

# Stewardship Report 2026

Responsible today.  
Sustainable tomorrow.





**Ashveena  
Teeluckdharry-Khusial**

Chief Investment Officer

# Why Responsible Investment Matters

At Hollard, our purpose is to enable more people to create and secure a better future. This purpose shapes how we invest, how we partner, and how we act as stewards of our clients' capital.

For us, responsible investment is simply an extension of this purpose in practice. It reflects our belief that long-term financial outcomes are intrinsically linked to sustainability and sound governance, and that capital should be allocated to businesses that are positioned to create value over time and contribute positively to the broader economy and society.

This is closely aligned to our Hollard Shared Value philosophy — our “Win-Win-Win” approach — which seeks to deliver positive outcomes for our business, our partners, our clients, our industry and society at large. At the heart of managing our clients' hard-earned money is trust. We take this responsibility seriously. Investing responsibly requires us to balance opportunity with risk — particularly those risks that may arise from environmental, social or governance failures. While many of these considerations have long been part of good investment practice, responsible investment sharpens the focus on identifying financially material sustainability and governance-related factors and integrating them consistently into decision-making.

As a multi-manager, our approach to responsible investment is both deliberate and far-reaching. We appoint specialist underlying managers to make investment decisions and carry out day-to-day stewardship activities, including company engagement and proxy voting.



“At the heart of managing our clients’ hard-earned money is trust.

We take this responsibility seriously.”

This inaugural Stewardship Report marks an important milestone in our journey. It reflects our ongoing commitment to transparency, accountability and continuous improvement, as well as how we align with global best practice. As a PRI signatory we will report on outcomes of our reporting process and progress thereof.

We will aim to provide insight into how our responsible investment approach is applied in practice, outlining our framework, how we assess and monitor our managers, and how we use engagement as a key stewardship tool to drive better outcomes. In doing so, we focus on the issues that matter most — those that support long-term value creation. These include governance, capital allocation, sustainability risks, diversity, transformation and other considerations, as well as emerging themes such as social impact of artificial intelligence and how it will shape the investment landscape.

The report also reflects on our progress to date, highlighting areas of strength, where further work is needed, and how our engagements are contributing to positive change through insights from our managers on our engagement approach.

However, our role does not stop there. We set clear expectations, assess and monitor our managers’ responsible investment activities, and engage constructively to support ongoing improvement. In doing so, we are able to extend our influence beyond our own business and contribute to strengthening responsible investment practices across the broader asset management industry.

Ultimately, responsible investment is not a compliance exercise — it is fundamental to who we are as a business. Through this report, we aim to take our clients and stakeholders along on this journey, sharing how we are evolving our approach, deepening our impact, and contributing to a more sustainable and resilient investment ecosystem over time.





**Conlias Mancuveni**

Head of Implemented  
Portfolio Solutions

# Our Responsible Investment Journey

## From awareness to accountability:

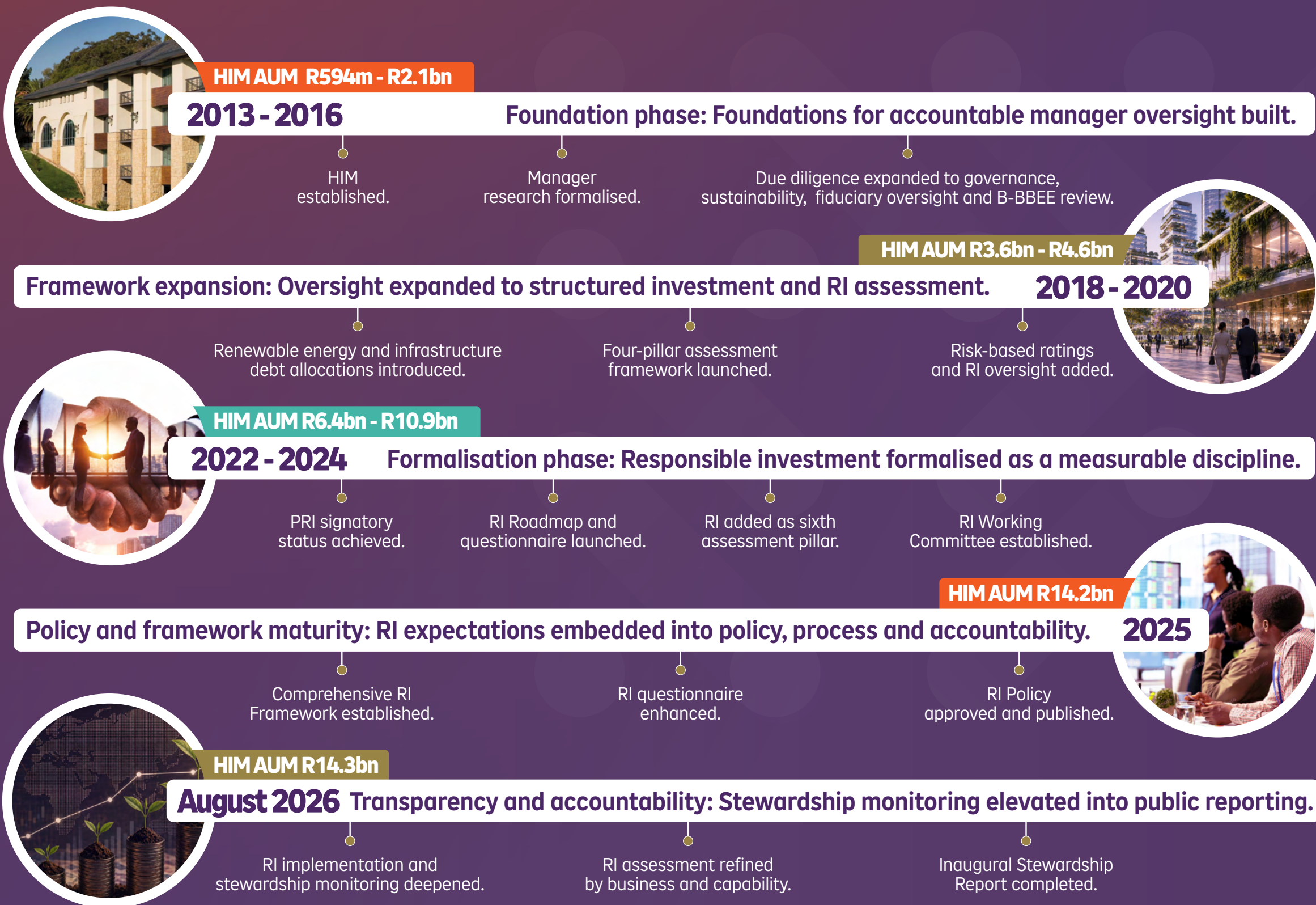
Our journey reflects a deliberate shift from ESG consideration to structured, measurable responsible investment integration.

Since its establishment in 2013, Hollard Investment Managers has progressively evolved its approach to responsible investment and stewardship. What began as a strong focus on governance and manager oversight has matured into a comprehensive

responsible investment framework encompassing RI integration, structured manager engagement, proprietary assessment methodologies, formal governance structures, and alignment with global best practice through the PRI.

This journey reflects our commitment to being responsible stewards of capital and delivering sustainable long-term outcomes for our clients while contributing positively to society and the broader economy.

# Key milestones in the evolution of our stewardship approach





**Imelda Watkins**

Head of Research

# Our **Approach** to Responsible Investment

We assess and monitor our underlying managers RI capability using our manager RI questionnaire and a structured five-principle framework.

## **5** connected principles

A structured lens for manager selection, monitoring and engagement.

### **Business commitment**



Leadership ownership, governance, resourcing and credible RI policies.

### **Diversity**



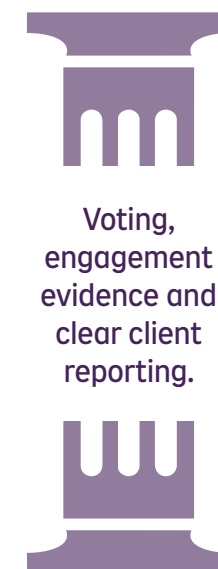
DEI and transformation across board, executive and investment teams.

### **Integration**



RI embedded into research, investment decisions and risk management.

### **Stewardship & transparency**



Voting, engagement evidence and clear client reporting.

### **RI performance**



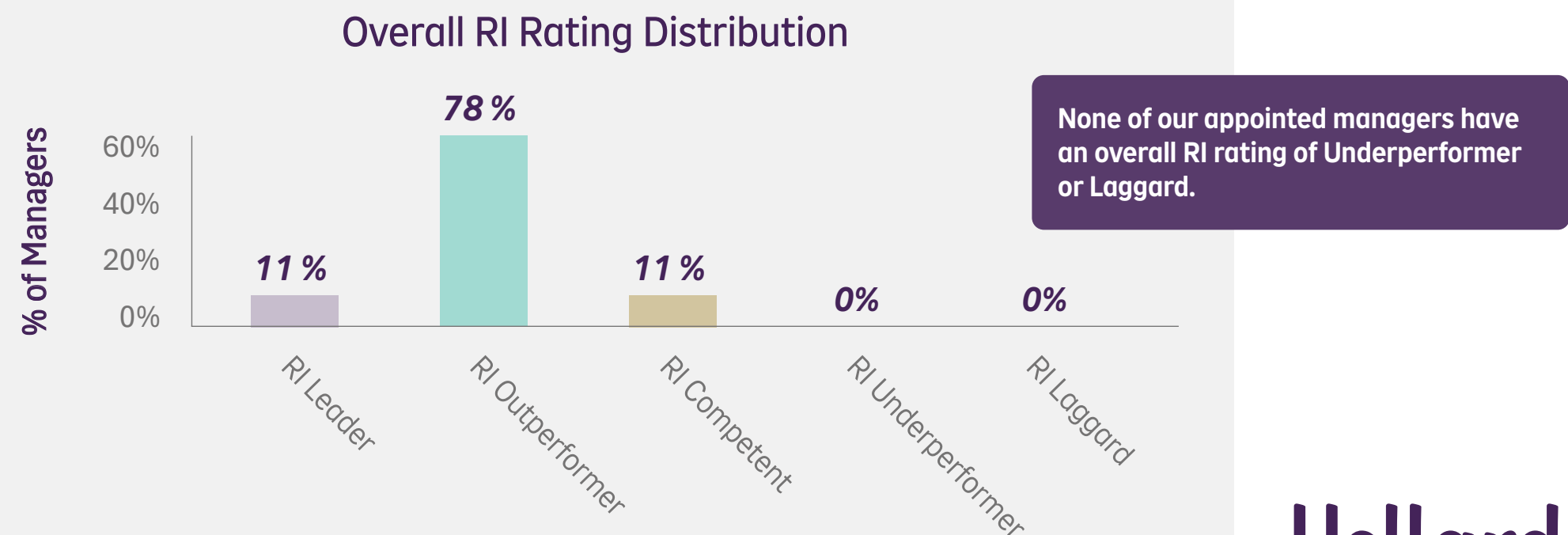
Sustainability indicators and how outcomes evolve over time.

Our RI assessment is embedded in our manager research process and influences a manager's overall rating and eligibility for portfolio inclusion.

# How our **Managers** are Tracking

The charts below show how our managers are tracking overall and across the four assessed RI principles. As our assessment process matures, the next phase will bring the fifth principle, RI performance, into focus—strengthening how we measure and demonstrate RI outcomes over time. The results highlight where we see the strongest RI foundations and where continued manager engagement is required.

The overall RI rating distribution across the nine managers reviewed provides a high-level view of the current manager universe before considering the underlying principle-level drivers.



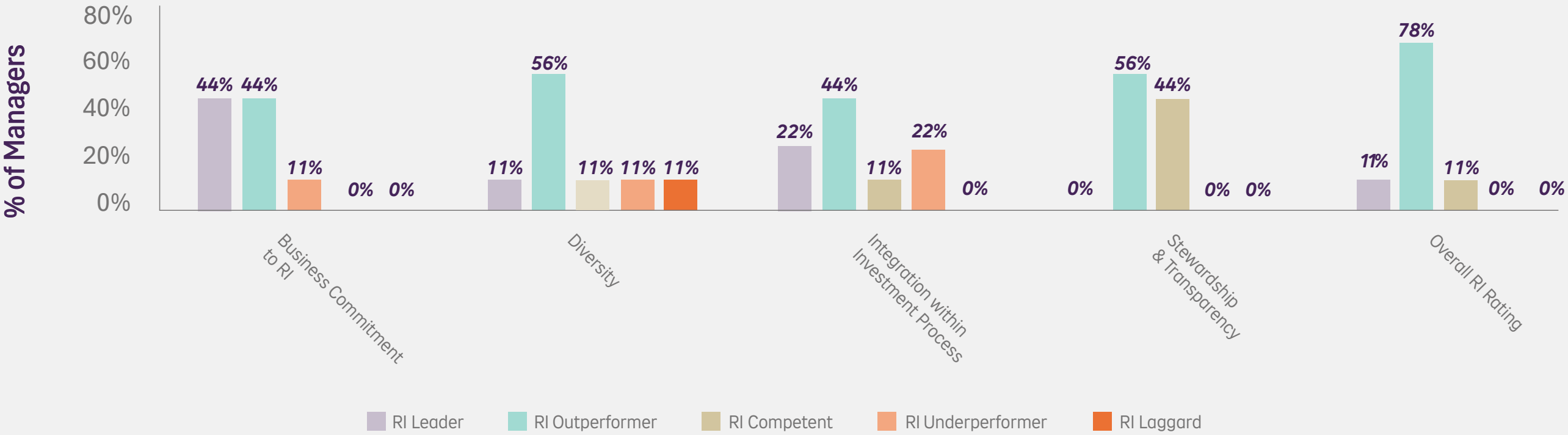
Strongest area

Manager rating

Business Commitment to RI

89%  
RI Leader or RI Outperformer

RI Rating Distribution by Principle



“ RI rating distribution by principle ”

The main areas for continued engagement are Integration within the Investment Process and Diversity. Integration has the highest proportion of RI Underperformer ratings, while Diversity includes the only RI Laggard rating.

## Manager-level RI rating heatmap

The heatmap provides a manager-by-manager view of the four RI principles and the overall RI rating. This helps identify whether a manager's overall rating is supported by consistent performance across pillars or whether there are specific areas that require further engagement.

The heatmap confirms that most managers are clustered in the RI Outperformer band, but there are specific engagement priorities. These include improving ESG integration for managers where RI commitments are not yet reflected in investment decision-making, and continuing to engage on diversity where outcomes remain weaker.

| Manager   | Business Commitment to RI | Diversity         | Integration within Investment Process | Active Engagement & Transparency | Overall RI Rating |
|-----------|---------------------------|-------------------|---------------------------------------|----------------------------------|-------------------|
| Manager A | RI Outperformer           | RI Outperformer   | RI Outperformer                       | RI Outperformer                  | RI Outperformer   |
| Manager B | RI Outperformer           | RI Competent      | RI Outperformer                       | RI Outperformer                  | RI Outperformer   |
| Manager C | RI Outperformer           | RI Outperformer   | RI Outperformer                       | RI Competent                     | RI Outperformer   |
| Manager D | RI Leader                 | RI Outperformer   | RI Underperformer                     | RI Competent                     | RI Outperformer   |
| Manager E | RI Leader                 | RI Leader         | RI Leader                             | RI Outperformer                  | RI Leader         |
| Manager F | RI Competent              | RI Underperformer | RI Competent                          | RI Competent                     | RI Competent      |
| Manager G | RI Leader                 | RI Outperformer   | RI Underperformer                     | RI Outperformer                  | RI Outperformer   |
| Manager H | RI Outperformer           | RI Loggard        | RI Outperformer                       | RI Competent                     | RI Outperformer   |
| Manager I | RI Leader                 | RI Outperformer   | RI Leader                             | RI Outperformer                  | RI Outperformer   |

“Overall the results indicate a generally strong RI baseline across the manager universe, with targeted engagement needed to move managers from adequate or mixed RI practices toward more consistent RI leadership across all principles.”



**Imelda Watkins**

Head of Research

# Principle 1

## A Deep Dive.

In our inaugural Stewardship Report, we take a closer look at the first principle in our framework: Business Commitment to Responsible Investment. Future editions will explore the remaining RI principles in greater depth.

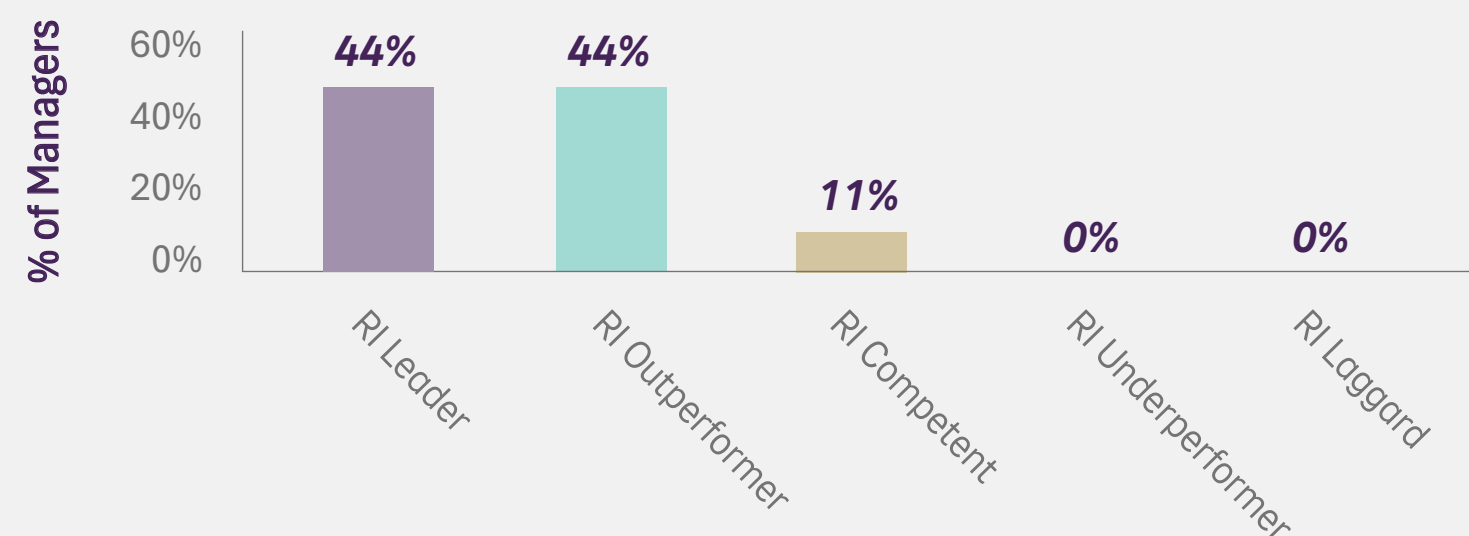
### Business Commitment to Responsible Investment

This principle assesses whether RI is supported by clear leadership ownership, appropriate resourcing, formal policies, and evidence that RI is being embedded into business practice. Across the nine managers reviewed, the overall baseline is strong: over 80% of managers are rated either RI Leader or RI Outperformer for this pillar.

#### What we look for:

- Clear leadership ownership and accountability for RI
- People, skills and resourcing to implement RI, including training and dedicated RI/ESG capability
- Governance mechanisms that reinforce RI, including whether RI is reflected in remuneration or incentives
- Core RI-related policies, including RI, conflicts of interest, stewardship/engagement and proxy voting policies
- Alignment with recognised RI standards, particularly PRI, and stated improvement priorities over the next 12-24 months

## Business Commitment Rating Distribution



### Results

### Manager rating

**Focused in upper rating bands**

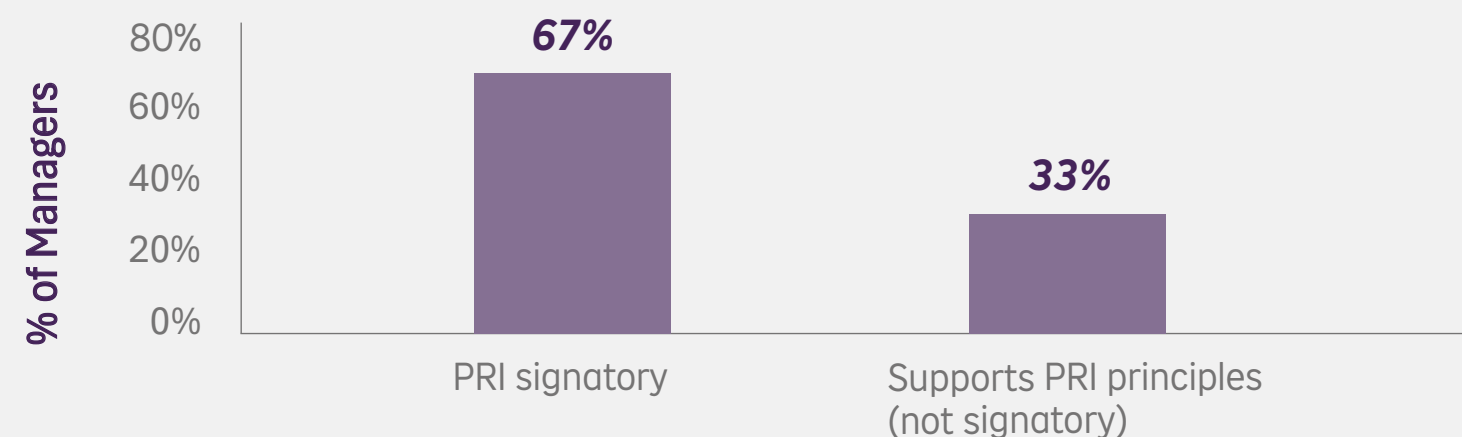
**89%** RI Leader or RI Outperformer

**Strong baseline commitment to responsible investment.**

The results are concentrated in the upper rating bands: 89% of managers are RI Outperformers or RI Leaders for Business Commitment to RI, indicating a generally strong baseline commitment across the reviewed universe.

## PRI Alignment Across Managers

“PRI alignment is a useful signal of formal industry commitment.” All reviewed managers are aligned to PRI principles in some form, either formal signatories or supportive of the principles. ”



## Coverage of RI governance practices

This chart summarises the extent to which foundational RI governance practices are in place across the manager universe. The main gaps are formal RI learning programmes, remuneration links, broader sustainability policies, and stewardship policy formalisation.

Strong infrastructure

Coverage

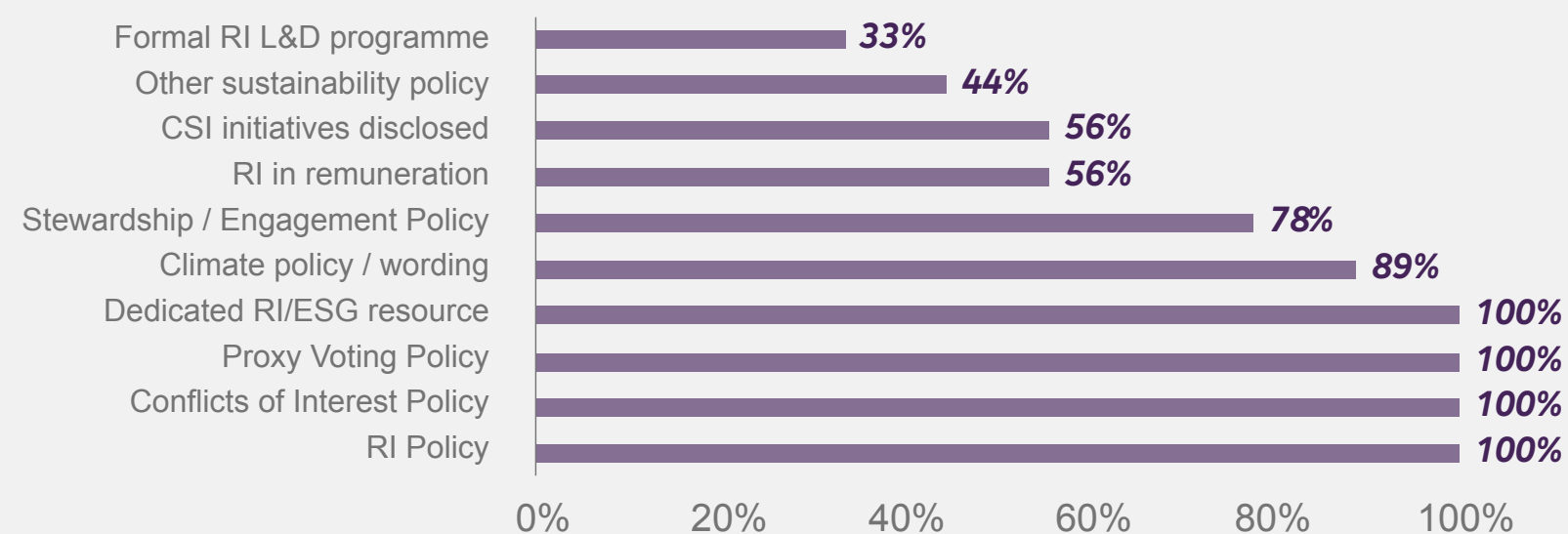


Core policies

**100%**

RI, Col  
and proxy  
voting policies and  
RI/ESG resourcing

### Coverage of RI Governance Practices (% of managers)



## Manager-level Business Commitment heatmap

The heatmap provides a manager-by-manager view of key first-pillar practices, making it easier to identify common strengths and areas requiring follow-up.

| Manager   | PRI Signatory | RI Policy | COI | Stewardship | Proxy Voting | Climate | Dedicated RI/ESG Duty | Formal L&D | Remuneration Link |
|-----------|---------------|-----------|-----|-------------|--------------|---------|-----------------------|------------|-------------------|
| Manager A | Yes           | Yes       | Yes | Yes         | Yes          | Yes     | Yes                   | No         | Yes               |
| Manager B | No, supports  | Yes       | Yes | No          | Yes          | Yes     | Yes                   | No         | Indirect          |
| Manager C | Yes           | Yes       | Yes | Yes         | Yes          | Yes     | Yes                   | Yes        | No                |
| Manager D | Yes           | Yes       | Yes | Yes         | Yes          | Yes     | Yes                   | Yes        | Yes               |
| Manager E | Yes           | Yes       | Yes | Yes         | Yes          | Yes     | Yes                   | No         | Indirect          |
| Manager F | No, supports  | Yes       | Yes | No          | Yes          | No      | Yes                   | No         | No                |
| Manager G | Yes           | Yes       | Yes | Yes         | Yes          | Yes     | Yes                   | Yes        | No                |
| Manager H | Yes           | Yes       | Yes | Yes         | Yes          | Yes     | Yes                   | No         | Indirect          |
| Manager I | No, supports  | Yes       | Yes | Yes         | Yes          | Yes     | Yes                   | No         | No                |

■ Implemented stewardship policies.

The review shows strong policy foundations: all managers have RI, conflicts of interest and proxy voting policies in place, and all have some form of RI/ESG resource or accountability. Six of the nine managers are PRI signatories, while the remaining three indicate support for the PRI principles.

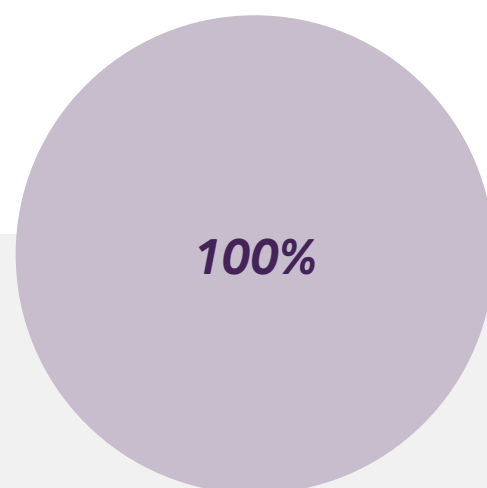
Areas for further development include formal RI learning programmes, clearer links between RI and remuneration, and more consistent stewardship policy formalisation.

“When business commitment is strong, it creates the foundation for credible stewardship and gives us confidence that RI will be embedded consistently, rather than applied only when convenient.”

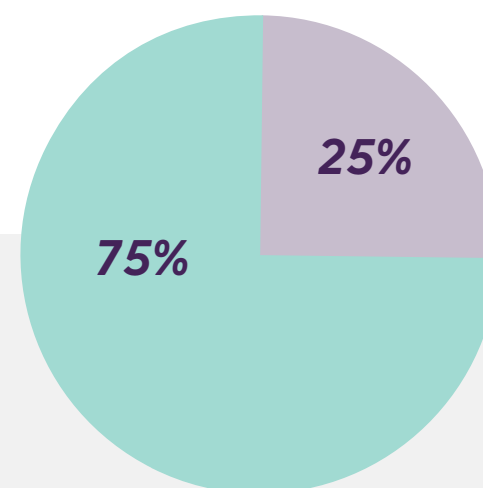
## An assessment of our Funds – Allocation by RI Rating

This section assesses the RI profile of our funds providing a portfolio-level view of RI exposure highlighting where each fund is allocated across the RI rating spectrum.

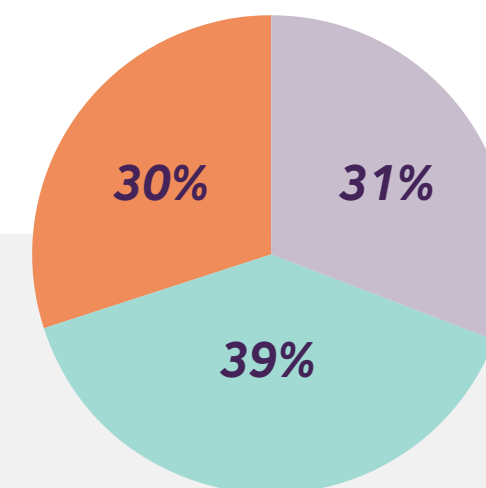
### Hollard FR Money Market



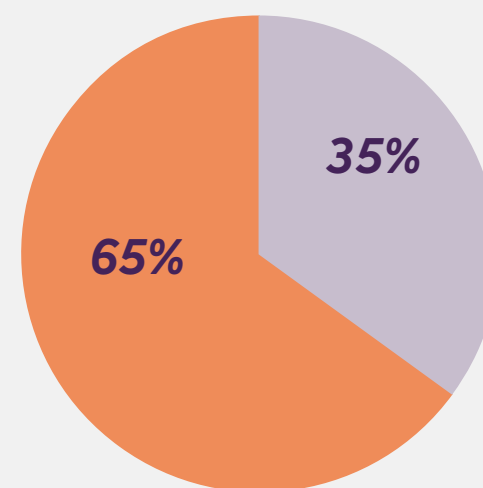
### Hollard FR Yield Plus



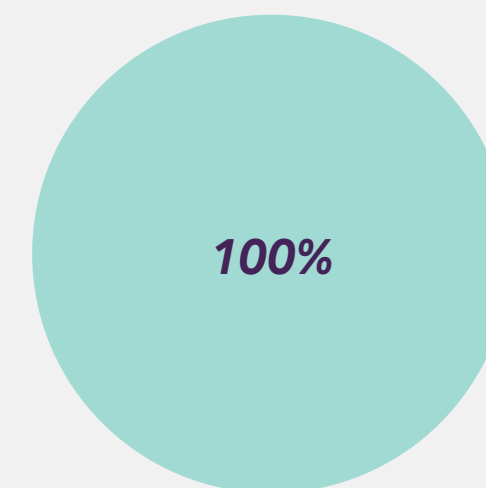
### Hollard FR Equity



### Hollard FR Dynamic Income



### Hollard FR Property



Across the funds, there is no exposure to managers rated RI Underperformer or RI Laggard. Most funds have between **35%** and **100%** exposure to managers rated RI Leader or RI Outperformer, indicating a generally strong RI profile across the fund range. The Hollard Fund of Funds portfolios are constructed using the building blocks outlined above.

RI Leader
  RI Outperformer
  RI Competent



**Robert Hughes**

Head of Balance Sheet  
Investments

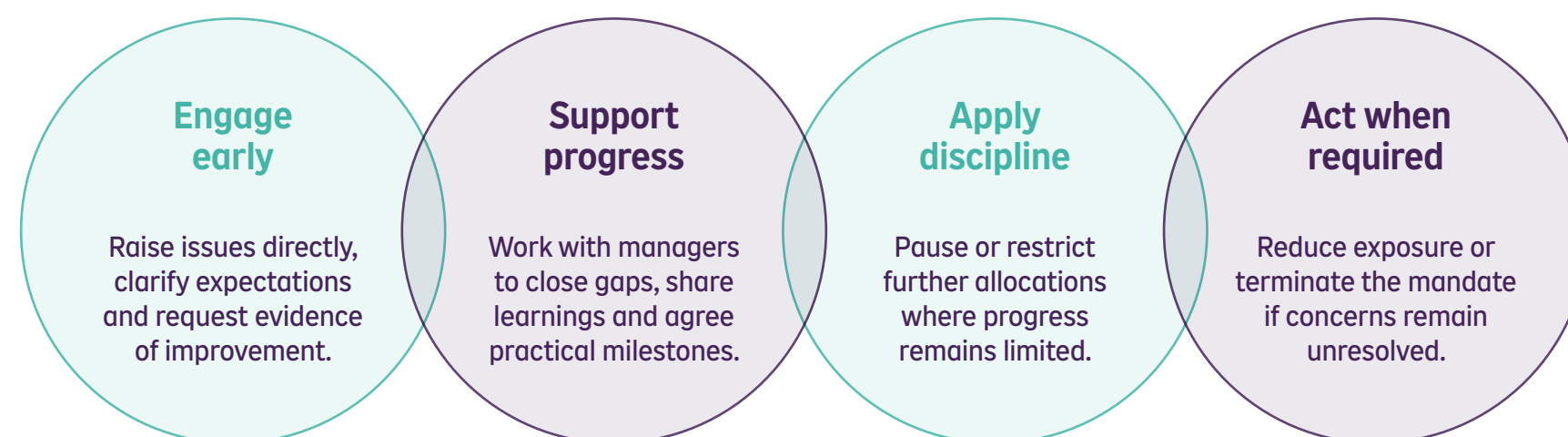
Our approach to stewardship is structured, practical and constructive.

# Strengthening RI Through Partnership

We work with our managers to strengthen responsible investment practices through clear expectations, regular dialogue and targeted support. Where progress is slow or commitments are not met, we are prepared to act — always with the objective of improving outcomes and protecting our clients' capital.

This approach keeps engagement purposeful: we seek to help managers improve, but we also retain the discipline to make investment decisions where client outcomes require it.

**Our escalation framework balances partnership with accountability:**



“We engaged early and directly, setting out our expectations for a more deliberate and measurable transformation strategy.”

A practical example of this approach is our engagement with an emerging manager on transformation. At the time of appointment, the manager had a credible investment capability but a transformation profile that required further development. We engaged early and directly, setting out our expectations for a more deliberate and measurable transformation strategy.

- **Clear expectations:** We communicated the need for a stronger, more credible transformation plan covering ownership, CSI, talent development and procurement.
- **Ongoing accountability:** We monitored progress against agreed milestones and kept transformation on the engagement agenda.
- **Tangible progress:** The manager strengthened its transformation approach and improved to B-BBEE Level 1, reflecting meaningful progress from its starting point.

Importantly, the impact extended beyond a single manager. We later connected another emerging manager facing similar transformation challenges to this manager, creating an opportunity for practical knowledge-sharing.

This contributed to a material improvement in the second manager's B-BBEE level to Level 2 in early 2026, while keeping clear expectations in place for continued progress. This example shows how constructive, sustained engagement can translate into better practices and more tangible outcomes.

By combining partnership with accountability, we can support meaningful change while keeping client interests at the centre of the process.



## What our partners are saying.

“ Alex Dearman - Director ”

“We believe that shaping an industry which truly reflects all our communities requires more than intent, it requires collaboration. The Hollard Investments team takes time to listen, to understand the texture of our journey, and to share their own. They ask important questions rather than arrive with demands. It is this spirit of genuine dialogue and action that bridges progress with purpose.”



“ The Hollard team’s willingness to engage deeply has fostered a disciplined and transparent environment within which Saffron could evolve its transformation framework with confidence. ”

Saffron Wealth acknowledges the meaningful role played by the Hollard team in supporting and encouraging our B-BBEE journey. Through due diligence, manager evaluations and responsible investment engagements, Hollard has provided constructive structure and insight, helping us refine our approach to transformation.

We have valued the team’s thoughtful and professional engagement, particularly their focus on aligning transformation objectives with investment independence and fiduciary responsibility.

Hollard’s input has been constructive and valued as we continue building a resilient, inclusive and future-ready investment business.

“ Brandon Quinn - CEO and PM ”





**Kyle McWilliam**

Head: Group Shared Services

# Hollard Group Sustainability Initiatives

## Solar PV and energy resilience at the Parktown / Arcadia campus

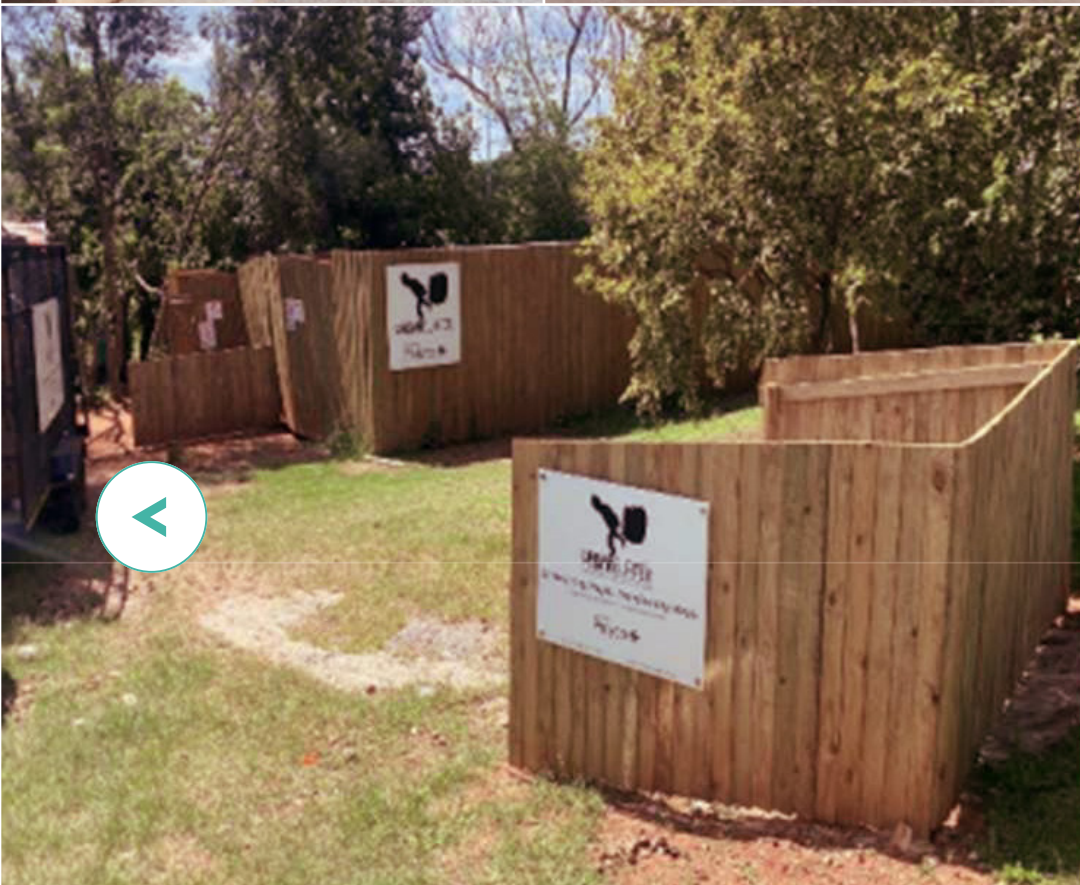
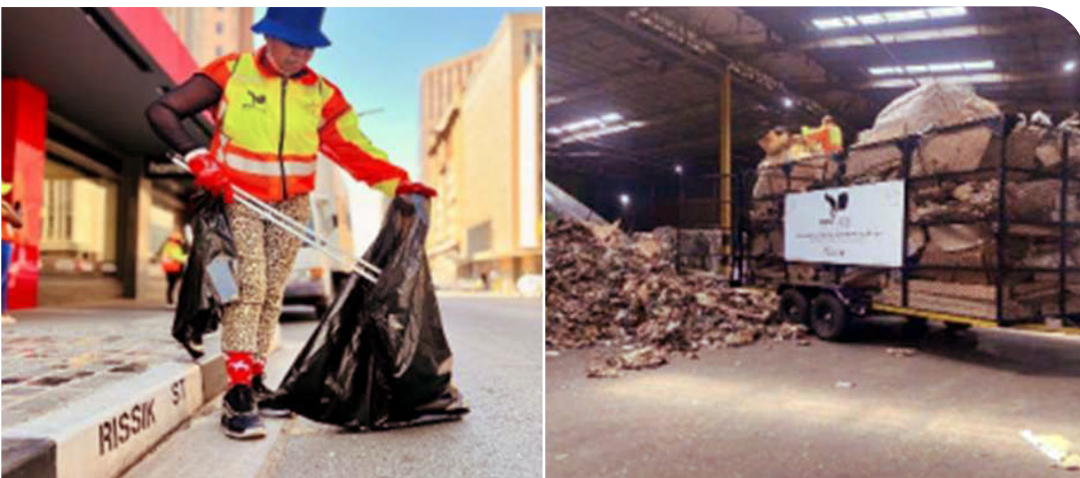


Hollard has implemented a significant solar PV and battery energy storage solution on its campus, aimed at reducing reliance on grid electricity, lowering diesel usage during load-shedding events, and supporting our carbon footprint reduction objectives.

### Energy efficiency and carbon footprint reduction

As of FY25, Hollard Arcadia campus exceeded the **20%** reduction target at a total emissions level, scopes 1, 2 and 3, with a **22%** reduction achieved versus the base year. Scope 1 and 2 emissions reductions have reached **45%**.

The initial solar proposal reflected a system size of 440.04 kWp, 772 Trina Solar panels, 360 kW rated AC output, and estimated annual production of 719.24 MWh. The panels for Lionel House were later expanded to circa 1000 with a 646 kWp solar PV size, inclusive of the original 630 kVA battery inverter capacity, and 1,140 kWh battery size.



## Parktown Recycling Hub and circular economy initiative

In April 2024, Hollard partnered with Urban Surfer, a Level 1 B-BBEE social enterprise, to construct a recycling sorting and solar-baling hub in Federation Park, adjacent to the campus. The hub became operational in May 2024 and was positioned as a practical expression of Hollard's Shared Value commitment, creating measurable social and environmental impact through operational decisions.

The hub includes a 12m x 22m enclosed and fenced camp, a solar baler, GPS-tracked trolleys, Polyco WeighPay integration, a dedicated recycling trailer, glass collection area, and a food garden with compost, worm farm, owl box, shaded seating and seedlings.

The impact metrics recorded include more than 100,000 kg of recyclables collected in Year 1, approximately 240,000 kg in Year 2, more than R300,000 reclaimer income generated in Year 1, average monthly reclaimer earnings improving from R2,500 to R6,500, and a reclaimer network of 450+ in Year 1 and 1,000+ across Urban Surfer in Year 2.

The hub also received recognition through a Gold Award for Eco-Innovation at the 2024 Eco-Logic Awards, and Sifiso Gumbi of Urban Surfer was named 2024 Young Environmentalist of the Year.



### Kabelo

After the first six months, he recycled over 12,000 kg of materials, earning more than R38,000.

Kabelo shares, "This place has changed my life. I don't just collect waste; I'm building something meaningful for myself and my family. I've learned how to run a business here, buying recyclables from other reclaimers and making a steady income."

## Waste-to-landfill reduction

The recycling hub is also aligned to Hollard's Creating Shared Value in Procurement strategy, with an environmental focus on diverting waste from landfill and reducing the campus carbon footprint. The current FY26/27 focus includes reducing campus waste-to-landfill to below **20%**, from an approximate **60%** baseline, by the end of FY26.



**Shawn Smith**

Chief Executive Officer

# A Final Word from our CEO

This inaugural Stewardship Report marks an important step in our responsible investment journey, but it is not the destination.

The work ahead is about moving from strong foundations to deeper implementation, clearer accountability and more tangible evidence of progress across our portfolios.

While most managers have established responsible investment policies and governance frameworks, the next phase of development lies in strengthening implementation. In particular, we will prioritise engagement in areas such as formal stewardship practices, integration of responsible investment through investment processes and

the transformation and diversity of investment teams.

We will also continue to enhance our own stewardship approach. This includes further refining our escalation framework, improving the consistency of our engagement tracking, and ensuring that outcomes are clearly linked to investment decisions where appropriate. Our objective is to maintain a disciplined and transparent approach that balances constructive partnership with accountability.

Ultimately, our focus remains on delivering sustainable long-term outcomes for our clients. We believe that continued engagement, combined with clear expectations and a willingness to act where required, will support further progress in embedding responsible investment across our portfolios.

Our comprehensive Responsible Investment Policy is available on the Hollard Investment Managers [website](#).

“Balancing partnership with accountability through **disciplined and transparent stewardship**.”

# Thank you.

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A money market portfolio is not the same as a bank deposit account. The price is targeted at a constant value. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument. In most cases the return will merely have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. The yield is calculated using an annualised seven day rolling average. Income Funds: Income funds derive their income from interest-bearing instruments in accordance with Section 100(2) of the Act. The yield is a current yield and is calculated daily.

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Effective 24/05/2024: Hollard Prime Funds amalgamated with Hollard BCI Funds. Annualized return is the weighted average compound growth rate over the period measured.