



# How Coronation creates value for stakeholders

## STAKEHOLDER NEEDS



### CLIENTS

- Strong long-term investment performance
- One focused investment philosophy
- Excellent client service



### SHAREHOLDERS

- Ethical & sustainable business model
- Return on investment
- Investment in business



### GOVERNMENT & REGULATORS

- Best-practice regulatory compliance
- Proactive engagement



### SOCIETY

- Environmental impact monitoring
- Transformation
- Enterprise development
- Corporate social investment



### OUR PEOPLE

- Inclusivity & diversity
- Reward for excellence
- Growth & development

## CORONATION INPUTS

### INTELLECTUAL CAPITAL

**366** years' cumulative experience of senior investment professionals

- Ongoing investment in IT & IS infrastructure
- Rigorous investment process
- Mandatory operational policies in place

### HUMAN CAPITAL

**10** years average tenure of investment team

- Highly-skilled employees
- Strong, ethical culture
- Mentorship by senior investment professionals
- Best-practice recruitment process

### FINANCIAL CAPITAL

**R789m** in corporate tax

- Remuneration policy supports variable costs
- Dividend policy: At least 75% of after-tax cash profit
- Grow profitability through fund management earnings

### NATURAL CAPITAL

onsite waste management

- Investment stewardship activities
- Efficient business operations

### SOCIAL & RELATIONSHIP CAPITAL

**R340m** in brokerage to black stockbrokers

- Strong client & IFA relationships
- Diversity & transformation
- Active corporate citizenship

## HOW CORONATION CREATES VALUE



*We invest clients' savings to deliver strong, long-term growth & construct risk-resilient portfolios.*

*As an active corporate citizen, we continuously engage the industry & strive for sector & social transformation.*

## KEY RISKS & CHALLENGES MANAGED



*Covid-19 & economic lockdown*  
(→ refer to page 20)



*Deteriorating economy & shrinking savings pool*  
(→ refer to page 8)

## HOW CORONATION ENSURES VALUE CREATION FOR STAKEHOLDERS



### CLIENTS

- Consistent execution of investment philosophy
- Regular fee & benchmark reviews
- Achieving rigorous client service targets
- World-class IT & IS infrastructure



### SHAREHOLDERS

- Robust governance structures
- Ongoing investment in our business
- Consistent & sustainable operational performance & cost control
- Stable investment team
- Regular dividend distribution



### GOVERNMENT & REGULATORS

- Detailed compliance universe & risk assurance monitoring plans
- Continuous engagement with regulators & industry to achieve a safer and effective financial sector



### SOCIETY

- Active corporate citizenry
- Transformation of industry & society through business development, CSI, & recruitment
- We advocate operational efficiency with respect to the environment



### OUR PEOPLE

- Training & development
- Coaching & mentoring
- Performance-based remuneration
- Employee ownership & empowerment

## HOW CORONATION CREATED VALUE FOR STAKEHOLDERS IN 2020



### CLIENTS (→ refer to page 30)

- Strong long-term investment performance
- Enhanced stewardship & ESG
- World-class client service & communication
- Large, stable investment team



### SHAREHOLDERS (→ refer to page 38)

- Dividend policy maintained
- Ongoing shareholder engagement
- Infrastructure investment
- Remuneration model aligns employees with shareholders
- Board succession planning



### GOVERNMENT & REGULATORS (→ refer to page 42)

- No regulatory fines or sanctions received
- Well-established team of experienced compliance professionals
- Delivery of FICA project
- Total tax paid, including VAT where applicable: R789 million



### SOCIETY (→ refer to page 43)

- Covid-19 relief contributions >R13 million
- Swift payment of SMEs to help cash flow
- First carbon footprint measured
- Ongoing business development & CSI initiatives



### OUR PEOPLE (→ refer to page 49)

- No Covid-19 related retrenchments/furloughs
- Employee wellbeing & coaching interventions
- Training & development
- Performance-based remuneration