



# IDEAS Managed Fund

## key facts

**fund size:**

R2.7 bn

**launch date:**

January 1999

**fund manager:**

OMIGSA Alternative Investments

**investment vehicle:**

Fund policy as defined in the Long-term Insurance Act, 1998

**fund benchmark:**

CPI + 7% p.a. over a 36-month rolling period

**minimum investment:**

R10 million

**liquidity:**

January and July

Minimum lock-in period of 5 years

1 year's written notice for full or partial withdrawals

**pricing frequency:**

Daily for mark-to-market variables. Bi-annual equity valuations

**risk category:**

Moderate to low relative to conventional balanced funds

## investment philosophy and process

We believe in achieving the IDEAS Fund's objectives by being active investors, typically intimately involved with management. In addition, through the investment process, environmental, social and governance (ESG) factors are key considerations in planning and implementation. Only investments that allow for thorough due diligence and the acquisition of a significant stake will be considered. However, great care is taken to ensure the fund remains diversified in its investments.

## investment objectives and considerations of the fund

Social	Governance	Environmental
<ul style="list-style-type: none"> <li>• Job creation</li> <li>• SMME development</li> <li>• Entrepreneurship development</li> <li>• CSI</li> <li>• Community interaction</li> <li>• Labour standards</li> <li>• Indigenous people's rights</li> <li>• Human rights</li> </ul>	<ul style="list-style-type: none"> <li>• Transparency</li> <li>• Ethics</li> <li>• Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>• Carbon footprint</li> <li>• Bio-diversity impact</li> <li>• Eco-system preservation</li> <li>• Water resource management</li> <li>• Green building implementation</li> <li>• Sustainability</li> </ul>

## fund composition

The IDEAS Managed Fund's assets consist predominantly of investments in commercially viable infrastructure development projects that aim to achieve measurable transformation objectives in South Africa. The fund mandate specifies these as being investments in core (economic), social and environmental infrastructure assets. The fund is a unitised pooled portfolio and is structured using a "fund of funds" approach. While the main focus of the fund is on South African investment opportunities, it has also been recognised that the development of the greater Southern African Development Community (SADC) region, especially in the immediate neighbouring states, has a positive impact on the South African economy. The fund's investment strategy therefore makes specific allowance (to a maximum of 15%) for SADC regional investments.

Examples of underlying investments include toll roads, power, gas, railway, telecoms and prisons.

**fee structure:**

Invested Portion	1.25% p.a. excl. VAT
Uninvested Cash	0.15% p.a. excl. VAT
Performance Fee excl. VAT	20% of the outperformance achieved by the IDEAS Managed Fund above CPI + 7% over a 36-month rolling period

## investment objective

The Infrastructural, Developmental & Environmental Assets Managed Fund ("the IDEAS Managed Fund" or "the fund") is an "Impact Fund" available to institutional investors. As an Impact Fund it is committed to delivering a commercially acceptable return (CPI + 7%) to investors while simultaneously achieving social and/or an environmental objectives. To achieve these objectives, the fund specializes in investment in core (economic), social and environmental infrastructure assets.

In addition, the fund is a Socially Responsible Investment ("SRI") vehicle in that Environmental, Social and Governance ("ESG") considerations are taken into account when investing and throughout ownership of assets.

## who we are

IDEAS Managed Fund is managed by OMIGSA and jointly marketed by Unity Incorporation (representing a group of eight trade unions) and OMIGSA.

Our track record speaks for itself. Since inception in 1999, the IDEAS Managed Fund has been able to generate above-target returns, while at the same time responding to the values our investors stand for. We have given our socially and environmentally aware investors an opportunity to grow and manage their wealth, while at the same time contributing to the sustainability of South Africa.

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