



**REBOSIS PROPERTY FUND LIMITED
REMUNERATION COMMITTEE - TERMS OF REFERENCE**

CONSTITUTION

The company will establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, within agreed terms of reference, to avoid potential conflicts of interest. A formally appointed remuneration committee of the board, composed wholly or substantially of independent non-executive directors, can be a useful mechanism for facilitating the determination of all the essential components of remuneration and establishing remuneration credibility with shareholders. The Committee's function in relation to remuneration of non-executives, for reason of self-interest, should be limited to making recommendations to the full board and, as applicable, to the shareholders.

The financial reward offered by the company should be sufficient to attract people of the required calibre. Failure to attract the right people will have a negative impact on the efficiencies of the company and, consequently, on the returns to its shareholders.

MEMBERSHIP

- The Remuneration Committee ("Committee") will consist of not less than two directors appointed by the board of directors ("board"), both of whom shall be independent, non-executive directors.
- The board will appoint the Committee chairperson and determine the period for which he or she shall hold office. The chairperson of the board, if he or she is an independent non-executive director, may be eligible to be appointed as chairperson of the Committee.

TERMS OF REFERENCE

- The role of the Committee will be to work on behalf of the board and be responsible for recommendations and will, within these terms of reference:
 - note, agree and develop the company's general policy on executive and senior management remuneration;
 - review specific remuneration packages for executive directors of the company, including but not limited to basic salary, annual bonuses, performance-based incentives, share incentives, other benefits; and
 - review and note any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities.
- The Committee will aim to give the executive directors every encouragement to enhance the

company's performance and to ensure that they are fairly, but responsibly, rewarded for their individual contributions and performance.

- The Committee will review (at least annually) the terms and conditions of executive directors' service agreements, taking into account information from comparable companies where relevant.
- The Committee will determine any grants to executive directors and other senior employees made pursuant to the company's executive share scheme (if applicable).
- The Committee will be kept informed of relevant information for other group executives and senior managers.
- The Committee will co-ordinate its activities with the chairperson of the board and the chief executive as well as consult with them regarding the Committee's remuneration policy and when determining specific remuneration packages.
- The broad framework and cost of executive remuneration should be a matter for the board, on advice of the Committee.
- The Committee may wish to consult other non-executive directors in its evaluation of the chairperson of the board and the chief executive.
- The Committee will have due regard to the principles of governance and codes of best practice.
- The Committee will liaise with the board in relation to the preparation of the Committee's report to shareholders as required.

SHAREHOLDER ACCEPTANCE

- Every effort should be made to promote acceptance of the necessity for, and benefits of, a realistic realignment of director remuneration.
- Requirements to disclose remuneration in the annual report is seen as a constructive opportunity to communicate with shareholders on all aspects of remuneration.
- The information disclosed could in relation to each director, usefully include such matters as a breakdown of remuneration into its individual components, the remuneration package as a total cost to the company, the number of meetings attended and, if practicable, the number of hours worked.
- The adoption by companies of formal remuneration policies, encompassing such matters as the philosophy behind remuneration assessments, the criteria for remuneration setting, the remuneration components, and the composition and role of the Committee, and the disclosure of such policies to shareholders, can also indicate to the public a responsible approach by companies to remuneration issues.

MEETINGS

- Meetings of the Committee will be held as the Committee deems to be appropriate, however, the Committee should meet at least once each year. Further meetings may be called by the chairperson of the Committee or any member of the Committee.
- The notice of each meeting of the Committee, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances be forwarded to each member of the Committee not less than four working days prior to the date of the meeting.
- The quorum for decisions of the Committee shall be a majority of members who shall vote on the matter for decision.
- The Committee shall normally invite the chairperson of the board and the chief executive to attend meetings to discuss the performance of other executive directors and to make proposals as necessary.
- The chairperson (or in his/her absence, an alternative member) of the Committee shall attend the annual general meeting and be prepared to answer questions concerning the appointment of executive and non-executive directors and maintain contact as required with the company's principal shareholders about the appointment of executive and non-executive directors in the same way as for other matters.

PROCEEDINGS

- Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the company's articles of association regulating the meetings and proceedings of directors and committees.
- The committee secretary shall take minutes of meetings. Any director may, provided that there is no conflict of interest and with the consent of the chairperson, obtain copies of the Committee's minutes.
- No Committee attendee shall participate in any discussion or decision in respect of their own remuneration.

REMUNERATION

- Having regard to the functions performed by the members of the Committee in addition to their functions as directors in relation to the activities of the Committee, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the board.
- Such special remuneration shall be in addition to any annual fees payable to directors.

\GENERAL

- The Committee, in carrying out its tasks under these terms of reference, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.
- The board should ensure that the Committee will have access to professional advice both inside and outside the company in order for it to perform its duties.
- These terms of reference may from time to time be amended, as required, subject to the approval of the board.

