EXCLUSION POLICY

1. Purpose and Scope of the Policy

This Exclusion Policy (“**Policy**”) sets out the principles and processes that all relevant subsidiaries of Coronation Fund Managers Limited, including Coronation Global Fund Managers (Ireland) Limited, Coronation Investment Management International Limited and Coronation International Limited (collectively "**Coronation**") apply in determining whether to exclude a company from certain investment funds and portfolios that fall within the scope of this Policy (collectively “**In-scope Portfolios**”).

This Policy must be adhered to by Coronation investment staff that are involved in the management of In-scope Portfolios.

This Policy applies to the following Irish-domiciled investment funds:

Strategy	Umbrella Fund	Sub-Fund
Global Emerging Markets	Coronation Global Opportunities Fund (UCITS)	Coronation Global Emerging Markets Fund
Global Emerging Markets	Coronation Universal Fund (AIF)	Coronation Global Emerging Markets Equity Fund
Global Emerging Markets	Coronation Common Contractual Fund	Coronation Emerging Markets Diversified Equity Fund
Global Equity	Coronation Global Opportunities Fund (UCITS)	Coronation Global Equity Select Fund
Global Equity	Coronation Universal Fund (AIF)	Coronation Active Global Equity Fund
Global Equity	Coronation Common Contractual Fund	Coronation Global Equity Fund
International Equity	Coronation Common Contractual Fund	Coronation International Equity Fund
Global Equity Income	Coronation Common Contractual Fund	Coronation Global Equity Income Fund

(collectively “**Designated Funds**”). This Policy may also apply, either wholly or in part, to certain client portfolios that are managed on a segregated/separately managed account basis in accordance with the above investment strategies, unless otherwise instructed by the client or by the relevant portfolio manager.

2. Approach and Beliefs

At Coronation, our purpose is to deliver superior long-term investment outcomes for our clients as responsible stewards of their capital. We are an active, valuation driven investor with a primary focus on the long-term prospects of the assets in which we invest. We believe that responsible corporate behaviour drives long-term success and that companies that manage their environmental, social and governance (“**ESG**”) exposure effectively are more likely to create sustainable value for stakeholders. We are an active owner that aims to influence positive change through meaningful engagement on important ESG issues. For more information on our approach please see our Stewardship & Sustainability Policy, Proxy Voting Policy and latest annual Stewardship Report.

Notwithstanding our view that active ownership can have a greater positive impact on a company's practices than divestment, we do exclude certain companies that meet the exclusion criteria specified in this policy from In-scope Portfolios. These exclusions are designed to ensure that Designated Funds meet their objective of promoting their desired environmental and/or social characteristics. We are also able to apply client-directed exclusions for certain segregated/separately managed clients to satisfy client-specific exclusion requirements.

3. Exclusions

As set out above, Coronation applies a set of sector-based and conduct-based exclusions to selected Designated Funds to ensure that they promote their desired environmental and/or social characteristics. These exclusions are designed to exclude companies that are substantively involved in a set of defined activities that are generally regarded as causing material environmental or societal harm, described in more detail below:

3.1. Sector-based Exclusions

We have identified specific sectors of the economy that engage in the mining, extraction, production and/or distribution of a defined set of products or materials that are generally regarded as causing material environmental or societal harm, described in more detail below.

3.1.1. Excluded Activities

Designated Funds will not invest in a company that derives, and is expected to continue to derive, a material part of its revenue from the following activities:

- The production or distribution of tobacco and tobacco products
- The production or distribution of controversial weapons
- The mining and extraction of thermal coal
- The production of coal-based power
- The extraction of oil from tar sands

(each being an "**Excluded Activity**" and collectively "**Excluded Activities**").

More detail about the types of products or materials that form part of these exclusions are included in Appendix A.

3.1.2. Revenue Assessment

Revenue exposure is defined as the percentage of a company's annual revenue that is derived from a specific business activity ("**Revenue Exposure**"). We use relevant information sources to estimate the Revenue Exposure of companies to each of the Excluded Activities.

The estimated Revenue Exposure for a company is an output of our proprietary research process which includes, but is not limited to, sources such as company disclosures, information supplied by third-party data providers, and other relevant public information and disclosures. Revenue Exposure estimates consider relevant factors, including, inter alia, the quality and accuracy of data available, how recent the data is, our view on future earnings stream of a business and the extent to which a Revenue Exposure calculation relies on data that has been accurately assessed.

Where a company has exposure to one of the Excluded Activities then our calculation of the Revenue Exposure of each company and the rationale for that calculation will be documented.

3.1.3. Revenue Thresholds

Where a company is involved in sector-based Excluded Activities, its Revenue Exposure is assessed against a set of pre-determined revenue thresholds, as set out in the table below. Companies with annual Revenue Exposure that exceed these revenue thresholds are excluded from the investable universe except in the circumstances outlined below.

The following table sets out the revenue thresholds that apply to each of the sector-based exclusions:

Sector	Revenue Threshold per annum
Tobacco production	20%
Tobacco supply, distribution or licensing	25%
Controversial weapons	10%
Thermal coal mining and extraction	30%
Coal-based power	20%
Oil from tar sands	10%

Each a "**Revenue Threshold**", and together the "**Revenue Thresholds**".

Where a company has a Revenue Exposure that exceeds the Revenue Threshold for a specific sector, then that company must be excluded from the investment universe, unless there is reasonable sufficient evidence to indicate that the Excluded Activity will not remain, in breach of the Revenue Threshold going forward. In making this assessment, we will consider the following factors:

- The availability and reliability of the data used to estimate the Revenue Exposure of a company toward a specific sector, including the extent to which a revenue estimate is based on actual company disclosure or has been estimated by the data provider or by our own internal proprietary research process;
- The extent to which revenue from the specified sector has varied over time, and whether the revenue profile has temporarily exceeded its long-term average and/or is expected to decrease in future;
- Actions taken, or being taken, by the company to reduce its revenue exposure to the specified sector; and
- In relation to coal-based power, companies that have adopted Science-Based Targets initiative ("SBTi") which are aligned with globally accepted carbon emission reduction targets and that are meeting these targets will not be excluded from the investment universe.

Where a decision is taken, based on the above considerations, not to exclude a company from the investment universe of an In-scope Portfolio, then the rationale for that decision must be documented, monitored and made available to investors.

3.2. Conduct-based Exclusions

Conduct-based exclusions are applied to companies that engage in practices that cause or could result in material harm to the environment and/or have a negative societal impact. We are guided by the ten principles of the United Nations Global Compact ("**UNGC**") in making an assessment. This includes, but is not limited to, an assessment of a company's practices in relation to human rights, labour rights, environmental practices, and corruption.

Through our proprietary research process, we will aim to identify companies that have potentially failed to meet the UNGC standards. This will not automatically result in the exclusion of a company from our universe but will require an investigation into the issues that resulted in the company being flagged as not meeting the required standards.

This may include initiating an engagement programme with the affected company to understand the materiality of the issues raised and the extent to which the company has taken, or is taking, meaningful action to deal with the issues.

If the issues are factual and material violations of the principles of the UNGC that are unresolved and are not, in our view, being adequately addressed, then the affected company must be excluded from the investable universe. Where a company was initially flagged but the outcome is that the potential flag did not materialize into a factual and material violation of the UNGC principles, the relevant assessment will be clearly documented.

More detail on these exclusions is included in Appendix B.

3.3. Sanctioned Entities

Coronation excludes sanctioned companies that appear on the European Union ("**EU**") and Office of Foreign Asset Control ("**OFAC**") sanctions lists from our Designated Funds. These lists cover, among others, companies or countries that may be involved in money laundering and/or terrorism financing activities. The following sanctions lists are used for this purpose:

- the OFAC Sectoral Sanctions list, which identifies entities that may appear on the Sectoral Sanctions Identification List ("**SSI**") published by OFAC, or may be owned by an entity subject to sectoral sanctions;
- the OFAC Full Sanctions list, which identifies entities that may appear on the Special Designated Nationals and Blocked Persons List ("**SDN**"), the Foreign Sanctions Evaders ("**FSE**") list published by OFAC, may be organized or based in an OFAC-sanctioned country, or may be owned by an OFAC-sanctioned entity; and
- the EU Sanctions list, which identifies all entities which are sanctioned by the European Union.

Coronation may, from time-to-time, implement additional firm-wide prohibitions or exclusions on specific stocks or groups of stocks where events occur or under circumstances where a prohibition or exclusion is justified.

4. Application of Exclusions

A company is deemed to have met the exclusion criteria if:

- the company is considered to have Revenue Exposure that exceeds the Revenue Threshold for an Excluded Activity and there is no reasonable sufficient evidence to indicate that the Excluded Activity will not remain, in breach of the Revenue Threshold going forward (as set out at clause 3.1 above); or

- the company is identified as potentially failing to meet the UNGC standards and the manager, after applying its proprietary research process, views the issues as factual and material violations of the principles of the UNGC that are unresolved and are not being adequately addressed (as set out at clause 3.2 above); or

- the company is a sanctioned entity (as set out as clause 3.3 above);

  (the “**Exclusion Criteria**”).

Companies that meet the Exclusion Criteria must be excluded from In-scope Portfolios. Each company must be assessed against the Exclusion Criteria prior to first inclusion in an In-scope Portfolio. In addition, all investments held in each of the In-scope Portfolios must be assessed against the Exclusion Criteria on at least a bi-annual basis to assess whether any investment has met one or more of the Exclusion Criteria subsequent to its inclusion in an In-scope Portfolio. Should any In-scope Portfolio hold an investment which meets one or more of the Exclusion Criteria, and where appropriate corrective action is not expected from the investee company, Coronation is required to disinvest from the investment as soon as reasonably possible, taking into account the best interests of the affected fund(s) and their investors or the particular client, as determined by Coronation in its reasonable discretion.

5. Policy Approval

Date	Action
Nov 2022	Reviewed and approved by the Sustainability Committee
Nov 2023	Reviewed and approved by the Sustainability Committee

APPENDIX A: SECTOR BASED EXCLUSIONS

We define and screen the following activities:

Tobacco

We exclude companies that are involved in the production or distribution of key tobacco products and services across the following subcategories:

- **Tobacco Producers:** Companies that manufacture tobacco products, including companies that grow or process raw tobacco leaves. We also exclude companies that manufacture alternative smoking products, such as electronic cigarettes or tobacco inhalers.
- **Tobacco Suppliers:** Companies that manufacture and supply key products necessary for the production of tobacco products.
- **Tobacco Distributors:** Companies involved in the independent wholesale of tobacco products to Retailers and other distributors.
- **Tobacco Licensors:** Companies that license their company or brand name to tobacco products.

Companies that generate more than 20% of their annual turnover from the production of tobacco, or more than 25% of their annual turnover from the supply, distribution or licensing of tobacco are excluded from the investment universe.

Controversial Weapons

We aim to exclude exposure to companies with material involvement in the production or distribution of non-conventional weapons that are regarded as controversial. While there is no globally accepted definition of a controversial weapon, the types of weapons that we look to exclude are those that can cause indiscriminate harm to civilians, excessive pain and suffering, a large number of deaths from a single incident, or can cause long-term health impacts on populations.

The types of weapons that are classified as controversial include the following:

- **Biological / Chemical:** Weapons that use pathogens such as viruses, bacteria and disease-causing biological agents, toxins or chemical substances that have toxic properties that kill, injure, or incapacitate. This includes companies that manufacture critical components for chemical or biological weapons systems.
- **Blinding Lasers Weapons:** Weapons that use laser technology to cause permanent blindness to the target.
- **Cluster Munitions:** A bomb, missile, rocket or shell that carries submunitions and disperses them over an area.
- **Depleted Uranium ("DU"):** Weapons, ammunition and armor made with DU and DU alloys. DU is a byproduct of the uranium-enrichment process used to make nuclear weapons and nuclear-reactor fuel.
- **Incendiary Weapons:** Incendiary weapons that use white phosphorus.

- **Landmines:** Anti-personnel landmines, components, and anti-vehicle landmines. This includes weapons or munitions that fulfill the same function, role and/or purpose as landmines.
- **Non-Detectable Fragments:** Weapons with a primary effect to injure with fragments that cannot be detected by X-rays once inside the human body.
- **Nuclear Weapons:** Explosive devices that derive their destructive force from nuclear reactions, either fission or a combination of fission and fusion. These include nuclear warheads and intercontinental ballistic missiles.

Companies with Revenue Exposure to controversial weapons that exceed 10% are excluded from the investment universe. This assessment will also be conducted and applied in relation to companies that provide support systems and services, such as weapons delivery platforms, as well as those with indirect ties to controversial weapons production through ownership.

Thermal Coal

The US Energy Information Administration defines thermal coal (otherwise known as *"steam coal"*) as "*coal burned, primarily in boilers, to generate steam for the production of electricity or for process heating purposes or used as a direct source of process heat*." It is a major source of global electricity production and one of the world's biggest contributors to greenhouse gas emissions.

The environmental impact associated with the extraction of thermal coal is significant. Once extracted, it is burned, and the CO2 emissions generated are among the most polluting. For instance, the burning of coal generates twice the level of emissions relative to natural gas emissions for an equivalent amount of energy. In addition, coal not only emits large amounts of CO2 and other pollutants, but its extraction also generates waste containing metals that are toxic to the environment and to humans, such as arsenic and mercury.

We therefore exclude from our investment universe companies generating more than 30% of their annual turnover in the mining and extraction of thermal coal.

In addition to excluding companies involved in the extraction of thermal coal, we also exclude companies that generate more than 10% of their annual turnover from power generation using thermal coal.

Thermal Coal is distinct from Metallurgical coal (or "*coking coal*"), which is primarily used for steelmaking. Activities related to the production or use of Metallurgical coal are not excluded from our investment universe.

Oil from Tar Sands

Tar sands are a mixture of sand, clay, water, and bitumen containing fossil fuel deposits. From a climate change perspective, the methods used to extract oil from tar sands cause high carbon emission levels and can have severe consequences for ecosystems, such as in areas with high biodiversity value. We therefore exclude any company involved in the extraction of oil from tar sands, where revenues derived from these activities exceed 10%.

APPENDIX B: CONDUCT BASED EXCLUSIONS

Conduct Based Exclusions

We expect all our investee companies to respect internationally accepted human rights, labour rights, environmental practices, and anti-corruption practices throughout their business operations and value chain in line with the United Nations Guiding Principles for Business and Human Rights.

Conduct-based exclusions are designed to exclude those companies that engage in practices that cause or could result in material harm to the environment and/or have a negative societal impact. We are guided by the ten principles of the United Nations Global Compact ("**UNGC**") in making this assessment.

We check adherence to the ten principles set out below, which are derived from broader global standards such as the Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

- **Human Rights**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

- **Labour**

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: Businesses must eliminate all forms of forced and compulsory labour;

Principle 5: Businesses must support the effective abolition of child labour; and

Principle 6: Businesses must have policies and processes in place aimed at the elimination of discrimination in respect of employment and occupation.

- **Environment**

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility; and

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

- **Anti-corruption**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.