

## APPROVAL

Date	6 <sup>th</sup> September 2022
Reviewed by Audit and Risk Committee Representative	Kate Maphage
Reviewed by Executive Chairman	Guido Renato Giachetti
Reviewed by Chief Executive Officer	Jacopo Pari

## KEY STAKEHOLDERS

Governing Body	Board of Directors
Remuneration and Nomination Committee	Committee delegated to oversee, review and make recommendations for group's remuneration and nomination policy (To be Constituted in response to the Tower Transaction acquisition)
Executive Chairman	Guido R Giachetti
Chief Executive Officer	Jacopo Pari
The Manager, Management Company	Property and Asset Management Limited, so long as the current management agreement with RDC continues, and it's successor should it be terminated and /or it's subsidiaries or outsourced service providers.
Management Team – "The Manager"	Management and Staff of the Manager

### 1. Introduction

- 1.1 RDC Properties Limited ("RDC" or "RDC Group") comprises RDC Properties Limited and RDC's subsidiaries and, in the context of this Policy, the outsourced Management Company (whose employees shall be referred as members).
- 1.2 The Remuneration and Nomination Committee ("Committee") is a committee of the Board of Directors to be created at the discretion of the RDC Board.
- 1.3 This Policy sets out the scope of the Committee's responsibilities.
- 1.4 For the purposes of this Policy, the term "senior executives" refers to any employees of the RDC Group whose remuneration is required to be disclosed in the RDC financial reports under the Act.

### 2. Objectives

The objectives of the Committee are to assist the Board to achieve its objectives of ensuring that the RDC Group:

- 2.1 Ensures that the level, composition and the remuneration of the Board Members, and the Executive Officers, is sufficient and reasonable to attract and retain talented individuals who are capable of fulfilling such roles.
- 2.2 Has coherent remuneration policies.

### **3. Nominations and Board Composition**

The Committee is responsible for:

- 3.1 Identifying and recommending to the Board, nominees for membership of the Board and the re-election (if sought) of retiring directors;
- 3.2 Responsible for insuring the necessary and desirable competencies and characteristics for Board membership and regularly assessing the extent to which those competencies and characteristics are represented on the Board;
- 3.3 Developing and implementing processes to identify and assess necessary and desirable competencies and characteristics for Board members;
- 3.4 Ensuring succession plans are in place to maintain an appropriate balance of skills on the Board and reviewing those plans;
- 3.5 Ensuring succession plans are in place with regard to the Executive Officers;
- 3.6 Recommending the removal of directors;
- 3.7 Recommending to the Board measurable objectives for achieving gender diversity; and
- 3.8 For any new and or retiring director seeking re-election, the Committee will:
  - a. undertake appropriate checks into the retiring director's criminal record and bankruptcy history;
  - b. consider their character, experience and education;
  - c. consider the skills they bring to the Board, taking into account the Board Skills;
  - d. obtain and consider details of any other material directorships they hold and an indication from the retiring director of the time involved. The retiring director should specifically acknowledge that they will have sufficient time to fulfil their responsibilities to RDC Group; and
  - e. consider whether the director remains independent according to the BSE Corporate Governance *Principles and Recommendations*.

### **4. Appointing New Directors and Performance of Directors**

- 4.1 It is intended that the Board of the RDC Group will be structured in such a way that it:
  - a. has a proper understanding of, and competence to deal with, the current and emerging issues of the business;
  - b. exercises independent judgement;
  - c. is appropriately diverse in its composition;
  - d. encourages enhanced Company performance; and
  - e. can effectively review and challenge the performance of management.
- 4.2 The procedure for appointing new directors is designed to ensure maximum transparency and objectivity. Each appointment should be based on merit and suitably extensive enquiries should be made to find candidates.
- 4.3 The Committee is responsible for:
  - a. facilitating an annual review of the performance of the Executive Officers;

- b. establishing processes for evaluating the performance of the Board, Board Committees and directors;
  - c. regularly reviewing the time required from non-executive directors to perform their functions.
- 4.4 A member of the Committee must not participate in any review or assessment of their own performance.

## **5. Remuneration Policy and Practices**

The remuneration policy shall focus on the framework of remuneration applicable to the Board of Directors and the fees paid to the Management Company tasked with daily operations of the business.

The Committee is responsible for:

### **5.1 Directors Remuneration**

- a. Making recommendations to the Board about the remuneration framework for non- executive directors, including the allocation of the directors' fees. The fees for the Directors serving on the RDC Board and Board sub-committees shall be in principle reviewed every five (5) years, by the Board or its nominated sub-committee, benchmarking to the Botswana listed property sector. Notwithstanding the review duration herein stated, the Board shall reserve the right to conduct a review outside the proposed period should there be a pressing need to do so following recommendation from the remuneration committee.
- b. The Directors' Fees, which require shareholder approval in terms of the law, shall be submitted for approval at the Shareholders' Annual General Meeting through a non-binding advisory vote.

### **5.2 Diversity**

Making recommendations to the Board in relation to whether there is any gender or other inappropriate bias in remuneration for directors.

### **5.3 Policies for the Review of the fees payable to the Manager.**

- a. Making recommendations to the Board about the remuneration framework for the Managing Company's remuneration through the Service Level Agreement.
- b. The terms of the agreement with the Managing Company, shall be in principle reviewed every five (5) years by the Board or its nominated sub-committee. The following considerations shall be made by the remuneration committee while deciding on setting up and / or reviewing the Managing Company's remuneration through the Service Level Agreement framework:
  - Conduct a review of the market related fees of listed peer groups or property companies;
  - Adapt the proposed policy to the size of the organisation as well as the complexity of the work performed;
  - Remuneration shall always be designed to promote the long-term success of the organisation.
  - Appoint external consultants to provide advice on the proposed remuneration structure if required.

### **5.4 Practices for the Review of Remuneration by the Committee**

The following considerations shall be made by the Committee while deciding on setting up and / or reviewing remuneration:

- a. Conduct a review of the market-related fees of listed peer groups or property companies;
- b. Adapt the proposed policy to the size of the organisation as well as complexity of the work performed
- c. Remuneration shall always be designed to promote the long-term success of the organisation.
- d. Appoint external consultants to provide advice on the proposed remuneration structure if required.

## **6. Committee Composition**

- 6.1 The Committee must comprise:
  - a. at least three RDC Directors; and
  - b. a majority of independent Directors.
- 6.2 The Committee will appoint its Chair. The Chair of the Committee must be an independent RDC Director and may not be the Chair of the RDC Board.
- 6.3 The Committee will appoint a secretary.
- 6.4 The RDC Board decides appointments (when applicable), rotations and resignations within the Committee, having regard to the BSE Listing Rules, the Companies' Act and each Company's constitution.

## **7. Committee Meetings**

- 7.1 The Committee will meet at least once a year, or often enough to undertake its role effectively. The secretary of the Committee must convene a meeting at the request of any member of the Committee.
- 7.2 A quorum for a committee meeting is two Committee members.
- 7.3 Committee meetings may be held by any technological means allowing its members to participate in discussions, even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.
- 7.4 The Committee Chair must report the Committee's findings to the next full Board meeting after each meeting of the Committee.
- 7.5 The Committee may invite other persons it regards appropriate to attend Committee meetings.

## **8. Disclosures**

The Committee shall ensure that transparency and accountability is maintained by providing the remuneration report for the review of shareholders in the Integrated Annual Report.

## **9. Mandate and Authority**

The Board of Directors of the Manager shall have the full discretion in determining appropriate remuneration policies and practices for the respective management and employees under their direct governance, including the Executive Directors appointed by the Board.

The RDC Board shall have the full discretion in determining appropriate incentives share schemes to be submitted for approval at the unitholders' Annual General Meeting through a non-binding advisory vote.

**10. Amendment of the Policy**

This policy shall be subject to constant review, monitoring and amendment by the Board of Directors who shall ensure all reviews are reduced to writing and records of such amendments clearly noted in the business of the day where such amendments were adopted.

**11. Approved, adopted, and reviewed**

This policy was approved and adopted by the Governing Body on the 6th day of September 2022

**Approval Signatures**

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**Governing Body Representative**

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**Executive Chairman**

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**Chief Executive Officer**