

Controversial ESG themes

June 2022

Water covers 70% of our planet, and it is easy to think that it will always be plentiful. However, freshwater is incredibly rare. Only 3% of the world's water is freshwater, and two-thirds of that is unavailable for our use. It is scarce to the extent that it can easily lead to conflicts like those experienced over oil. Largely because of that, water scarcity is becoming a topical discussion point. Apart from the immediate concern of the decline of water reserves, there are additional issues such as the sanitation of water and the level of water quality. There is a need for a well-thought-out water management plan, which focuses on the way we use water, and the purification systems.

We voted on 519 resolutions during the second quarter: 395 in favour and 24 against.

Standard Bank Group Limited

To re-elect John Vice to the audit committee

Mr. Vice has the right experience and skills for the job. However, his independence is debatable as he was a partner at KPMG, which is one of Standard Bank's current auditing firms.

AngloGold Ashanti Limited

Re-appointment of Ernst & Young Inc

Ernst & Young fails our independence test as it has been auditing AngloGold Ashanti for seventy-eight years.

Capitec Bank Holdings Limited

Re-election of Mr MS du Pré le Roux as a non-executive Director

Mr. du Pré le Roux has the right qualifications and skills for the position, however, we feel his independence is compromised as he has more than 22 years on the Capitec board. His profile is also weakened by the fact that he was the chairperson of the board.

Resilient REIT Limited

Re-election of Barry van Wyk as a director

Mr. van Wyk has the right qualifications and experience for the position. However, his independence is problematic as he has been on the board since 2002.

Sanlam Limited

To reappoint Ernst & Young Inc. as independent joint auditors

Ernst & Young is a reputable auditing firm with the resources and capacity to carry out this audit function. However, the level of independence is questionable. We are concerned of this as Ernst & Young has been auditing Sanlam for 24 years and a sole auditor for 15 years.



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