



## Remuneration Committee Charter

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## ABBREVIATIONS AND TERMINOLOGY

Abbreviation / Terminology	Definition
Company	Alviva Holdings Limited and all Subsidiary companies
Committee	Remuneration Committee
AVV	Alviva Holdings Ltd
Alviva	Alviva Holdings Ltd
CEO	Chief Executive Officer

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# 1. Introduction

The Committee is constituted as a committee established by the Board of Directors of AVV. The duties and responsibilities of the members of the Committee are in addition to those as members of the board.

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 judgement in accordance with their statutory obligations.

These terms of reference are subject to the provisions of the Companies Act No 71 of 2008, the Company’s Memorandum of Incorporation and any other applicable laws or regulatory provisions.

# 2. Purpose of the Terms of Reference

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. Composition and Tenure

The Committee comprises at least three non-executive directors, a majority of whom are independent non-executive directors.

Members of this Committee and its Chairman are nominated by the Board.

The members of the Committee as a whole must have sufficient qualifications and experience to fulfil their duties.

The members selected to the Committee will serve until such time as the Board elects to make changes.

# 4. Role

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.

The role of the committee will be to assist the board and to ensure that:-

- the Company remunerates directors and executives fairly and responsibly ; and

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- the disclosure of directors’ remuneration is accurate, complete and transparent.

## 5. Responsibilities

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

- annually considering, and recommending for approval to the Board, the remuneration of executive directors, senior management and non-executive directors;
- overseeing the establishment of a Remuneration Policy that will promote the achievement of strategic objectives and encourage individual performance;
- determining the Company’s general policy on executive directors and executive management remuneration to ensure fair and responsible remuneration practices, including bonus and incentive schemes;
- reviewing the outcomes of the implementation of the Remuneration Policy to determine whether the set objectives are being achieved;
- ensuring that the mix of fixed and variable components of pay for executive directors, in cash and share based incentives, meets the Company’s needs and strategic objectives;
- satisfying itself as to the accuracy of recorded performance measures that govern the vesting of incentives;
- ensuring that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued;
- considering the results of the performance evaluations of the CEO and other executive directors when determining remuneration;
- regularly reviewing incentive schemes to ensure their continued contribution to shareholder value and that they are administered in terms of their scheme rules;
- advising on the remuneration of non-executive directors; and
- overseeing the preparation of the Remuneration Report to be included in the Annual Report, and recommending it to the Board, and specifically ensuring that the report:
  - is accurate, complete and transparent;
  - provides a clear explanation of how the Remuneration Policy has been implemented; and
  - provides sufficient information for the shareholders to pass a special resolution on proposed non-executive director fees in terms of section 66 (9) of the Companies Act, as amended.

## 6. Authority

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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.

The Committee, in the fulfilment 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 approved process.

The Committee has reasonable access to the company records, facilities and any other resources necessary to discharge its duties and responsibilities.

The Committee may form, and delegate authority to, subcommittees and may delegate authority to one or more designated members of the committee.

The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at the company’s cost, subject to following a board approved process.

The Committee makes the recommendations to the board that it deems appropriate any area within the ambit of its terms of reference where action or improvement is required.

## 7. Meetings

- Meetings of the Remuneration Committee will be held as frequently as the Committee considers appropriate, but it will normally meet not less than twice a year. The Board or any member thereof, including members of the Committee, may call further meetings;
- The chairperson, at his or her discretion, may invite other employees to attend and to be heard at the meetings of the Remuneration Committee;
- The chairman of the committee may meet with the CEO and/ or company secretary prior to a committee meeting to discuss important issues and or agree on the agenda;
- All and any attendees by invitation may take part in discussion but do not have any voting rights and may not vote on any issues raised;
- Committee members must attend all scheduled meetings including ad-hoc meetings for special matters, unless prior apology with reasons has been submitted to the chairman or company secretary;
- The secretary of the Remuneration Committee shall be the company secretary;
- If the chairman of the remuneration committee is absent, the members present must elect one of the attending members to act as chairman;
- Agenda with supporting documents will be circulated to members and invitees within a reasonable time prior to any meeting to enable Committee members to be fully prepared for constructive input on matters for discussion;

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- Minutes must be circulated as soon as possible after meetings have taken place to the Chairman and members of the Committee and formally approved by the Committee at its next scheduled meeting;
- A representative quorum for meetings is a majority of elected members present and any invitees or other attendees at the Committee meetings may not form part of the quorum for Committee meetings;
- The Committee’s effectiveness must be evaluated by the board at reasonable Intervals.
- Formal reports to the Board will be made following each meeting and recommended matters for approval by the board will be presented.

### 8. Amendments to this Charter

These terms of reference may from time to time be amended as required. The Remuneration Committee may recommend to the Board any amendments.

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