

M E R G E N C E

14 September 2016

Proxy Voting Concerns

To Whom It May Concern:

We would like to inform you of Mergence decision to vote "against" resolutions 5, 8.2 and 8.3 at the Compagnie Financière Richemont SA AGM on 14 September 2016 and our reasons for these votes. This vote is in accordance with Mergence's proxy voting guidelines¹ as highlighted below.

"**Against**" vote on Resolution number 5 is guided by the following:

The members of Compensation Committee should been independent. But has been on the board for longer than 9 years. The independence of these long standing board members has not been rigorously reviewed as is required by King 111.

"**Against**" vote on Resolution number 8.2 and 8.3 is guided by the following:

We regard CFR's executives' remuneration excessive, relative to luxury and JSE peers.

We look forward to any engagement and discussion on the above matters and your co-operation in this regard is appreciated.

Please acknowledge receipt of the above record of our voting.

Kind Regards



Dirk Steyn
Portfolio Manager

¹ Mergence's Proxy Voting Guidelines are available on request.

