

**ALLAN & GILL GRAY FOUNDATION**

**CHARTER**

The creation and funding of Allan & Gill Gray Foundation (the "Foundation") is essential to bringing to fruition the Founders' Family's intention to ultimately devote exclusively to philanthropy the economic benefit of the controlling interests in the Orbis and Allan Gray groups of asset managers.

The funding of the Foundation is considered to be both the right thing to do and a small but necessary contribution to advancing social, economic and political stability in a thriving and engaged society full of hope for all citizens. It is believed that growing economic disparities within society threaten the very survival of the free enterprise system, which has been so successful in raising living standards worldwide, and that it behoves the few it rewards particularly well to invest in improving the welfare of fellow citizens so that they may realise their full potential. Rather than being a way of "giving back", philanthropy is seen as a natural extension of the Foundation's Businesses' purpose to make a positive difference.

The Foundation's philanthropy will be pursued by Allan & Gill Gray Philanthropies through the Foundation's wholly owned subsidiaries and their satellites. These philanthropies will be funded, as deemed appropriate by the Foundation, out of the recurring distributable profits received from the Foundation's Businesses.

- Allan & Gill Gray Philanthropies will focus on active strategic philanthropy, through which it will primarily pursue internally developed projects aimed at promoting public benefit or social improvement.
- As an example of the Foundation's approach, Allan Gray Orbis Foundation ([www.allangrayorbis.org](http://www.allangrayorbis.org)) was founded to provide individuals judged to have extraordinary potential with access to first-rate education, skills, experience and mentoring to enable them to realise their full potential and lead purposeful lives as responsible entrepreneurs combating unemployment and poverty in their communities

The high cash generative nature of the Asset Management Businesses makes them ideal capital investments to fund the Foundation's philanthropy. It is therefore intended that the capital endowed on the Foundation, comprising the Asset Management Businesses together with a portfolio of marketable securities, will be retained indefinitely. By fostering the long term success of the Asset Management Businesses and new financial services businesses, funding for philanthropy will be secured and enhanced.

Management of the Foundation's Asset Management Businesses will be delegated to business executives through its wholly owned subsidiary, Orbis Allan Gray Limited. Thus the Foundation's purposes include securing the continuity of the success of the Asset Management Businesses, with the expectation that the long-term stability of this ownership structure will facilitate continuance of their primary sense of purpose and their continuing freedom to adhere to their founding principles and core values, free from the short-term pressures that external ownership can bring.

The Foundation shall comprise only endowments from such of the Founders' Family, and from such entities, as the Founders (or the survivor of them) during their lifetimes may determine. It is very much a family affair including Gill and Allan Gray as partners and soulmates for over 50 years, their three children Trevor, Jennifer and William, whose enthusiastic participation and selflessness has made the Foundation possible, and their descendants who will make an indispensable contribution to the Foundation's long term success. Also recognised and valued are the contributions from their wider family of all past, present and future colleagues at Orbis and Allan Gray whose shared sense of business purpose and excellence make the Foundation's philanthropy possible. It is hoped that members of the Foundation's Businesses will take pride in seeing the impact that profits attributable to the Foundation's shareholdings in these firms are having on those less fortunate in society.

**1. NAME**

The name of the Foundation is Allan & Gill Gray Foundation.

**2. PURPOSES**

2.1 The Foundation has been established for the following enduring purposes:

- (a) to secure, enhance and ultimately devote the Foundation's Property entirely and exclusively for Philanthropic Purposes (hereinafter "**Purpose A**"); and
- (b) to receive, hold, deal with and enhance the Foundation's Property including the Foundation's Businesses (hereinafter "**Purpose B**"), and as an incidence thereof to promote the commercial success, continuity and independence of the Foundation's Businesses

(Purpose A and Purpose B hereinafter the "**Purposes**").

2.2 As the governance structure of the Foundation requires the continuous involvement by members of the Founders' Family in the Foundation's affairs in furtherance of the Purposes, the Foundation shall instil, nurture, develop and promote the enduring enthusiastic support and participation of the Founders' Family in accordance with the Rules.

**3. CAPITAL ENDOWMENT**

3.1 The initial capital endowed by the Founders is US\$100.00.

3.2 From time to time after its establishment the Foundation may accept additional property endowed by such members of the Founders' Family, and by such entities, as the Founders (or the survivor of them) during their lifetimes may determine.

**4. DURATION**

The Foundation is established for an indefinite period unless and until wound up and terminated in accordance with the rules of the Foundation.

**5. EXCLUSION FROM ECONOMIC BENEFIT**

No part of the Foundation's Property shall be distributable to or inure to or for the economic benefit whether directly or indirectly of any of the classes of persons specified below:

- (a) The Founders;
- (b) The issue of the Founders;
- (c) The spouses or former spouses of (a) and (b); and
- (d) The issue of (c);

provided that the Foundation may provide funds to any person, including any of the above, to meet reasonable expenses (including but not limited to travelling, hotel and sustenance expenses) properly incurred or to be incurred in the affairs of the Foundation and that reasonable market-related remuneration (including reasonable market-related incentive remuneration) may be paid to any such person for services rendered to the Foundation's Businesses or the Philanthropies or any other entities owned by the Foundation by the entity to which the services were rendered.

## 6. COUNCIL

The Council shall comprise no fewer than 3 and no more than 10 Councillors.

## 7. GUARDIAN

The Foundation shall have a Guardian.

## 8. AMENDMENT

8.1 The provisions of this Charter including the Purposes may be varied, amended, added to or deleted by the Council in accordance with the Rules provided that no variation, amendment, addition or deletion shall be made to the Purposes which would allow the Foundation's Property to ultimately be applied other than for entirely and exclusively Philanthropic Purposes.

8.2 Any such variation, amendment, addition or deletion shall take effect upon notification to the Registrar.

## 9. DEFINITIONS

In this Charter, words shall have the meanings ascribed to them in the Rules or as otherwise set out below:

- (a) **"Asset Management Businesses"** means the entities historically connected with the Founders and carrying on business under the brands "Allan Gray" and "Orbis" or such other trademarks or brands from time to time designated by the Council as forming part of the Asset Management Businesses.
- (b) **"Foundation's Businesses"** means Orbis Allan Gray Limited and any other entities (i) in respect of which a direct or indirect interest is (a) donated to or (b) otherwise established or acquired by the Foundation and (ii) which are designated by the Council as falling within this definition in accordance with the Rules (but excluding any entities that may have been disposed of in accordance with the Rules).
- (c) **"Foundation's Property"** means
  - (i) the initial capital of the Foundation on its establishment; and
  - (ii) additional property endowed in accordance with Paragraph 3.2; and
  - (iii) all assets and property from time to time representing the above;including any income thereof (such as profits received from the Foundation's Businesses) and any other income received but excluding any assets or property that have been distributed.
- (d) **"Founders"** means Allan WB Gray and Gillian E Gray.
- (e) **"Founders' Children"** means Trevor B Gray, Jennifer A Rego and William B Gray.
- (f) **"Founders' Family"** means the Founders and the descendants of both of the Founders.
- (g) **"Orbis Allan Gray Limited"** means a company to be formed and wholly owned by the Foundation as the primary holding company for the Asset Management Businesses.



(h) **"Philanthropic Purposes"** means any charitable, benevolent or philanthropic purposes intended for public benefit or social improvement in any part of the world and any other purposes intended for public benefit or social improvement and these purposes may be accomplished for example and without prejudice to the generality of the foregoing by:

- (i) nurturing responsible entrepreneurs as a means to combat poverty through job creation;
- (ii) providing finance (whether equity, equity linked or otherwise) to individuals or their business ventures to enable them to establish themselves as responsible entrepreneurs; and
- (iii) promoting the development of responsible leadership, (whether in the field of business or elsewhere);

and for this purpose public benefit and social improvement shall be construed in the widest sense possible.

(i) **"Rules"** means the rules of the Foundation.

(j) **"Values and Intentions"** means the written statement appearing at the commencement of this Charter, prepared by the Founders to record their motivation, values and intentions in establishing this Foundation and which is intended to serve as guidance to the Councillors in the management and the administration of the Foundation in the furtherance of the Purposes.

## **10. DECLARATIONS**

10.1 The Founders by signing this Charter declare that they wish the Councillors to comply with the terms of this Charter.

10.2 The Founders' Children by signing this Charter declare that they fully support the Founders' decision to establish the Foundation upon its terms.

**Signed on 31 March 2015.**