



GROUP SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE CHARTER

The Coronation Group includes Coronation Fund Managers Limited (“**Coronation Fund Managers**”) and all companies that from time to time are directly or indirectly subsidiaries of Coronation Fund Managers.

1. CONSTITUTION AND COMPOSITION

- 1.1. The Coronation Group Social, Ethics and Transformation Committee (“Committee”) is constituted by the board of Coronation Fund Managers (“the board”) to fulfil the functions and meet the requirements as set out in the Companies Act 71 of 2008, as amended; the Listings Requirements of the Johannesburg Stock Exchange; the Constitution of South Africa, as amended (including the Bill of Rights); all other relevant legislation and those provisions of any codes of leading practice that the board considers appropriate for application by the Coronation Group; the Coronation Group’s codes of conduct and related policies; and to fulfil such other functions as set out in this Charter.
- 1.2. The Committee discharges its responsibilities on behalf of the Coronation Group (“the Company”).
- 1.3. The Committee shall consist of at least three members appointed by the board from amongst its directors. The Committee shall comprise a majority of non-executive directors, one of whom shall be appointed Committee Chairperson.
- 1.4. Committee members will not have a fixed tenure, however membership will automatically terminate when a member retires or resigns as a director from the board. All appointments to and terminations from the Committee (other than those flowing from a retirement or resignation from the board) must be approved by the board.
- 1.5. The board will review the composition of the Committee at least annually, to consider, inter alia, whether rotation of members is required and whether members remain suitably qualified and skilled to achieve the mandate of the Committee.

2. PURPOSE AND OBJECTIVES

The purpose and objectives of the Committee includes upholding, monitoring and reporting on, organisational ethics; responsible corporate citizenship; organisational transformation and the fulfilment of its statutory duties on behalf of the Coronation Group, as well as any additional functions as delegated by the board.

3. MEETING FREQUENCY AND PROCEDURE

- 3.1. The Committee will meet at least twice per year on such dates as determined by the Committee. A quorum shall be a majority of the members of the Committee.
- 3.2. Committee meetings shall be chaired by the Committee Chairperson. In the absence of the Chairperson, the Committee may be chaired by a member of the Committee designated by the Committee Chairperson or appointed by the majority vote of the Committee members.
- 3.3. The meeting documentation will be circulated to the Committee members at least five days prior to the date of each meeting unless all members agree to a shorter period of time in circumstances when this is warranted.



- 3.4. The Chairperson, at their discretion, may invite any person to attend and to be heard at meetings of the Committee and remain in attendance for any duration or part thereof. No invited attendee shall have a vote at meetings of the Committee.
- 3.5. The proceedings and resolutions of all meetings of the Committee shall be minuted, including recording the names of those present and in attendance.

4. ROLE, RESPONSIBILITIES AND DUTIES

The Committee shall:

4.1. General

- 4.1.1. Review and recommend to the board for approval a strategy and structure to manage transformation, social and ethics issues in the Company (see Appendix B);
- 4.1.2. Consider substantive national and international regulatory developments as well as leading practice in the fields of social, ethics and transformation management and make recommendations to the Company and/ or the board, as required;
- 4.1.3. Oversee the monitoring, assessment and measurement of the Coronation Group's activities relating to social and economic development, transformation and ethics, including the Coronation Group's standing in terms of the goals and purposes of, inter alia:
 - a. The 10 principles set out in the United Nations Global Compact Principles (see Appendix A);
 - b. The OECD recommendations regarding corruption (see the Organisation for Economic Co-operation and Development (OECD) website for further details (www.oecd.org));
 - c. The Code for Responsible Investing in South Africa and the United Nations Principles for Responsible Investing;
 - d. International Labour Organization Protocol on decent work and working conditions;
 - e. The Employment Equity Act; and
 - f. The Broad-Based Black Economic Empowerment Act.

4.2. Stakeholders and Social Investment

- 4.2.1. Monitor the activities of the Company with regard to Coronation Group's programme of corporate social investment;
- 4.2.2. Oversee the monitoring, assessment and measurement of the Coronation Group's activities relating to good corporate citizenship, including the Coronation Group's promotion of equality, prevention of unfair discrimination, reduction of corruption, contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed, and record of sponsorship, donations and charitable giving;
- 4.2.3. Oversee the monitoring, assessment and measurement of the Coronation Group's activities relating to the environment, health and public safety, including the impact of the Coronation Group's activities and of its products or services;



- 4.2.4. Oversee the monitoring, assessment and measurement of the Coronation Group's consumer relationships, including the Coronation Group's advertising, public relations and compliance with consumer protection laws in order to ensure that company adheres to its values;
- 4.2.5. Identify the material stakeholders of the Company to the extent that they affect or are affected by the activities, outputs and outcomes of the Company; and
- 4.2.6. Oversee stakeholder management as well as review and monitor the adequacy and effectiveness of the Coronation Group's engagement and interaction with its stakeholders.

4.3. Ethics

- 4.3.1 Review and make recommendations to the Company in relation to its ethical standards (Code of Ethics) and ensure that the Company takes measures to achieve adherence to these in all aspects of the business, thus achieving a sustainable ethical corporate culture within the Coronation Group;
- 4.3.2 Monitor management's development and implementation of programmes, guidelines and practices congruent with the Coronation Group's social and ethics policies; and
- 4.3.3 Monitor and oversee the resolution of breaches of the Code of Ethics.

4.4. Staff and Transformation

- 4.4.1. Review and make recommendations to the Company in relation to its transformational targets and monitor the implementation of the transformation strategy regarding the employment of minority groups and those previously disadvantaged due to race; gender or disability. In discharging these responsibilities the Committee will consider relevant legal and regulatory frameworks, industry scorecards, leading practices and the vision of Coronation Fund Managers;
- 4.4.2. Review and make recommendations to the board and / or the Remuneration and Nominations Committee on diversity targets in respect of members of the board, including race, gender and education;
- 4.4.3. Ensure that true transformation is taking place within Coronation with regards to recruitment, staff retention, work environment and career development; and
- 4.4.4. Oversee the monitoring of the Company' labour and employment, including, the Coronation Group's employment relationships, and its contribution toward the educational development of its employees.

4.5. Other

- 4.5.1. Attend to any other tasks as may be allocated to it by the board, from time to time; and
- 4.5.2. Review, at least once a year, its own performance to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.



5. REPORTING

- 5.1. The Chairperson of the Committee shall report formally to the board on the proceedings after each Committee meeting on all matters within its duties and responsibilities.
- 5.2. The Committee Chairperson shall draw the board's attention to matters within its mandate that may arise from time to time. This may include making recommendations to the board that the Committee deems appropriate on any area within its remit where action or improvement is needed.
- 5.3. The Chairperson shall attend the annual general meeting of Coronation Fund Managers to provide a report to shareholders on matters within its mandate and be prepared to respond to shareholder questions on the Committee's activities

6. AUTHORITY AND RESOURCES

- 6.1. The Committee is appointed and endorsed by the board.
- 6.2. The Committee will have unrestricted access to information, directors and employees of the Coronation Group as is reasonably necessary for it to fulfil its duties.
- 6.3. The Committee may obtain and/or co-opt external advice and expertise at the expense of the Coronation Group.
- 6.4. The Committee will rely on management structures for the implementation of its strategies and initiatives that have been approved by the board, of which the primary committees are the Executive Committee.

7. REVIEW OF CHARTER

This charter will be reviewed on an annual basis (or earlier if required from time to time) and any amendments thereof will be subject to the approval of the board.

Policy	CFM Group Social, Ethics and Transformation Charter
Approved by	CFM Board Nov 2018



APPENDIX A - UNITED NATIONS GLOBAL COMPACT TEN PRINCIPLES

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The UN Global compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anticorruption:

Human rights

Principle 1: businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour; principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: businesses should support a precautionary approach to environmental challenges; principle 8: undertake initiatives to promote greater environmental responsibility; and

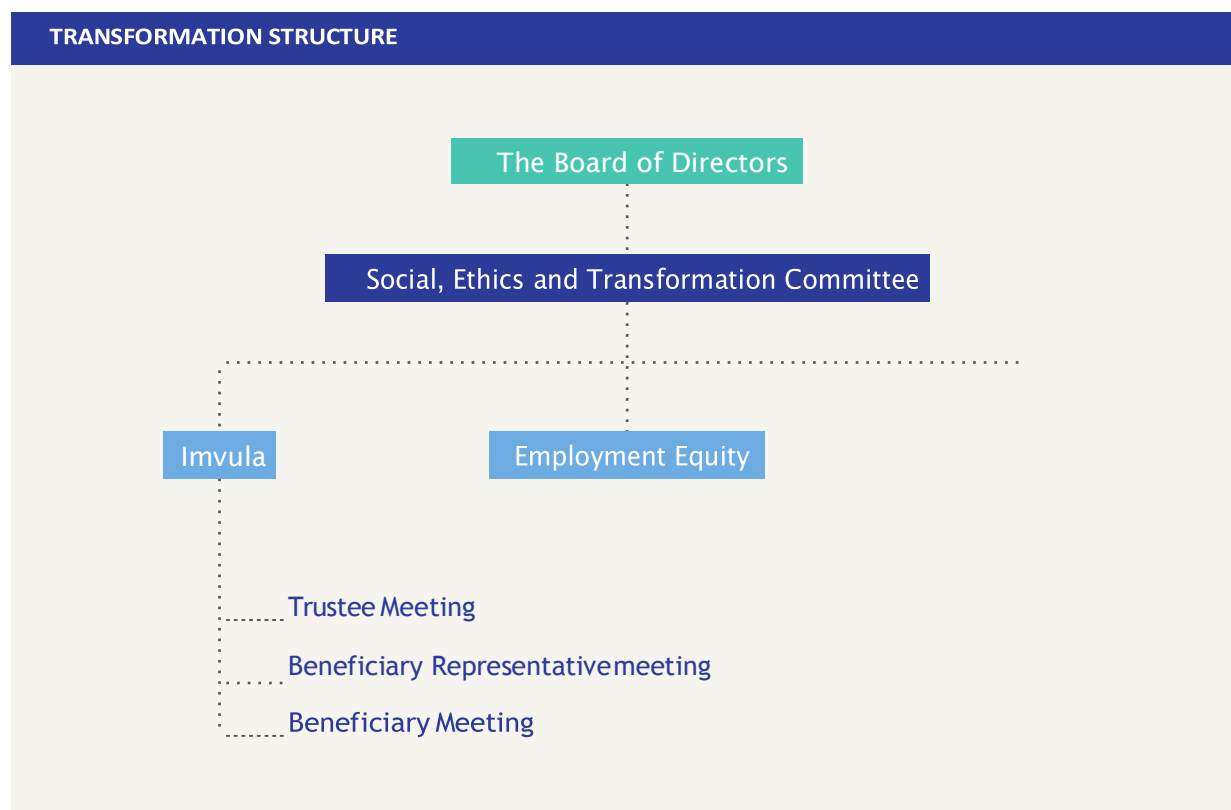
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

Principle 10: businesses should work against corruption in all its forms, including extortion and bribery.



APPENDIX B - TRANSFORMATION STRUCTURE



The CSI Committee meet regularly to discuss the initiatives for the year ahead, as well as progress made. The marketing department is responsible for the implementation of these initiatives.

The Employment Equity (“EE”) Committee meets quarterly to review progress with regards to Coronation’s EE plan. It is also responsible for continually updating the EE plan, ensuring targets and deadlines are met, and discussing EE initiatives. Its membership includes employees representing all designated groups and levels within the organisation. These members act as drivers of transformation and change within their respective business units. The EE committee reports back to the Committee on HR and employee initiatives relating to transformation.

The black economic empowerment ownership initiative is housed in the Imvula II Trust. The Imvula trustees meet at least twice a year - their meetings deal with issues relating to the staff empowerment transaction including unit allocation, approvals, achievement of objectives and compliance with regulations/laws at an ownership level. Trustees include the chief executive officer and independent non-executive directors.

The Imvula beneficiaries meetings are also held at least annually to provide feedback to beneficiaries on various issues pertaining to the Imvula transaction and establish their views on issues relating to the organisation. Two beneficiary elected representatives provide feedback at the meeting from a beneficiary point of view.

The Coronation Group believes that these structures and processes ensure that it not only discharges its legal obligations in terms of transformation, but also creates a truly transformed business and culture.