

HOW CORONATION CREATES VALUE THROUGH OUR PEOPLE

Our aim is to build and retain exceptional teams of highly skilled individuals – ensuring the sustainability of our business. Our culture of ownership came through strongly as we swiftly moved to offsite working, while maintaining service and investment excellence to our clients.

At the onset of the Covid-19 lockdown, our first responsibility was to keep our employees safe by monitoring exposure and keeping compliant with public health safety measures. Coronation managed a seamless shift to remote work and we are extremely proud of our employees and how they have maintained productivity levels despite lockdown challenges. Our client service excellence continued; and our employees embraced the challenges and continued to perform optimally.

We realised that individuals faced specific challenges depending on their personal circumstances. We reminded all employees of the Coronation employee assistance programme, Healthy Company, which offers all employees and dependants living under the same roof free medical, financial, psychological and legal advice. We also offered all employees access to professional coaches.

Driven by performance

Our business depends on our people's ability to deliver long-term investment outperformance. Coronation is a meritocracy, where anyone (irrespective of position or title) is recognised for work well done.

Our flat 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.

Ownership

Importantly, we believe in a culture of ownership; together, our employees own 25% 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 30).

Every year, all employees are required to confirm that they comply with specific ethical requirements, have no conflicts of interest, meet the requirements of Coronation's Compliance Manual, protect confidential information and adhere to the FSCA's Treating Customers Fairly initiative.

2020 key focus and outcomes

Transformation and diversity

Diversity strengthens our business. Through disciplined and determined recruitment, Coronation has achieved meaningful transformation. We have made tangible progress in transforming our business to reflect the country's diversity. As at end September 2020, of Coronation's South African-based employees:

- 49% were female;
- 57% were black, of whom 57% were black females;
- 80% of appointees appointed during the 2020 financial year were black;
- 40% of new hires were black females;
- senior leadership positions are held by black individuals, including our CEO, CFO, COO, Global Head of Institutional Business, Head of Fixed Income and Head of South African Equity Research;
- 78% of our Board were black, and 56% were female; and
- we remained a Level 2 contributor to broad-based black economic empowerment as per the Financial Sector Code.

We are excited about the calibre of prospective employees who are currently benefiting from extensive internship and bursary programmes (→ refer to page 44). These employees will strengthen our diversity profile for many years to come.

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 fixed-term contracts of more than three months) and the inclusion of temporary employees (less than three months), as per the table below. In addition to our total complement of 323 South African-based employees, five graduate interns and nine individuals are on fixed-term contracts of more than three months, and are included in the table below. The table below does not include 11 Coronation Global Fund Managers (Ireland) Ltd or Coronation International Ltd employees.

OUR EMPLOYEE PROFILE 2020

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	1	1	3	1	0	1	0	0	0	7
Senior management	0	1	1	3	0	1	1	0	0	0	7
Professionally qualified and experienced specialists and mid-management	14	21	7	68	7	23	9	35	7	4	195
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	6	22	7	3	16	46	5	16	1	0	122
Semi-skilled and discretionary decision-making	0	2	0	0	1	2	0	0	0	0	5
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	20	47	16	77	25	72	16	51	8	4	336
Temporary employees	0	0	0	0	1	0	0	0	0	0	1
TOTAL SOUTH AFRICAN STAFF	20	47	16	77	26	72	16	51	8	4	337

The table above includes any contractors who have been on contract longer than three months, therefore the total does not tie up with our permanent headcount figure. As at 30 September 2020.

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

Figures exclude Dublin and London offices.

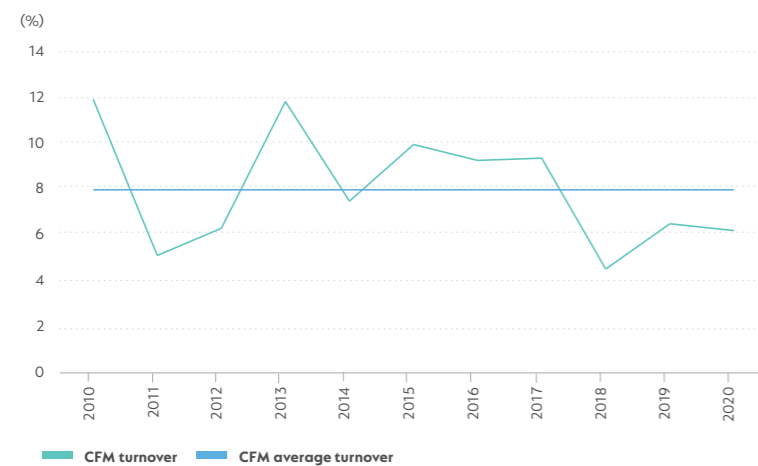
Source: Coronation

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 10 years.

Across the business, employee turnover remained stable. At 6.2%, it remains well below industry standards. The average tenure of departing employees was five years in 2020. 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. We regularly review employee notice periods to ensure minimal disruption in the event of resignation and to maintain alignment with dynamics in the market (→ refer to the Remuneration Policy on page 83).

EMPLOYEE TURNOVER



Source: Coronation

Nurturing talent

Online support

We have a digital onboarding system to integrate new starters and help to build engagement and to ensure continued support throughout their onboarding journey. This proved invaluable during lockdown as we were unable to relocate new hires to Cape Town.

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 2020, R9.1 million was allocated to the skills development of black employees (2019: R7.1 million).

Academic qualifications

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.

Online training

We have also sourced a number of relevant virtual training courses in response to the employee wellness survey results and offered all employees the opportunity to join virtual training sessions that focused on themes of Resilience, Leadership and Communication.

Coaching

At Coronation, future talent is earmarked for succession planning. We offer individual coaching to employees taking on leadership roles or facing new challenges to ensure personalised support and development.

We have offered all employees individual coaching sessions with two of our coaching partners. Following this initiative, we offered all coachees who took up this offer specific masterclasses to ensure ongoing tailor-made support and development.

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 16 active mentors within the business, some of whom focus specifically on mentoring our bursary students.

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.

Women in leadership

We are passionate about the ongoing development of the women in our business and believe that transformation and diversity is critical to our success and that of our industry. In 2020, we offered all our women employees an opportunity to advance their careers through four possible GetSmarter Women in Leadership courses from the likes of Stellenbosch, Oxford and Cambridge University. Of our women employees who took up the initiative, 66% were black⁷.

During Women's Month in August, we featured interviews with our female leaders and professionals in the Our Women in Focus area of our website.

Future focus

Our focus is on continuing to foster a culture that attracts, retains and motivates highly skilled employees to continue delivering investment excellence.

⁷ African, Indian and Coloured