

DE BEERS PENSION FUND

FUND POLICY DOCUMENT

TRUSTEE REMUNERATION POLICY

Revision no	Review cycle	Effective date
013	Annual	4 April 2023



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TABLE OF CONTENTS

1. PURPOSE	3
2. SCOPE	3
3. RESPONSIBILITY AND AUTHORITY	3
4. POLICY STATEMENT	3
4.1. Trustee Remuneration.....	3
4.2. Trustee Travel Reimbursement.....	4
5. AUTHORISATION AND APPROVAL	5
REVISION HISTORY.....	6

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1. PURPOSE

The purpose of this document is to record the Fund's policy in relation to the remuneration and reimbursement of expenditure incurred by Trustees and Board Committee members for attending to Fund business in their capacity as Fund Trustees and/or Board Committee members in terms of Rule A5.8 and Ruling 59 of the Fund. This policy should be read in conjunction with the Fund's Travel Policy which covers travel arrangements made by the Fund for travellers.

2. SCOPE

This policy applies to all Fund Trustees and Board Committee members who are not remunerated and/or reimbursed for expenditure incurred by a participating employer for attending to Fund business.

3. RESPONSIBILITY AND AUTHORITY

Designation	Responsibility
Board of Trustees (the Board)	To approve the policy and revisions on the recommendation of the Remuneration Board Committee.
Remuneration Board Committee	To review and recommend the policy and revisions to the Board for approval.
Principal Officer	- To take ownership of the policy and provide interpretation as required; - To ensure that this policy is implemented and updated as appropriate; - To promote and ensure compliance with the policy; and - To deal with any queries in relation to the policy.
Chief Operating Officer	- To draft and maintain the policy in consultation with Fund Management; - To align the policy with associated Fund policies and procedures, as well as regulatory requirements and provisions; and - To advise the Principal Officer of any non-compliance with the policy.

Any matter concerning trustee remuneration not provided for in this policy must be referred to the Principal Officer who may in consultation with the Chairpersons of the Remuneration Board Committee and the Board exercise his/her discretion in dealing with the issue prior to reporting the matter at the next scheduled meeting of the Board, along with any proposed policy changes, if appropriate.

4. POLICY STATEMENT

4.1. Trustee Remuneration

A standard meeting attendance fee subject to the conditions outlined in this policy will be paid to Trustees and Board Committee members who are not remunerated by a participating employer (hereinafter referred to as non-employee Trustee and Board Committee members). The standard meeting attendance fee for the 2023 calendar year amounts to R6 011 (2022: R5 540).

Trustees and Board Committee members in the employment of a participating employer are granted time off on full pay for attending to Fund business, as defined herein and therefore do not qualify for

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meeting attendance fees. No other remuneration or incentive payments are payable to Trustees and/or Board Committee members.

The above standard meeting attendance fee is payable in the following instances where attendance by non-employee Trustees and/or Board Committee members is required and arranged by the Fund:

- In accordance with the Fund's approved Annual Diary and/or Trustee Education Policy and Strategy for:
 - Training events (including Investment Review Days);
 - Conferences;
 - Board and Board Committee meetings; and
 - Meetings with current or prospective service providers and regulators (including due diligence visits); or
- For any other meeting(s) or event(s) as agreed to by the Chairperson of the Board of Trustees and the Principal Officer.

For the sake of clarity, it is specifically recorded that a single meeting attendance fee will be payable in the following instances:

- Where a series of meetings take place on one day with different service providers, for example, the annual Investment Board Committee due diligence reviews and the Investment Review Days;
- Where a non-employee Trustee or Board Committee member of the Fund who also serves on the Board or Board Committee of the De Beers Benefit Society (the Society), attends joint meetings of the Fund and the Society's Boards or of the same Board Committee of the Fund and the Society, for example, the Remuneration Board Committee. In such instances the cost of paying a single meeting attendance fee will be shared equally between the Fund and the Society; and
- Any other similar circumstances.

No additional remuneration will be payable in respect of the task of reviewing documents, attending to round-robin resolutions, general meeting preparation or travel time.

The standard meeting attendance fee will be automatically increased by the percentage increase granted to the Fund's life annuitants in January of each year. The Fund's Pension Increase Policy states that the Fund targets annual inflation linked increases for its pensioners, subject to affordability. Should there, however, be indications based on available market information that the standard meeting attendance fee is no longer aligned to the average similar remuneration being paid in the retirement fund industry, a market related fee adjustment in the standard meeting attendance fee may be considered. The Trustees will be advised of the revised rate at their first meeting in each calendar year.

4.2. Trustee Travel Reimbursement

The provisions of the Fund's Travel Policy will apply.

For ease of administration, all travel arrangements will be made and paid for by the Fund and limited re-imbursement of reasonable additional expenditure incurred will be provided for.

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Where a Trustee or Board Committee member is common to both the Fund and the Society and attends meetings of both organisations over the same period, the travel related costs will be equally apportioned between the organisations.

Trustees or Board Committee members on Fund business, as contemplated in 4.1 above, will be reimbursed by the Fund for expenses incurred in respect of costs directly associated with business travel for the purpose of attending to Fund business on the basis provided for in the Fund's Travel Policy.

Travellers are expected to:

- Exercise good judgment with respect to expenses;
- Spend the Fund's money at least as carefully and judiciously as they would their own and only in relation to Fund business; and
- Claim reimbursement for necessary and reasonable expenses only i.e. Trustees or Board Committee members are neither to gain nor suffer any losses financially while travelling on Fund business.

5. AUTHORISATION AND APPROVAL

Approved by the Board of Trustees.

C W Coltman
Chairperson

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REVISION HISTORY

Revision no	Description	Date Reviewed	Date Approved	Minute no
0	New policy created	July 2008	17 September 2008	63.08
1	Annual review	March 2009	6 April 2009	RRR
2	Annual review	September 2009	18 September 2009	60.09.8
3	Annual review	February 2011	24 March 2011	20.11
4	Annual review	June 2013	20 June 2013	35.13
5	Annual review	March 2015	26 March 2015	17.15
6	Annual review	March 2016	31 March 2016	16.16
7	Reviewed	March 2017	30 March 2017	18.17
8	Annual review	March 2018	27 March 2018	06.18
9	Annual review	February 2019	27 March 2019	16.19
10	Annual review	February 2020	26 March 2020	9.20.5
11	Annual review	February 2021	24 March 2021	20.21.6
12	Annual review and provision to allow for a market related adjustment in the standard meeting attendance fee, if required.	February 2022	6 April 2022	8.22.5
13	Annual review	March 2023	4 April 2023	TBC