



## Compensation Philosophy

# The Legatum Compensation Philosophy

What are our objectives in life? Recognition? Wealth? Achievement? Behind any notional goal, the real objective is to be happy.

## Each Person has a Unique Gift

At Legatum, we believe that everyone is born with a gift. This gift has been given to help us achieve our purpose in life. Our purpose is not something we choose, it is something we discover. When we are working in the area of our vocation, our gift will operate to bring us "natural success". Things will appear easy to us, while perhaps the same task may be difficult for others. Observers may attribute this success to luck, but in fact the gifted will always be 'lucky' when using their gift. Over time, if this gift is developed, one may develop a sense of "effortless mastery" and make great contributions to one's family, community, country or profession.

## Service and Significance

The purpose of life is a life of purpose. The gifts we are given must be realised in providing a service to others. If we do not give our gift away, life loses meaning and the world will be the poorer. No task, however menial, lacks significance when it is done in service to others. Whether it be creating a beautiful garden or building a business, all work is noble. We are each good at different things and when we use our gifts in serving others, we are complementing their gifts to us, thereby building together a prosperous world.

## Life Is Not About What We Get, It Is About Who We Become

Happiness is about fulfilment. If we can put the focus on building our interior wealth, then our exterior circumstances will reflect the riches inside our hearts and minds. We will find true happiness. The most valuable thing in life is not *what we get*, it is *who we become*. At the end of your life, you cannot take your possessions with you but you can take your character, and leave a life well lived in service to others. Discovering our vocation, developing our gifts, serving others and thereby blessing ourselves with a life of purpose and fulfilment is a life triumphant.

## The Real Reward - Making A Difference

When we are doing what we love, when we are using our gifts in service to others, we will be joyful, knowing that we are making a difference. This is the real reward for our labour. We are also aware that our service has a material value and we rightly expect material recognition for our contribution. In this way, we can support our families, develop financial independence and pursue our noble ambitions.

## Financial Compensation

At Legatum, we seek to reward those people who wish to express their talents within our organisation and within the communities in which we work. We wish to celebrate excellence. Compensation is set in relation to prevailing market conditions. This is however a starting point and we will generously recognise those who make unique contributions to enhancing Legatum's prosperity, values and organisational development.

Legatum seeks those people who see the organisation as an opportunity to give, to grow and to share a noble calling in creating prosperity in global economies. For those who see Legatum as purely an opportunity for material gain, we ask you to look elsewhere. We are not that type of organisation. The financial industry is full of companies

with short term goals, where material gains can come quickly and where there is often little relationship between results and rewards.

### The Difference between Activity and Achievement

Legatum is results focussed. We want to reward missions accomplished. The hardest part of setting fair rewards is the innumerable cases where great efforts and activity have created little achievement. We try to set clear goals, work as a team and provide mentoring and encouragement where possible. However, you are ultimately responsible for delivering results. Over time, if you are working in the area of your vocation and developing your gifts, you will meet success. It cannot be denied you. If you are not meeting with the results you had hoped for - look at yourself. You may wish to give more thought to your true vocation, and perhaps change your tasks, your department, your company or your profession.

### Gratitude vs. Entitlement

A bonus is a celebration of exceptional individual achievements above and beyond what might be normally expected. Since our success flows from the productive application of each individual's gift, rewards should be received with a spirit of gratitude and not a sense of entitlement. In light of the foregoing, it is our policy not to give guarantees or undertakings as to bonuses.

### Rewards Are Based on Merit

We want to celebrate success. When individuals excel, we demonstrate our appreciation. This may be expressed through increased rewards (salary and bonuses), resources and responsibilities. When evaluating an individual's contribution, we take into account the initiative displayed in the following areas:

- Building Legatum's financial, moral and creative capital;
- Contributing to our culture of performance, service, innovation and integrity;
- Implementing our standards of excellence and elegance through rapid incremental innovation and diligent attention to detail;
- Encouraging an enthusiastic *esprit de corps* through a giving and joyful attitude;
- Demonstrating leadership by taking responsibility for personal and corporate development;
- Building Legatum's reputational capital by living our values and demonstrating integrity in word and deed.

### The Right Question - Finding the Freedom to Create

If happiness comes from fulfilment, doing what we are naturally gifted for, it follows that we need to work with people and in an environment which liberates and nurtures this talent. At Legatum, we look to provide a stage for each person to express and develop their unique knowledge, skills and abilities. A successful life is a balanced life. While compensation is important, it is more important to choose an organisation, team and environment where you can grow and contribute to the world around you, and in the process of serving others with your vocation, become the best you can be.



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