



LEA 02	Disclosures	Principle
<p>By providing investors the most up-to-date and comprehensive information for use in their investment decisions, investors can better understand the risks and opportunities of the companies in which they invest. This information can be used to make more informed investment decisions and to engage with companies on their ESG performance.</p>	<p>LEA 02</p> <p>Disclosures</p> <p>Monetary</p>	<p>Principle</p> <p>PRI 1, 2, 3</p>
<p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decision-making in & company reports</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company reports</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional or</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company reports</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional or</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company reports</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional or</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p>	

RI TRANSPARENCY REPORT

2017

Coronation Fund Managers

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2017 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	✓	Private							✓
OO 09	Breakdown of AUM by market	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	n/a							✓
OO End	Module confirmation page	✓	-							

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04		✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	✓	Private	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 16	ESG issues for externally managed assets not reported in framework	✓	Public							✓
SG 17	Innovative features of approach to RI	✓	Private							✓
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private							✓
LEI 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 06	Types of screening applied	🔒	n/a	✓						
LEI 07	Processes to ensure screening is based on robust analysis	🔒	n/a	✓						
LEI 08	Processes to ensure fund criteria are not breached	🔒	n/a	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 11	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 12	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 13	ESG issues in index construction	🔒	n/a	✓						
LEI 14	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 15	Measurement of financial and ESG outcomes of ESG incorporation	✓	Private	✓						
LEI 16	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI 17	Disclosure of approach to ESG incorporation	✓	Public		✓					✓
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagement methods	✓	Private		✓					
LEA 13	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 14	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 15	Examples of ESG engagements	✓	Private		✓					
LEA 16	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 17	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 18	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 19	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 20	Confirmation of votes	✓	Private		✓					
LEA 21	Securities lending programme	✓	Private		✓					
LEA 22	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 23	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 24	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 25	Shareholder resolutions	✓	Private		✓					
LEA 26	Examples of (proxy) voting activities	✓	Private		✓					
LEA 27	Disclosing voting activities	✓	Public		✓				✓	
LEA End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive,active strategies	✓	Private							✓
FI 02	Option to report on <10% assets	🔒	n/a							✓
FI 03	Breakdown by market and credit quality	✓	Private							✓
FI 04	Incorporation strategies applied	✓	Public	✓						
FI 05	ESG issues and issuer research	✓	Private	✓						
FI 06	Processes to ensure analysis is robust	✓	Public	✓						
FI 07	Types of screening applied	🔒	n/a	✓						
FI 08	Negative screening - overview and rationale	🔒	n/a	✓						
FI 09	Examples of ESG factors in screening process	🔒	n/a	✓						
FI 10	Screening - ensuring criteria are met	🔒	n/a	✓						
FI 11	Thematic investing - overview	🔒	n/a	✓						
FI 12	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 13	Thematic investing - assessing impact	🔒	n/a	✓						
FI 14	Integration overview	✓	Public	✓						
FI 15	Integration - ESG information in investment processes	✓	Public	✓						
FI 16	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 17	ESG incorporation in passive funds	🔒	n/a	✓						
FI 18	Engagement overview and coverage	✓	Private		✓					
FI 19	Engagement method	✓	Private	✓	✓					
FI 20	Engagement policy disclosure	✓	Private	✓	✓					
FI 21	Financial/ESG performance	✓	Private							✓
FI 22	Examples - ESG incorporation or engagement	✓	Private	✓	✓					
FI 23	Communications	✓	Public		✓				✓	
FI End	Module confirmation page	✓	-							

Coronation Fund Managers

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic Information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Other, specify

Execution and advisory services

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

South Africa

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3

Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

290

OO 03

Mandatory

Public

Descriptive

General

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04

Mandatory

Public

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

30/09/2016

OO 04.2

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on.

	trillions	billions	millions	thousands	hundreds
Total AUM		598	651	367	718
Currency	ZAR				
Assets in USD		43	225	002	319

OO 06

Mandatory

Public

Descriptive

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 06.1

How you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	>50%	<10%
Fixed income	10-50%	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	<10%	0
Hedge funds	<10%	0

Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	0
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2 Publish our asset class mix as per attached image [Optional].

Gateway asset class implementation indicators

OO 10	Mandatory	Public	Gateway	General
--------------	------------------	---------------	----------------	----------------

OO 10.1 Select the direct or indirect ESG incorporation activities your organisation implemented for listed equities in the reporting year.

- We incorporate ESG in our investment decisions on our internally managed assets
- We address ESG incorporation in our external manager selection, appointment and/or monitoring processes
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

OO 10.2 Select the direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.

- We engage with companies on ESG factors via our staff, collaborations or service providers
- We require our external managers to engage with companies on ESG issues on our behalf
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

OO 10.3 Select the direct or indirect voting activities your organisation implemented for listed equity in the reporting year

- We cast our (proxy) votes directly or via dedicated voting providers
- We require our external managers to vote on our behalf
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

OO 11	Mandatory	Public	Gateway	General
--------------	------------------	---------------	----------------	----------------

OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

- Fixed income – SSA
- Fixed income – corporate (financial)
- Fixed income – corporate (non-financial)
- Commodities
- Hedge funds
- Cash
- None of the above

Coronation Fund Managers

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.4

Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

No

SG 02**Mandatory****Public****Core Assessed****PRI 6**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

<http://www.coronation.com/za/institutional/stewardship>

- Attachment (will be made public)

Attachment

[Coronation ESG \(Environmental Social Governance\) Policy.pdf](#)

- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Engagement policy
- (Proxy) voting policy

	URL/Attachment
--	----------------

- URL
- Attachment (will be made public)

	Attachment
--	------------

[Coronation Proxy Voting Policy.pdf](#)

- We do not publicly disclose our investment policy documents

SG 02.4	Additional information [Optional].
----------------	------------------------------------

Our policies are considered public documents as they are readily available if requested. We will however be making these available on our website. Our Engagement policy is currently within our proxy voting policy. This will soon be a stand alone policy. The relevant extract is below:

"Coronation must determine whether the long-term interests of its clients would be best served by avoiding positions in companies that are considered to be poorly governed, or to become more actively involved in the company through discussions with its board of directors, making its views public, exercising its proxy voting right or through any other means in order to enhance shareholder value."

SG 03	Mandatory	Public	Core Assessed	General
--------------	------------------	---------------	----------------------	----------------

SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
----------------	---

- Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
----------------	---

Coronation has introduced reasonable mechanisms to identify Conflicts of Interest between:itself, Employees and Clients; and between different Clients.

The purpose of the policy is primarily to provide mechanisms for the identification and management of Conflicts of Interest that may arise in the rendering of financial services to Clients.

No Employee may accept/give a Financial Interest or Ownership Interest from/to a Third Party, other than an Immaterial Financial Interest (refer to the Gifts and Inducements Policy). Coronation may not offer any Financial Interest to an Employee which incentivizes such Employee to: 5.1 Give preference to the quantity of business over quality of service rendered to Clients; 5.2 Give preference to a specific product supplier in the event that it is possible to recommend more than one supplier to a Client; and/or 5.3 Give preference to a specific product in the event that it is possible to recommend more than one product to a Client.

- No

Objectives and strategies				
----------------------------------	--	--	--	--

SG 05	Mandatory	Public	Gateway/Core Assessed	General
--------------	------------------	---------------	------------------------------	----------------

SG 05.1

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

Governance and human resources

SG 07**Mandatory****Public****Core Assessed****General****SG 07.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
Chief Operating Officer

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

As long term investors, ESG is fully integrated into their investment process and forms part of the mosaic for any investment case in understanding the long term sustainability of companies and their business worth. In valuing businesses, allowance for ESG-related factors are taken into account predominantly by adjusting the discount rate applied to their normalised earnings. They thus implicitly build in the risks relating to environmental, social and governance considerations in the ratings of the businesses they analyse. Where they can, they explicitly allow for ESG costs in the modelling of the company earnings. For debt securities, they assess the impact on issuer cash-flows and ability to repay debt and require additional credit spread to compensate for the risk. They do not exclude investments in companies that perform poorly on ESG screens, they require a greater risk-adjusted upside or a higher yield before investing. They include an ESG section in all initiation reports.

As ESG is integrated into our philosophy and processes we do not separate this when training staff. Guidance is provided by senior members of the investment team on how to address sustainability issues. Each investment report on a company is prepared by the responsible analyst and he or she is required to provide a summary of the main ESG issues, discuss their materiality to the investment case and provide his/her view on whether these factors impact the overall valuation of the business positively or negatively.

Coronation has a single investment philosophy on which all products are managed and it is deeply ingrained within the entire Coronation investment team. This is the exact same philosophy by which we have been successfully managing money in South Africa for over two decades. This process is overseen by the CIO, together with other senior members within the investment team.

The Board has constituted three sub-committees, namely, the "Audit and Risk Committee", the "Social, Ethics and Transformation Committee" and the "Remuneration and Nominations Committee". The Social, Ethics and Transformation Committee is chaired by an independent non-executive director, which is consistent with the recommendations of King III. The Committee serves as the Social, Ethics and Transformation Committee for the group, subject to any local law requirements. The Committee's general mandate is to assist the Board in discharging its duties relating to the reviewing and approving of policy, strategy and structure to manage transformation, social and ethics issues in the company. The Committee's objective is to ensure that high ethical standards are applied in all areas of the business. The Committee oversees the monitoring, implementation, assessment and measurement of the company's activities in the following key areas: Ethics and conduct; Environmental, social and governance; Transformation; Human resource development; Enterprise development; and Corporate social investment. The Committee relies on management for the implementation of strategies and initiatives, of which the primary

contributors are the Executive Committee, transformation task team, employment equity and corporate social investment committees.

SG 07.3 Indicate the number of dedicated responsible investment staff your organisation has.

Number

70

SG 07.4 Additional information. [Optional]

The Coronation investment decision-making process incorporates the key elements of sustainable development. All investment professionals incorporate ESG issues in the valuation process which is documented (requirement) in determining the long-term value of a company.

External research reports, proprietary research and all interaction with company management and board of directors are documented.

Promoting responsible investment

SG 09 **Mandatory** **Public** **Core Assessed** **PRI 4,5**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 09.1 Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

We are part of the organisation, but are not actively involved in its work.

- AFIC – La Commission ESG
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

We are part of the organisation, but are not actively involved in its work.

- Code for Responsible Investment in SA (CRISA)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

We are a signatory to the Code (CRISA) and apply the principles in our investment process and philosophy. We also take part in the continuing and evolving regulatory framework and provide commentary where we deem it necessary and appropriate.

- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

ASISA - Association of Savings and Investment in South Africa. Part of ESG working groups.

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We are a signatory to the Code (CRISA) and apply the principles in our investment process and philosophy. We also take part in the continuing and evolving regulatory framework and provide commentary where we deem it necessary and appropriate.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
---------	--

Yes

SG 10.2	Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.
---------	--

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

No

Implementation not in other modules

SG 12	Mandatory	Public	Descriptive	PRI 1
-------	-----------	--------	-------------	-------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

SG 12.2

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

- We do the following
 - Allocation between asset classes
 - Determining fixed income duration
 - Allocation of assets between geographic markets
 - Sector weightings
 - Other, specify

Asset allocation is a function of where we find value from the bottom up stock selection process. ESG factors form part of stocks investment case.

- We do not consider ESG issues in strategic asset allocation

SG 15	Mandatory	Public	Descriptive	General
--------------	------------------	---------------	--------------------	----------------

SG 15.1

Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Hedge funds	We have one investment philosophy that is applied consistently across all our mandates. As long term valuation driven investors we are concerned with the long term sustainability of companies so ESG factors form an intrinsic part of the mosaic for any investment case.
Cash	We have one investment philosophy that is applied consistently across all our mandates. As long term valuation driven investors we are concerned with the long term sustainability of companies so ESG factors form an intrinsic part of the mosaic for any investment case.

SG 16	Mandatory	Public	Descriptive	General
--------------	------------------	---------------	--------------------	----------------

SG 16.1

Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - ESG incorporation	Refer 16.2
Listed equities - engagement	Refer 16.2
Listed equities - (proxy) voting	Refer 16.2

SG 16.2

Additional information.

ESG factors and their consideration in the external managers' investment process are considered during the external manager selection process. We select managers who share a similar investment philosophy to ours.

Coronation Fund Managers

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Public	Gateway	PRI 1
--------	-----------	--------	---------	-------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)
----------	--

ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied	<table border="1"> <tr> <td style="width: 50px; height: 20px;"></td> <td style="text-align: center;">%</td> </tr> <tr> <td style="text-align: center;">100</td> <td></td> </tr> </table>		%	100	
	%				
100					

- Screening and Integration strategies
- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

	Total actively managed listed equities
--	--

100%

LEI 03.2	Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.
----------	---

We incorporate ESG issues into our investment decision-making process in a way that is fully consistent with our long-term investment horizon. We believe that companies cannot achieve sustainable economic success while neglecting their social and environmental responsibilities.

(C) Implementation: Integration of ESG issues

LEI 10	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

LEI 10.1

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<div style="background-color: #0070C0; color: white; padding: 2px;">Environmental</div> <p><input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We do not review environmental issues</p>
Social	<div style="background-color: #0070C0; color: white; padding: 2px;">Social</div> <p><input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We do not review social issues</p>
Corporate Governance	<div style="background-color: #0070C0; color: white; padding: 2px;">Corporate Governance</div> <p><input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We do not review corporate governance issues</p>

LEI 10.2

Additional information. [Optional]

We incorporate ESG factors in the research, analysis and valuation process of every company in our universe.

Communication**LEI 17****Mandatory****Public****Core Assessed****PRI 2,6****LEI 17.1**

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

 We disclose it publicly

Provide URL

<http://www.coronation.com/global/company-reports>

LEI 17.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEI 17.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 17.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries

Coronation Fund Managers

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Engagement

Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1

Indicate whether your organisation has a formal engagement policy.

Yes

LEA 01.2

Indicate what your engagement policy covers:

- Conflicts of interest
- Prioritisation of engagements
- Transparency
- Environmental factors
- Social factors
- Governance factors
- Engagements following on from decisions
- Other, describe

We engage not only on ESG related issues, any matters affecting the long term sustainability of companies and their business worth

None of the above

Attach document

[Coronation Proxy Voting Policy.pdf](#)

LEA 01.4

Provide a brief overview of your organization's approach to engagement

Coronation must determine whether the long-term interests of its clients would be best served by avoiding positions in companies that are considered to be poorly governed, or to become more actively involved in the company through discussions with its board of directors, making its views public, exercising its proxy voting right or through any other means in order to enhance shareholder value.

No

LEA 01.5

Additional information [optional]

Our engagement policy is currently with in our proxy voting policy but will soon be a stand alone policy

LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.
----------	--

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

LEA 02.2	Additional information. [Optional]
----------	------------------------------------

Where necessary, we will approach other institutional investors to discuss any concerns we may have in relation to particular resolutions so that we can present a unified view when raising concerns with the management of investee companies. In doing so, we exercise caution and take care to ensure that we do not breach any regulatory or legislative requirements or prohibitions in this regard or inadvertently trigger any presumptions of acting in concert with other institutional investors in regard to the particular matter that is the subject of the proposed resolution.

Coronation often participates in annual surveys and questionnaires sent to us by our institutional clients which require our responses to questions that are directed at assessing the extent to which we integrate ESG considerations into our investment process and business. Where appropriate, we use this opportunity to raise concerns with institutional clients and their asset consultants regarding the implementation of responsible investing by such institutional clients and to offer suggestions, where appropriate, as to how responsible investing can be better achieved by the particular institutional client. In addition, Coronation regularly leads discussions about the most appropriate considerations for incorporation in ESG policies that clients may wish to prepare and adopt in their investment strategy.

In those instances where clients provide Coronation with their voting and proxy guidelines, we review and consider these carefully and provide the clients with feedback in instances where Coronation is of the view that the policy can be enhanced to better serve ESG considerations.

We use our membership of industry bodies, such as ASISA and ICI, to ensure that wherever opportunities present themselves, we are able to participate in and/or collaborate on matters that will achieve the principles set out in UNPRI and CRISA across the industry. Membership of such industry bodies is also used by us wherever reasonably possible to present a unified industry approach and response to regulators on any regulatory initiatives that impact on responsible investing so that the regulator can assess an industry wide view of matters.

In the same manner that Coronation became an early signatory to UNPRI, we remain cognisant of industry initiatives to entrench ESG considerations and/or improve awareness of ESG factors and we therefore ensure sufficient representation on any forum which is driving such initiatives

Process

Process for engagements run internally

LEA 03

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1

Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

Yes

LEA 03.2

Describe the criteria used to identify and prioritise engagement activities carried out by internal staff.

- Geography/market of the companies targeted
- Materiality of ESG factors
- Systemic risks to global portfolios
- Exposure (holdings)
- In reaction to ESG impacts which has already taken place
- As a response to divestment pressure
- As a follow-up from a voting decision
- Client request
- Other, describe

other description

Engagements are carried out where there is a clear indication it has the potential to add shareholder value, or not carrying out may negatively impact

No

LEA 04

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 04.1 Indicate if you define specific objectives for your engagement activities.

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out by internal staff.

LEA 04.2 Indicate if you monitor the actions that companies take following your engagements.

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out by internal staff.

LEA 04.3 Indicate whether your organisation defines milestones and goals for engagement activities carried out by internal staff.

- Yes
- No

LEA 04.5 Additional information. [Optional]

Engagements are continuous and ongoing. Monitoring and evaluation takes the form of assessing whether actions have / have not been taken by the company since the last engagement

Process for engagements conducted via collaborations

LEA 05

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 05.1 Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

- Yes

LEA 05.2

Describe the criteria used to identify and prioritise collaborative engagements

- Potential to learn from other investors
 - Ability to add value to the collaboration
 - Geography / market of the companies targeted
 - Materiality of ESG factors
 - Systemic risks to global portfolios
 - Exposure (holdings)
 - In response to ESG impacts which has already taken place
 - In response to divestment pressure
 - Client requests
 - Other, describe
- No

LEA 06**Mandatory****Public****Core Assessed****PRI 2**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 06.1

Indicate if you define specific objectives for your engagement activities carried out collaboratively.

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out collaboratively.

LEA 06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out collaboratively

LEA 06.3

Indicate whether your organisation defines milestones and goals related to engagement activities carried out via collaborations.

- Yes
- No

LEA 06.5 Additional information. [Optional]

Coronation monitors the actions taken / not taken by the company after the engagement and the impact it has on shareholder value.

General processes for all three groups of engagers

LEA 10 **Mandatory** **Public** **Gateway** **PRI 2**

LEA 10.1 Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track and cannot estimate our engagements

Communication

LEA 16 **Mandatory** **Public** **Core Assessed** **PRI 2,6**

LEA 16.1 Indicate whether your organisation proactively discloses information on its engagements.

- We disclose it publicly
- We disclose it to clients and/or beneficiaries only

LEA 16.5 Indicate what engagement information your organisation proactively discloses to clients/beneficiaries.

Engagement information disclosed

- Details of the selections, priorities and specific goals of engagement
- Number of engagements
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the engagement
- Outcomes that have been achieved from the engagement
- Other information

LEA 16.6

Indicate how frequently you typically report engagements information

- Disclosed continuously (prior to and post engagements)
- Disclosed quarterly or more frequently
- Disclosed biannually
- Disclosed annually
- Disclosed less frequently than annually
- Ad hoc/when requested
- We do not proactively disclose it to the public and/or clients/beneficiaries.

LEA 16.8

Additional information. [Optional]

Clients sign Non-Disclosure agreements if we have open discussions

(Proxy) voting and shareholder resolutions**Overview****LEA 17****Mandatory****Public****Gateway****PRI 1,2,3**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 17.1

Indicate whether your organisation has a formal voting policy.

- Yes

LEA 17.2 Indicate what your voting policy covers:

- Conflicts of interest
- Prioritisation of voting activities
- Transparency
- Decision making processes
- Environmental factors
- Social factors
- Governance factors
- Filing/co-filing resolutions
- Extraordinary meetings
- Share blocking
- Regional voting practices
- Record keeping
- Company dialogue pre/post vote
- Securities lending process
- Other, describe

other description

Our voting policy outlines the broad principles which determine how we will vote on company resolutions in the best interests of our clients.

- None of the above

LEA 17.4 Provide a brief overview of your organization's approach to (proxy) voting.

Our policy is very clear about taking into consideration all factors that are deemed to be in the best interest of the client's investment value. The policy is considered a public document as its freely available on request. We will soon be making it available on our website. It has been uploaded for a previous question.

LEA 17.5 Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).

Our proxy voting policy is transparent and we disclose our voting records on our website and are happy to disclose to clients our interactions with company management.

- No

Process

LEA 18

Mandatory

Public

Descriptive

PRI 2

LEA 18.1

Indicate how you typically make your (proxy) voting decisions.

Approach

- We use our own research or voting team and make voting decisions without the use of service providers.

Based on

- our own voting policy
- our clients' requests or policy
- other, explain
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- We hire service provider(s) that make voting decisions on our behalf.

LEA 22	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 22.1 Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases
- Sometimes, in the following cases:
 - Votes for selected markets
 - Votes relating to certain ESG issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - Other
- Neither we nor our service provider raise concerns with companies ahead of voting

LEA 22.2 Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

LEA 22.3	Additional information. [Optional]
----------	------------------------------------

Coronation aims to vote for all resolutions whenever possible, therefore whenever we will be voting against a resolution or abstain from voting we try to engage with the company beforehand to see if we can resolve our differences. When we vote against or abstain from voting a particular resolution, the vote should be followed up by a letter or telephone call to management explaining the reasons for doing so.

Outputs and outcomes

LEA 23	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

LEA 23.1	For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
----------	--

We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

100

	Specify the basis on which this percentage is calculated
--	--

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

LEA 23.2	Explain your reason(s) for not voting certain holdings
----------	--




- Shares were blocked
 - Notice, ballots or materials not received in time
 - Missed deadline
 - Geographical restrictions (non-home market)
 - Cost
 - Conflicts of interest
 - Holdings deemed too small
 - Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
 - We do not vote on environmental resolutions
 - We do not vote on social resolutions
 - On request by clients
 - Other
- We do not track or collect this information

LEA 24	Mandatory	Public	Additional Assessed	PRI 2
--------	-----------	--------	---------------------	-------

LEA 24.1 Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

Yes, we track this information

LEA 24.2 Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	 93.8
Against (opposing) management recommendations	 5.4
Abstentions	 0.8

100%

LEA 24.3 Describe the actions you take after voting against management recommendations.

Any decision to vote against management or abstain should be followed up by a letter or telephone call to management explaining the reasons for doing so.

No, we do not track this information

Communication

LEA 27	Mandatory	Public	Core Assessed	PRI 2,6
--------	-----------	--------	---------------	---------

LEA 27.1 Indicate if your organisation proactively discloses information on your voting activities.

We disclose it publicly

provide URL

<http://www.coronation.com/global/stewardship>

provide URL

<http://stewardship.coronation.com/ProxyVoting>

LEA 27.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEA 27.3

Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.

Indicate how much of your voting record you disclose

- All voting decisions
- Some voting decisions
- Only abstentions and opposing vote decisions
- Summary of votes only

Indicate what level of explanation you provide

- Explain all voting decisions
- Explain some voting decisions
- Only explain abstentions and votes against management
- No explanations provided

LEA 27.4

Indicate how frequently you typically report voting information.

- Continuously (primarily before meetings)
- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/as requested
- No
- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

LEA 27.8

Additional information. [Optional]

Explanations for Coronation's voting decisions are not disclosed publicly, but any voting decision can and will be explained in full if requested.

Coronation Fund Managers

Reported Information

Public version

Direct - Fixed Income



PRI disclaimer





This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed fixed income

Implementation processes

FI 04	Mandatory	Public	Gateway	PRI 1
FI 04.1	Indicate 1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and 2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

SSA	 <table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>100</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> <tr> <td>Thematic + integration strategies</td> <td>0</td> </tr> <tr> <td>Screening + thematic strategies</td> <td>0</td> </tr> <tr> <td>All three strategies combined</td> <td>0</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>100%</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	100	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	100%
Strategy	Percentage																		
Screening alone	0																		
Thematic alone	0																		
Integration alone	100																		
Screening + integration strategies	0																		
Thematic + integration strategies	0																		
Screening + thematic strategies	0																		
All three strategies combined	0																		
No incorporation strategies applied	100%																		
Corporate (financial)	 <table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>100</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	100	Screening + integration strategies	0								
Strategy	Percentage																		
Screening alone	0																		
Thematic alone	0																		
Integration alone	100																		
Screening + integration strategies	0																		

	 <p>Thematic + integration strategies</p> <p>0</p>
	 <p>Screening + thematic strategies</p> <p>0</p>
	 <p>All three strategies combined</p> <p>0</p>
	 <p>No incorporation strategies applied</p> <p>0</p>
	<p>100%</p>

Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	100
	Screening + integration strategies	0
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
	100%	

FI 04.2 Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

In line with our investment philosophy of investing on long-term fundamentals, we will forecast the long-term earnings potential and cash flow generation of a business in order to assess its ability to meet its debt obligations. ESG forms an intrinsic part of the investment assessment. We are valuation driven, security selectors and seek to be adequately compensated for the risk assumed. We do not construct portfolios based on themes. Themes may emerge as a result of where we find value from the bottom up. Each business faces its own unique set of environmental and social circumstances which may have an impact on future cash flows. Very importantly, we do not believe it is our role to exclude investments based on personal views on ESG issues. Each investor may have certain criteria informed by their beliefs or background. These are specified upfront in their investment mandate, which will then define the universe. Governance is the cornerstone upon which the foundation of a company is built. Coronation engages regularly with the boards and management of the companies it is invested in. When there are specific concerns, our first approach is to engage with management to deal with the respective issues.

FI 06	Mandatory	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

FI 06.1 Indicate how you ensure that your ESG research process is robust:

- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- Other, specify

specify description

All research is interrogated and challenged for reasonability whether sourced directly or not.

- None of the above

FI 06.2 Describe how your ESG information or analysis is shared among your investment team.

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is a standard item on all individual issuer summaries, ‘tear sheets’, ‘dashboards’ or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

(C) Implementation: Integration

FI 14	Mandatory	Public	Descriptive	PRI 1
-------	-----------	--------	-------------	-------

FI 14.1 Describe your approach to integrating ESG into traditional financial analysis.

We perform our own detailed proprietary research on issuers and structures in order to determine the full spectrum of risks that the instrument may carry and in order to determine the fair value for the assets, both at issue date and during the life of the instrument. We incorporate ESG issues into our investment decision-making process in a way that is fully consistent with our long-term investment horizon. Corporate social responsibility has the potential to increase the quality of a company’s earnings stream and consequently its long-term investment potential. In our view, ESG issues form an intrinsic part of the mosaic for any investment case. We account for risk by demanding a higher yield. For example, we will require a wider credit spread to capture the future financial impact of companies with large carbon emissions. In other cases, more explicitly factor in any environmental taxes into the future earnings of a company when analysing the cash flow. Poor ESG performance may not necessarily exclude investing in a company, but it does force us to carefully consider the issues and engage management on those issues. Furthermore, we feel it is very important that we focus our attention and time on those ESG issues that have the most meaningful impact and where our expertise lies, rather than on issues that are intrinsically fraught with ambiguity. We do not exclude companies from our investment universe. As a manager of third-party client assets, we believe that this decision (and its consequent return implications) lies with the clients. Corporate governance lies squarely within the circle of competence of any institutional investor. As custodians of our clients’ retirement capital, this is where we need to be doing the ‘heavy lifting’ on their behalf. But the environmental and social pillars are a lot trickier that even the experts can’t agree on.

FI 14.2 Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.

SSA

As per 14.1

Corporate (financial)

As per 14.1

Corporate (non-financial)

As per 14.1

FI 15	Mandatory	Public	Core Assessed	PRI 1
--------------	------------------	---------------	----------------------	--------------

FI 15.1 Indicate how ESG information is typically used as part of your investment process.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into security weighting decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into portfolio construction decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard part of internal credit ratings or assessment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis for issuers is a standard agenda item at investment committee meetings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is regularly featured in internal research notes or similar	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard feature of ongoing portfolio monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis features in all internal issuer summaries or similar documents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 16	Mandatory	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

FI 16.1	Indicate the extent to which ESG issues are reviewed in your integration process.
---------	---

	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

FI 16.2 Please provide more detail on how you review E, S and G factors in your integration process.

SSA

In line with our investment philosophy of investing on long-term fundamentals, we will forecast the long-term earnings potential of a business in order to assess its implicit valuation or its ability to meet its future cash flow obligations. Each business will face its own unique set of environmental and social circumstances. These need to be examined carefully, especially as hard numbers and details may not be available. Consideration is given to understanding how these should be appropriately factored into forecasts.

Once all the factors relating to environmental and social issues have been considered, these are documented and factored into our models, and the valuation is calculated. Based on this outcome, the investment decision is made. Very importantly, it is not our role to exclude investments based on personal views on ESG issues. Each investor may have certain criteria informed by their religious or cultural beliefs, or by their background. These are specified upfront in their investment mandate, which will then define the universe of companies we can invest in. It would be inappropriate and wrong to use our own biases to exclude investments that could deliver a meaningful return for investors and to other stakeholders. The ESG process is clearly not straightforward and needs to be handled sensitively. A simple standardised approach will not do.

In our view, the most crucial area of focus is governance. Boards and management are in an agency position, managing assets on investors' behalf. They should be held accountable to high standards. Since strategy and accountability start at the top, governance is crucial in managing a business, which includes the proper management of environmental and social issues. Governance is the cornerstone upon which the foundation of a company is built. Any weakness in this area, and all parts of the investment case, whether pure valuation or the handling of environmental and social issues, are at risk.

Coronation engages regularly with the boards and management of the companies it is invested in. All these engagements are documented to ensure detailed record-keeping and accountability for boards, as well as for investors to be fully informed as to how their investment is being exercised in the interests of good corporate governance.

When there are specific concerns, our first approach is to engage with management to deal with the respective issues. If this fails to deliver the appropriate action, we then escalate the issue to the board. When governance issues emerge, we do not believe selling out of a company is an appropriate first response. This runs the risk of incurring losses on the investment, and fails to live up to the demands of being a good corporate citizen, who should strive to ensure that companies are applying the correct standards of governance for the protection of all investors.

Corporate (financial)

Same as above

Corporate (non-financial)

Same as above

Communication

FI 23	Mandatory	Public	Core Assessed	PRI 2,6
-------	-----------	--------	---------------	---------

FI 23.1

Indicate if your organisation proactively discloses information on your approach to RI across all of your fixed income investments.

- We disclose it publicly

Provide URL

<http://www.coronation.com/za/institutional/investment-approach>

Provide URL

<http://www.coronation.com/za/institutional/company-reports>

FI 23.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes

FI 23.3

Indicate the information your organisation proactively discloses to the public regarding your approach to RI incorporation.

- Broad approach to RI incorporation
 Detailed explanation of RI incorporation strategy used

FI 23.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
- We do not proactively disclose it to the public and/or clients/beneficiaries

FI 23.7

Additional information. [Optional]

Coronation has a single investment philosophy on which all products are managed