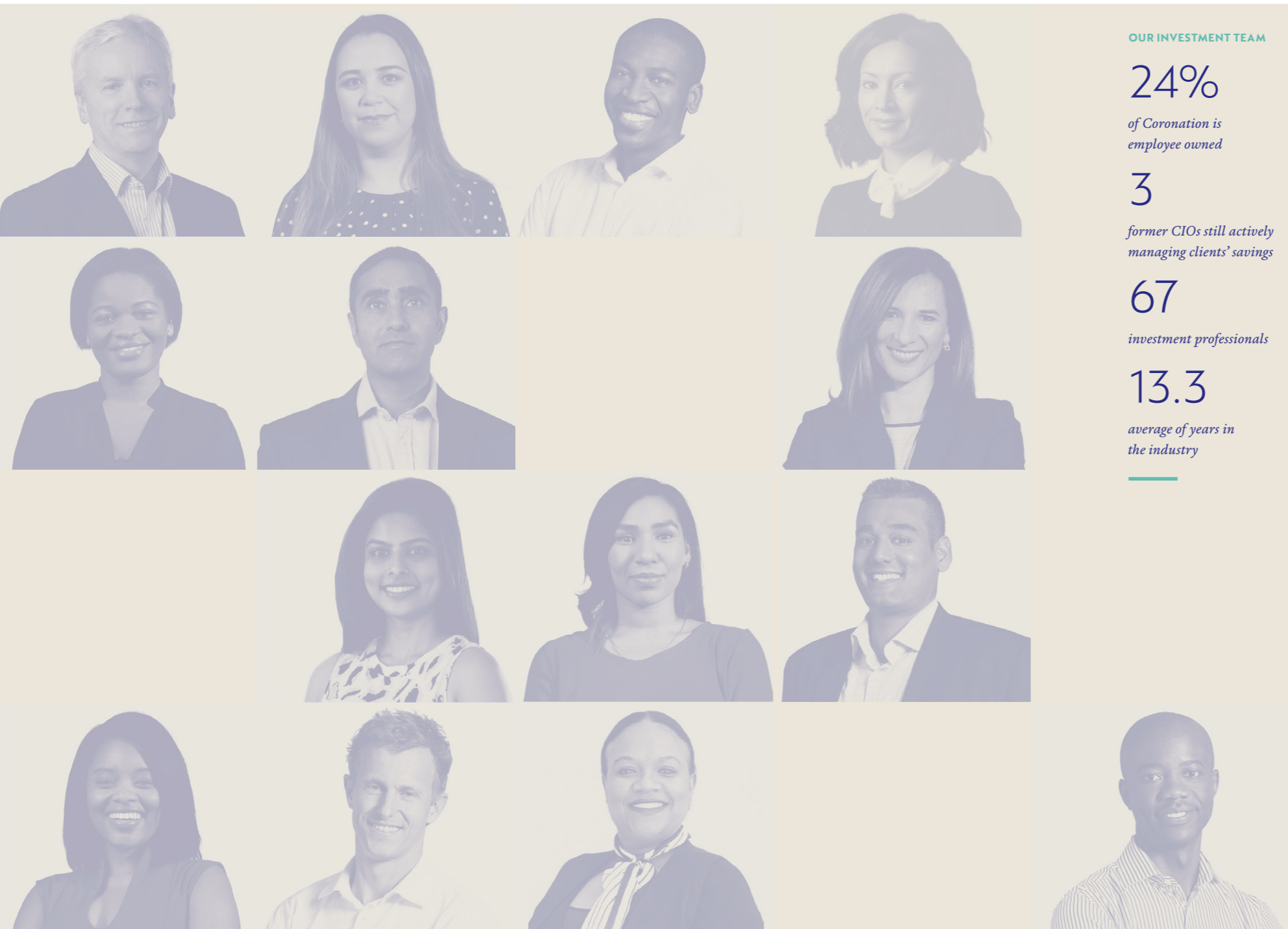


HOW CORONATION CREATES VALUE THROUGH ITS PEOPLE

Our aim is to build and retain exceptional teams of highly skilled individuals – ensuring the sustainability of our business.



OUR INVESTMENT TEAM

24%
of Coronation is employee owned

3
former CIOs still actively managing clients' savings

67
investment professionals

13.3
average of years in the industry

DRIVEN BY PERFORMANCE

As an active independent asset manager, Coronation's only asset of significant value is its people. Our business depends on our people's ability to deliver long-term investment outperformance.

Our culture is therefore driven by performance: Coronation is a true meritocracy, where anyone (irrespective of position or title) is recognised for work well done. Our flat hierarchical structure ensures agility, fast decision-making and constant innovation. Dialogue and debate are encouraged, and we have an open-door policy where management is challenged on any aspect of the business.

As we are on 24 hours' notice with our clients, we demand an unwavering commitment to excellence from our employees. All employees are expected to be team players, and are assessed on their individual performance and contribution to the team in which they operate.

Importantly, we believe in a culture of ownership; together, our employees own 24.4% of Coronation. This empowers our people to feel and behave like long-term owners of the business. Entrepreneurial flair remains a vital component of our cultural DNA.

We are uncompromising about ethics, and we expect our employees to always act with integrity. In everything they do, all employees are required to conduct themselves in accordance with our Code of Ethics, Client Charter and our six values (→ *refer to page 6*).

Every year, all our employees are required to pledge that they comply with specific ethical requirements, conflicts of interest, compliance with the requirements of Coronation's compliance manual, confidential information and the Financial Sector Conduct Authority's Treating Customers Fairly initiative.

Our client charter

- › We strive to always put clients first
- › We have an unwavering commitment to the long term
- › We focus on producing top performance over all meaningful periods
- › We are uncompromising about ethics

2018 key areas of focus and outcomes

Transformation and diversity

Diversity strengthens our business. Through disciplined and determined recruitment, Coronation has achieved meaningful transformation.

As at end-September 2018*:

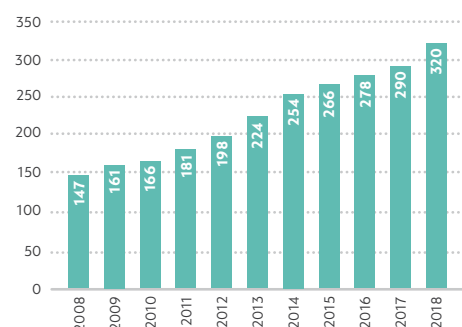
- 58% of our employees are black, of whom 58% are black females.
- 50% of our senior portfolio managers in our South African-focused investment team are black.

* Figures exclude Dublin and London offices

We continue to make progress in achieving employment equity, and in 2018, 78% of our new permanent employees are black (AIC), of whom 37% are black women. Since the inception of our internship programme introduced in 2012, we have hired 55 graduate interns into the business, who are predominantly black women. For the 2018 financial year, there were 18 graduate interns employed in the business of whom 100% were black and 50% black women.

We are excited about the calibre of prospective employees who are currently benefiting from extensive internship and bursary programmes (→ refer to pages 53 to 54). These employees will strengthen our diversity profile for many years to come.

SOUTH AFRICAN EMPLOYEE COMPLEMENT



We are determined to achieve greater black representation among senior management.

The Employment Equity Act, No. 55 of 1998, stipulates the inclusion of permanent employees (those individuals on contract for more than three months) and the inclusion of temporary employees (less than three months). Of the 337 total complement, 15 are individuals on contract for more than three months and three are temporary employees. Please note that this table reflects South African employees only and does not include Coronation Global Fund Managers (Ireland) Ltd or Coronation International Ltd employees.

Our South African employee complement is as follows:

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	1	1	2	0	0	1	0	0	0	5
Senior management	0	2	1	6	0	2	0	0	0	0	11
Professionally qualified and experienced specialists and mid-management	8	22	6	59	3	17	8	33	6	1	163
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	6	24	11	11	19	49	6	22	1	1	150
Semi-skilled and discretionary decision-making	0	1	0	0	1	4	0	0	0	0	6
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	14	50	19	78	23	72	15	55	7	2	335
Temporary employees	1	1	0	0	0	0	0	0	0	0	2
TOTAL SOUTH AFRICAN STAFF	15	51	19	78	23	72	15	55	7	2	337

A = African C = Coloured I = Indian W = White

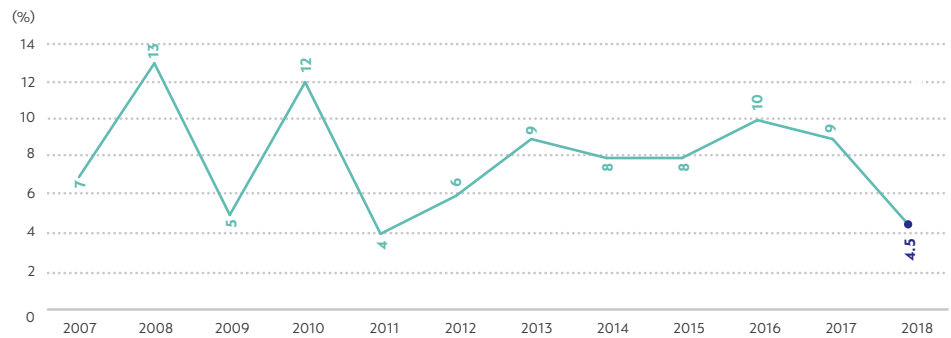
Retaining highly skilled employees

Long-term retention of world-class talent is critical to the success of our business.

Our investment team remains one of the most experienced and stable in the industry. The average tenure in the investment team is 9.5 years, with an average of six years across the business. There was no turnover among senior employees in the past year.

Across the business, employee turnover remained stable. At 4.5%, it remains well below industry standards. The average tenure of departing employees in 2017 was 4.75 and in 2018 was 4.92 years.

EMPLOYEE TURNOVER



In the past year, we have maintained a number of initiatives to retain and motivate employees.

Our Remuneration Policy is key to retaining highly skilled employees and aligning their performance with that of all our stakeholders. The policy is simple and straightforward: Variable remuneration (cash and deferred awards of Coronation shares and unit trusts) is directly linked to the Company's profitability. Unlike many other companies, all employees are eligible to receive these awards – not only senior managers. Further information on our Remuneration Policy is on ([→ page 59 to 62](#)).

New starters are required to complete Own it! – a self-driven online induction programme which acquaints them with the important aspects of our culture, ethics and business. Employees are required to complete the programme with 100% pass rate within the first two weeks of employment.

New employees are welcomed through the Ignite Group Coaching Programme. Introduced in 2011, the Ignite Programme is led by an external qualified coach. Employees take part in biweekly two-hour sessions over the course of three months. The programme is aimed at helping new employees deal with the potential challenges of landing and operating in a high-performance-driven culture. We believe it has been highly successful in bolstering individual career development and supporting retention. As at the end of our 2018 financial year, we have had 55 Ignite groups since inception, with a total of 282 employees who have participated in these Ignite coaching groups.

Future talent is earmarked for succession planning, and the appropriate retention mechanisms are put in place to ensure a long-term sustainable business.

We offer individual coaching to employees taking on leadership roles to ensure tailor-made support and development.

Coronation continues to develop leadership skills within our business. In 2018, we launched two bespoke training interventions focusing on developing leadership capabilities within the business. They were designed to play an integral role in entrenching and maintaining the culture and values of Coronation.

The first programme, Leading Manager, develops leadership skills for new managers or team leaders who have direct reports and therefore are responsible for managing and leading a team of employees to optimal performance. The second, Aspiring Leader, was developed for members of the business who hold a level of influence within the business but do not necessarily have any direct reports. Both programmes focus on self-awareness and development and due to the success of these programmes we are excited to offer them again in 2019.

All managers are offered interview skills training, as part of a programme called Hiring Right! This high-intensity programme covers real Coronation case studies and focuses on identifying and selecting top talent. More advanced training has also been offered and to date, we have had 50 employees who have attended the art of interrogation course and 18 employees who have attended the Interviewing for truth skills workshop.

We regularly review employee notice periods to ensure minimal disruption in the event of resignation and to maintain alignment with dynamics in the market.

% of employees with extended notice periods	
2018	77%
2017	66%
2016	63%
2015	58%

Percentages pertain to the total employee complement of the relevant year

Skills development

We strive to create an environment that encourages our employees to challenge themselves and grow. Continuous learning is a key component of our culture. The business supports appropriate training initiatives by providing financial assistance towards employees' tuition fees for part-time study. We continue to direct a large portion of the Company's training spend to black employees.

In 2018, R11.4 million was allocated to the skills development of black employees (2017: R7.7 million).

The Chartered Financial Analyst (CFA) professional credential is highly coveted in our industry. A significant portion of our total training spend consists of CFA fees and workplace training, as well as international conferences to ensure our employees remain world-class. Other areas of training include university qualifications, short courses (including regulatory and product training), as well as softer skills training in the form of individual and group coaching, and mentorship.

Bursaries

We also have a substantial bursary programme (→ refer to page 54). This programme identifies previously disadvantaged learners with academic potential who want to study commerce. During their studies, students are offered mentorship from within the business and vacation work as preparation for the working world. The intention is that, once the bursary students graduate, they would be employed by Coronation.

For the 2018 year, we sponsored 14 students from across the country, eight of whom are black women.

Mentors

Mentorship is important in the skills development and advancement of all employees. The Coronation Mentorship Programme enables experienced employees to mentor new employees, and provide guidance on Company culture and work processes, as well as industry insight. We currently have 14 active mentors within the business, some of whom focus specifically on mentoring our bursary students.

Employees are encouraged to diversify their skills by exploring new roles and responsibilities within the business. All opportunities at Coronation are posted on both internal and external careers sites to facilitate career progression. In addition to the Leadership Development Programmes.

Employees are responsible for ensuring that they are equipped with the necessary training to successfully fulfil their function. This may take the shape of formal or on-the-job training. In the case of the latter, employees are required to record a monthly report, including detailed content by both the trainer and trainee. To assist in identifying individual development opportunities, we embark on a consultative process between talent management, line management and employees to analyse training trends of prior years and define skills imperatives for the coming year.

Internships

We continue with our successful Coronation Workplace Experience Internship Programme (ranging from 12 to 23 months), offering unemployed graduates the opportunity to gain valuable work experience. In 2018, 13 interns were included in the programme which, since inception in 2012, has benefited 55 graduates. Currently, 18 are participating in the programme (all of whom are black) and, of the original 55, 18 have been employed in permanent positions within our business (15 of whom are black).

To further transform the financial services industry, we offer a graduate internship for a 12-month period.

We also continue to support the partnership between the ASISA Academy and TSIBA Education whereby students complete the Investment Administration and Client Servicing (IMACS) Programme. Coronation sponsors these IMACS students to complete a six-month internship within our business as part of their programme.

These programmes are aimed at developing specific skills currently found to be in short supply in the marketplace. In addition, our Bursary Programme also plays an integral role in achieving transformation through skills development (*→ refer to page 53 for more details on our programmes*).

Future focus

With a record group of new employees joining Coronation at the start of 2018, we will work hard to entrench our culture. We will also maintain our disciplined approach to enhancing employment equity. As always, we will continue to do our best to attract, retain and motivate highly skilled employees to continue to deliver investment excellence.