
SA CORPORATE REAL ESTATE LIMITED
Remuneration Committee
Terms of Reference

Introduction

The Remuneration Committee ("the Committee") is constituted as a committee of the board of the directors of SA Corporate Real Estate Limited ("the Company").

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. The Board should apply its collective mind to the information, opinions, recommendations, reports and statements presented by the Committee or its member. [Pr 8 rp 49]

The Committee is a standing committee of the Board and has no fixed term. [Pr 8 rp 43e]

These terms of reference are subject to the provisions of the Companies Act 71 of 2008, the Company's Memorandum of Incorporation, the JSE Listing Requirements, REIT tax provisions and any other applicable law or regulatory provisions.

Membership

1. The Committee shall be appointed by the Board and shall comprise of no less than three non-executive directors. The majority of the members should be independent as defined by King IV.
2. The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director.
3. The Chairman of the Board should not be Chairman of the Committee but may be a member.
4. The Committee's quorum shall be a majority of the members. Members who attend via video or teleconference may be counted in the quorum.
5. The members of the Committee must collectively have the necessary knowledge, skills and experience to execute its duties effectively. [Pr 8 rp 45]

Attendance at Meetings

1. The Managing Director may attend by invitation but may not vote.
2. Other Directors shall have the right to attend with the prior consent of the Chairman of the Committee that will not be unreasonably withheld but may not vote.
3. The Company Secretary shall be the secretary of the committee and will be responsible for the preparation of the agenda in consultation with the Chairman and Managing Director.
4. The Committee's discussions shall at all times be open and constructive. The Chairman shall seek consensus, but may if required, call a vote on the matter under discussion. If there is an equality of votes, the matter will be referred to the Board. The Chairman shall not have a casting vote. Where a member strongly disagrees with a decision his/her dissent should be noted and recorded in the minutes of the meeting.

5. Written resolutions must be sent to all members and must be signed by all members of the Committee who are available and contactable and as a minimum require a quorum. Any such resolution shall be deemed to be signed on the date it was signed by the last Committee member (unless a statement to the contrary is made in that resolution).

Frequency of meetings

1. The Committee will meet formally at least twice times per year and more frequently as required. Meetings should be organised so that attendance is maximised.
2. Any member of the committee may request a meeting and a meeting will then be arranged in consultation with the Chairman of the Committee.

Duties and Responsibilities

1. Oversee the establishment of a remuneration policy that:-
 - articulates the Company's direction on fair, responsible and transparent remuneration;
 - attract, motivates, reward and retain human capital;
 - promotes the achievement of strategic objectives;
 - encourages individual performance and promotes positive outcomes;
 - promotes an ethical culture and responsible corporate citizenship;
 - record the measures that the Board commits to take in the event that either the remuneration policy or the implementation report, or both have been voted against by 25% or more of voting rights exercised at the Annual General Meeting. [Pr 14 rd 27, 28 & 38]
2. Review the outcomes of the implementation of the remuneration policy and whether the set objectives are being achieved;
3. Monitor the overall cost of remuneration structures within the Company, including approving the cost of annual general salary increases, benefits, short-term incentive payments made and the value of long-term incentive awards granted;
4. Ensure that the mix of fixed and variable pay, in cash, shares and other elements, meets the Company's and Group's needs and strategic objectives;
5. Consider the evaluation of the performance of the executive directors, both as directors and executives in determining remuneration;
6. Oversee and advise on the remuneration of non-executive directors;
7. Satisfy itself as to the accuracy of recorded performance measures that govern the vesting of incentives;
8. Consider the need to adopt a specific remuneration policy to retain key employees where appropriate;
9. Select an appropriate comparative group when comparing remuneration levels;
10. Regularly review incentive and retention schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
11. Consider the appropriateness of early vesting of share-based schemes at the end of employment;

12. Oversee the preparation of the remuneration report and ensure that remuneration is disclosed in three parts in the required detail:-
 - a background statement;
 - an overview of the main provisions of the remuneration policy; and
 - an implementation report which contains details of all the remuneration awarded to directors and executive management. [Pr 14 rp 32]
13. Ensure that the remuneration policy and implementation report is put to a non-binding advisory vote at the general meeting of shareholders once every year. [Pr 14 rp 37]
14. To consider all risks within its areas of responsibility and mandate and to provide input to the Risk & Compliance Committee in this regard.

Authority

1. The Committee acts in terms of the delegated authority of the Board as recorded in these terms of reference. It is authorised by the Board to investigate any activity within the scope of its terms of reference.
2. The Committee, in the fulfillment of its duties, is authorised to obtain information it requires from the chairmen of the other board committees, any of the executive directors, officers or company secretary.
3. 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.
4. 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.

Reporting procedure

1. The secretary shall include copies of the approved minutes of committee meetings in the board packs for noting purposes.
2. The minutes of the meetings will be in writing and a draft set of minutes shall be circulated for comment within 10 business days of the date of the meeting to which the minutes pertain.
3. If minutes are not available, the Chairman shall report verbally to the Board on proceedings of the Committee.
4. The Committee shall annually review its compliance with its terms of reference and report to the Board thereon.

Review and Assessment

1. The Committee's terms of reference will be reviewed and updated annually and approved by the Board.
2. The performance of the Committee, its Chairman and individual members shall be evaluated by means of a formal process, at least every two years.

APPROVED THIS 6TH DAY OF DECEMBER 2018.


Chairman of the Board


Chairman of the Committee