



CENTAUR ASSET MANAGEMENT

Responsible Investing Policy

Centaur Asset Management (Pty) Ltd consider a wide range of factors that may affect the risk and return profile of the investments we make, now and in the future. Our long-term success is not only measured on investment performance alone, but also on the contribution it makes to society and the environment. It is our duty to manage these investments responsibly and have therefore formulated this Responsible Investment Policy which underpins our investment decision making process.

Centaur Asset Management (Pty) Ltd commits to the following objectives:

- Incorporating sustainability considerations, including Environmental, Social and Governance (ESG) factors, into its investment process, from research and analysis to engagement and decision making.
- Seeking appropriate disclosure on ESG issues by the entities in which we invest when necessary.
- Promoting and collaborating within both the industry and the public arena on issues of responsible investing.
- Recognising and addressing any areas where conflicts of interests may arise and managing them diligently.

Incorporation of ESG factors into the investment process

Centaur Asset Management (Pty) Ltd incorporates all material factors that the investment team believes could affect an investment. Environmental, Social and Governance (ESG) factors form a part of this process. The integration of ESG into investment analysis and decision-making is conducted at the selection / initiation phase of an investment as well as over the term of the investment. Within equities the Centaur philosophy emphasises the selection of shares based on principles of substance and sustainability which includes ESG factors. Within debt, Centaur's philosophy focuses on those material ESG factors that could affect the ability of a company to repay its debt both willingly and timeously.

It is expected of Centaur Asset Management (Pty) Ltd to comply with local laws and regulatory requirements as well as hold itself accountable to the highest ethical standards.

Responsible investment governance structure

Centaur Asset Management (Pty) Ltd recognises that, like all aspects of effective investment decision making, consideration of ESG factors requires keeping up to date with emerging requirements, risks, opportunities and the continuous improvement in processes.

Code for Responsible Investing in South Africa (CRISA)

We believe that environmental, social, and governance (ESG) issues are important sustainability issues that should be considered as part of a holistic investment process.

Our commitment

We seek to invest our clients' funds in a responsible manner, consciously making an effort to be aware of these issues. The purpose of integrating ESG issues into our investment process is to identify and price for any risks, improve the analysis of our investments and to promote improving standards of practice.

CRISA annual disclosure

We believe that the CRISA principles, which considers ESG factors, can be applied across all asset classes.

Below is a summary of Centaur's disclosure based on our application of the CRISA principles.

CRISA principles	Centaur's application of these principles
Principle 1 Incorporation of ESG	<p>Our Responsible Investment (RI) Policy outlines our commitment to RI practices and ESG integration.</p> <p>Our investment process includes ESG integration into listed entities.</p>
Principle 2 Active ownership	<p>Our active ownership philosophy is based on our framework of our Corporate Governance and Proxy Voting policies.</p> <p>Active ownership involves:</p> <ul style="list-style-type: none">– File shareholder resolutions;– Attend annual general meetings and other relevant meetings; and– Exercise voting rights and engage in proxy voting issues. <p>Our active engagement strategy follows two broad paths:</p> <ul style="list-style-type: none">– To engage and promote change within the capital markets, as bondholders and equity investors; and– To engage issuers on material ESG matters.
Principle 3 Collaboration	<p>As a responsible investor we promote acceptance of the Principles through our support and engagement with the industry and investee companies, privately and sometimes publicly, on sustainability issues.</p> <p>We collaborate with the industry on RI and ESG matters. These include: Industry bodies like e.g. ASISA, Chartered Financial Analyst (CFA) SA etc.; and Representation on a few industry working groups e.g. ASISA Bond committee, ASISA Infrastructure Working Group, ASISA RI Committee and PRI Awareness & Recruitment Working Group and the CRISA Review Working Group.</p>
Principle 4 Conflict of interest	<p>Our Conflict of Interest Management Policy outlines key parameters within a framework to manage conflicts.</p>
Principle 5 Disclosure	<p>We will seek appropriate disclosure on ESG issues by the entities in which we invest by engaging investee companies to report and disclose material ESG issues. In addition, we will disclose and report on ESG issues and our progress towards implementing the principles.</p>