

Risk Committee Report

During the period under review the joint Audit and Risk Committee was separated to form standalone committees. While the joint committee was effective in discharging its responsibilities, given the increasing complexities of the business and its regulatory requirements, the Board deemed it necessary to separate the committees to ensure that each committee has sufficient time to consider the matters falling within its mandate. The establishment of the Risk Committee will ensure that the Board's oversight of risk management and the Risk Management Framework is enhanced.

The Committee comprises independent non-executive directors Mr Saks Ntombela (chairperson), Ms Lulama Boyce, Mrs Madichaba Nhlumayo, Dr Hugo Nelson and Mr Neil Brown. Four members of the committee also serve as members of the Audit Committee to ensure there is a sufficient overlap of knowledge and expertise of matters falling under the ambit of both committees. The committee shall meet no less than twice a year.

The primary objectives of the Risk Committee include:

- ▶ supporting the Board to discharge its duty of governing risk in a manner that supports the Coronation Group in setting and achieving its strategic objectives;
- ▶ advising the Board in relation to the nature and extent of the risks and opportunities facing the Coronation Group;
- ▶ overseeing the implementation of the Group Risk Management Strategy and Framework and other responses to risk; and
- ▶ overseeing the governance of compliance with all applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Coronation Group being an ethical and good corporate citizen.

Key focus areas

- ▶ Information technology and information systems risks
 - ▶ The Committee has been mandated by the Board to exercise oversight over the information technology and information systems risks that impact the Company and ensure they are adequately addressed and that the appropriate controls are in place to address them.
- ▶ Risk management
 - ▶ The Committee shall assist the Board in its evaluation of the adequacy and effectiveness of the risk management system.

Key risks

The Committee assists the Board in identifying and monitoring all key risks impacting the Group. This is achieved through reviewing and interrogating the reports received from the Risk Officer.

Compliance monitoring

The Committee shall consider the legal and regulatory requirements to the extent that they may have an impact on the Group. The committee obtains regular updates from the Group compliance function regarding the Group's compliance with all applicable legal and regulatory requirements.