



ORBIS INVESTMENT MANAGEMENT (LUXEMBOURG) S.A.

REMUNERATION POLICY

1. INTRODUCTION

1.1. Purpose

This remuneration policy summarizes the philosophy and governing principles for the remuneration of Identified Staff (as hereinafter defined) of Orbis Investment Management (Luxembourg) S.A. (the **Company**).

The policy integrates the provisions of European and Luxembourg regulations, including the UCITS Directive, which relate to remuneration and corporate governance. It is based on the values of the Orbis Group and aims to support long-term business and risk strategy while balancing the interests of various stakeholders by promoting sound and effective risk management that neither encourages risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the Company manages nor impairs compliance with the Company's duty to act in the best interest of the UCITS.

1.2. Core Values

Orbis strives to uphold its commitment to integrity, ethical values and client service by embedding our most fundamental principles in a set of "Core Values" which form the foundation of Orbis' culture. These are attached as Exhibit A. The Company expects that its people, regardless of position or tenure, uphold the values listed in the Core Values in their everyday dealings. Annual performance reviews will be benchmarked against the demonstration of these values, among other things.

1.3. Scope of the Policy

This policy applies to individuals remunerated by the Company and who:

- (i) are members of administrative bodies;
- (ii) are members of management bodies; and
- (iii) whose professional activities have a material impact on the risk profile of the Company and the UCITS that it manages,

(collectively, **Identified Staff**).

1.4. Implementation and Update of the Policy

The board of directors of the Company has established the general principles of this policy. As and when necessary, the conducting persons of the Company are responsible for elaborating procedures for this policy and ensuring that they are implemented.

Such procedures must be approved by the board of directors, which is responsible for ensuring that appropriate policies and procedures are implemented.

This policy may evolve over time to take account of changes in the Company and/or applicable law. Any update made to the policy will be subject to the approval of the board of directors.

2. REMUNERATION STRUCTURE

Orbis has structured its remuneration practices to reward individual performance within the role being performed and to encourage long term engagement. The Company's remuneration practices are aligned with the business strategy, objectives, values and long-term interests of the Company and the UCITS that it manages.

This policy is aimed at aligning remuneration with prudent risk-taking (i.e. the personal objectives of staff with the long-term interests of the Company). Generally*, the Company offers remuneration packages based on the following components:

- (i) fixed remuneration (Section 2.1);
- (ii) variable remuneration (Sections 2.2 and 2.3); and,
- (iii) benefits (Section 2.4).

** For instance, although highly unusual, the Company may remunerate through a guaranteed bonus scheme. Such an arrangement would only occur in the context of hiring a new member of staff and would typically be paid after the employee has completed their first full performance year.*

2.1. Fixed Remuneration – Annual Salary

Salary is a measure of the value of the employee's role within the Company. It is a fixed payment determined at the time of initial hire and periodically reviewed thereafter.

Initial salary reflects factors such as the role being performed and level of experience. It is determined by reference to the salary of those performing similar roles within the Company, or Orbis, and the prevailing market rates and conditions at the point of hire.

Salary is reviewed at least annually based on three factors applicable to the period of review (i) primarily, on the individual's evolving role and experience, (ii) on salaries paid by other market participants for comparable roles, and (iii) on the cost of living applicable in Luxembourg to the extent not reflected in such year's annual statutory salary indexation determined by STATEC.

For most Identified Staff, the proper performance of duties and/or the needs of the Company are likely to require, on occasion, more than 40 hours per week, Saturdays, Sundays and/or statutory holidays. Salary is determined with this taken into account and those Identified Staff are not entitled to overtime payment for such work.

2.2 Variable Remuneration – Discretionary Bonus

The discretionary bonus is a measure of the added value brought to an individual's role within the Company. It is an annual variable payment determined as a result of a qualitative and/or quantitative assessment of the individual's performance within their role during the performance year (November to November). Generally, such assessments will be based upon qualitative and quantitative self- and peer-reviews, particularly focusing on the individual's performance relative to (i) the Core Values, and (ii) personal objectives and major projects/responsibilities agreed annually. Peer reviews consist, inter alia, of colleagues within the Orbis Group with whom the individual has worked providing detailed written feedback on major strengths and weaknesses demonstrated throughout the performance year.

Discretionary bonuses may be awarded in cash (**Cash**) and/or through one or more incentive programs, three of which are detailed below.

Incentive Program 1 – The Long Term Incentive Plan

The long term incentive plan (the **LTIP**) aims to promote sound and effective risk management and staff retention. The LTIP operates to defer a proportion of an individual's variable remuneration earned in a given year over a vesting period, typically five years, and linking its value to the performance of selected Orbis Funds.

The board of directors may invite any of the Company's employees to participate in the LTIP. The decision to invite an employee to participate in the LTIP takes into account such factors as:

- (i) the individual's contribution and potential to contribute to added value;
- (ii) the individual's total remuneration structure;
- (iii) whether the individual has taken on, or is expected to take on, significant responsibility; and/or,
- (iv) whether it is appropriate for the individual to have increased exposure to the Group's success or failure via the Orbis Funds' returns.

Remuneration deferred under LTIP will generally continue to vest following the individual's departure from the Company provided that, should the Company have just cause to terminate the employment contract of a participating employee, or should a participating employee choose to commence employment with another employer prior to receiving any unvested LTIP entitlement, they will forfeit the right to receive any further payments.

Incentive Program 2 – The Employee Participation Plan

The employee participation plan (the **Plan**) aims to encourage staff retention and effective risk management. The Plan allows individuals to participate in the profits of the Orbis

Group while employed within the Orbis Group and for a finite period after they leave such employment.

The board of directors may invite any of the Company's employees to participate in the Plan. The decision to invite an employee to participate in the Plan takes into account such factors as the individual's:

- (i) contribution to added value;
- (ii) role within the Company;
- (iii) total remuneration structure; and/or,
- (iv) ability to tolerate higher cash flow volatility.

Participants are invited annually to advise whether they wish to be considered to have part of their variable remuneration take the form of participation units that pay bonuses equal to dividends on the Orbis Group's principal holding company on a one-unit-to-one-share basis.

Incentive Program 3 – Warrant Program

The Company has established a warrant program for Identified Staff and other eligible employees pursuant to which it has the discretion to issue warrants for past performance as an alternative to the payment of a bonus in the form of cash (the **Warrant Program**). The specific terms and conditions of the Warrant Program are issued by the Company annually under Warrant Program rules, as may be amended from time to time.

2.3 Benefits

In addition to the fixed salary and variable remuneration, the Company may offer certain benefits.

Attached as Exhibit B is a description of the Company's latest benefit program, which may be amended from time to time.

3 REMUNERATION GUIDELINES

Deferred Element

In order to prevent excessive risk taking and integrate long-term performance as well as business sustainability, where the variable remuneration component for a member of Identified Staff is superior to a limit determined by the board of directors of the Company from time to time, a portion of this variable remuneration (at least 40%) must be deferred as follows:

For performance achieved and measured at the end of year n, at least:

- (i) 1/5 will vest no earlier than at year n+1,
- (ii) 1/5 will vest no earlier than at year n+2,
- (iii) 1/5 will vest no earlier than at year n+3,
- (iv) 1/5 will vest no earlier than at year n+4,
- (v) the remaining 1/5 will vest no earlier than at year n+5.

(collectively, the “**Deferral Rules**”).

The termination of an individual’s employment by the Company during a vesting period (for whatever reason) will not affect the vesting of any Cash bonuses which are subject to the Deferral Rules.

Withholding of the Variable Component

The payment of variable remuneration may be withheld when the financial situation deteriorates to an extent that the Orbis Group can no longer be presumed to continue to be able to carry out its business as a going concern.

Ceiling of the Variable Component

The maximum ratio of variable remuneration to fixed remuneration for Identified Staff shall be 2:1. The maximum ratio of variable remuneration to total remuneration for Identified Staff shall be 2:3.

Claw-back of Bonuses

The board of directors reserves the right to require staff members to repay all or part of the bonuses that have been awarded for performance based on data which is subsequently proven to be fraudulent.

4 CONTROL FUNCTION

The implementation of this policy will be subject to an independent internal review on an annual basis and supported by the board of directors. A report summarising such findings will be available to the CSSF upon request.

5 DISCLOSURE

A written copy of this policy has been put at disposal of the staff members to whom it will apply for their information. Any updates to this policy will duly be communicated to applicable staff in writing.

EXHIBIT A

Orbis Core Values

1. Earn the Trust and Confidence of Our Clients

Our clients come first; always. Not only is it the right thing to do but it is best for our clients and best for us in the long term. If we do what is best for clients, we will earn their trust, and if we excel at what we do, their confidence. If we earn our clients' trust and confidence, our services will be sought out rather than need to be sold, allowing us to provide better value for money. If we act accordingly and create client awareness, they will have a more rewarding experience with us and entrust us with their savings and investments. If we don't, they won't and the firm will die, as it should.

2. Excel in All That We Do

To excel is the best way for us to earn our clients' trust and confidence. It is also inherently gratifying. While not always succeeding, we continually strive for excellence in servicing our clients effectively and efficiently. Producing an excellent investment track record is critical, but not nearly enough. Clients' trust and confidence is engendered by the totality of their experience with us including how we communicate and conduct ourselves, even how we answer the phone. If we demonstrate excellence in such areas, clients can more easily generate and sustain the confidence to invest with us, particularly through the trough of our investment performance cycle when they have the most to gain.

3. Foster a Purposeful and Fulfilling Work Environment

We seek to provide a working environment that appeals to those who excel. Most people who excel have a sense of purpose, take initiative and pursue excellence with a passion. They seek responsibility, authority and accountability for their actions. They thrive in an environment that offers stimulation, innovation, challenge, hard work, the ability to earn opportunity and reward commensurate with performance, as well as the satisfaction that comes from belonging to a firm that demands and achieves excellence. Our work environment causes most of those who excel and share our values to stay and most of those who leave to be happy they joined in the first place.

4. Recruit and Reward Based on Value Creation for Clients

We strive to recruit and reward based on both past and demonstrable future potential value creation for clients. We hire people who have exceptional but often unproven potential. We offer them extraordinary opportunity and reward them commensurately with their performance. Value is created for clients in many ways. Every member of the firm is aware of how they create value for clients and each member's performance drives their reward, including by affording them authority and responsibility that plays to their strengths. Ideas are judged based on merit and merit alone irrespective of seniority or tenure. Favouritism and politics should not be tolerated.

5. Take a Long-Term Perspective

Always think long term. Do what is in the best long-term interests of clients, even when in conflict with short- or medium-term expedience, growth or profitability. Invest to produce the best long-term results and offer products and services that are best for clients, even if in conflict with what they currently desire. Carefully considered decisions made with a long-term perspective are more enduring, reducing time spent fixing past mistakes and freeing us to make better decisions in future.

6. Act Responsibly

Each of us has responsibilities to our clients, the firm, our colleagues and ourselves, and the firm has responsibilities to its people and the societies in which it operates. We are mindful of the responsibilities we have as individuals and on behalf of the firm and how they are changing. We are all ambassadors of Orbis and we must conduct ourselves accordingly. We act in fulfilment of our responsibilities, consistent with our Core Values and the priorities set out therein. We are each individually responsible for holding each other and the firm accountable.

EXHIBIT B

Benefit Program

The Company's benefit program is comprised of:

Supplemental Health Care Coverage

Since Luxembourg's CNS healthcare coverage is not comprehensive, the Company's supplemental plan, "Medicis Comfort" by Foyer Assurances, provides employees, their spouses and children under the age of 18 with additional insurance. Monthly premiums are paid by the Company and reflected as remuneration in the form of a taxable benefit.