



CRISA COMPLIANCE

FSP | 33843

The Code for Responsible Investing in South
Africa.

CONFIDENTIAL



PURPOSE OF THE POLICY

Sentio Capital Management (Pty) Ltd is committed to the principles of good corporate governance, and considers it part of our fiduciary duty to the end beneficiaries of our invested clients, to ensure appropriate focus on issues of sustainability in our investment activities and processes. This policy Sentio Capital Management (Pty) Ltd formally documents the Company's commitment to the principles embodied in the "Code for Responsible Investing in South Africa" (CRISA) code which becomes effective on 01 February 2012.

PRINCIPLE 1:

An institutional investor should incorporate sustainability considerations, including ESG, into its investment analysis and investment activities as part of the delivery of superior risk-adjusted returns to the ultimate beneficiaries.

While it is our objective to help clients achieve their financial objectives over the long-term, it is our fiduciary duty to help them achieve it in a way that is within the parameters of a social, environmentally and ethically responsible way. We therefore recognise that ESG issues can impact the performance of investment portfolios both implicitly and explicitly. At Sentio Capital, we integrate ESG factors into our investment and proxy voting processes to the extent that the integration of such factors is consistent with our fiduciary duty to help our clients achieve their investment objectives and protect their economic interests. Shareholder proposals relating to environmental, social (including political) and governance issues often raise complex and controversial issues that may have both a financial and non-financial effect on the company. And while we recognize that the effect of certain policies on a company may be difficult to quantify, we believe it is clear that they do affect the company's long-term performance. We carefully consider and weigh any factors that we believe could affect a company's long-term investment performance (including ESG issues) in the course of our extensive fundamental, company-specific research and engagement, which we rely on in making our investment and proxy voting decisions. We will always endeavour to balance the assumed cost to a company of implementing shareholder proposals against the positive effects we believe implementing the proposal may have on long-term shareholder value.

PRINCIPLE 2

An institutional investor should demonstrate its acceptance of ownership responsibilities in its investment arrangements and investment activities.

As a professional investment manager Sentio adheres to the highest professional code of conduct, and this is reflected in its investment process and management style. Sentio uses its Confidential Page 3 of 4 © Copyright Reserved relationship with company management and the industry to raise issues related to governance and good practice. Furthermore Sentio believes that the best way to encourage good investment industry practices is to incorporate them into company process as a part of the culture. We vote with our investors' money: Sentio has a defined proxy voting policy, which will guide its ESG activity and engagement with companies. The voting would take the various facets of ESG into account and their materiality with regard to industry, domicile and good corporate citizenship.

PRINCIPLE 3

Where appropriate, institutional investors should consider a collaborative approach to promote acceptance and implementation of the principles of CRISA and other codes and standards applicable to institutional investors.

Sentio does work with other investors as and when appropriate, but we continually engage with the companies we invest in when we experience issues that we believe need addressing with respect to CRISA principles. We will work with industry organisations and other involved players local and global to ensure that we cooperate in improving the ESG compliance of organisations that we are engaged with. Where appropriate we will coordinate with peers and others to improve the effectiveness of implementing the CRISA/ UNPRI Principles.

PRINCIPLE 4

An institutional investor should recognise the circumstances and relationships that hold a potential for conflicts of interest and should pro-actively manage these when they occur

Sentio's Conflict of Interest Policy document, serves as a guideline to Sentio Capital Management staff, Directors, agents and other contractors. It serves as a basis for the governance policy around conflicts of interest, as agreed and defined by the Board of Directors and as per prior resolutions of the Board. Its philosophy is a guideline and is by no means an exhaustive view of the fiduciary relationship between Sentio Capital Management

and its staff and agents. In the final analysis, this policy must be read with all other Governance guidelines and policies of Sentio Capital. In addition, it is expected that all Sentio employees, officers and agents (temporary and permanent) hold themselves liable to the highest governance standards and that all conflicts of interest will be dealt with timeously in an honest, ethical and professional manner.

Principle 5

Institutional investors should be transparent about the content of their policies, how the policies are implemented and how CRISA is applied to enable stakeholders to make informed assessments.

Sentio fully complies with regulatory requirements such as the publication of key policies on its website (www.sentio-capital.com).