate. Within the unlisted space we measured our exposure to Eskom and Transnet.

Investing in coal (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
5920526504

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
1.51

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
The discretionary assets of MML Ltd were assessed as at June 2022; the climate sensitive companies were identified within the listed space under the energy sector, basic materials (mining), consumer discretionary (transport), Consumer staples, Industrials, and real estate. Within the unlisted space we measured our exposure to Eskom and Transnet.

Investing in oil and gas (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
725511

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
The discretionary assets of MML Ltd were assessed as at June 2022; the climate sensitive companies were identified within the listed space under the energy sector, basic materials (mining), consumer discretionary (transport), Consumer staples, Industrials, and real estate. Within the unlisted space we measured our exposure to Eskom and Transnet.

Insuring all carbon-related assets

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
1555200000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
31500000000

Percentage of portfolio value comprised of carbon-related assets in reporting year
4.94

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Guardrisk had R5.2 million gross written premiums in a multi-peril yield insurance solution that protects farmers against damage to
crops caused by extreme weather events. R1.55 billion in gross written premiums were received from mining rehabilitation guarantees.
A further R2 billion and R3.3 billion insurance guarantees were issued to contractors and suppliers involved in the construction of solar and wind projects respectively.
During F2022 Momentum Insure and Guardrisk had R31.5 billion gross written premiums jointly.
The percentage of insuring for carbon-related assets reported is therefore R5.2 million + R1.55 billion = R1.555 billion / R31.5 billion = 4.94%

Insuring coal

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
1550000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
31500000000

Percentage of portfolio value comprised of carbon-related assets in reporting year
4.92

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Guardrisk received R1.55 billion in gross written premiums for the R18.6 billion in mining rehabilitation guarantees issued to provide mines with the resources to meet their legal and financial obligations at closure.
During F2022 Momentum Insure and Guardrisk had R31.5 billion gross written premiums jointly.
The percentage of insuring coal-related assets reported is therefore R1.55 billion / R31.5 billion = 4.92%

Insuring oil and gas

Are you able to report a value for the carbon-related assets?
No, but we plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
Important, but not immediate priority

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
MMH insurance will during the next 2 years map its insurance of oil & gas-related assets.

Details of calculation
<Not Applicable>

C-FS14.1

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Please explain why you do not measure the impact of your portfolio on the climate
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	No, but we plan to do so in the next two years	<Not Applicable>	Eris as an asset manager has various investment properties under management. GHG emissions associated with electricity and municipal water usage by tenants in these properties were estimated for 2022, but need to be confirmed before it can be disclosed as Scope 3 - Cat.15. The Alternative Energy, Infrastructure and Renewable energy funds will compile the portfolio carbon footprints for the renewable energy and infrastructure projects within the next 2 years.
Investing (Asset owner)	No, but we plan to do so in the next two years	<Not Applicable>	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. During F2022 the MMH Group made the decision to pursue net-zero targets linked to the preferred goal of limiting global warming to 1.5°C to accelerate its climate action. A workgroup, supported by the Sustainability Forum will start the research and analysis in February 2023 to develop a framework that will guide prioritisation, resourcing and implementation.
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	<Not Applicable>	MMH is currently in a process to better understand and quantify carbon emissions exposure in its insurance portfolio within the next 2 years.

C-FS14.3

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

	Actions taken to align our portfolio with a 1.5°C world	Briefly explain the actions you have taken to align your portfolio with a 1.5-degree world	Please explain why you have not taken any action to align your portfolio with a 1.5°C world
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	During F2022 MMH developed a proprietary SDG impact framework, committed to by all investment teams, in which it set targets and track investment performance against six SDGs. Against SDG 7: Affordable and Clean Energy and SDG 13: Climate Action, some of the metrics tracked include: • Investment value in clean energy sources • Number of solar PV sites funded • Percentage of green-rated buildings in the listed property portfolio As asset manager Eris, a fully integrated property development, investment and services group, through its direct ESG-focused property portfolio, Momentum Direct Property Fund, set targets to achieve the following by 2030: • Roll out solar installation projects at 14 retail properties • Reduce emissions by a total of 16 800 tonnes of CO2e • Generate 17 710 MWh per year through clean energy sources • Provide the equivalent of 2 548 households with clean energy. Todate Eris have 9 solar PV systems installed at retail sites where the system is owned by a third party and the electricity generated by the systems are purchased. During 2022 the solar PV systems generated more than 10 357 MWh, which is equivalent to providing clean energy to 943 households. This not only reduced energy consumption, but the Eris Property Group was able to avoid 9 839 tonnes of greenhouse gas emissions. Eris therefore entered into a joint venture with a renewable energy company to develop up to 14 solar photovoltaic (PV) projects at various retail properties by 2030. Eris continues to look for innovative ways to increase its renewable energy consumption to reduce greenhouse gas emissions and explores alternative finance arrangements for the use of renewable energy to reach its target. In response to the changing market, MMH invested in a number of renewable energy projects as part of its empowerment finance programme with R2.3 billion invested in renewable energy projects to date, with a further R3.9 billion due to be invested before the end of the 2022 calendar year.	<Not Applicable>
Investing (Asset owner)	Yes	MMH believes that a collective approach makes more impactful engagements and became signatories to the Climate Action 100+ global investor initiative who in South Africa identified two specific emitters for long-term engagement: Sasol and Eskom. MMH is part of this industry grouping and its responsible investment team is part of the Sasol engagement group, while the fixed interest team forms part of the Eskom engagement group. During 2022 as participants in Climate Action 100+, MMH held direct discussions with the Sasol Board of directors and management team. Engagements included discussions on the opportunity for Sasol to refinance its loan facilities using a combination of green bonds and sustainability-linked loans to achieve specific climate mitigation goals, such as rolling out renewables and reconfiguring operations to more eco-efficient feed stock and emission mitigation measures. Outcomes of the engagements include Sasol's 2023 remuneration policy that now integrates metrics aligned to its transition strategy and Sasol committed to an active plan and strategy to achieve net zero by 2050. During F2022 the MMH Group made the decision to pursue net-zero targets linked to the preferred goal of limiting global warming to 1.5°C to accelerate its climate action. A workgroup, supported by the Sustainability Forum will start the research and analysis in February 2023 to develop a framework that will guide prioritisation, resourcing and implementation.	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	MMH's captive cell insurer, Guardrisk, remains committed to strategically integrating sustainability into its business by partnering with clients in solving environmental, social and governance (ESG) challenges the clients face. To facilitate this, Guardrisk offers a variety of products to clients that facilitate low-carbon economy drivers in their value chains that help reduce their emissions and preserve natural resources. Mining rehabilitation guarantees provide mines with the resources to meet their legal and financial obligations at closure; guarantees are provided to contractors and suppliers involved in renewable energy and infrastructure construction projects; and Agnovate, a multi-peril yield insurance solution, protects farmers against damage to crops caused by extreme weather events. These innovative solutions have grown by 127% (mining), 20% (renewable energy) and 86% (agriculture) respectively during F2022 to support environmental performance in pursuit of limiting global warming to 1.5°C.	<Not Applicable>

C-FS14.3a

(C-FS14.3a) Does your organization assess if your clients/investees' business strategies are aligned with a 1.5°C world?

	Assessment of alignment of clients/investees' strategies with a 1.5°C world	Please explain why you are not assessing if your clients/investees' business strategies are aligned with a 1.5°C world
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes, for all	<Not Applicable>
Investing (Asset owner)	Yes, for some	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof, in particular with Sasol and Eskom. Through stewardship efforts MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a just transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.
Insurance underwriting (Insurance company)	Yes, for all	<Not Applicable>

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, board-level oversight	The Board designated Social, Ethics and Transformation Committee (SETC) has the delegated accountability for sustainability matters within Momentum Metropolitan, thus, it is responsible for overseeing the response to and performance on identified climate risks and opportunities. During F2022 the SETC approved MMH's new Sustainability Framework which was launched in June 2022. Rather than having a separate climate strategy, MMH's climate change response forms part of the Sustainability Framework that articulates MMH's commitment to integrate and collaborate on all sustainability matters within the Group. Biodiversity is included in the SETC ToR under the natural environment along with all the other areas of their responsibility.	Risks and opportunities to our own operations The impact of our own operations on biodiversity

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water management Education & awareness Livelihood, economic & other incentives

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located

C16. 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.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Risk Officer	Chief Risk Officer (CRO)

FW-FS Forests and Water Security (FS only)

FW-FS1.1

(FW-FS1.1) Is there board-level oversight of forests- and/or water-related issues within your organization?

	Board-level oversight of this issue area	Explain why your organization does not have board-level oversight of this issue area and any plans to address this in the future
Forests	Yes	<Not Applicable>
Water	Yes	<Not Applicable>

FW-FS1.1a

(FW-FS1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for forests- and/or water-related issues.

Issue area(s)	Position of individual(s) or committee(s)	Responsibilities for forests- and/or water-related issues
Forests Water	Board-level committee	The Board designated Social, Ethics and Transformation Committee (SETC) has the delegated accountability for sustainability matters within Momentum Metropolitan, thus, it is responsible for overseeing the response to and performance on identified climate risks and opportunities. During F2022 the SETC approved MMH's new Sustainability Framework which was launched in June 2022. Rather than having a separate climate strategy, MMH's climate change response forms part of the Sustainability Framework that articulates MMH's commitment to integrate and collaborate on all sustainability matters within the Group. Forests- and water-related issues are included in the SETC ToR under the natural environment along with all the other areas of their responsibility.
Forests Water	Board-level committee	The Board designated Risk, Capital, and Compliance Committee (BRCC) oversees the quality, integrity, and reliability of the Groups' risk, capital, and compliance management, which includes climate change risk and any other risks and opportunities that could result of from it. This include forests- and water-related issues. The BRCC approves (with input from key stakeholders) the risk appetite for climate change related risks. It provides independent oversight of the design, implementation and adherence to internal climate change risk management procedures and the effectiveness thereof at a Group level. The BRCC will continue to fulfil this responsibility, but recognises the varied touchpoints and intersections with other Board committees on climate care.
Forests Water	Board-level committee	The Board designated Investments Committee oversees responsible and economically sensible investments. This includes oversight of ESG matters, inclusive of forests- and water-related issues, integrated into investment decisions.

FW-FS1.1b

(FW-FS1.1b) Provide further details on the board's oversight of forests- and/or water-related issues.

Issue area(s)
Forests

Frequency with which the issue area(s) is a scheduled agenda item
Scheduled - all meetings

Governance mechanisms into which this issue area(s) is integrated
Reviewing and guiding strategy
Reviewing and guiding the risk management process
Overseeing major capital expenditures
Overseeing and guiding scenario analysis

Scope of board-level oversight
Risks and opportunities to our investment (asset management) activities
Risks and opportunities to our investment (asset ownership) activities
Risks and opportunities to our insurance underwriting activities
The impact of our investing (asset management) activities on forests and/or water security
The impact of our investing (asset ownership) activities on forests and/or water security
The impact of our insurance underwriting activities on forests and/or water security

Please explain
The Momentum Metropolitan Board provides leadership, direction and oversight of the Group's strategy and operations. The Board is ultimately responsible for the governance and end-to-end process of sustainability, climate risk management and the assessment of its effectiveness.
Climate change will have a significant impact for Momentum Metropolitan and the society within which it operates. Thus, the Board and delegated committees monitor and address material matters relating to climate change to ensure business sustainability.
The Board committees with oversight over climate-related matters are the SETC, the BRCC and the Investment Committee.
The SETC meets three times each year, the BRCC meets every quarter while the Investment Committee has 7 meetings per year.
Good corporate governance practices ensure the flow of decision-useful information between the Board, Board committees, management committees and boards of subsidiaries where these structures are in place.
The Sustainability Forum is a senior management advisory committee on operational sustainability matters which aims to drive the incorporation of climate change mitigation and adaptation initiatives within the broader business.
Should MMH invest in a new building, the Board designated SETC will review the business plan by taking into account climate – related issues, for example, initiatives towards reducing energy and water consumption as well as managing the energy generated in the new buildings.

Issue area(s)
Water

Frequency with which the issue area(s) is a scheduled agenda item
Scheduled - all meetings

Governance mechanisms into which this issue area(s) is integrated
Reviewing and guiding strategy
Reviewing and guiding the risk management process
Overseeing major capital expenditures
Overseeing and guiding scenario analysis

Scope of board-level oversight
Risks and opportunities to our investment (asset management) activities
Risks and opportunities to our investment (asset ownership) activities
Risks and opportunities to our insurance underwriting activities
The impact of our investing (asset management) activities on forests and/or water security
The impact of our investing (asset ownership) activities on forests and/or water security
The impact of our insurance underwriting activities on forests and/or water security

Please explain
The Momentum Metropolitan Board provides leadership, direction and oversight of the Group's strategy and operations. The Board is ultimately responsible for the governance and end-to-end process of sustainability, climate risk management and the assessment of its effectiveness.
Climate change will have a significant impact for Momentum Metropolitan and the society within which it operates. Thus, the Board and delegated committees monitor and address material matters relating to climate change to ensure business sustainability.
The Board committees with oversight over climate-related matters are the SETC, the BRCC and the Investment Committee.
The SETC meets three times each year, the BRCC meets every quarter while the Investment Committee has 7 meetings per year.
Good corporate governance practices ensure the flow of decision-useful information between the Board, Board committees, management committees and boards of subsidiaries where these structures are in place.
The Sustainability Forum is a senior management advisory committee on operational sustainability matters which aims to drive the incorporation of climate change mitigation and adaptation initiatives within the broader business.
Should MMH invest in a new building, the Board designated SETC will review the business plan by taking into account climate – related issues, for example, initiatives towards reducing energy and water consumption as well as managing the energy generated in the new buildings.

FW-FS1.1c

(FW-FS1.1c) Does your organization have at least one board member with competence on forests- and/or water-related issues?

Forests

Board member(s) have competence on this issue area
Yes

Criteria used to assess competence of board member(s) on this issue area
Criteria used for assessing board skills include experience on boards, business, academia and policy work where relevant.

The Chair of SETC and non-executive director on the MMH Board has over 15 years' experience as advisor on integrating water, energy, climate change, food systems and social considerations such as gender to international organisations.

MMH recognises that the development of climate and broader sustainability-related skills is a critical enabler for advancing its climate change response. Current expertise is bolstered by a focus on sustainability as a pillar in the formal Executive Leadership Development Programme and learning opportunities for business unit sustainability leads who are all at senior management level.

The SETC members' specialist skills encompass global climate policy and nexus modelling, which assesses the interconnectedness of land, water, food, and energy systems and integrates these externalities into large infrastructure financing models. This is complemented by actuarial and management experience in financial services, with a focus on long-term insurance and risk modelling, economic capital, and the integration of risk management into decision making.

The BRCC specialists' skills enable the effective oversight of the quality, integrity and reliability of the Group's risk, capital, and compliance management. A current key focus area of this committee is the development and embedding of the climate risk framework, and ensuring consistent application across the Group, with respect to the management assessment and reporting of climate-related risk.

The Investment Committee members specialists' skills encompass research and innovation, data analysis, corporate leadership, coordination, and communication skills to tackle climate change. This is complemented by actuarial and management experience in financial services, with a focus on long-term investment and risk modelling, asset management, and the integration of risk management into decision making.

Most of the Investment Committee members also completed the PRI African Asset Owners Climate Awareness course in 2021.

Primary reason for no board-level competence on this issue area
<Not Applicable>

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future
<Not Applicable>

Water

Board member(s) have competence on this issue area
Yes

Criteria used to assess competence of board member(s) on this issue area
Criteria used for assessing board skills include experience on boards, business, academia and policy work where relevant.

The Chair of SETC and non-executive director on the MMH Board has over 15 years' experience as advisor on integrating water, energy, climate change, food systems and social considerations such as gender to international organisations.

MMH recognises that the development of climate and broader sustainability-related skills is a critical enabler for advancing its climate change response. Current expertise is bolstered by a focus on sustainability as a pillar in the formal Executive Leadership Development Programme and learning opportunities for business unit sustainability leads who are all at senior management level.

The SETC members' specialist skills encompass global climate policy and nexus modelling, which assesses the interconnectedness of land, water, food, and energy systems and integrates these externalities into large infrastructure financing models. This is complemented by actuarial and management experience in financial services, with a focus on long-term insurance and risk modelling, economic capital, and the integration of risk management into decisionmaking.

The BRCC specialists' skills enable the effective oversight of the quality, integrity and reliability of the Group's risk, capital, and compliance management. A current key focus area of this committee is the development and embedding of the climate risk framework, and ensuring consistent application across the Group, with respect to the management assessment and reporting of climate-related risk.

The Investment Committee members specialists' skills encompass research and innovation, data analysis, corporate leadership, coordination, and communication skills to tackle climate change. This is complemented by actuarial and management experience in financial services, with a focus on long-term investment and risk modelling, asset management, and the integration of risk management into decision-making.

Most of the Investment Committee members also completed the PRI African Asset Owners Climate Awareness course in 2021.

Primary reason for no board-level competence on this issue area
<Not Applicable>

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future
<Not Applicable>

FW-FS1.2

(FW-FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests- and/or water-related issues.

Position or committee
Chief Executive Officer (CEO)

Issue area(s)
Forests
Water

Forests- and/or water-related responsibilities of this position
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Integrating forests- and/or water-related issues into the strategy
Conducting forests- and/or water-related scenario analysis
Assessing forests- and/or water-related risks and opportunities
Managing forests- and/or water-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing (asset management) activities
Risks and opportunities related to our investing (asset ownership) activities
Risks and opportunities related to our insurance underwriting activities

Reporting line
Reports to the Board directly

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line
Quarterly

Please explain
The Group CEO is a member of the SETC and BRCC and ultimately accountable for managing the Groups' performance, inclusive of factors such as climate change that could impede MMH's ability to deliver on strategic objectives.

All sustainability issues, including climate-related issues, are monitored as part of MMH's risk management process whereby climate-related issues are raised at the various board committee meetings.

Position or committee
Chief Financial Officer (CFO)

Issue area(s)
Forests
Water

Forests- and/or water-related responsibilities of this position
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Integrating forests- and/or water-related issues into the strategy
Assessing forests- and/or water-related risks and opportunities
Managing forests- and/or water-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing (asset management) activities
Risks and opportunities related to our investing (asset ownership) activities
Risks and opportunities related to our insurance underwriting activities

Reporting line
CEO reporting line

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line
Quarterly

Please explain
The Group FD is responsible for the Groups' business performance and has oversight of all sustainability and climate change initiatives within the business, including managing the financial impacts of sustainability-related risks.

The Group FD reports directly to the CEO (who is a member of the SETC and the BRCC) and has accountability for the Sustainability Department, which is responsible, with the risk department, for identifying and raising climate-related risks and opportunities.

In addition to this, the MMH Facilities Department who are responsible for implementation of energy efficient and clean energy facilities within MMH reports to the Group FD. As a result, the Group FD also has a key role in finalizing decisions on the installation of clean and energy efficient technologies. This means that climate-related issues can be addressed at the highest level.

Position or committee
Chief Sustainability Officer (CSO)

Issue area(s)
Forests
Water

Forests- and/or water-related responsibilities of this position
Conducting forests- and/or water-related scenario analysis
Assessing forests- and/or water-related risks and opportunities
Managing forests- and/or water-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing (asset management) activities
Risks and opportunities related to our investing (asset ownership) activities
Risks and opportunities related to our insurance underwriting activities

Reporting line
Finance – CFO reporting line

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line
Quarterly

Please explain
Group Sustainability is the custodian of environmental matters within the Group and supports the identification, assessment and management of climate-related and broader sustainability risks and opportunities. It fosters the implementation of policies, frameworks, and strategy.

The Group Sustainability Head reports to the Group FD and is assisted by the Sustainability Forum (a senior management advisory committee on operational sustainability matters) to drive the incorporation of climate change mitigation and adaptation initiatives within the broader business.

All sustainability issues, including climate-related issues, are monitored as part of MMH's risk management process whereby climate-related issues are raised at the SETC meetings.

Position or committee
Other, please specify (Dedicated responsible investment team)

Issue area(s)
Forests
Water

Forests- and/or water-related responsibilities of this position
Integrating forests- and/or water-related issues into the strategy
Assessing forests- and/or water-related risks and opportunities
Managing forests- and/or water-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing (asset ownership) activities

Reporting line
Investment – CIO reporting line

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line
Quarterly

Please explain
Momentum Investments apply responsible investment and investment governance practices across all savings and investment products. This includes considering environmental, social and governance risks of assets invested in, as it is relevant for the overall investment objective – across all asset classes, sectors, markets and over time.

The Responsible Investments team reports to the Deputy Chief Investment Officer who serves on the Responsible Investments Committee which serves as an oversight function to monitor the integration of Responsible Investment principles across the investment team.

However, since the Sustainability Department are coordinators of sustainability across the business they also incorporate and report on the Responsible Investments efforts and initiatives to identify, manage and incorporate climate risks and opportunities in investments to the SETC in order to demonstrate sustainability initiatives across the entire business.

Position or committee
Chief Risks Officer (CRO)

Issue area(s)
Forests
Water

Forests- and/or water-related responsibilities of this position
Integrating forests- and/or water-related issues into the strategy
Conducting forests- and/or water-related scenario analysis
Assessing forests- and/or water-related risks and opportunities
Managing forests- and/or water-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing (asset management) activities
Risks and opportunities related to our investing (asset ownership) activities
Risks and opportunities related to our insurance underwriting activities

Reporting line
CEO reporting line

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line
Quarterly

Please explain
From F2023 the Chief Risk Officer will have additional responsibility for embedding the climate risk framework, ensuring consistent application across the Group, with respect to the management assessment and reporting of climate-related risks and opportunities.

The CRO is accountable for setting the strategy by which climate-related risks and opportunities are identified, assessed and monitored by the various CROs in MMH's federated businesses. The chosen approach needs to support MMH's Climate Maturity Plan and direct the organisations decarbonisation plans.

The CRO reports directly to the CEO (who is a member of the SETC and the BRCC).

FW-FS2.1

(FW-FS2.1) Do you assess your portfolio's exposure to forests- and/or water-related risks and opportunities?

	We assess our portfolio's exposure to this issue area	Explain why your portfolio's exposure is not assessed for this issue area and any plans to address this in the future
Banking – Forests exposure	<Not Applicable>	<Not Applicable>
Banking – Water exposure	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests exposure	Yes	<Not Applicable>
Investing (Asset manager) – Water exposure	Yes	<Not Applicable>
Investing (Asset owner) – Forests exposure	Yes	<Not Applicable>
Investing (Asset owner) – Water exposure	Yes	<Not Applicable>
Insurance underwriting – Forests exposure	Yes	<Not Applicable>
Insurance underwriting – Water exposure	Yes	<Not Applicable>

FW-FS2.1a

(FW-FS2.1a) Describe how you assess your portfolio's exposure to forests- and/or water-related risks and opportunities.

Investing (Asset manager) – Forests exposure

Type of risk management process

Integrated into multi-disciplinary company-wide risk management process

Proportion of portfolio covered by risk management process

100

Type of assessment

Qualitative only

Time horizon(s) covered

Short-term
Medium-term
Long-term

Tools and methods used

Internal tools/methods
Scenario analysis

% of clients/investees (by number) exposed to substantive risk

% of clients/investees (by portfolio exposure) exposed to substantive risk

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities

Momentum Metropolitan's investment portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate.

Momentum Investments as asset managers apply a Responsible Investing approach to investing that aims to incorporate environmental, social and governance (ESG) factors into investment decisions, across all asset classes, sectors, markets and through time. This includes forests- and water-related risks and opportunities.

MMH has in place a Climate Change Investment Policy and a Responsible Investments Policy which addresses the importance of taking concerns such as climate risk and ESG risk factors into consideration as they may affect the sustainable nature of an investment. Through involvement with the Association for Savings and Investment South Africa (ASISA), support for the Code for Responsible Investing in South Africa (CRISA) and being a signatory to the United Nations-supported Principles for Responsible Investment (PRI), Momentum Investments endeavours to encourage other investment managers, service providers, asset consultants and investment owners to apply responsible investment practices in their daily operations.

As supporter of and adopting the TCFD recommendations MMH incorporates routine consideration of the effects of climate change in business and investment decisions. As such MMH has included a new question to assess if climate-related risks were acknowledged and evident in the respective investment manager's policies. During F2021 MMH became a supporter and signatory to the international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment.

Momentum Outcome-based Solutions created an investment manager Responsible Investment rating model to establish the level of RI practices applied by the various investment managers. This model complements the appointment, monitoring and reviewing process of the investment managers.

RI rating model consists of the following indicators:
Investment management organisation
This indicator guides the understanding of RI culture within the investment management company. Company values should inform their policies and lead to fair and transparent information for their stakeholders.

Investment management resources
This indicator gives insight into the level of oversight and accountability assigned to management and investment staff to ensure RI practices are upheld within their organisation. To assess the level of ESG expertise or function that can interpret how ESG risks translate into investment decision making and outcomes, which determines the level of quality of ESG integration.

ESG integration
This indicator helps to understand to what extent investment managers integrate ESG across their assets under management. The key point is the extent of ESG integration rather than the type or form being implemented.

Active ownership
This indicator provides insight into the extent to which the investment manager contributes to a well-balanced economy for investors. It is used to assess to what degree the fiduciary's formal rights are used to influence the activity and behaviour of invested companies.

During the annual RI rating assessment process, MMH uses this as an opportunity to engage with the investment managers and bring them along on the RI journey. MMH gives recommendations to the investment managers that will positively contribute to their responsible investment practices.

Investing (Asset manager) – Water exposure

Type of risk management process
Integrated into multi-disciplinary company-wide risk management process

Proportion of portfolio covered by risk management process
100

Type of assessment
Qualitative only

Time horizon(s) covered
Short-term
Medium-term
Long-term

Tools and methods used
Internal tools/methods
Scenario analysis

% of clients/investees (by number) exposed to substantive risk

% of clients/investees (by portfolio exposure) exposed to substantive risk

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities
Momentum Metropolitan's investment portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate.

Momentum Investments as asset managers apply a Responsible Investing approach to investing that aims to incorporate environmental, social and governance (ESG) factors into investment decisions, across all asset classes, sectors, markets and through time. This includes forests- and water-related risks and opportunities.

MMH has in place a Climate Change Investment Policy and a Responsible Investments Policy which addresses the importance of taking concerns such as climate risk and ESG risk factors into consideration as they may affect the sustainable nature of an investment. Through involvement with the Association for Savings and Investment South Africa (ASISA), support for the Code for Responsible Investing in South Africa (CRISA) and being a signatory to the United Nations-supported Principles for Responsible Investment (PRI), Momentum Investments endeavours to encourage other investment managers, service providers, asset consultants and investment owners to apply responsible investment practices in their daily operations.

As supporter of and adopting the TCFD recommendations MMH incorporates routine consideration of the effects of climate change in business and investment decisions. As such MMH has included a new question to assess if climate-related risks were acknowledged and evident in the respective investment manager's policies. During F2021 MMH became a supporter and signatory to the international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment.

Momentum Outcome-based Solutions created an investment manager Responsible Investment rating model to establish the level of RI practices applied by the various investment managers. This model complements the appointment, monitoring and reviewing process of the investment managers.

RI rating model consists of the following indicators:
Investment management organisation
This indicator guides the understanding of RI culture within the investment management company. Company values should inform their policies and lead to fair and transparent information for their stakeholders.

Investment management resources
This indicator gives insight into the level of oversight and accountability assigned to management and investment staff to ensure RI practices are upheld within their organisation. To assess the level of ESG expertise or function that can interpret how ESG risks translate into investment decision making and outcomes, which determines the level of quality of ESG integration.

ESG integration
This indicator helps to understand to what extent investment managers integrate ESG across their assets under management. The key point is the extent of ESG integration rather than the type or form being implemented.

Active ownership
This indicator provides insight into the extent to which the investment manager contributes to a well-balanced economy for investors. It is used to assess to what degree the fiduciary's formal rights are used to influence the activity and behaviour of invested companies.

During the annual RI rating assessment process, MMH uses this as an opportunity to engage with the investment managers and bring them along on the RI journey. MMH gives recommendations to the investment managers that will positively contribute to their responsible investment practices.

Investing (Asset owner) – Forests exposure

Type of risk management process
Integrated into multi-disciplinary company-wide risk management process

Proportion of portfolio covered by risk management process
100

Type of assessment
Qualitative only

Time horizon(s) covered
Short-term
Medium-term
Long-term

Tools and methods used
Internal tools/methods
Scenario analysis

% of clients/investees (by number) exposed to substantive risk
1

% of clients/investees (by portfolio exposure) exposed to substantive risk
1

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities
Momentum Metropolitan's investment portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate.

Climate change, inclusive of forests- and water-related issues, is a genuine risk for companies; some companies are more climate sensitive and therefore need to have plans in place to transition to a low carbon economy. Investment teams are exposed to these companies through various levels of engagement. For direct investments and where investment management agreements are in place with underlying investment managers, MMH can establish its exposure to climate risk sensitive companies and have the ability to engage directly with those companies. Asset assessments across all assets under management, enables the identification of where the biggest exposures are when it comes to climate sensitive companies and helps to prioritize engagements with those companies.

MMH believes that a collective approach makes more impactful engagements and have therefore applied to become signatories to the Climate Action 100+ initiative to serve on the Sasol and Eskom engagement group. Through an annual responsible investment rating assessment of external appointed investment managers, MMH assesses who acknowledges climate change as a risk and encourage them to incorporate these considerations in a climate investment policy. This responsible investment rating model complements the appointment, monitoring and reviewing process of the investment managers. Hereby establishing which appointees don't acknowledge climate-related risks and allows for a more targeted engagement to ensure alignment and compliance to MMH's responsible investment and climate investment policies. Through involvement with the Association for Savings and Investment South Africa (ASISA), support for the Code for Responsible Investing in South Africa (CRISA) and being a signatory to the United Nations-supported Principles for Responsible Investment (PRI), MMH endeavors to encourage other investment managers, service providers, asset consultants and investment owners to apply responsible investment practices in their daily operations.

During F2021 MMH became a signatory to the PRI-led international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment.

Investing (Asset owner) – Water exposure

Type of risk management process
Integrated into multi-disciplinary company-wide risk management process

Proportion of portfolio covered by risk management process
100

Type of assessment
Qualitative only

Time horizon(s) covered
Short-term
Medium-term
Long-term

Tools and methods used
Internal tools/methods
Scenario analysis

% of clients/investees (by number) exposed to substantive risk

% of clients/investees (by portfolio exposure) exposed to substantive risk

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities
Momentum Metropolitan's investment portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate.

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During F2021 MMH became a signatory to the PRI-led international statement of investor commitment to the Just Transition that acknowledges that strategies to tackle climate change need to incorporate all three ESG factors of responsible investment.

Insurance underwriting – Forests exposure

Type of risk management process
Integrated into multi-disciplinary company-wide risk management process

Proportion of portfolio covered by risk management process
100

Type of assessment
Qualitative only

Time horizon(s) covered
Short-term
Medium-term
Long-term

Tools and methods used
Internal tools/methods
Scenario analysis

% of clients/investees (by number) exposed to substantive risk

% of clients/investees (by portfolio exposure) exposed to substantive risk

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities
Momentum Metropolitan's insurance portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate.

Momentum Metropolitan has a Climate Change Position Statement is supportive of the Principles for Sustainable Insurance (PSI) initiative, which aims to ensure that all activities in the insurance value chain are responsible and include environmental, social and governance (ESG) issues, including forests- and water-related issues.

For underwriting risk, Momentum Insure assesses its aggregate exposure annually when placing catastrophe reinsurance and usually the main considerations are weather or earthquake aggregations. However, flood exposure and wildfire also gets considered in CAT models albeit implied i.e. assuming the weather and earthquake exposure is larger than the other two.

Insurance underwriting – Water exposure

Type of risk management process
Integrated into multi-disciplinary company-wide risk management process

Proportion of portfolio covered by risk management process
100

Type of assessment
Qualitative only

Time horizon(s) covered
Short-term
Medium-term
Long-term

Tools and methods used
Internal tools/methods
Scenario analysis

% of clients/investees (by number) exposed to substantive risk

% of clients/investees (by portfolio exposure) exposed to substantive risk

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities
Momentum Metropolitan's insurance portfolio is assessed though the Own Risk and Solvency Assessment Process (ORSA) framework. ORSA Qualitative Rating Methodology notes that risk exposure should always be considered relative to the risk appetite, risk strategy, risk tolerance and risk limits as they apply to the area of assessment. Qualitative risks exposures are generally expressed through an inherent, residual and target risk exposure. Inherent risk exposure produces a score that indicates the "worst-case" exposure in the event that there are no controls in place. Residual risk produces a score that indicates the "current exposure" whilst target risk exposure produces a score that indicates the "risk appetite" or desired level of risk. The identified risk events have to be aligned with the risk and controls taxonomy defined by the ORSA framework. Once the risks and controls have been assessed, management needs to consider how to respond to the risk. There are several risk-response options which include: Treatment, Tolerate, Transfer and Terminate.

Momentum Metropolitan has a Climate Change Position Statement is supportive of the Principles for Sustainable Insurance (PSI) initiative, which aims to ensure that all activities in the insurance value chain are responsible and include environmental, social and governance (ESG) issues, including forests- and water-related issues.

For underwriting risk, Momentum Insure assesses its aggregate exposure annually when placing catastrophe reinsurance and usually the main considerations are weather or earthquake aggregations. However, flood exposure and wildfire also gets considered in CAT models albeit implied i.e. assuming the weather and earthquake exposure is larger than the other two.

FW-FS2.2

(FW-FS2.2) Does your organization consider forests- and/or water-related information about clients/investees as part of its due diligence and/or risk assessment process?

	We consider forests- and/or water-related information	Explain why information related to this issue area is not considered and any plans to address this in the future
Banking – Forests-related information	<Not Applicable>	<Not Applicable>
Banking – Water-related information	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests-related information	No, but we plan to do so within the next two years	In the coming years MMH, through its asset managers, will map its portfolio of assets under management to better understand the impact of forest-related issues.
Investing (Asset manager) – Water-related information	Yes	<Not Applicable>
Investing (Asset owner) – Forests-related information	No, but we plan to do so within the next two years	In the coming years MMH as asset owner will map its portfolio of investments to better understand the impact of forest-related issues.
Investing (Asset owner) – Water-related information	Yes	<Not Applicable>
Insurance underwriting – Forests-related information	No, but we plan to do so within the next two years	In the coming years MMH will map its exposure to forest-related issues in its insurance portfolio.
Insurance underwriting – Water-related information	Yes	<Not Applicable>

FW-FS2.2a

(FW-FS2.2a) Indicate the forests- and/or water-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision making.

	Type of information considered	Process through which information is obtained	Industry sector(s) covered by due diligence and/or risk assessment process	State how these forests- and/or water-related information influences your decision making
Banking – Forests-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Banking – Water-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Water-related information	Water withdrawal and/or consumption volumes	Directly from the client/investee	Real Estate	As asset manager Eris look at water consumption for new investments and continues its efforts to reduce its electricity and water consumption and related costs in the buildings under its management, which include: • Smart metering to reduce water and electricity waste • The use of ground water and water harvesting • Installing energy efficient lighting in all its buildings.
Investing (Asset owner) – Forests-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Water-related information	Scope and content of water policy	Directly from the client/investee	Utilities	MMH invested R600 million in two water infrastructure projects. One of the these is a bulk raw water infrastructure project, and the second project will increase access to clean water. The funding of the second project using new age sustainability-linked funding, requires that the project owner builds a solar plant for its own use to reduce its reliance on fossil fuel energy from Eskom. If they do not meet these requirements the interest rate charged will increase. During F2022 MMH provided Rand Water with an SDG-linked loan. Rand Water is a South African water utility that supplies potable water to Gauteng province and other areas of the country and is the largest water utility in Africa. The loan conditions require that Rand Water install additional solar energy as per SDG 7's goals for affordable and clean energy. A 2021 baseline was created with specific targets for June 2023 and June 2025. Should the targets be met, the interest rate on the loan will be reduced by 0.03% to 0.05%.
Insurance underwriting – Forests-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting – Water-related information	Water withdrawal and/or consumption volumes Breaches to local water regulations	Directly from the client/investee From an intermediary or business partner	Food, Beverage & Tobacco	The product development teams take water-related information into account to identify and develop the appropriate non-life insurance products. As insurance underwriters Guardrisk provides mining rehabilitation guarantees and considers water security. In partnership with Agnovate, Guardrisk provides new-generation crop insurance that take into account volatile climatic conditions. Momentum Insure provides for the retrofit of conventional geysers with more energy efficient geysers.

FW-FS2.3

(FW-FS2.3) Have you identified any inherent forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Risks identified for this issue area	Primary reason why your organization has not identified any substantive risks for this issue area	Explain why your organization has not identified any substantive risks for this issue area
Forests	No	Not yet evaluated	In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues.
Water	Yes	<Not Applicable>	<Not Applicable>

FW-FS2.3a

(FW-FS2.3a) Provide details of forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk1

Portfolio where risk driver occurs
Investing (Asset manager) portfolio

Issue area risk relates to
Water

Risk type & Primary risk driver

Market	Loss of clients due to a fund's poor environmental performance outcomes

Primary potential financial impact
Increased direct costs

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

Company-specific description
Longer-term shifts in climate patterns impact business as several parts of South Africa in which MMH operates are already experiencing rises in mean temperature, drought (resulting in increased fire events) and sea level rise.

South Africa ranks as one of the 30 driest countries in the world and is expected to be approaching water scarcity by 2025.

By 2030, South Africa can expect a 17% water deficit, which will only be exacerbated by the impacts of climate change affecting communities, businesses and government.

The severe droughts experienced in Cape Town in 2017 directly impacted MMH as one of its head offices is located in Bellville, Cape Town.

Water risks will have an impact on the operations and finances of the business. For instance, floods and storm events will not only increase claims to the insurance company but they will also impact the well-being of the MMH staff and their ability to work efficiently.

Eris Property Group (Eris), a subsidiary of Momentum Metropolitan, is a fully integrated property development, investment and services group which provides a range of commercial property skills in the South African and sub-Saharan African markets. Its property management division has a total GLA of 1.36 million square metres under management, across a portfolio of properties valued at more than R22 billion.

A disruption in water supply to buildings and tenants could impact business continuity and human health. Water is needed within the facilities primarily for drinking, cleaning and ablutions/ sewage for tenants in the property portfolio.

South Africa's national power supplier and largest emitter, Eskom, is exempt from paying carbon taxes during the first phase that came into force on 1 June 2019. Had it been included its tax liability is estimated at R11.5-billion per annum and most likely it would have passed on the costs through increased tariffs, which will increase operational costs (electricity bills) for Eris and MMH. Eskom uses large amounts of water in the generation process.

Time horizon
Short-term

Likelihood
Very likely

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)
50000000

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

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

Explanation of financial impact figure
Eris derives income from the properties under its management. The Momentum Direct Property Portfolio, which has total assets under management exceeding R10 billion, has achieved annualised returns of 7.36% over the last three years. Increased utility costs (electricity, water and waste) could lead to vacancies that could result in reduced returns. A 0.5% reduction in performance could translate into R10 billion * 0.5% = R50 million less income for Eris.

Through responsible property management and proven efficiency savings Eris and Momentum Metropolitan can reduce its energy and water costs as well as benefit from potential tax allowances for energy-and water-efficient equipment and renewable energy technologies.

Cost of response to risk
400000000

Description of response and explanation of cost calculation
In order to reduce or curtail costs Eris moved its head office in Johannesburg into one of its own developments in Sandton in October 2020. The Marc is a prestigious multi-use, multi-tenant 5-star green-rated premises with energy and water efficient technologies and is also a MMH head office.

Eris's efforts to reduce its electricity and water consumption and related costs in the buildings under its management, include:
• Smart metering to reduce water and electricity waste
• The use of ground water and water harvesting
• Installing energy efficient lighting in all its buildings.

MMH's Facilities Department takes great care and consideration in the technologies installed within offices, specifically with regards to new buildings where the aim is to ensure that they are Green Star rated, such as the 4-star Cornubia and 5-star Sandton (The Marc) head offices. Existing buildings are retrofitted with more energy and water efficient technologies when they are being upgraded. In addition, they monitor the infrastructure of major head office buildings and ensures that they are compliant with national building standards.

Over the past four years R400 million was invested for upgrading the Parc du Cap (Cape Town) and Centurion main office buildings to reduce both water and energy consumption.

In order to contribute towards water management, the facilities team implemented the following initiatives to achieve ongoing water savings:
• reduced water pressure in the taps;
• replacing water-cooled systems with air cooled chiller plants in identified buildings;
• created a mechanism to keep water pressure at levels suitable for the operation of a modified fire system;
• installed borehole; and
• installed back-up tanks on emergency fire tanks to ensure water for sprinkler systems to protect employees and buildings despite possible municipal outages. The back-up tanks also support kitchens and ablution facilities in the event of a water outage.

Water management initiatives and technologies to reduce water consumption achieved a 54% year-on-year reduction in municipal water consumption in the Centurion office and a 10% year-on-year reduction in the Parc du Cap office.

The total cost in response to the risk is R400 million for the installation of efficient technologies to date.

Comment

FW-FS2.4

(FW-FS2.4) Have you identified any inherent forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Opportunities identified for this issue area	Primary reason why your organization has not identified any substantive opportunities for this issue area	Explain why your organization has not identified any substantive opportunities for this issue area
Forests	No	Not yet evaluated	In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues.
Water	Yes	<Not Applicable>	<Not Applicable>

FW-FS2.4a

(FW-FS2.4a) Provide details of forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Portfolio where opportunity occurs
Insurance underwriting (Insurance company) portfolio

Issue area opportunity relates to
Water

Opportunity type & Primary opportunity driver

Products and services	Development and/or expansion of financing products and solutions supporting water security

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

Company- specific description
Momentum Metropolitan is supportive of the Principles for Sustainable Insurance (PSI) initiative, which aims to ensure that all activities in the insurance value chain are responsible and include environmental, social and governance (ESG) issues. The changing risk landscape is leading to diverse, interconnected and complex risk that also present new opportunities for MMH.

Increasingly extreme weather patterns around the globe leave little doubt that climate change will impact on agriculture and food availability in the future.

South Africa's agricultural industry has three layers of diversity, each with their own challenges. The climate and soil differ significantly from area to area; a wide range of crops are grown and a broad segment of farms – from small emerging to large corporate farmers – compete in relatively small geographical spaces.

Large parts of South Africa's grain production regions are rain-fed and vulnerable to drought and grain price volatility. This leads to volatile output levels and severe financial pressure across the value chain.

Traditional crop insurance products, such as multi-peril crop insurance (MPCI), are often not best suited to the South Africa's grain industry as it inherently includes a great deal of anti-selection, leading to high prices. This is particularly problematic as high and volatile prices could automatically exclude emerging farmers, who are the most vulnerable to inclement weather patterns. For instance, a corporate farm would have the resources to withstand a year, or maybe even two, of drought but an emerging farmer would be hard hit in the first year.

MMH's cell captive insurer, Guardrisk, has through innovation provided a tailor-made solution suited to the local market in the non-life insurance sector to meet the demand for climate change related insurance and even reduced premiums associated with direct impacts from weather related events. This will therefore improve the profitability of products and improve persistency (lapse rate).

Time horizon
Medium-term

Likelihood
Likely

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)
53900000

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

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

Explanation of financial impact figure
In line with the Reinvent and Grow strategy MMH has a normalised headline earnings (NHE) target of R5 billion in F2024 of which Non-Life Insurance contributes 20% or R1 billion. During F2022 the Non-life Insurance contribution to NHE was 10% or R461 million, while Guardrisk continued on its growth trajectory contributing R449 million to NHE – an increase of 19% from F2021.

The estimated financial impact of growth in the Non-Life Insurance sector is therefore estimated to be R539 million to reach the R1 billion target in F2024. Should Guardrisk contribute 10% to the growth, the financial impact for MMH would be R539 million * 10% = R53.9 million.

Cost to realize opportunity
5500000

Strategy to realize opportunity and explanation of cost calculation
Various product development teams within MMH continually review MMH product offerings to ensure they meet the needs of the market. MMH's three year Reinvent and Grow strategy over the period from 2021 – 2024 advocates the development of new and refreshed products. As part of product innovation and a step towards providing insurance products that are linked to climate change issues, MMH (through Guardrisk) provides tailor-made insurance for grain farmers. This was done in order to mitigate and reduce the financial risks faced by South African grain farmers who are vulnerable to drought and grain price volatility.

Through its partnership with Agnovate, Guardrisk has developed a multi-peril yield insurance (MPYI) product which calculates insurance rates according to the historical yield performance of a predefined production area and considers similar soil and climate in one geographical area. Claims are based on the weighted average of yield shortfall determined across the production area and clients pre-agree to absorb a percentage of the total financial loss. Launched in August 2019, volatile climatic conditions triggered several claims since then. The product responded in accordance with expectations; adequately protecting clients' risks and living up to its promises. This is evident in that gross written premiums in F2022 increased by 85% to R5.2 million (F2021: R2.8 million).

In addition to developing new and innovative products, the way in which MMH conducts business is innovative and indirectly enables the business to adapt to the effects of the changing climate and thus creating resilience of its new and existing products. The new-generation crop insurance product is based on state-of-the-art technology, which is suited to the modern farming client.

Further, on building claims, Momentum Insure have incorporated the retrofit of conventional geysers with more energy efficient geysers.

The product development teams continue to identify and develop the appropriate non-life insurance products to address this opportunity. Product developer's salaries form part of MMH total remuneration expense.

The cost of to realize the opportunity relates to the share of these salaries, marketing and other costs for developing new and innovative non-life products which is estimated to be R5.5 million per annum.

Comment

FW-FS3.1

(FW-FS3.1) Do you take forests- and/or water-related risks and opportunities into consideration in your organization's strategy and/or financial planning?

Forests

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning
No, we do not take risks and opportunities into consideration

Description of influence on organization's strategy including own commitments
<Not Applicable>

Financial planning elements that have been influenced
<Not Applicable>

Description of influence on financial planning
<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues on its strategy.

Water

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning
Yes, we take these risks and opportunities into consideration in the organization's strategy and financial planning

Description of influence on organization's strategy including own commitments
Products: During F2022 MMH provided Rand Water with a SDG-linked loan. Rand Water is a South African water utility that supplies potable water to Gauteng province and other areas of the country and is the largest water utility in Africa. The loan conditions require that Rand Water install additional solar energy as per SDG 7's goals for affordable and clean energy. A 2021 baseline was created with specific targets for June 2023 and June 2025. Should the targets be met, the interest rate on the loan will be reduced by 0.03% to 0.05%.

Financial planning elements that have been influenced
Capital allocation
Access to capital
Assets
Claims reserves

Description of influence on financial planning
Capital expenditures/capital allocation: As a result of the 2017 Western Cape water crisis, MMH incurred capital cost of R30 million in order to adapt to the drought and the environmental impact on its operations.

The following long-term initiatives were implemented at our Parc du Cap office located in the Western Cape in order to reduce the risks brought about by water shortage (Medium impact).
• Changed the water-cooled systems with air- cooled chiller plant in the identified buildings
• Fire system modification – created own mechanism to keep water pressure at levels suitable for operation of the fire system
• Sanitation system modification
• Borehole installations
• Back-up tanks on emergency fire tanks installed to ensure water for sprinkler systems to protect employees and buildings despite possible municipal outages. The back-up tanks also support kitchens and ablution facilities in the event of a water outage.

More than R400 million was invested for upgrading the Parc du Cap (Cape Town) and Centurion main office buildings, which includes retrofitting energy efficient air conditioner chillers and lighting, which has reduced both water and energy consumption.

Access to Capital: Responsibly investing in water infrastructure over the long-term
In F2021 MMH invested R600 million in two water infrastructure projects. One of the these is a bulk raw water infrastructure project, and the second project will increase access to clean water. The funding of the second project using new age sustainability-linked funding, requires that the project owner builds a solar plant for its own use to reduce its reliance on fossil fuel energy from Eskom. If they do not meet these requirements the interest rate charged will increase.

Assets: MMH is increasing the capital outlay to owned MMH buildings in order to ensure that they are energy efficient, utilize less water and have an overall less impact on the environment. Another example is the multi-tenant development, The Marc in Sandton, and the Cornubia office in Durban, which have received 5- and 4- Star Green Rating from the Green Building Council of South Africa respectively. This will ultimately increase the asset value for MMH over the long term.

Claims Reserves: Increased claims from extreme weather events such as storms etc. are expected. These increasing claims from both short-term and long-term insurance have been factored into MMHs annual and medium-term budgeting and financial management process.

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
<Not Applicable>

FW-FS3.2

(FW-FS3.2) Has your organization conducted any scenario analysis to identify forests- and/or water-related outcomes?

Forests

Scenario analysis conducted to identify outcomes for this issue area

Yes, we have conducted scenario analysis and we have identified outcomes for this issue area

Type of scenario analysis used

Climate-related
Socioeconomic

Parameters, assumptions, analytical choices

Momentum Metropolitan conducted climate-change scenario analysis using the NGFS framework to evaluate the impact it could have on Life Insurance, Non-Life insurance and Investments businesses – both from a physical climate (weather-related events and trends) and a transitional (transition to a low-carbon economy) perspective. In time the analysis will include at least one other climate scenario.

In assessing transition risk and opportunity, output from the NGFS, the National Business Initiative (NBI) and the IPCC work on achieving a Just Transition for South Africa. MMH's own proprietary research and forecasting of socio-economic and political trends were also used.

Physical climate risks and opportunities were identified by using a selection of climate models provided by institutions such as the IPCC, the South African Council for Scientific and Industrial Research (CSIR), climate research NGO Climate Analytics, the South African Weather Service (SAWS) and The World Bank.

Using climate models it is possible to determine different physical impacts across South Africa – including average temperature change, precipitation, drought, and sea-level rise.

MMH adopted two contrasting climate scenarios: a "Net Zero 2050" and "Current Policies" scenario across two time-horizons: 2022-2035 and 2035–2060.

The Net Zero 2050 under an Orderly Transition aligns most closely with the ambitions of the Paris Agreement to limit temperature increases to 1.5°C above pre-industrial levels and entails significant levels of transition risk and opportunity.

Under Current Policies, the ambitions of the Paris Agreement are not met. The increase in global temperatures could range from 2°C-3.6°C, with 2.7 °C being the median. Despite current GHG reduction policies being implemented, GHG emissions continue with significant physical climate change impacts due to rising temperatures. MMH chose this as second scenario as it is distinctly different from the Net Zero 2050 scenario and aligns with current international GHG reduction targets and country commitments. Under this scenario where the policy environment is known, there are certain transitional impacts, but the physical risks and opportunities are materially higher than in the Net Zero 2050 scenario.

MMH modelled the IPCC representative concentration pathways RCP4.5 and RCP6 with the Current Policies scenario for physical risk analysis.

Description of outcomes for this issue area

The qualitative assessment looked at the inherent impact and likehood of source events for the two selected scenarios (Net Zero 2050 and Current Policies) across the two time-horizons: 2022-2035 and 2035-2060 within the Life Insurance, Non-Life insurance and Investments businesses.

The focal question was to identify physical and transitional climate risk types and to assess them from a materiality perspective across different risk types in MMH's risk taxonomy (for example, market, regulatory, longevity, mortality, morbidity, lapse, counterparty credit, operational, strategic, and business, non-life insurance and reputation).

A special Climate Risk Steering Committee was formed to facilitate the scenario analysis process. External climate consultants were also used to give guidance on climate trends and how these should be reported in alignment with TCFD reporting requirements.

The assessment was used to determine the materiality for other principal risk types considering the following factors:
• Potential claims
• Potential mismatch between value of assets underwritten and cost of replacement
• Shifts in geographic distribution of natural hazard and health risks
• Adequacy of reinsurance cover and pricing
• Technological investment for the low-carbon economic transition
• Affordability and adequacy of insurance cover
• Impact on the value of investments over the short and long-terms

Explain how the outcomes identified using scenario analysis have influenced your strategy

The scenario analysis highlighted that further work needs to be performed include the following:
• Determining the level of exposure relative to the Group's risk appetite and risk strategy
• Assessing the adequacy and effectiveness of controls to determine the residual risk exposure
• Linking this process with scenario outcomes in the MMH ORSA process
• Determining metrics and targets for key climate change risk indicators

MMH recognises that the challenges of climate change will continue to evolve and that it is only starting the process to fully understand the impact that it will have on businesses, suppliers and customers.

While progress was made in the past year, MMH will increase efforts to integrate climate change awareness into all aspects of business, strengthen ownership and accountability for climate change and broaden the scenario analysis work.

MMH will therefore continue to identify top-priority climate risks and opportunities; further refine stress testing business resilience in response to these risks and opportunities; and interrogate the financial impacts that it could have on businesses.

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future

<Not Applicable>

Water

Scenario analysis conducted to identify outcomes for this issue area

Yes, we have conducted scenario analysis and we have identified outcomes for this issue area

Type of scenario analysis used

Climate-related
Water-related
Socioeconomic

Parameters, assumptions, analytical choices

Momentum Metropolitan conducted climate-change scenario analysis using the NGFS framework to evaluate the impact it could have on Life Insurance, Non-Life insurance and Investments businesses – both from a physical climate (weather-related events and trends) and a transitional (transition to a low-carbon economy) perspective. In time the analysis will include at least one other climate scenario.

In assessing transition risk and opportunity, output from the NGFS, the National Business Initiative (NBI) and the IPCC work on achieving a Just Transition for South Africa. MMH's own proprietary research and forecasting of socio-economic and political trends were also used.

Physical climate risks and opportunities were identified by using a selection of climate models provided by institutions such as the IPCC, the South African Council for Scientific and Industrial Research (CSIR), climate research NGO Climate Analytics, the South African Weather Service (SAWS) and The World Bank.

Using climate models it is possible to determine different physical impacts across South Africa – including average temperature change, precipitation, drought, and sea-level rise.

MMH adopted two contrasting climate scenarios: a "Net Zero 2050" and "Current Policies" scenario across two time-horizons: 2022-2035 and 2035–2060.

The Net Zero 2050 under an Orderly Transition aligns most closely with the ambitions of the Paris Agreement to limit temperature increases to 1.5°C above pre-industrial levels and entails significant levels of transition risk and opportunity.

Under Current Policies, the ambitions of the Paris Agreement are not met. The increase in global temperatures could range from 2°C-3.6°C, with 2.7 °C being the median. Despite current GHG reduction policies being implemented, GHG emissions continue with significant physical climate change impacts due to rising temperatures. MMH chose this as second scenario as it is distinctly different from the Net Zero 2050 scenario and aligns with current international GHG reduction targets and country commitments. Under this scenario where the policy environment is known, there are certain transitional impacts, but the physical risks and opportunities are materially higher than in the Net Zero 2050 scenario.

MMH modelled the IPCC representative concentration pathways RCP4.5 and RCP6 with the Current Policies scenario for physical risk analysis.

Description of outcomes for this issue area

The qualitative assessment looked at the inherent impact and likehood of source events for the two selected scenarios (Net Zero 2050 and Current Policies) across the two time-horizons: 2022-2035 and 2035-2060 within the Life Insurance, Non-Life insurance and Investments businesses.

The focal question was to identify physical and transitional climate risk types and to assess them from a materiality perspective across different risk types in MMH's risk taxonomy (for example, market, regulatory, longevity, mortality, morbidity, lapse, counterparty credit, operational, strategic, and business, non-life insurance and reputation).

A special Climate Risk Steering Committee was formed to facilitate the scenario analysis process. External climate consultants were also used to give guidance on climate trends and how these should be reported in alignment with TCFD reporting requirements.

The assessment was used to determine the materiality for other principal risk types considering the following factors:
• Potential claims
• Potential mismatch between value of assets underwritten and cost of replacement
• Shifts in geographic distribution of natural hazard and health risks
• Adequacy of reinsurance cover and pricing
• Technological investment for the low-carbon economic transition
• Affordability and adequacy of insurance cover
• Impact on the value of investments over the short and long-terms

Explain how the outcomes identified using scenario analysis have influenced your strategy

The scenario analysis highlighted that further work needs to be performed include the following:
• Determining the level of exposure relative to the Group's risk appetite and risk strategy
• Assessing the adequacy and effectiveness of controls to determine the residual risk exposure
• Linking this process with scenario outcomes in the MMH ORSA process
• Determining metrics and targets for key climate change risk indicators

MMH recognises that the challenges of climate change will continue to evolve and that it is only starting the process to fully understand the impact that it will have on businesses, suppliers and customers.

While progress was made in the past year, MMH will increase efforts to integrate climate change awareness into all aspects of business, strengthen ownership and accountability for climate change and broaden the scenario analysis work.

MMH will therefore continue to identify top-priority climate risks and opportunities; further refine stress testing business resilience in response to these risks and opportunities; and interrogate the financial impacts that it could have on businesses.

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future

<Not Applicable>

FW-FS3.3

(FW-FS3.3) Has your organization set targets for deforestation free and/or water secure lending, investing and/or insuring?

	Targets set	Explain why your organization has not set targets for deforestation free and/or water secure lending, investing and/or insuring and any plans to address this in the future
Forests	No, but we plan to set targets within the next two years	In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues with the view to develop products and services, if applicable.
Water Security	No, but we plan to set targets within the next two years	In the coming years MMH will map its portfolio of investments to better understand the impact of water-related issues with the view to develop products and services, if applicable.

FW-FS3.4

(FW-FS3.4) Do any of your existing products and services enable clients to mitigate deforestation and/or water insecurity?

	Existing products and services that enable clients to mitigate deforestation and/or water insecurity	Explain why your organization does not offer products and services which enable clients to mitigate deforestation and/or water insecurity and any plans to address this in the future
Forests	No, but we plan to address this within the next two years	In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues with the view to develop products and services, if applicable.
Water	Yes	<Not Applicable>

FW-FS3.4a

(FW-FS3.4a) Provide details of your existing products and services that enable clients to mitigate deforestation and/or water insecurity.

Product type
Agribusiness

Taxonomy or methodology used to classify product(s)
Internally classified

Product enables clients to mitigate
Water insecurity

Description of product(s)
Through its partnership with Agnovate, Guardrisk has developed a new-generation multi-peril yield insurance (MPYI) product which calculates insurance rates according to the historical yield performance of a predefined production area and considers similar soil and climate in one geographical area. Claims are based on the weighted average of yield shortfall determined across the production area and clients pre-agree to absorb a percentage of the total financial loss.

Type of activity financed, invested in or insured
Sustainable agriculture
Flood/drought resilience

Portfolio value (unit currency – as specified in C0.4)
5200000

% of total portfolio value
0.02

FW-FS3.5

(FW-FS3.5) Does the policy framework for the portfolio activities of your organization include forests- and/or water-related requirements that clients/investees need to meet?

	Policy framework includes this issue area	Explain why your organization does not include this issue area in the policy framework and any plans to address this in the future
Forests	No, but we plan to include this issue area within the next two years	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.
Water	No, but we plan to include this issue area within the next two years	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.

FW-FS4.1

(FW-FS4.1) Do you engage with your clients/investees on forests- and/or water-related issues?

	We engage with clients/investees on this issue area	Explain why you do not engage with your clients/investees on the issue area and any plans to address this in the future
Clients – Forests	No, but we plan to within the next two years	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.
Clients – Water	No, but we plan to within the next two years	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.
Investees – Forests	No, but we plan to within the next two years	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.
Investees – Water	No, but we plan to within the next two years	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.

FW-FS4.2

(FW-FS4.2) Does your organization exercise its voting rights as a shareholder on forests- and/or water-related issues?

	We exercise voting rights as a shareholder on this issue area	Issues supported in shareholder resolutions	Give details of the impact your voting has had on this issue area	Explain why your organization does not exercise voting rights on this issue area and any plans to address this in the future
Forests	No, but we plan to within the next two years	<Not Applicable>	<Not Applicable>	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.
Water	No, but we plan to within the next two years	<Not Applicable>	<Not Applicable>	Momentum Investment's current approach to understanding how its portfolio impacts the changing climate is to engage with the management of companies and to create awareness thereof. MMH seeks disclosure from investment companies and has a register that shows how it engages with companies it invests in to keep them accountable. As active owners, through stewardship efforts, MMH works with the highest emitting companies to ensure they have a robust climate strategy and support a Just Transition. Appointed external investment managers are encouraged to publish their climate change investment policies and support a Just Transition.

FW-FS4.3

(FW-FS4.3) Does your organization provide financing and/or insurance to smallholders in the agricultural commodity supply chain?

	Provide financing and/or insurance to smallholders in the agricultural commodity supply chain	Agricultural commodity	Primary reason for not providing finance and/or insurance to smallholders	Explain why your organization does not provide finance/insurance to smallholders and any plans to change this in the future
Row 1	Yes	Maize/corn	<Not Applicable>	<Not Applicable>

FW-FS4.3a

(FW-FS4.3a) Describe how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity.

Maize/corn

Financial service provided
Insurance

Smallholder financing/insurance approach
Financial incentives for sustainable practices

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity
South Africa's agricultural industry has three layers of diversity, each with their own challenges. The climate and soil differ significantly from area to area; a wide range of crops are grown and a broad segment of farms – from small emerging to large corporate farmers – compete in relatively small geographical spaces.

Large parts of South Africa's grain production regions are rain-fed and vulnerable to drought and grain price volatility. This leads to volatile output levels and severe financial pressure across the value chain.

Traditional crop insurance products, such as multi-peril crop insurance (MPCI), are often not best suited to the South Africa's grain industry as it inherently includes a great deal of anti-selection, leading to high prices. This is particularly problematic as high and volatile prices could automatically exclude emerging farmers, who are the most vulnerable to inclement weather patterns. For instance, a corporate farm would have the resources to withstand a year, or maybe even two, of drought but an emerging farmer would be hard hit in the first year.

MMH's cell captive insurer, Guardrisk, has through innovation provided a tailor-made solution suited to the local market in the non-life insurance sector to meet the demand for climate change related insurance and even reduced premiums associated with direct impacts from weather related events.

FW-FS4.4

(FW-FS4.4) Does your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may impact forests and/or water security?

	External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Explain why you do not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area
Forests	Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact this issue area	<Not Applicable>	<Not Applicable>
Water	Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact this issue area	<Not Applicable>	<Not Applicable>

FW-FS5.1

(FW-FS5.1) Does your organization measure its portfolio impact on forests and/or water security?

	We measure our portfolio impact on this issue area	Explain how your organization measures its portfolio impact on this issue area, including any metrics used to quantify impact	Primary reason for not measuring portfolio impact on this issue area	Explain why your organization does not measure its portfolio impact on this issue area and any plans to change this in the future
Banking – Impact on Forests	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Banking – Impact on Water	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Important but not an immediate priority	In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues.
Investing (Asset manager) – Impact on Water	Yes	Eris measures water consumption in buildings under management.	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Important but not an immediate priority	In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues.
Investing (Asset owner) – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Important but not an immediate priority	In the coming years MMH will map its portfolio of investments to better understand the impact of water-related issues.
Insurance underwriting – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Important but not an immediate priority	In the coming years MMH will map its portfolio of investments to better understand the impact of forest-related issues.
Insurance underwriting – Impact on Water	Yes	Water-related issues are included in risk models.	<Not Applicable>	<Not Applicable>

FW-FS5.2

(FW-FS5.2) Does your organization provide finance or insurance to companies operating in any stages of the following forest risk commodity supply chains, and are you able to report on the amount of finance/insurance provided?

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Lending to companies operating in the timber products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the palm oil products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cattle products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the soy supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the rubber supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cocoa supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the coffee supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the timber products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the palm oil products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cattle products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the soy supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the rubber supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cocoa supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the coffee supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the timber products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the palm oil products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cattle products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the soy supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the rubber supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cocoa supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the coffee supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the timber products supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the palm oil products supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cattle products supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the soy supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the rubber supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cocoa supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the coffee supply chain	No	<Not Applicable>	<Not Applicable>

FW-FS6.1

(FW-FS6.1) Have you published information about your organization's response to forests- and/or water-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Focus of the Publication
Water Security

Publication
In voluntary communications

Status
Complete

Attach the document
TCFD-Report-2022.pdf

Page/Section reference
TCFD Report 2022 – pp 1-28

Content elements
Strategy
Risks and opportunities
Response to forests- and/or water-related risks and opportunities
Financing and/or insurance of agricultural commodities

Comment

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