



SILVER**BRIDGE**

*REMUNERATION COMMITTEE
TERMS OF REFERENCE*

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1. Introduction

- 1.1 The Board of Directors (hereinafter referred to as the “Board”) of SilverBridge Holdings Limited (hereinafter referred to as “SilverBridge” or as “the Company”) has resolved to establish a Committee of the Board to be known as the "Remuneration Committee" (hereinafter referred to as “the Committee”) to act in the capacity of a Remuneration Committee for SilverBridge and all of its subsidiaries.
- 1.2 The duties and responsibilities of the members of the Committee are in addition to those as members of the Board.
- 1.3 The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgment in accordance with their statutory obligations.
- 1.4 This Terms of Reference are subject to the provisions of:
 - 1.4.1 The Companies Act and Regulations 71 of 2008 (“the Companies Act”), as amended;
 - 1.4.2 Any requirements of any other regulatory/supervisory authority (i.e. JSE Listing Requirements);
 - 1.4.3 King Code of Governance for South Africa, as amended; and
 - 1.4.4 Any other applicable legislation.

2. Purpose of the Terms of Reference

- 2.1 The purpose of these Terms of Reference is to set out the Committee’s role and responsibilities as well as the requirements for its composition and meeting procedures.

3. Constitution and Tenure of Committee

- 3.1 The Committee and Chairman are nominated and appointed by the Board of the Company. The Board will determine the size of the Committee of which:
 - 3.1.1 Comprise of at least 3 (three) non-executive directors of the Company, with the majority being independent non-executive directors;
 - 3.1.3 The Committee should be chaired by an independent non-executive member who is not the chair of the governing body;
 - 3.1.4 The chair of the governing body may be a member of the Committee, and
 - 3.1.5 The members of the Committee as a whole must have sufficient qualifications and experience to fulfil their duties.
- 3.2 The Board shall determine the period for which the Chairman and Committee members shall hold office
- 3.3 A Committee member, who holds office as a director of the Board, will automatically cease to be a member of the Committee upon resignation from the Board;

3.4 A member may resign at any time by giving due notice to the Company Secretary and the Chairman of the Board.

4. Role

4.1 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 the Senior Management.

4.2 The role of the Committee is to assist the Board to ensure that:

4.2.1 the Company remunerates directors and executives fairly and responsibly;

4.2.2 the disclosure of the fees of the directors' remuneration is accurate, complete and transparent; and

4.2.3 an effective remuneration policy is in place, aligned with the company's strategy, KingIV requirements and is applied consistently throughout the organisation at all employee levels.

5. Responsibilities

5.1 The Committee must perform all the functions necessary to fulfill its role as stated above and including the following:

5.1.1 Oversee the setting of remuneration quanta and terms and conditions for fixed and variable pay at all levels in the Company, but especially at senior executive, prescribed officer and Board level;

5.1.2 Oversee the establishment of a remuneration framework and policy that will promote the achievement of strategic objectives and encourage individual performance in line with Board objectives;

5.1.3 Ensure that the remuneration policy is put to a non-binding advisory vote at the general meeting of shareholders once every year;

5.1.4 Formulate and recommend to the Board the remuneration of non-executive directors, for final approval by shareholders;

5.1.5 Manage stakeholder relations with investors and other stakeholders deemed appropriate on remuneration matters before and at the annual general meeting and throughout the year;

5.1.6 Ensure that the Chairman of the Committee, or in his/her absence a nominated representative, attends the annual general meeting or similar forums to answer questions about remuneration;

5.1.7 Review the outcomes of the implementation of the remuneration policy as to whether the Board's

set objectives are being achieved;5.1.8 Ensure that the structure and mix of fixed and variable pay, in cash, shares and other elements, meets the Company's needs and the Board's strategic objectives;

- 5.1.9 Satisfy itself as to the accuracy of recorded performance measures that govern the vesting of incentives;
- 5.1.10 Ensure that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued;
- 5.1.11 Consider the results of the evaluation of the performance of the Chief Executive Officer (“the CEO”) and other executive directors, both as directors and as executives, in determining remuneration;
- 5.1.12 Select an appropriate comparator group when comparing remuneration levels and ensure that fixed and variable pay are compared favorably against relevant market comparators on a regular basis to establish compliance with the remuneration policy and strategy;
- 5.1.13 Regularly review incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
- 5.1.14 Consider the appropriateness of early vesting of share-based schemes at the end of employment;
- 5.1.15 Liaise with other relevant in the broader context of risk, disclosure and social responsibility matters;
- 5.1.16 Liaise with the Nominations Committee and the Board on succession plans for Senior Management;
- 5.1.17 Ensure that the Chairman of the Committee reports to the Board after each meeting of the Remuneration Committee on its compliance with the Terms of Reference.
- 5.1.18 Oversee the preparation and recommending to the Board the remuneration report, to be included in the integrated report, for whether it:
 - 5.1.18.1 is accurate, complete and transparent;
 - 5.1.18.2 provides clear explanation of how the remuneration policy has been implemented; and
 - 5.1.18.3 provides sufficient forward-looking information for the shareholder to pass a special resolution in terms of Section 66 (9) of the Companies Act.

6. Authority

- 6.1 The Committee acts in terms of the delegated authority of the Board as recorded in these Terms of Reference. It has the power to investigate any activity within the scope of its Terms of Reference.
- 6.2 The Committee, in fulfillment of its duties, may call upon the chairmen of the other Board committees, any of the executive directors, Officers or Company Secretary to provide it with information, subject to following a Board approval process.
- 6.3 The Committee has reasonable access to the company’s records, Facilities and any other resources necessary

to discharge its duties and responsibilities.

- 6.4 The Committee may form, and delegate authority to, subcommittees and may delegate authority to one or more designated members of the Committee.
- 6.5 The Committee has the right to obtain independent professional advice to assist with the execution of its duties, at the Company's cost, subject to following a Board approved process.
- 6.6 The Committee makes the recommendations to the Board that it deems appropriate on any area within the ambit of its Terms of Reference where action or improvement is required.

7. Procedures of the Remuneration Committee

7.1 Frequency

The Committee must hold sufficient scheduled meetings to discharge all its duties as set out in these Terms of Reference but subject to a minimum of two meetings per year.

Meetings in addition to those scheduled may be held at the request of the CEO or other members of Senior Management or at the instance of the Board or a member of the Committee.

The Chairman of the Committee will also usually meet separately with the CEO or the Company Secretary prior to a Committee Meeting to discuss important issues and agree on the agenda.

7.2 Attendance

7.2.1 Other members of Senior Management as may be required, assurance providers, professional advisors and Board members may be in attendance at Committee meetings, but by invitation only and they may not vote. These Executives are required to leave the meeting when their remuneration is discussed.

7.2.2 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.

7.2.3 The Company Secretary is the secretary of this Committee.

7.2.4 If the nominated Chairman of the Committee is absent from a meeting, the members present must elect one of the members present to act as Chairman.

7.2.5 Meetings may be held in person, by telephone, videoconference or other form of electronic means that would prove efficient, provided that the required quorum is met. All persons shall be deemed to be present at the meeting.

7.3 Agenda and Minutes

7.3.1 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 laid out in this Terms of Reference. The more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three-year period. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

7.3.2 A detailed agenda together with supporting documentation, must be circulated, at least 7 (seven) days prior to each meeting to the members of the Board and other invitees.

7.3.3 Committee members must be fully prepared for Committee meetings to be able to provide appropriate and constructive input on matters for discussion.

7.3.4 The minutes must be completed as soon as possible after the meeting and circulated to the Chairman and members of the Committee for review thereof. The minutes must be formally approved by the Committee at its next scheduled meeting.

7.4 Quorum

7.4.1 A quorum for meetings is a majority of members of the Committee present in person or *via* telecom facilities.

7.4.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

7.4.3 A decision shall be considered passed if the majority of Committee members present (in person or by proxy) vote in favour of a resolution.

7.4.4 Individuals in attendance at Committee meetings by invitation may participate in discussions but do not form part of the quorum for Committee meetings.

8. **Evaluation**

The Board must perform an evaluation of the effectiveness of the Committee every year.

9. **Approval of these Terms of Reference**

The Terms of Reference was approved by the Chairman of the Board and the Chairman of the Committee on and will be due for review in.

Signed by the Chairman of the Board on _____ 2020 at _____.

Chairman of the Board

Signed by the Chairman of the Committee on _____ 2020 at _____.

Chairman of the Committee