



NOMINATION AND REMUNERATION CHARTER

1. CONSTITUTION

- The Nomination and Remuneration Committee (“the Committee”) has been established by the Board of Directors (“the Board”) of the Company to act as the Nomination and Remuneration committee of the Company and its subsidiaries (“the Group”) and thereby to assist the Board with regard to matters set out below, which include, inter alia, monitoring, review and approving compensation policies and practices of the Company and administering the Company’s share incentive schemes.
- The Committee has an independent role, operating as an overseer and a maker of recommendations to the Board for its consideration and final approval. The Committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.
- Neither the appointment nor the duties of the Committee reduce the functions and duties of the Board or the directors of the Company.
- Any reference in this Committee charter (“this Charter”) to “the Group” is to be construed as a reference to the Company or any company or companies in the Group as the context may require and not only as a reference to the Group as a whole.

2. PURPOSE

The purpose of these terms of reference is to set out the Committee’s roles and responsibilities as well as the requirements for its composition and meeting procedures.

3. ROLE

The role of the Committee is to assist the Board to ensure that –

- the board composition and structures, including the size and composition of the various board committees and considering whether there is an appropriate split between executive, non-executive and independent directors.
- The Board functions in a proper and effective way shall assist the chairman in this regard.
- assists in the identification and nomination of new directors determining, developing and agreeing the company’s general policy on executive and senior management remuneration
- Directors are appointed through a formal process;
- Induction and ongoing training and development of directors take place;
- annual performance reviews of the board and various board committees are conducted
- Formal succession plans for the Board, chief executive officer and senior management appointments are in place;

1. determining any criteria necessary to measure the performance of

- 2. determining the level of non-executive and independent non-executive fees to be recommended to the shareholders at the Meeting of Shareholders.
- The company remunerates directors and executives fairly and responsibly; and
- they consider and make recommendations to the board on, inter alia, remuneration policy of the company, the payment of performance bonuses, executive remuneration, short, medium and long-term incentive schemes and employee retention schemes.
- The remuneration packages are structured in such a way that long and short term incentives are aimed at achieving business objectives and the delivery of shareholder value.
- The disclosure of directors' remuneration is accurate, complete and transparent.

4. RESPONSIBILITIES

The Committee must perform all the functions necessary to fulfil its role as stated above and including the following statutory duties:

- Ensure the establishment of a formal process for the appointment of directors; including:
 1. Identification of suitable members of the board; and
 2. Performance of reference and background checks of candidates prior to nomination
- ascertain whether potential new directors are fit and proper and are not disqualified from being directors. Prior to their appointment, their backgrounds should be thoroughly investigated
- Oversee the development of a formal induction programme for new directors;
- ensure that the right balance of skills, expertise and independence is maintained;
- Ensure that inexperienced directors are developed through a mentorship programme;
- Oversee the development and implementation of continuing professional development programmes for executives;
- Ensure that directors receive regular briefings on changes in risks, laws and the environment in which the company operates;
- Consider the performance of directors and take steps to remove directors who do not make an appropriate contribution;
- Sourcing and recommending to the board a replacement for the chief executive officer should the need arise;
- Oversee the setting and administering of remuneration at all levels in the
- Company;
- Oversee the establishment of a remuneration policy that will promote the achievement of strategic objectives and encourage individual performance;
- Ensure that the remuneration policy is put to a non-binding advisory vote at the general meeting of shareholders once a year;
- Review the outcomes of the implementation of the remuneration policy for whether the set objectives are being achieved;

- Ensure that the mix of fixed and variable pay, in cash, shares or other elements, meet the Company's needs and strategic objectiveness;
- Satisfy itself as to the accuracy of recorded performance measures that govern the vesting of incentives;
- Ensure that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued;
- Consider the results of the evaluation of the performance of the chief executive office and other executive directors, both as directors and as executives in determining remuneration;
- Select an appropriate comparative group when comparing remuneration levels;
- Regularly review incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
 1. the committee should also pay particular attention to the potential conflicts of interest and other ethical problems that could arise in cases where the potential candidate is already a director of a company, or forms part of a group, that is a competitor to the company
 2. ensure that those directors who, in the opinion of the board, have either acted in accordance with the instructions of a third party or have not discharged their duties as directors to the satisfaction of the board, not be nominated for re-election.
 3. Consider the appropriateness of early vesting of share-based schemes at the end of employment;
- Advise on the remuneration of non-executive directors;
- Oversee the preparation and recommending to the Board the remuneration report, to be included in the integrated report, for whether it:
 1. Is accurate, complete and transparent;
 2. Provides a clear explanation of how the remuneration policy has been implemented;
 3. Provides sufficient forward-looking information for the shareholders to pass special resolutions in terms of Section 66 (9) of the Companies Act.

5. POWERS

- The Committee has unrestricted access to all information, including records, property and personnel of the Group, and must be provided with adequate resources in order to fulfil its responsibilities.
- The Committee is authorised by the Board to:
 1. Investigate any activities within its terms of reference;
 2. Seek outside legal or other independent professional advice at the Group's expense in accordance with a procedure developed by the Board for this purpose;
 3. Secure the attendance of outsiders with the relevant experience and expertise where necessary at the Group's expense in accordance with a procedure developed by the Board for this purpose.

4. Seek any information it requires from any employee, within its terms of reference, and all employees are required to cooperate with any reasonable requests made by the Committee

6. MEMBERSHIP

6.1 Composition

- The Committee must be constituted so as to ensure its independence.
- The members of the Committee shall be appointed by the Board and shall comply with the following membership composition guidelines:
 1. Consist of at least three non-executive directors of which the majority shall be independent;
 2. The chairman of the Board shall not be the Chairman of the Committee. The Chairman of the Committee shall be an independent non-executive director.
 3. No member of the Nomination and Remuneration Committee can be involved or vote on committee decisions in regard to his/her own remuneration.

6.2 Appointment

- The Board shall appoint the members of the Committee and fill any vacancy as and when required.
- Unless the Board appoints a Chairman (who shall not be the Chairman of the Board), the members of the Committee may appoint a chairman by majority vote on the full Committee membership.

6.3 Duration of membership

Members of the Committee shall be appointed for such period of time as the Board requires.

6.4 Termination

The Board may terminate membership of any person serving on the Committee on recommendation of Committee or on recommendation of the Nomination and Remuneration Committee.

7. MEETINGS

7.1 Frequency of Meetings

- The Committee will meet at least three (with one of the meetings facilitating a formal discussion on succession planning and board composition) times a year and whenever it is necessary to make recommendations relating to the remuneration of executive managers and executive directors.
- Any member of the Committee or the Chief Executive Officer, if not a member of the Committee, may request a meeting if deemed necessary and a meeting will then be

arranged in consultation with the Chairman of the Committee.

7.2 Quorum

- A quorum for meeting of the Committee shall be a majority of members present in person or via telecommunication facilities.
- If the Chairman of the Committee is not present within 15 (fifteen) minutes of the stipulated time for such meetings, then the members of the Committee present shall elect a chairman from among them to act as Chairman of the meeting.

7.3 Attendance

- The Committee (via the Committee Chairman) may invite people knowledgeable in remuneration matters to attend meetings and to act in an advisory capacity, or any other party who may contribute to its deliberations such as the Chairman of the Board and the Chief Executive Officer.
- The Committee may, if deemed appropriate, confer by telephone, closed circuit television or video conferencing ("Conference"). Notwithstanding that the members of the Committee are not present together in one place at the time of the Conference, a resolution passed by the members constituting a quorum at such a Conference shall, provided such resolution is recorded in writing and confirmed at the next meeting of the Committee, be deemed to have been passed at a meeting of the Committee held on the day on which and at the time at which the Conference was held. The provisions of this Charter relating to proceedings of the Committee shall apply so far as they are capable of application mutatis mutandis to such Conferences.
- Other Board members shall have the right of attendance with the prior consent of the Chairman of the Committee.
- The Company Secretary shall be the secretary of the Committee.
- Committee members must attend all scheduled meetings of the Committee, including meetings called on an ad hoc basis for special matters, unless prior apology, with reasons, has been submitted to the Chairman or Company Secretary.

7.4 Notice and Agenda

- The Chief Executive and the Company Secretary shall, in consultation with the Chairman of the Committee draft an agenda, which shall be circulated with supporting documentation, preferably 5 business days prior to each meeting to the members of the Committee, and where applicable to anyone invited to attend the meeting.
- The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters referred to in this Charter.
- Committee members must be fully prepared for Committee meetings, to provide appropriate and constructive input on matters discussed.

7.5 Minutes and reporting procedure

- The Company Secretary shall attend and minute all meetings.
- The Minutes of the Committee meetings shall be completed within fourteen days of such meeting and shall be circulated to all members of the Committee and other relevant personnel as directed by the Committee.

- The secretary shall incorporate the approved minutes of the meetings of the Committee in the meeting files prepared for meetings of the Board for noting purposes.
- In addition to the above, the Chairman of the Committee will provide verbal feedback at the meetings on the Board of directors on the Committee's recent activities.
- A resolution in writing ("round robin resolution") signed by a majority of the members of the Committee who are present in South Africa at the time when such resolution is released for signature, shall be as valid and effectual as if it has been passed at a duly constituted meetings of the Committee, provided that each member of the Committee shall have been afforded a reasonable opportunity to express an opinion on the matter to which such resolution relates.

8. MEMBER SKILLS AND TRAINING

- All members of the Committee shall have a working familiarity with remuneration and accounting practices, and at least one member of the Committee should have a proven record in negotiating reward packages for senior management.
- The members of the Committee shall be knowledgeable about the affairs of the group and, where appropriate, specific skills shall be represented on the Committee.
- All Committee members will be required to keep up to date with developments affecting the areas of responsibility of the Committee.

9. REMUNERATION

Having regard for the functions performed by the members of the Committee in addition to their functions as directors and in relation to the activities of the Committee and pursuant to the specific power conferred upon the Board by the Shareholders and the Memorandum of Incorporation of the Company, the Chairman and members of the Committee shall be paid in accordance with the remuneration levels approved by the shareholders at an annual general meeting of the Company.

10. SELF-ASSESSMENT

- The Committee shall conduct continual self-assessment or self evaluation. The Committee chairman shall assess the performance of individual Committee members, and the Board shall evaluate the Committee's Chairman, based on several factors. These include:
 1. Expertise.
 2. Inquiring attitude, objectivity, and independence.
 3. Judgement.
 4. Understanding of the Group's business.
 5. Understanding of and commitment to the Committee's duties and responsibilities.
 6. Willingness to devote the time needed to prepare for and participate in Committee deliberations.

7. Timely responses.
8. Attendance at meetings.

- Input from management shall form part of the Committee evaluation, the evaluation of the Committee Chairman and members of the Committee.
- After completing its evaluation, the Committee should review the results with the Board of directors, so that appropriate action can be taken on any recommendation resulting from the review.

11. GENERAL

- The Committee members are obliged to disclose in writing any interests they have within or outside the Company and the Group that may interfere or conflict with the performance of their duties.
- All Company related information that becomes known to directors in their performance of their duties must at all times be kept confidential.

This charter is approved by the board of directors on 15 September 2015 and signed on their behalf by:

Chairman of the Board

Chairman – Nomination and
Remuneration Committee