



## GIFTS AND INDUCEMENTS POLICY

---

### 1. Background

- 1.1. This Policy must be read in conjunction with the “Conflicts of Interest Management Policy”. Defined terms herein have the same meaning given to them in the “Conflicts of Interest Management Policy”.
- 1.2. Coronation must use reasonable care and judgment to fairly manage potential or actual Conflicts of Interest between itself and its Clients and between different Clients. Employees must not accept or offer any gift or inducement likely to induce business or influence any business decision. Consideration must be given to whether Employees can remain objective and whether an Employee’s integrity may have been, or be perceived to have been, compromised.
- 1.3. By “*gift or inducement*” we mean any Financial Interest. The giving or receiving of Financial Interests by an Employee to or from a Third Party is prohibited, apart from the giving or receiving of Immaterial Financial Interests (see 2.A.3) below), where:
- 1.4. “*Financial Interest*” means any cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration, other than training, that is not exclusively available to a selected group of providers or representatives, on:
  - products and legal matters relating to those products;
  - general financial and industry information; and
  - technological systems of a third party necessary for the rendering of a financial service, but excluding travel and accommodation associated with that training.
- 1.5. “*Third Party*” means:
  - A product supplier within the financial services industry
  - A financial services provider (FSP)
  - Any other service provider which provides or may potentially provide services
  - All clients or potential clients for whom Coronation renders a permitted financial service
  - Securities issuers
  - An associate of any of the above
- 1.6. Notwithstanding anything else in this Policy, under no circumstances whatsoever, may Employees solicit, demand or accept any gifts from any public official or offer or give any gifts to any public official, where the public official is an individual who:
  - i. Holds a legislative, administrative or judicial position of any kind and exercises a public function for any public agency or public enterprise; or
  - ii. Is an official or agent of a public international organization.
- 1.7. Notwithstanding anything else in this Policy, under no circumstances whatsoever, may Employees give or receive gifts of cash.
- 1.8. Notwithstanding anything else in this Policy, and provided prior approval is obtained from a member of the Executive Committee, it is permissible for the Institutional Business Team to



engage in appropriate and measured entertainment of existing or prospective clients in accordance with acceptable norms in the relevant jurisdiction in which such entertainment may occur, subject always to (i) applicable law; and (ii) the nature of the entertainment being such that it does not amount to an inducement or present an actual or perceived conflict of interest.

- 1.9. The following applies to portfolio managers and/or research analysts in relation to catered company “management meetings” and, less frequently, in relation to charter flights:

#### Restaurant meals/catering at management meetings

- i. If the meal/catering is incidental to the primary purpose of the meeting (being a research related meeting) then there is no need to declare or pay for the meal/catering;
- ii. Appropriate judgement must be applied as to whether the meal/catering amounts to an inducement/conflict or could be perceived as such (factors such as location, cost per head and topics addressed during the meeting should be considered);
- iii. If the meal/catering is not incidental to the primary purpose, or is the primary purpose, it is declarable, and the process under section “2 Procedures” below must be followed.

#### Charter flights

- i. Rarely, companies with operations in hard to reach locations (where regular commercial flights are unavailable) may arrange a charter flight as the only practical means of transport. In these cases, the company must be requested to provide Coronation’s estimated share of the costs of the charter flight, which must be reimbursed to the company;
- ii. If, after reasonable efforts to obtain the information, the company has failed to provide the cost estimate, then the relevant Employee must keep a record of having made the requests for information. In this case, no reimbursement is required by Coronation;
- iii. Note, where commercial flights to the intended destination are available, these should be booked by Coronation via the usual process, and there should be no need for a charter flight.

## 2. Procedures

### A) Receiving a gift or inducement

- A.1. Any gift of a Financial Interest or Immaterial Financial Interest which is accepted by an Employee (whether the benefit is for the Employee or any other person connected to the Employee) must be declared to the Compliance Department in the prescribed manner.
- A.2. Only gifts which constitute Immaterial Financial Interests may be accepted by employees, following due consideration of A.3 and A.4.
- A.3. In the event a gift does not constitute an Immaterial Financial Interest i.e.: if a single gift from a Third Party exceeds ZAR1 000 in value or the aggregate value of gifts from a Third Party for the calendar year exceeds ZAR1 000 in value, then an Employee has two options:
  - Return the gift to the Third Party; or
  - Keep the gift and:
    - i. Inform the Third Party that the gift exceeds the permitted value threshold;
    - ii. Request the Third Party to provide evidence of the value of the gift;



- iii. Pay the Third Party the full value of the gift; and
  - iv. Provide proof of payment to the Compliance Department in the prescribed manner.
- A.4. Depending on the circumstances, it is possible that the Compliance Department, in consultation with the CEO, may require an Employee not to accept a gift which constitutes an Immaterial Financial Interest.
- A.5. The Compliance Department will review the gifts and inducements declarations as and when submitted. Each submission will be reviewed and, if acceptable, approved by the Compliance Department. The aggregation of all declarations will be maintained by the Compliance Department as the “Gifts and Inducements Register”.

### B) Giving a gift or inducement

- B.1. Any gift of a Financial Interest or Immaterial Financial Interest which is given by an Employee to the representative of a Third Party must be declared to the Compliance Department in the prescribed manner.
- B.2. In the case of pension fund clients, and any persons associated with pension fund clients, such as, but not limited to, board members, principal officers, employees of pension funds, valuers, auditors, administrators or service providers, the definition of Immaterial Financial Interest is amended by the deletion of ZAR1 000 and its replacement with ZAR500.
- B.3. Only gifts which constitute Immaterial Financial Interests may be given by Employees to a representative of a Third Party.
- B.4. Depending on the circumstances, it is possible that the Compliance Department, in consultation with the CEO, may require an Employee not to give a gift which constitutes an Immaterial Financial Interest.
- B.5. The Compliance Department will review the gifts and inducements declarations as and when submitted. Each submission will be reviewed and, if acceptable, approved by the Compliance Department. The aggregation of all declarations will be maintained by the Compliance Department as the “Gifts and Inducements Register”.

### 3. Non-compliance

A breach of this Policy may, depending on the circumstances, result in disciplinary action or dismissal.

### 4. Policy Approval

Date	Action
May 2023	Reviewed by Head of Global Risk & Compliance
May 2024	Reviewed by Head of Global Risk & Compliance