

Engagement and Voting Issues

2011

Attached below is an explanation of company resolutions Aeon Investment Management voted against over the period. Aeon Investment Management uses the principles outlined in the UNPRI and the King 3 as a voting guideline on proposed resolutions. Our Proxy Voting Policy procedure is also available on our website to further supplement our voting rationale;

Date	Stock	No of resolutions	For	Against	Abstained	Reasons for voting against resolution or abstaining
25-Jan-11	African Bank Ltd	9	8	1	-	We voted against a resolution to grant management authority to allot new preference shares since management did not provide reason for the need of extra capital
26-Jan-11	Barloworld Ltd	19	17	2	-	We voted against a proposed resolution to increase non-resident non-executive director's fees by 15% since we considered the increase excessive. We also voted against a resolution to grant management authority to allot new shares since management did not provide reason for the need of extra capital
01-Feb-11	Nampak Ltd	11	10	1	-	We voted against the remuneration policy since we considered fee increases for non-executive directors, audit committee members, and remuneration committee members of 24%, 20% and 15% respectively, excessive.
08-Feb-11	Reunert Ltd	15	11	4	-	We voted against the re-election of one independent non-executive director due to board tenure greater than nine years which compromises independence. We similarly voted against the election of one director on the Audit and Risk committee due to board tenure which compromises independence. The King 3 code recommends that all audit committee members should be independent. We also voted against the remuneration policy since the proposed maximum cash award of 140% of total salary and a 40%

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Aeon Investment Management (Pty) Ltd Reg. No.: 2005/013315/07
An authorised financial services provider FSP No. 27126

						increase in the Chairman's fees were considered excessive
10-Feb-11	Astral Foods Ltd	8	6	2	-	We voted against the re-election of one independent non-executive director due to financial interest which compromises independence. We also voted against a proposed resolution to increase non-resident non-executive director's fees by 15% since we considered the increase excessive.
14-Feb-11	The Spar Group Ltd	9	6	3	-	We voted against the re-election of one independent non-executive director due to financial interest which compromises independence. We similarly voted against the election of one director on the Audit and Risk committee due financial interest which compromises independence. The King 3 code recommends that all audit committee members should be independent. We also voted against a resolution to place uninsured ordinary shares under the control of management since management did not provide reason for the need of extra capital
15-Feb-11	Tiger Brands Ltd	15	13	2	-	We voted against the re-election of one independent non-executive director due to poor board attendance. We also voted against the remuneration policy due to a R4.35 million post retirement death benefit paid to the former CEO which was not justified.
21-Apr-11	Anglo American Plc	21	14	7	-	We voted against the re-election of three independent non-executive directors due to board tenure as well as material shareholding which compromises independence. We also voted against a resolution to grant management authority to allot new shares since management did not provide reason for the need of extra capital. We further voted against a resolution to approve that a general meeting may be called on no less than 14 days down from 21 days which is considered sufficient notice.

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28-Apr-11	British American Tobacco	21	17	4	-	We voted against a resolution to grant management authority to allot new shares since management did not provide reason for the need of extra capital. We also voted against a resolution to approve that a general meeting may be called on no less than 14 days down from 21 days which is considered sufficient notice. We further voted against the remuneration policy since the amendment of the long term incentive plan from 300% to 400% of base pay was considered excessive
05-May-11	Mondi Ltd/Mondi Plc.	32	25	7	-	We voted against the resolution to increase non-executive director's fees since we considered the fees high in relation to similar JSE Top 40 companies. We voted against a resolution to place uninsured ordinary shares under the control of management since management did not provide reason for the need of extra capital
06-May-11	Kumba Iron Ore Ltd	14	10	4	-	We voted against a resolution to grant management authority to allot new preference shares since management did not provide reason for the need of extra capital. We also voted against the proposed resolution to amend the bonus share plan since the criteria and reason for the bonus was not disclosed
11-May-11	AngloGold Ashanti Ltd	17	12	5	-	We voted against the re-election of one independent non-executive director due to board tenure greater than 9 years which compromises independence. We also voted against a resolution to grant management authority to allot new shares since management did not provide reason for the need of extra capital. We further voted against a resolution to increase non-resident non-executive fees director's fees since we considered an increase of 25% excessive.
26-May-11	Standard Bank Group Ltd	35	30	5	-	We voted against granting directors the authority to place unissued shares under the control of management as well as issue shares for cash since

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						there was no reason given for the need of raising extra capital. We also voted against the remuneration policy since there was a proposal to grant executive directors options and rights exercisable for ten years of which King 3 recommends an exercise period of less than seven years
22-Jun-11	MTN Group Ltd	16	13	3	-	We voted against granting directors the authority to issue shares for cash since there was no reason given for the need of raising extra capital. We also voted against the re-election of one non-executive independent director due to lack of independence
21-Jul-11	SABMiller Plc	26	21	5	-	We voted against the re-election of three independent non-executive directors due to board tenure as well as material shareholding which compromises independence. We also voted against a resolution to grant management authority to allot new shares since management did not provide reason for the need of extra capital. We further voted against a resolution to approve that a general meeting may be called on no less than 14 days down from 21 days which is considered sufficient notice.
29-Jul-11	Tongaat Hulett Ltd	16	13	3	-	We voted against a resolution to grant management authority to allot new shares since management did not provide reason for the need of extra capital. We also voted against the re-election of one independent non-executive director due to board tenure greater than 9 years which compromises independence.
29-Jul-11	Invicta Holdings Ltd	19	13	6	-	We voted against the re-election of one independent non-executive director due to board tenure greater than 9 years which compromises independence. We similarly voted against the election of three directors on the Audit and Risk committee due to a combination of material shareholding and board tenure which compromises independence. The King 3 code recommends that all audit

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						committee members should be independent. We also voted against a resolution to place uninsured ordinary shares under the control of management since management did not provide reason for the need of extra capital
18-Aug-11	Remgro Ltd	16	15	1	-	We voted against the re-election of one independent non-executive director due to financial interest which compromises independence.
26-Aug-11	Naspers Ltd	57	53	4	-	We voted against the re-election of one independent non-executive director due to material shareholding which compromises independence. We similarly voted against the election of one director on the Audit and Risk committee due to material financial interest which compromises independence. The King 3 code recommends that all audit committee members should be independent. We further voted against a resolution to place uninsured ordinary shares under the control of management since management did not provide reason for the need of extra capital
08-Sep-11	Compagnie Financiere Richemont SA	24	5	19	-	We voted against the re-election of all independent directors due to lack of independence. We also voted against the election of the board chairman who happens to be Richemont's CEO which conflicts with King 3 recommendations
13-Sep-11	Reinet Investments	7	7	-	-	We voted for all resolutions
20-Oct-11	BHP Billiton Plc.	20	18	2	-	We voted against granting directors the authority to issue ordinary and preference shares for cash since there was no reason given for the need of raising extra capital
26-Oct-11	Impala Platinum Ltd	16	13	3	-	We voted against the election of one director on the Audit and Risk committee due to material financial interest which compromises independence. The King 3 code recommends that all audit committee members should be

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						<p>independent. We also voted against the remuneration policy since there was a proposal to grant executive directors options and rights exercisable for ten years of which King 3 recommends an exercise period of less than seven years. We further voted against granting directors the authority to issue ordinary and preference shares for cash since there was no reason given for the need of raising extra capital</p>
03-Nov-11	Aveng Ltd	13	11	2	-	<p>We voted against the re-election of one independent non-executive director due to material shareholding which compromises independence. We similarly voted against the election of one director on the Audit and Risk committee due to board tenure which compromises independence. The King 3 code recommends that all audit committee members should be independent.</p>
08-Nov-11	Growthpoint Properties Ltd	15	10	5	-	<p>We voted against the re-election of one independent non-executive director due to material shareholding which compromises independence. We also voted against granting directors the authority to issue shares for cash since there was no reason given for the need of raising extra capital</p>
21-Nov-11	Bidvest Group Ltd	20	14	6	-	<p>We voted against the re-election of one independent non-executive director due to poor board attendance. We similarly voted against the election of two directors on the Audit and Risk committee due to board tenure greater than nine years which compromises independence. The King 3 code recommends that all audit committee members should be independent. We also voted against granting directors the authority to issue shares for cash since there was no reason given for the need of raising extra capital</p>
25-Nov-11	Sasol Ltd	19	17	2	-	<p>We voted against the re-election of one independent non-executive director due to board tenure greater than 9 years which compromises</p>

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						independence. We voted against granting directors the authority to repurchase shares from directors since the action may not be beneficial to shareholders
01-Dec-11	FirstRand Ltd	21	15	6	-	We voted against the re-election of one independent non-executive director due to a combination of board tenure greater than nine years and material financial interest which compromises independence. We similarly voted against the election of two directors on the Audit and Risk committee due to board tenure and financial interest which compromises independence. The King 3 code recommends that all audit committee members should be independent. We also voted against granting directors the authority to issue ordinary and preference shares for cash since there was no reason given for the need of raising extra capital
01-Dec-11	Aspen Holdings Ltd	16	15	1	-	We voted against a resolution to place uninsured ordinary shares under the control of management since management did not provide reason for the need of extra capital
05-Dec-11	Steinhoff Holdings Ltd	28	22	6	-	We voted against the re-election of one independent non-executive director due material financial interest which compromises independence. We similarly voted against the election of two directors on the Audit and Risk committee due to financial interest which compromises independence. The King 3 code recommends that all audit committee members should be independent. We also voted against a resolution to place uninsured ordinary shares under the control of management since management did not provide reason for the need of extra capital