

## **BID CORPORATION LIMITED**

### **REMUNERATION COMMITTEE CHARTER**

The Remuneration Committee ('committee') is constituted as a committee of the board of directors of Bid Corporation Limited ('Bidcorp' or 'Group'). The duties and responsibilities of the members of this 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, the Bidcorp Memorandum of Incorporation and any other applicable law or regulatory provision.

#### **1. PURPOSE OF THE CHARTER**

- 1.1. 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.

#### **2. COMPOSITION**

- 2.1. The committee comprises at least three non-executive directors, a majority of whom are independent non-executive directors.
- 2.2. Members of this committee and its chairman are nominated by the board.
- 2.3. The members of the committee as a whole must have sufficient qualifications and experience to fulfil their duties.
- 2.4. The group company secretary shall be the secretary to the committee.

#### **3. ROLE**

- 3.1. 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 senior management.

The role of the committee is to assist the board to ensure:

- 3.2. Bidcorp remunerates directors and executives fairly and responsibly; and

- 3.3. disclosure of director remuneration is accurate, complete and transparent.

#### **4. DUTIES AND RESPONSIBILITIES**

- 4.1. The committee must perform all the functions necessary to fulfil its role as stated above, including the following:
- 4.2. review of the Bidcorp remuneration philosophy and policy; to assist the board in establishing a remuneration policy for directors and senior executives that will promote the achievement of strategic objectives and encourage individual performance;
- 4.3. ensure that the mix of fixed and variable pay in cash, shares and other elements, meets Bidcorp's needs and strategic objectives;
- 4.4. review of incentive schemes to ensure continued contribution to shareholder value;
- 4.5. review of the recommendations of management on fee proposals for Bidcorp chairman and non-executive directors; and to determine, in conjunction with the board, the final proposals to be submitted to shareholders for approval;
- 4.6. determining the remuneration parameters for the chief executive and executive directors; reviewing and recommending to the Board the relevant criteria necessary to measure the performance of executives in determining their remuneration;
- 4.7. to agree the principles for senior management increases and cash incentives in both Bidcorp's South African and off-shore operations;
- 4.8. to agree incentive scheme allocations and awards for executive directors and all option allocations for senior management;
- 4.9. to settle long-term incentive allocations and awards for executive directors and other qualifying senior management;
- 4.10. overseeing the preparation of the remuneration report (as contained in the Annual Integrated Report) to ensure that it is clear, concise and transparent;
- 4.11. ensure that the remuneration report be put to a non-binding advisory vote by shareholders and engage with shareholders and other stakeholders on the Group's remuneration philosophy; and
- 4.12. ensure that consideration is given to executive succession planning.

#### **5. AUTHORITY**

- 5.1. The committee acts in terms of the delegated authority of the board. The committee has reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.

- 5.2. The committee, in the fulfilment of its duties, may call upon the executive directors, officers or company secretary to provide information
- 5.3. The committee has unrestricted access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.
- 5.4. The committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at company's cost, subject to following a board approved process.
- 5.5. 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.

## 6. MEETING PROCEDURES

### Frequency

- 6.1. The committee must hold sufficient scheduled meetings to discharge all its duties as set out in these terms of reference.
- 6.2. Meetings in addition to those scheduled may be held at the request of the chief executive, chief financial officer or other members of senior management or at the instance of the board.
- 6.3. The chairman of the committee may meet with the chief executive officer, chief financial officer and/or the company secretary prior to a committee meeting to discuss important issues and agree on the agenda.

### Attendance

- 6.4. A representative quorum for meetings is a majority of members present.
- 6.5. As may be required members of senior management, assurance providers, professional advisors and board members may be in attendance at committee meetings, but by invitation only and they may not vote.
- 6.6. The company secretary is the secretary to this committee.

### Agenda and minutes

- 6.7. The committee must establish an annual work plan for each year to ensure that all relevant matters are covered.
- 6.8. A detailed agenda, together with supporting documentation, must be circulated, prior to each meeting to the members and other invitees.
- 6.9. 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.

## Remuneration

- 6.10. The committee members shall be paid such remuneration for their committee work as recommended by the Board for shareholder approval at the AGM.
- 6.11. The committee chairman shall, in addition to remuneration as a member, receive a further sum as recommended by the Board for shareholder approval at the AGM.

## Reporting

- 6.12. The chairman of the committee is required to report the following:
- 6.12.1. all significant matters arising from the committee to the Board timeously;
  - 6.12.2. annually prepare a written report to the shareholders to be included in the annual financial statements.

## 7. EVALUATION

- 7.1. The Board must perform an annual evaluation of the effectiveness of this committee.

## 8. APPROVAL OF THIS CHARTER

- 8.1. On an annual basis this Remuneration Committee Charter is to be reviewed and recommended to the Board for approval and adoption.