

DE BEERS BENEFIT SOCIETY

SOCIETY POLICY DOCUMENT

TRUSTEE REMUNERATION POLICY

Revision no	Review cycle	Effective date
013	Annual	13 July 2023



A registered medical scheme
Registration no. 29/4/2/1068

SOCIETY POLICY DOCUMENT					
Organisation	De Beers Benefit Society (the Society)				
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1. PURPOSE

The purpose of this document is to record the Society's policy in relation to the remuneration and reimbursement of expenditure incurred by Trustees and Board Committee members for attending to Society business in their capacity as Society Trustees and/or Board Committee members in terms of Rule 18.25 of the Society. This policy should be read in conjunction with the Society's Travel Policy which covers travel arrangements made by the Society for travellers.

2. SCOPE

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

3. DEFINITIONS AND ACRONYMS

In this policy, unless inconsistent with the context, the following words shall have the following meaning:

Definition/Acronym	Description
Society Member(s)	Any person(s) admitted as a member of the Society in terms of the rules.

4. RESPONSIBILITY AND AUTHORITY

Designation	Responsibility
Society Members	To approve the policy and revisions at the Annual General Meeting (AGM) on the recommendation of the Board.
Board of Trustees (the Board)	To review and recommend the policy and revisions to Society Members for approval at the AGM on the recommendation of the Remuneration Board Committee.
Remuneration Board Committee	To review and recommend the policy and revisions to the Board for consideration and recommendation to the Society Members.
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 this policy; and - To deal with any queries in relation to the policy.
Chief Operating Officer	- To draft and maintain the policy in consultation with Society Management; - To align the policy with associated Society 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.

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5. POLICY STATEMENT

5.1 Trustee Remuneration

A standard meeting attendance fee, as approved at the Annual General Meeting (AGM) in terms of Rule 19.21 of the Society and 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 Trustees and/or Board Committee members). The standard meeting attendance fee for the 2023 calendar year amounted to R6 011 (2022: R 5 540).

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

- In accordance with the Society'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 Day;
- Where a non-employee Trustee or Board Committee member of the Society who also serves on the Board or Board Committee of the De Beers Pension Fund (the Fund), attends joint meetings of the Society and the Fund's Boards or of the same Board Committee of the Society and the Fund, for example, the Remuneration Board Committee. In such instances the cost of paying a single meeting attendance fee will be shared equally between the Society and the Fund; 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 recommendation, to the AGM, for an annual increase of the standard meeting attendance fee will be in line with the annual pension increase awarded to the Fund's life annuitants (pensioners) at the beginning of the year during which the AGM is held and this recommendation (if any) will be communicated to members at the AGM. 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

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remuneration being paid in the medical scheme industry, a market related fee adjustment in the standard meeting attendance fee may be considered and included in the recommendation.

5.2 Trustee Travel Reimbursement

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

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

Where a Trustee or Board Committee member is common to both the Society and the Fund 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 Society business, as contemplated in 5.1 above, will be reimbursed by the Society for expenses incurred in respect of costs directly associated with business travel for the purpose of attending to Society business on basis provided for in the Society's Travel Policy.

Travellers are expected to:

- Exercise good judgment with respect to expenses;
- Spend the Society's money at least as carefully and judiciously as they would their own and only in relation to Society 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 Society business.

6. AUTHORISATION AND APPROVAL

This policy was recommended by the Board of Trustees to members at the AGM held on 13 July 2023 and it was unanimously approved by the members.

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	16 September 2008	36.08
1	Updated	March 2009	25 June 2009	27.09.2
2	Annual review	September 2009	17 September 2009	40.09.5
3	Annual review	February 2011	24 March 2011	12.11.1
4	Annual review	June 2013	20 June 2013	30.13
5	Annual review	March 2015	13 May 2015	AGM
6	Annual review	March 2016	18 May 2016	AGM
7	Annual review	March 2017	17 May 2017	AGM
8	Annual review	March 2018	16 May 2018	AGM
9	Annual review	February 2019	15 May 2019	AGM
10	Annual review	February 2020	22 June 2020	AGM
11	Annual review	February 2021	19 May 2021	AGM
12	Annual review and provision to allow for a market related adjustment in the standard meeting attendance fee, if required.	February 2022	18 May 2022	AGM
13	Annual review	March 2023	13 July 2023	AGM