

SIRIUS REAL ESTATE LIMITED

(the **COMPANY**)

REMUNERATION COMMITTEE – TERMS OF REFERENCE

The primary function of the Remuneration Committee is to consider the remuneration and associated benefits of the executive directors of the Company and the senior management of the Group.

In these Terms of Reference the following terms shall have the following meanings:

Committee means the Remuneration Committee.

Board means the board of directors of the Company.

1 Membership and Attendance

- 1.1 The Board shall establish a Remuneration Committee of at least three independent non-executive directors.
- 1.2 The chairman of the Board (the **Chairman**) may also be a member of, but shall not chair, the Committee provided the Chairman is considered to be an independent non-executive on appointment.
- 1.3 The Board shall appoint a chairman of the Committee (the **Committee Chairman**) In the absence of the Committee Chairman, and/or any appointed deputy, the remaining members present shall choose one of their number to chair meetings of the Committee (each a **Meeting**).
- 1.4 The Committee shall meet not less than twice a year and at such other times as the Committee Chairman shall require.
- 1.5 Only members of the Committee have the right to attend any Meetings. However, other individuals (including the senior managers of the Company and any other external advisers) may be invited to attend all or part of any Meeting, as and when considered appropriate.
- 1.6 Members of the Committee shall be appointed by the Board for a period of up to three years. Such appointment may then be extended by no more than two additional periods of up to three years provided the relevant director continues to meet the criteria for membership of the Committee.

2 Secretary

The Company Secretary or the Company Secretary's nominee shall act as secretary of the Committee (the **Secretary**).

3 Quorum

- 3.1 The quorum necessary for any Meeting shall be two members. A duly convened Meeting 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.

4 Frequency of Meetings

The Committee shall meet at least twice a year and at such other times as the Committee Chairman shall require. It is recommended that the Committee meets prior to the approval of the Annual Report and Accounts for the purposes of reviewing the director's remuneration report in light of the Company's Annual General Meeting.

5 Notice of Meetings and Proceedings at Meetings

- 5.1 Meetings shall be convened by the Secretary at the request of the Committee Chairman.
- 5.2 Unless otherwise agreed, notice of each Meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the Meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time as the dispatch of the notice.
- 5.3 Notices, agendas and supporting papers may be sent in electronic form where the recipient has agreed to receive documents in such a way.
- 5.4 Meetings of the Committee may be conducted when the members are physically present or through the medium of either video or audio conferences.
- 5.5 If a Committee member is found to have a material conflict of interest (the **Conflicted Member**) in respect of any matter to be considered at a Meeting (the **Conflicted Matter**), then the Conflicted Member shall have no right to vote at and shall have no input into the part or parts of the Meeting at which the Conflicted Matter is discussed. In the event that this results in only one member of the Committee being able to vote on a Conflicted Matter, such member of the Committee shall be entitled to determine his/her own procedures in respect of the Conflicted Matter, subject to the constitutional documents of the Company and to him/her having regard to the importance and urgency of the Conflicted Matter.

6 Minutes of Meetings

- 6.1 The Secretary shall minute the proceedings and decisions of all Meetings, including recording the names of those present and in attendance.
- 6.2 The Secretary should ascertain, at the beginning of each Meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.3 Minutes of Meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board (unless, in the opinion of the Committee Chairman, it would be inappropriate to do so).

7 Annual General Meeting

The Committee Chairman should attend the Company's Annual General Meeting in order to respond to any shareholder questions on the Committee's activities.

8 Duties

- 8.1 The role of the Committee is to assist the Board to fulfil its responsibility to shareholders to ensure that the remuneration policy and practices of the Company reward employees fairly and responsibly, with a clear link to corporate and individual performance, having regard to statutory and regulatory requirements.
- 8.2 The Committee shall not decide upon the remuneration of the non-executive directors including the Chairman, which shall be decided upon by the Board in accordance with the limits set out in the constitutional documents of the Company.
- 8.3 No director shall be involved in deciding his or her own remuneration.
- 8.4 The Committee shall:
 - (a) determine and agree with the Board the framework or broad policy for remuneration, and have delegated responsibility for setting the remuneration of the executive directors, including the level and structure of their remuneration, pension rights and any other compensation payments;
 - (b) review the ongoing appropriateness and relevance of the remuneration policy (seeking to achieve an appropriate balance between fixed and performance-related remuneration and immediate and deferred remuneration) and its cost to the Company;

- (c) review the appropriateness of employee benefits structures and the incentive arrangements in place on an ongoing basis having regard to the risk appetite of the Company and the alignment to the Company's long-term strategic goals as well as to the business strategy of the Group;
- (d) keep under review the pension consequences and associated costs to the Company of basic salary increases and any other changes in pension remuneration;
- (e) ensure that contractual terms on termination, and any payments made, are fair to the individual and the Group, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- (f) in determining the remuneration policy, give due regard to any relevant legal and regulatory requirements, the provisions and recommendations of the UK Corporate Governance Code and the King Report on Corporate Governance for South Africa and the requirements of any stock exchange on which the Company's shares are listed or admitted to trading from time to time (including, at the relevant time, the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules sourcebook and any associated guidance and the JSE Listings Requirements);
- (g) work with the Board (and consult with significant shareholders if appropriate) in ensuring that the remuneration policy articulates and gives effect to fair, responsible and transparent remuneration;
- (h) when setting the remuneration policy for executive directors, review and have regard to the remuneration trends and employment conditions across the Group especially when determining annual salary increases;
- (i) approve the terms of the service contracts and any material amendments to those contracts;
- (j) agree the policy for authorising claims for expenses from the executive directors; and
- (k) be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee, and obtaining reliable, up-to-date information about remuneration in other companies.

8.5 The remuneration of the executive directors and senior management should reflect their duties, responsibilities and the value of their time spent. The Committee shall be entitled to place

reliance on external benchmarking in reviewing the remuneration policy of the executive directors and senior management.

- 8.6 The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfill its obligations.

9 Other Matters

- 9.1 The Committee shall have access to sufficient resources, including adequate information (provided by the Board on a proactive as well as a reactive basis) in order to carry out its duties, including access to the Company Secretary for assistance as required.
- 9.2 The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 9.3 The Committee shall arrange for periodic reviews of its own performance and, at least annually, review its constitution and these Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 9.4 The Committee shall give due consideration to relevant laws and regulations, the provisions of the UK Corporate Governance Code and the King Report on Corporate Governance for South Africa and the requirements of any stock exchange on which the Company's shares are listed or admitted to trading from time to time (including, at the relevant time, the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules sourcebook and any associated guidance and the JSE Listing Requirements).
- 9.5 These Terms of Reference shall be made generally available.

10 Reporting

- 10.1 The Committee Chairman shall report formally to the Board on the Committee's proceedings after each Meeting on all matters within its duties and responsibilities.
- 10.2 The Committee or the Committee Chairman shall meet formally with the Board at least once a year to discuss matters including the Annual Report and Accounts of the Company.
- 10.3 The Committee shall make recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is needed and shall compile a formal report to shareholders to be included in the Annual Report and Accounts of the Company (having due regard, in particular, to the provisions and recommendations of the UK Corporate Governance Code and the King Report on Corporate Governance for South Africa).

11 Authority

- 11.1 The Committee is authorised by the Board to investigate any activity within its Terms of Reference and to seek any information it requires. The Board shall require that senior management and any external advisers co-operate with any request made by the Committee.
- 11.2 The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other independent professional advice on any matters within its Terms of Reference. However, prior to committing to any fees, the Committee should consult with the Chairman to agree fee levels.

12 Procedure

- 12.1 Subject to the constitutional documents of the Company, the Committee shall determine its own procedures.

Approved by the Board on 19 January 2018