



Statement on Responsible Investing

Our Stewardship Responsibilities

We seek to earn the trust and confidence of our clients by providing superior long-term investment performance and outstanding client service. When we make investment decisions we always have our clients' interests at heart and aim to act with a view to the interests of the Funds we manage on behalf of our clients.

Effectively exercising our ownership responsibilities is consistent with this objective, and we aim to fulfil our stewardship responsibilities in two broad ways:

- Engaging with investee companies (actual and potential) and, if deemed appropriate, other shareholders to further the interests of our Funds as shareholders; and
- Voting at shareholder meetings.

Responsible Investing at Orbis

In seeking superior risk-adjusted returns for our clients, we aim to invest in securities of companies that trade at a significant discount to our assessment of their intrinsic value, being the price that a prudent business person would pay for the business.

We have designed our investment process to maximise the chances that we can successfully implement our fundamental, long-term and contrarian investment philosophy. Our analysts use a structured research process to eliminate unattractive ideas in the early stages so that they can concentrate their efforts on only the most promising ideas.

As part of this bottom-up research process, our analysts consider a range of factors that might affect a company's intrinsic value, which can include environmental, social and governance (ESG) issues. For example, if a company makes money in a manner that is not sustainable from an environmental or social perspective, the analyst will not gain conviction in the sustainability of its current level of profits. Similarly the consideration of governance issues is a critical part of an analyst's assessment of a company's intrinsic value.

Our analysts' research of ESG factors informs decisions not to invest in a company as much as it informs decisions to invest, although there is no ESG issue that would automatically prevent us from investing in a company unless otherwise restricted by a Fund's investment mandate. Just as there is scope for different views on the sustainability of a company's competitive advantage, there is scope for investors (and individual Orbis analysts) to have different views on ESG matters. We believe that by performing rigorous, fact-based research on ESG matters, we may from time to time form a divergent view from the consensus that may alert us to the opportunity to buy a security at a discount to its intrinsic value.

All "Phase Three" fundamental research reports that are submitted to a Policy Group Meeting – a forum for rigorous peer review – include a section on relevant ESG matters.



Orbis is a signatory to the United Nations-supported Principles for Responsible Investment. The following documents, as well as this one, are available on our website (www.orbis.com):

- Policy on Engagement;
- Proxy Voting Policy;
- Conflicts of Interest Policy;
- Statements outlining how we apply the principles of the UK and Japanese Stewardship Codes; and
- Proxy voting records for the previous two quarters (additional proxy voting records are available on request).

March 2019



Policy on Engagement

Engagement

As an investment manager, we endeavour to act in the interests of the Funds we manage on behalf of our clients. Effectively exercising our ownership responsibilities is consistent with this objective. One way of doing so is to engage with investee companies (actual and potential) and, if deemed appropriate, other shareholders. Throughout our research process, which continues throughout our Funds' investment period, our analysts typically engage company executives to help inform our assessment of intrinsic value and to discuss issues of interest to shareholders, including environmental, social and governance factors.

In the vast majority of their interactions with company executives and other directors, our analysts' primary objective is to improve their understanding of the company and its business. We believe that responsibility for the day-to-day operations of a company rests with its management, and that we probably have limited value to add in this regard. From time to time, our analysts may believe that they can contribute to a company's deliberations over its broad strategy. When offered these opportunities, our analysts aim to further our Funds' interests by sharing ideas that they believe will enhance or preserve shareholder value.

We generally consider engaging with companies privately to be more constructive than public engagement. If private engagement appears to be ineffective and our analysts continue to harbour material concerns about the strategy, sustainability or governance of a company, on rare occasions they may make their concerns publicly known.

Broadly speaking, our approach to engagement is applied across all investment markets in which we participate. It takes into account applicable law and local regulatory and market expectations including, where applicable, best practice codes, such as the UK and Japanese Stewardship Codes.

We typically document engagements internally to ensure proper record-keeping, monitoring and accountability, as well as to enable us to report on our engagement activities.

Other Considerations and Associated Policies

We are a member of several industry associations and periodically engage with professional proxy advisors and other commercial stewardship initiatives. These activities provide opportunities for us to engage in stewardship and governance dialogues.

Our Insider Trading and Market Abuse Policy sets out specific guidance to our personnel when engaging with third parties on how to avoid receiving inside information. It also describes how to deal with and control that information in the event of acquiring it. Typically, the goal is to prevent us from inadvertently becoming exposed to inside information, which would restrict our freedom to trade in a security and thereby impair our ability to act with a view to the interests of the Funds we manage for clients.

March 2019



Proxy Voting Policy

Introduction

This policy explains the principles and processes we adopt when voting shares owned by the Orbis Funds. It also explains how we deal with conflicts of interest and the availability of our voting record.

Orbis, as Investment Manager, recognizes that voting rights are an important benefit to equity investors and will exercise those voting rights in a manner we believe is consistent with the best interests of the Funds.

Affected Parties

Orbis analysts, legal counsel and the internal proxy administrator are affected and should be aware of this policy.

Policy

Our guiding principle in voting Orbis Funds' shareholdings is the same one that governs all our actions: Orbis will always strive to act in what we believe are the best long-term economic interests of the Funds and their investors. We will consider all aspects of proposals being put to the vote. This includes broader social and political ramifications, but in the context of their impact on the long-term value of the companies in which the Funds are invested. Orbis has chosen not to adopt a prescriptive set of rules for proxy voting as we believe this would limit our flexibility as Investment Manager to maximize the interests of our clients. In terms of proxy voting, we are an "active" rather than an "activist" investment manager.

The Voting Decision

Just as we would never delegate stockpicking to a third party, we believe that an investment manager should not delegate its voting decision. We do not outsource any of the decision-making to a third party proxy adviser, we have no predetermined rules and we do not just "tick the boxes". We believe that being actively engaged in the voting decision is in keeping with our investment philosophy and the long-term interests of the Funds and their investors.

Our equity analysts review proxy voting material prior to voting shares owned by the Orbis Funds. They determine whether or not each of the proposals to be voted on is in the best interest of the Orbis Funds and their investors. Examples of the latter might include proposals which reduce shareholder rights, shareholder influence over the company or impair shareholder value. In making their decision, analysts may draw upon their existing knowledge of the company and, where appropriate and practicable, speak directly to company management concerning proposals. We take an all-inclusive view, including assessing the impact of our actions on our ability to communicate effectively



with management. Our analysts also have access to detailed proxy research from Glass Lewis, the leading independent governance analysis firm which covers tens of thousands of meetings each year worldwide.

Following the review, the responsible analyst will make a voting recommendation to the Investment Managers of the Funds holding shares in the company. Where the analyst or our internal proxy administrator considers it appropriate, the head of the investment teams will review these recommendations prior to Orbis giving voting instructions.

Abstaining

Where the responsible analyst concludes that our vote is immaterial to the company's prospects the Investment Manager may refrain from voting. In these circumstances we believe that our resources are best focused on matters that are more productive for our clients. We may also abstain in instances where corporate governance is not directly relevant to the investment process. However, our internal proxy administrator reviews all proposals to be voted on, and in situations where we believe a proposal significantly affects the interests of our clients, we may vote regardless of the size of our holding in the company or the relevance of governance to the investment decision.

Conflicts of Interest

On rare occasions potential or actual conflicts of interest may arise. This could occur, for example, where a company whose equity is held in one or more of the Orbis Funds is also invested in an Orbis Fund or has a business relationship with Orbis, perhaps as a custodian or broker-dealer. When determining how to vote a shareholding, the analyst will review the proposals to be voted on purely on their own merits without giving any weight to the interests of Orbis or any particular investor or business associate.

Voting Record

A quarterly proxy voting record for each Orbis Fund is available to Fund investors via our website. This report records how Orbis voted on all proposals on which we elected to vote.

Best Practice Codes

Our approach to corporate governance is applied across all investment markets in which we participate and is in keeping with the aims of emerging best practice codes, including the FRC UK Stewardship Code. Individual offices may adopt additional policies and procedures as required in order to meet local regulatory or market expectations.

Effective from and last reviewed June 2019

Conflicts of Interest Policy

AT A GLANCE:

Purpose of the policy

To set out the responsibilities relating to conflicts of interest that may arise within the Orbis Group.

Who the policy applies to

- All employees and consultants working at Orbis or Allan Gray Australia who have gone through or expect to go through the Compliance induction process
- Interested Persons as defined in the UCITS directive

Actions required by the Policy

This policy sets out required actions relating to:

- **Identifying** potential or actual conflicts of interest through reporting to Compliance, maintaining logs for conflicts of interest, and confirmation of outside interests
- **Managing** the associated risks by avoidance, making use of additional controls, and through disclosure to clients

What the policy applies to

Conflicts of interest may arise between or within any of the following:

- The Orbis Group
- Individuals in scope of the Policy
- Third parties, including investors, investments within the Funds, and business relationships



PURPOSE OF THE POLICY

We expect everyone at Orbis to act with impartiality, transparency and integrity, in keeping with Orbis' Core Values and in the best interests of our clients.

This policy sets out the responsibilities relating to potential and actual material conflicts of interest that arise during activities carried out in the Orbis Group. It describes the requirements for recording and managing potential and actual material conflicts of interest.

WHO THE POLICY APPLIES TO

The policy applies to:

- All employees and consultants working at Orbis or Allan Gray Australia who have gone through or expect to go through the Compliance induction process
- Interested Persons as defined in the UCITS directive. This includes: SICAV directors; any director, partner (or equivalent) or manager of a UCITS management company or its controlling entity; natural persons directly or indirectly linked to the management company by way of control; and natural persons directly involved in providing portfolio management services to the management company.

These are referred to as 'in-scope individuals'.

WHAT THE POLICY APPLIES TO

The policy applies to all potential or actual material conflicts of interest. Conflicts of interest may arise between or within any of the following groups, when competing interests or loyalties exist:

- Orbis Group companies
- In-scope individuals
- Third parties, including investors, investments within the Funds, and business relationships.

A few examples of when conflicts may arise are:

- when an individual is faced with personal or financial interests or loyalties competing with those of Orbis or its clients
- between clients when we trade in a common security for multiple clients
- when third parties potentially try to change behaviour by providing inducements.
- when two Orbis employees are in a personal relationship as described in Orbis' Workplace Personal Relationships Policy.

Conflicts involving no monetary benefit or cost

A conflict of interest may exist even if no unethical or improper act results from it, and regardless of whether there is monetary benefit to any party or cost from a course of action. It is enough that the conflict may damage or adversely affect the interests of the



other party. Perceived conflicts of interest can be as damaging as an actual conflict of interest as they can undermine the integrity and reputation of Orbis.

ACTIONS REQUIRED BY THIS POLICY

There are two groups of required actions:

- **Identifying** any potential or actual conflicts of interest through the reporting of personal conflicts to Compliance, maintaining logs such as the Risk and Control Self-Assessment (RCSA), and the confirmation of outside interests
- **Managing** the associated risks by avoidance, making use of additional controls, or disclosure to clients

IDENTIFYING

Reporting conflicts of interest

1. It is the responsibility of all in-scope individuals to report all potential and actual material conflicts of interest as they arise. This also applies to potential client-to-client conflicts. If you are unsure whether a relationship or course of action might be an actual or potential material conflict of interest, you must (subject to paragraph 3 below) contact Compliance for guidance.
2. If any in-scope individual becomes aware of a potential material and previously undisclosed conflict of interest, they must (subject to paragraph 3 below) notify Compliance.
3. If you either are unsure whether a personal relationship might be an actual or potential material conflict of interest or believe that you are required to report a personal relationship, in each case under Orbis' Workplace Personal Relationships Policy, you must contact one of the persons listed in that Policy for guidance and/or for the purposes of making such disclosure.

Logs of conflicts of interest

Orbis maintains four logs identifying actual or potential material conflicts of interest:

1. A log at the Group level, which records the circumstances arising from the structure and operations of the Group. This log is available on the Compliance and Risk intranet.
2. A log at the business unit level, which records circumstances arising from the structure and operations of the business unit through the Risk Control Self-Assessments (RCSAs). This log is available on the Compliance and Risk intranet.
3. A log of outside interests at the employee level. This log is within StarCompliance, with restricted access to select members of the Compliance team. Individuals in scope of this policy must report their outside interests, including:
 - any role of the individual or their immediate family members as officer, director, trustee or general partners to companies external to Orbis
 - whether individuals have significant financial interest in other companies.



4. A log of personal relationships in each Orbis office. Access to this log is restricted to the head of the relevant office and the local Orbis lawyer(s) appointed as log keeper for that office.

Confirmation

Outside interests are confirmed regularly. Consultants, Directors and Interested Persons must give this confirmation at least once each year. Employees must give this confirmation every quarter (through StarCompliance).

MANAGING ACTUAL AND POTENTIAL MATERIAL CONFLICTS

In managing conflicts of interest, we expect that conflicts are avoided wherever possible. However, it is impractical to avoid every actual or potential material conflict of interest and we will take steps to mitigate these conflicts by imposing additional controls including disclosure where necessary.

Avoidance

In-scope individuals and Orbis must act in the best interests of our clients when avoiding conflicts of interest. For example, if an individual has a personal interest that might cause a conflict of interest, we may require that the individual is not involved in relevant investment decisions.

Additional controls - Policies and Conflicts Committee

Orbis has developed a conflicts of interest management framework and internal policies that govern specific conflicts of interest such as Personal Account Trading, Gifts and Entertainment, and Order Allocation. Please refer to the separate policies for these.

Our Conflicts Committee is charged with: (1) reviewing our conflicts of interest control measures; and (2) serving as a forum to resolve conflicts that cannot be addressed by Compliance.

If a potential conflict is between the firm and clients, Compliance may decide to report the resulting advice and directed action to the Directors of the Orbis companies affected.

External disclosure

When the potential conflict of interest is client-related, Compliance may form a view that it is necessary to disclose the potential conflict to clients. Disclosure must be written, describe the conflict clearly, identify the residual risks remaining despite any mitigation efforts, and be sufficiently detailed to enable clients to make informed decisions.

Effective from July 2019.