



REMUNERATION & NOMINATION COMMITTEE TERMS OF REFERENCE

Revision History

Rev	Date	Details	By	Approved
2	15 October 2018	Revision	M Nana	Chair
3	12 June 2020	Revision	M Nana	Chair
4	11 June 2021	Revision	M Nana	Chair



REMUNERATION & NOMINATION COMMITTEE CHARTER

1. INTRODUCTION

- 1.1 In line with the recommendations of the King IV Report on Corporate Governance for South Africa (King IV), the remuneration & nomination committee (the committee) has been established by the board of directors (the board) of Omnia Holdings Limited to assist it in discharging its responsibilities to the relevant entities within Omnia.
- 1.2 In fulfilling its role and function, the committee shall work in collaboration with the other committees of the board to ensure adequate coverage of all remuneration-related matters that might form part of the mandates of such committees.

2. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

2.1 Responsibilities of the Committee in respect of Remuneration

Remuneration Policy and Integrated Reporting

- 2.1.1 The committee shall oversee the development and regular review of a remuneration policy that is aligned as appropriate with the recommended practices of King IV and gives effect to the board's direction on fair, responsible and transparent remuneration to:
- a) attract, motivate, reward and retain human capital,
 - b) promote the achievement of strategic objectives within the Group's risk appetite,
 - c) promote positive outcomes, and
 - d) promote an ethical culture and responsible corporate citizenship
- 2.1.2 The committee shall oversee the preparation of, and recommend to the board, the remuneration & nomination committee report for inclusion in the integrated annual report comprised of part one, two, and three as recommended by King IV, i.e.
- a) the background statement, the summary of main provisions of the Remuneration Policy, and the implementation report
 - b) Part two and part three of the remuneration report shall be published on the same date as the notice to the shareholders at the AGM (annual general meeting) of the Company for the purposes of a non-binding advisory vote
- 2.1.3 In the event of the remuneration policy or implementation report not receiving the recommended minimum support from shareholders at the AGM (i.e. 25% or more of the voting rights exercised being against either or both the non-binding advisory resolutions), the committee shall perform the responding measures as recommended in King IV. This includes ensuring that the SENS (Stock Exchange News Service) announcement made after the AGM contains an invitation to the shareholders to engage with the committee in regards to the reasons for their dissenting vote; this invitation will include the manner and timing of the engagement. After the engagement process, the following shall be disclosed in the background statement (part one) of the subsequent remuneration report:
- a) the shareholders with which the committee had engaged,
 - b) the manner and form of engagement process which was used to establish the reasons for the dissenting votes, and
 - c) the steps taken to address legitimate and reasonable objections and concerns of the shareholders

Remuneration Governance



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- 2.1.4 Make recommendations to the non-executive directors of the board regarding the remuneration of the chair of the board as and when required; it is the responsibility of the non-executive members of the board to review and determine the chair of the board's remuneration as and when required
- 2.1.5 Make decisions on an individual basis for the Chief Executive Officer ("CEO") and the CEO's direct reports, ensuring they are remunerated on a fair, responsible, transparent and competitive basis and in line with the principles of the remuneration policy. In applying the policy to the rest of the staff, the committee mandates management with an increase percentage.
- 2.1.6 Inform the board of the committee's decisions on compensation changes of executive directors and direct reports to the Group CEO
- 2.1.7 Consider the remuneration structure for non-executive directors, consider appropriate and credible benchmarks and recommend the proposed remuneration structure for non-executive directors to shareholders for approval at the AGM
- 2.1.8 Ensure that a process exists for setting and administering remuneration at all levels of the Group and objectively monitor the credibility of the Group's remuneration systems
- 2.1.9 Identify appropriate comparative groups and review current industry practice including professional executive recruitment developments and trends
- 2.1.10 Regularly review and be aware of developments in methods of remunerating executive directors and senior executives to ensure that the mix of fixed and variable pay, in cash, shares and other elements is competitive, sustainable, meets the Group's operational requirements, strategic objectives and is aligned to the remuneration policy as well as best market practices so as to promote positive outcomes
- 2.1.11 Ensure that all benefits, including retirement and other financial arrangements, are justified and that a process exists to ensure that same are correctly valued
- 2.1.12 Approve specific payments to the Chief Executive Officer, executive directors and senior executives in the Group in respect of long term incentives such as the Omnia Share Plan, or short term incentives, and sign off on the individual and total awards to such individuals

Performance Measurement and Incentive Plans

- 2.1.13 Ensure an adequate performance management system which is in line with the strategic objectives of the Group and annually review the nature and adequacy of the performance measurement methodology applied throughout the Group
- 2.1.14 Ensure that all forms of remuneration and incentivisation across the Group are performance-related, based on the principles and parameters of the Remuneration Policy
- 2.1.15 Regularly review incentive plans to ensure their effectiveness, affordability and continued contribution to achieving the strategic objectives of the Group

Executive Succession Planning

- 2.1.16 Ensure that an adequate, formal, executive succession plan and framework exists for the Group and that any gaps in key succession plan positions are reported to the board



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Labour and employment

- 2.1.17 Review labour and employment relationships within the Group, and contributions toward the educational development of employees

2.2 Responsibilities of the Committee in respect of Nomination

Board composition

- 2.2.1 Annually consider the composition of the board to ensure that it comprises a majority of non-executive directors (NEDs), most of whom are independent, and an appropriate balance of knowledge, skills, experience and independence, for it to discharge its governance role and responsibilities objectively and effectively;
- 2.2.2 Annually review the structure, size and composition of the board and make recommendations to the board as deemed necessary based on the factors listed in King IV or as the situation requires
- 2.2.3 Annually consider and promote the diversity of the board to motivate better decision-making and effective corporate governance
- 2.2.4 Monitor the performance of the board against targets for race and gender representation
- 2.2.5 Annually evaluate the independence of non-executive directors
- 2.2.6 Annually assess all independent non-executive directors who have served for longer than 9 (nine) years and report to the board on the outcome of such assessment

Nomination and Appointment of Directors

- 2.2.7 When required, identify appropriate candidates for nomination as directors of the company and make recommendations to the board for the appointment of appropriate candidates
- 2.2.8 Make recommendations to the board on the appointment of the chair of the board and LID (lead independent director) from the members of the board, as and when required
- 2.2.9 Consider the re-election by shareholders of any director of the company under the 'retirement by rotation' provisions in the company's Memorandum of Incorporation having due regard for their performance and ability to continue to contribute to the board in light of the knowledge, skills and experience required, including the need to invigorate the board's capabilities by introducing members with new expertise and perspectives, and make appropriate recommendations to the board
- 2.2.10 As and when required, identify and recommend to the board suitable candidates for the positions of CEO and Group Finance Director

Performance Evaluations

- 2.2.11 Ensure an adequate process is in place to evaluate the performance of the board and the committees of the board, and ensure that this evaluation process takes place at least every second year
- 2.2.12 Annually evaluate the performance of the CEO and ensure a process is in place to evaluate the performance of all senior executive positions reporting directly to the CEO
- 2.2.13 Annually evaluate the performance and independence of the company secretary on behalf of the board



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- 2.2.14 Ensure the results and recommendations of these evaluations are reported to the board and appropriately addressed in the integrated annual report, to the extent required

Continued Professional Development and Induction Programs

- 2.2.15 Ensure a formal induction program exists in respect of newly-appointed directors to the board and senior executives in the Group
- 2.2.16 Ensure that a formal and ongoing program of Continued Professional Development exists for the benefit of directors of the company and senior executives in the Group

3. AUTHORITY AND REPORTING

- 3.1 The committee is authorised by the board, subject to the approved process or policy, to obtain outside legal or other independent professional advice and to secure the attendance at meetings of the committee of outsiders with relevant experience and expertise if deemed necessary
- 3.2 The board supports and endorses the committee, which operates independently of management and is free of any organisational impairment

4. MEMBERSHIP

- 4.1 The committee shall comprise at least three non-executive directors the majority of whom shall be independent. As a minimum, the board shall have as permanent members the chair of the board and two independent non-executive directors.
- 4.2 The board shall appoint the chair of the committee, who shall be an independent non-executive director who is also not the chairman of the board.
- 4.3 The chair of the committee shall be required to attend the AGM of the company and answer questions relevant to the duties of the committee.

5. MEETINGS

5.1 Frequency

The committee shall meet at least three times a year but may, at the discretion of the chair, meet more often. Meetings shall be scheduled in advance and no formal notice of the meeting shall be given, excluding the agenda and supporting meeting papers.

5.2 Attendance

- 5.2.1 Committee members are expected to attend all meetings of the committee unless an apology with reasons has been submitted to the chair or the company secretary. The following other persons may attend meetings of the committee by invitation:
- a) The CEO and Group human resources director shall be standing invitees to all meetings of the committee but shall be recused from the meetings when matters concerning their remuneration and/or performance are discussed.



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- b) Any additional attendees shall be persons who, on account of their expertise, qualifications and experience in relation to these terms of reference and mandate of the committee, may contribute to the functioning of the committee and shall be invited in consultation with the chair of the committee.
- c) Every member of the board is entitled to attend any meetings of the committee as an observer. However, unless that director is also a member of the committee, the director shall not be entitled to participate without the consent of the chair of the committee, does not have a vote, and is not entitled to fees for such attendance unless otherwise approved by the board.

5.2.2 The chair of the committee shall recuse from any meeting or from any item on the agenda, any or all executives, staff members or representatives, who could, in his opinion, have any conflicts of interest in the matter(s) being discussed.

5.2.3 If the chair of the committee is absent from the meeting, any other member of the committee may act as chair for that meeting as agreed by those present or as nominated by the chair of the committee.

5.3 Agenda

5.3.1 The company secretary, in consultation with the committee chair, shall prepare an agenda and related documents that will be circulated to the committee no later 7 (seven) days prior to the meeting of the committee.

5.3.2 Closed session meetings of the committee, where only members of the committee are present, may be held as and when deemed appropriate by the chair of the committee

5.3.3 The company secretary shall be in attendance at in-committee meetings for minute-taking purposes.

5.3.4 Separate minutes shall be prepared for in-committee meetings and shall be circulated to members for confirmation via electronic communication.

5.4 Minutes

5.4.1 The company secretary shall minute all meetings of the committee.

5.4.2 The minutes of a meeting must be completed within a month after the meeting.

5.4.3 The minutes shall be presented to the board for noting at its next meeting.

5.5 Quorum

The quorum for a meeting of the committee shall be a majority of members being present in person or via electronic communication.

5.6 Written resolutions

A round robin resolution should be consented to by all members of the committee.



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6.6 Reporting Procedure

- 6.6.1 The chair of the committee shall provide a verbal report on the committee’s most recent activities, approvals and recommendations at every subsequent board meeting.
- 6.6.2 In addition to the Remuneration Report, the committee shall include a report in the Integrated Report that provides shareholders with an overview of the matters within the mandate of the committee and that addresses the matters as listed in King IV for disclosure by a committee of the board. The aforementioned report will confirm that the committee is acting within its mandate approved by the board.

7. PERFORMANCE OF THE COMMITTEE

The performance of the committee shall be evaluated in accordance with the methodology approved by the board from time to time.

8. REVIEW OF THE TERMS OF REFERENCE

These terms of reference shall be reviewed on an annual basis by the committee and amended if required, subject to the approval of the board.

Chair of the Committee	Signature	Date
Thoko Mokgosi-Mwantembe		11 June 2021
Chair of the Board	Signature	Date
Ralph Havenstein		11 June 2021