RH BOPHELO LIMITED

REMUNERATION POLICY

06 AUGUST 2026

POLICY DETAILS

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Contents

DEFINITIONS AND INTERPRETATIONS

Board	The Board of RH Bophelo shall be referred to as The Board
Company	RH Bophelo Limited
King V	King V Code on Corporate Governance for South Africa, 2025
Chairman	The Chairperson of the Board
JSE	Johannesburg Stock Exchange
Policy Owner	The designation position in the organisation that can modify the policy, drive compliance within the organisation and is responsible for future updates.
Policy Sponsor	Designated position in the organisation that introduces and support the policy at the appropriate governance level and is responsible for approving any future changes.
RH Bophelo	RH Bophelo Limited
25th percentile	75% of the market earn above this percentile
50th percentile	50% of the market earn at this level
75th percentile	25% of the market earn on this percentile

1. INTRODUCTION

The purpose and objective of this policy is to provide guidance to the Company in terms of addressing the remuneration philosophies and processes. The policy provides the Remuneration and Nominations Committee direction on how remuneration should be approached and addressed within the Company. The policy seeks to align the remuneration standards of the Company with the recommendations of Principle 11 of King V, Section 30A and Section 30, of the amendments to the Companies Act. Therefore, the main purpose and functions of the Remuneration Policy are to:

a) Maintain the Company's strategy by assisting in building a competitive, high performance and innovative organisation with an entrepreneurial culture that aspires to fairness, responsibility, and transparency.

b) Retain and promote achievement of strategic objectives by rewarding employees with high performance.

c) Retain human capital and promote responsible citizenship.

d) Promote and support positive outcomes across the economic and social context in which RH Bophelo Limited (RH Bophelo) operates.

e) To establish an engaged and motivated company which fosters increased productivity and a decrease in staff turnover.

2. KEY STAKEHOLDERS RESPONSIBLE FOR IMPLEMENTING THIS POLICY

Stakeholder	Designation	Approval Signature	Approval Date
RemCo	Chairperson		
Board	Chairperson		
Chief Executive Officer	Chief Executive Officer		
Statucor (Pty) Ltd	Company Secretary		

REMUNERATION OF EXECUTIVE DIRECTORS

3. GUIDING PRINCIPLES

3.1 RH Bophelo's reward principles are as follows:

a) Remuneration should be appropriate for the type of organisation and support the achievement of the strategic objectives.

b) The process of remuneration for management shall be conducted in good faith and in accordance with appropriate levels of confidentiality.

c) Remuneration will be aimed at being competitive in the appropriate market. It is normal practice to reward employees between the 25th and 75th percentiles aiming to reward acceptable performers at the market 50th percentile.

d) Reward management should give consideration to internal equity but should allow for a reasonable level of differentiation, i.e., rewarding high performers at the 75th percentile of the market and developing or newly promoted employees at the market 25th percentile. Should the employee be paid outside the salary range of the 25th and 75th percentile, future increments shall be treated as a living allowance until such time as the employee falls within the band.

e) RH Bophelo recognizes individual employee merit and performance in determining employee salary levels as well as salary increases.

f) Remuneration shall be reviewed and benchmarked biannually through independent external professional service providers to maintain external competitiveness of reward and address any possible pay anomalies. In addition to permit a strategic premium for complex healthcare mandates. (LTI design, reference withing Section 8)

3.2 Consideration will be given to all of the following in setting remuneration levels:

a) The position, including job size and internal relativities (job grade);

b) The competencies that the person brings to the role;

c) The organisation's capacity to pay; and

d) The relevant market comparisons.

3.3 Pay Premiums

RH Bophelo will pay a premium where appropriate. A premium is not guaranteed and will take into consideration a number of factors, such as:

a) The market for the particular job (position / scarcity premium);

b) The skills and experience of the person (person specific / skill / competency premium); and

c) Role specific premium in case of blended / dual responsibilities.

d) Introduce automatic provisional calculation at year-end annually, subject to ratification thereof at the next board meeting.

e) Ensure transparent documentation of KPI attainment.

3.4 Market premium

A market premium may be applicable where:

a) There have been sustained and significant market pressures in recruitment and retention evidenced through supporting data;

b) Current practice in competing organisations in relation to premiums, e.g., salary surveys or particular discipline, occupational group, or industry segment in the general market; and

c) There has been a high turnover of staff in a particular area due to a lack of competitive remuneration.

3.5 Person Specific (skills / competency) Premium

A person specific premium may be applicable where:

a) The staff member's contribution is a critically important contribution to the achievement of strategic objectives in the organisation;

   i. The staff member adds exceptional value to the organisation and, if lost would have a detrimental impact on the organisation;

   ii. The staff member has a critical skill set that if lost would be detrimental to the organisation. Plans will need to be put in place to transfer critical knowledge and skills.

3.6 Role Specific Premium

A role specific premium may be applicable where the position requires substantial additional duties above the current level of the individual's classification.

4 SCOPE OF APPLICABILITY

This Policy applies to all employees of RH Bophelo and their Executive Management. However, the Policy does not apply to the following employees:

a) Other categories of employees excluded from the provision hereof, as determined by the Remuneration Nominations Committee of the Company from time to time;

b) Contractors of third-party employees;

5 Key Elements of Remuneration

Remuneration refers to all forms of financial returns and tangible services and benefits staff members receive as part of an employment relationship. Remuneration is defined as the "total package" received by every employee.

5.1 Total package consists of the following elements:

a) Basic salary which is the basic rate of salary in Rands per month.
b) Total Guarantee Remuneration is the basic salary inclusive of all benefits such as Pension, Medical Aid, Life, and disability Insurance etc.

5.2 Annual Short-Term and Long-Term Incentives:

a) Annual Short-Term and Long-Term Incentives will be based on short term and long-term performance based on performance criteria and trigger point. If the employee has less than one (1) years' service, but more than 6 months, the annual incentive is paid on a pro-rata basis. The annual incentive will only be paid to employees who are in the employ of RH Bophelo at the time the incentive is paid.

b) LTI/Deferred Incentive Scheme to be implemented subject to RemCo approval.

c) Maintain a 6% baseline and introduce performance banded increases (4-8%) within approved budget.

d) Allow CEO discretion (RemCo to be notified) for scarce skill.

6 PAY DAY

Salaries are paid on or about the 25th day of every month. Where the 25th day falls on a Saturday, Sunday or Public Holiday, salaries will be paid on the first working day preceding the 25th. Salaries are normally electronically transferred to an employee's bank or savings account.

On termination of service, an employee may be paid on the last working day of their notice month.

7 SALARY REVIEW PROCESS

Salary review processes to be conducted biannually by Executive Management based on inflation trends, economic and market factors for consideration by the Remuneration & Nominations Committee.

a) Remuneration increases trends

As a consequence of such reports and consideration of the Remuneration and Nominations Committee's own assessments of remuneration trends, the Remuneration and Nominations Committee will recommend a budgetary increase to the Board for staff salaries and Board members remuneration, for the ensuing year commencing in March annually.

The Remuneration & Nominations Committee considers and approves a recommendation by management individual staff salary increases, within the budget as approved by the Board under its delegated authority from the Board.

Increases are effective from March annually.

Salary increases are granted on the Total Guaranteed Remuneration.

8 GOVERNANCE OF REMUNERATION IN RH BOPHELO

The governance and management structure regarding remuneration issues is made up of the following:

a) The Board approves the budget for salary increases for staff and management.

b) The Remuneration and Nominations Committee ensures good governance and oversight of the Remuneration Policy. It considers and approves individual staff salary increases within the budget as approved by the Board.

c) The Chief Executive Officer is responsible for recommending to the Remuneration & Nominations Committee salary increases for staff considering the following:

   i. The current market competitive position (external competitiveness);
   ii. the position, including job size and internal relativities;
   iii. the competencies that the person brings to the role.

The Chief Executive Officer should also analyze pay anomalies and prepare a motivation of exceptions, i.e. where remuneration is either below or above the recommended market pay range of **(the median range of the Small Caps of JSE listed companies** and this recommendation should be subject to consideration and final decision by the Remuneration & Nominations Committee. Pay anomalies are acceptable in a number of situations such as:

i. Buy-in premiums to secure a critical and scarce skill;
ii. Roles with dual responsibilities;
iii. Retention of core and critical skills
iv. Consistently exceeding performance criteria.

9 MARKET / SALARY BENCHMARKING

a) Market benchmarking for Executive Directors and prescribed officers is to be conducted biannually based on market capitalisation and sector-appropriate peer companies.

b) To align with the general market practice RH Bophelo compares itself to companies within its industry (by participating in Financial and Insurance industry surveys, as well as other relevant surveys).

c) Discretionary elements of pay beyond benchmark levels can be included for scarcity, attraction, and retention purposes, where appropriate.

d) Targeting remuneration to market levels is generally done based on total guaranteed packages.

e) To remain competitive, market-related premiums will be considered for certain skills, employment equity purposes and if there is a shortage of skills.

10 RETENTION PAYMENTS

Retention payments relate to once-off payments or increases granted to roles or positions that represent a scarce skill or key talent for the business and are identified retention risks. This is when RH Bophelo is heavily reliant on retaining an employee due to that employee’s skills being of such a nature that the skill cannot be easily replaced and where the employee is in a role that adds high value to RH Bophelo.

Management has the discretion to make retention payments to executives and key employees, whether in the form of cash or equity-based payments, in exceptional circumstances, subject to the approval of the RH Bophelo's CEO. RH Bophelo reserves the right to make the retention payment subject to vesting periods and performance and /or continued employment provisions, as well as pre-vesting forfeiture and clawback where appropriate.

11 RESTRAINT OF TRADE

If deemed necessary RH Bophelo may conclude restraint of trade agreements with Executives or include restraint of trade provisions within the contracts of employment, this will be subject to the approval of the Remuneration and Nominations Committee for recommendation to the Board.

RH Bophelo retains the right to enforce or not enforce any restraint of trade so imposed and will consider any reasonable request by employees to be released from the application of the restraint of trade upon the termination of service.

12 REMUNERATION OF NON-EXECUTIVE DIRECTORS

The fees for Non-Executive Directors serving on the RH Bophelo Board, Board Committees, and certain operational structures are revised annually and submitted for consideration to the Remuneration and Nominations Committee. The fees which require shareholder approval in terms of the law are submitted for approval at the Shareholders' Annual General Meeting. In considering adjustments to the Non-Executive Directors' fees, a range of factors are considered, including a review of the market-related fees of listed peer groups. Market benchmarking considers the size of the organisation as well as the complexity of the work performed.

a) Board Members will be remunerated in the form of meeting fees per meeting attended as well as an annual retainer fee paid quarterly. Meeting fees incorporate meeting preparation, research, and post-meeting follow-up (collectively "pre-meeting preparation"), as well as the length of the meeting itself, and are based on an estimate of the total time requirement. These fees will be approved annually by the Shareholders.

b) If a Board Member is requested by the Board to form part of a specific task team or attend a Strategic Planning Session of the Board, outside of the existing statutory committees, they will be remunerated at the sitting rate determined by the Remuneration & Nominations Committee annually and approved by the Board for each sitting of a meeting, irrespective of the number of days over which the sitting takes place.

c) Board Members who are not formal members of a specific Committee shall be remunerated for attending such a Committee meeting if the Chairperson of that committee formally invited the Board Member to attend or if the Chairperson of the Committee on which the Board is serving formally requests the Board to represent the Committee. The Board Member's attendance will be remunerated at a set fee as approved at the Annual General Meeting approved by the Shareholders.

d) If a Board Member who is not a Committee member of a specific meeting attends a meeting without a formal invitation, no remuneration or subsistence or travel claim will be processed on behalf of that Board Member.

e) A Board member is expected to attend at least three quarters a meeting in order to receive board fees for that meeting.

f) As of 1 June 2017, the South African Revenue Service (SARS) recognises Board Members in the same manner as Non-Executive Directors (NED's) and therefore:

i. Board Members are not employees of RH Bophelo.

ii. Board Members to register as suppliers and issue RH Bophelo with an invoice to claim committee meeting and retainer fees.

iii. Board Members who earn above R1m per annum as NED's are required to register for Value Added Tax (VAT) as per SARS ruling, effective 1 June 2017. A Board Member may also voluntarily register for VAT if the taxable earnings are likely to exceed R50 000.00 per annum.

iv. Board Members are required to submit proof of their VAT registration to the Executive Management.

v. It is the Board Member's responsibility to ensure compliance with both income tax and VAT.

vi. Board Members may agree in writing with the RH BOPHELO to withhold VAT from their remuneration but the responsibility to ensure compliance with the Income Tax Act and VAT Act remains with the Board Member.

g) The Executive Management is responsible for providing those Board Members who have registered for VAT with the necessary information to enable them to submit an invoice to RH BOPHELO. The information will be provided to Board Members before the 3rd of every month. Payment for meeting attendance will be made within two weeks after the duly completed invoice has been received. Board Members who are registered for VAT should include a charge for VAT on the invoice for committee attendance fees as well as retainer fees.

h) The Executive Management is responsible for preparing all claims for meeting attendance on behalf of Board Members who have agreed that VAT be deducted. Payment for meeting attendance will be made on a quarterly basis and within 7 (seven) working days following the board meeting; provided that the duly completed invoice has been received. .

i) The Board fees for Non-Executive Directors shall be reviewed biannually and aligned with the median range of small-cap companies listed on the JSE. Any proposed increases shall be subject to shareholder approval.

13 RETAINER FEE

Non-Executive Directors are paid an annual retainer fee and set fee approved at the Annual General Meeting by shareholders.

The Chairperson of the Board or the Chairpersons of the Board sub-Committees are paid at higher levels than the other members, and differing levels of remuneration are also paid for the various Board Committees to reflect the complexity and amount of preparation required.

Principles of Retainer Fee

The following principles or the payment of a retainer fee should be followed:

13.1 A retainer fee will be paid to Board Members due to the fact that Board Members make contribution through e-mails, round robin approvals, including any work performed than meeting attendance.

13.2 Retainer fees will be paid to Board Members, Chairpersons of Board sub-Committees, and the Chairperson of the Board.

13.3 The annual retainer fee will be paid on a quarterly basis to the Board Members of RH BOPHELO. The Executive Management is responsible for providing those Board Members who have registered for VAT with the necessary information to enable them to submit an invoice to RH BOPHELO. The information will be provided to Board Members following the quarterly board meeting.. Payment will be made within 7 (seven) working days thereafter provided thatthe duly completed invoice has been received.

13.4 The Board of Executive Management is responsible for preparing and submitting all claims for the payment of retainer fees on behalf of Board Members who have agreed that VAT be deducted from their remuneration.

14 GENERAL PROVISIONS

14.1 The Chairman of the Board shall not be a chairman of any other committee of the Board.

14.2 No fees, remuneration or incentives shall be paid to Executives who sit on the RH Bophelo ex-officio.

14.3 For purposes of determining remuneration benchmark for Board members, the following principles shall be applied:

RH Bophelo shall be benchmarked and calculated on the median fee of a Non-Executive Investment Committee Member of equivalent group of JSE small size listed company at a turnover and asset size equivalent to RH Bophelo size. The parameter of the comparator JSE Company shall be R600million to R1,2b asset value.

14.4 Board Members will not be remunerated for non-attendance of meetings.

14.5 Where a Board Member attends a meeting where there is no quorum, the attendees of the meeting will be remunerated as per the meeting fee applicable i.e., as if there was a quorum.

14.6 If a Board Member is appointed to sit on a Board or any other such Structure on behalf of the Board and qualifies for remuneration in terms of that Board or Structure's remuneration policy, then such a person may elect to be remunerated either in terms of RH Bophelo Board's remuneration policy or in terms of the policy of that Board or Structure. The election of preferred remuneration would be applicable for the entire term of the person's appointment to that Board or Structure. The CFO and CEO will structure a quarterly remuneration reporting template to Remco.

14.7 The Board and Remuneration Committee shall recalibrate Board fees annually to ensure elevance. Benchmarking to be conducted biannually and in conjunction with item 12.

14.8 Board and committee assessments should be carried out regularly to assess individual Board Member contributions.

14.9 There should be control and regular review of the number of committees on which Board Members serve to ensure that they have the ability and capacity to discharge their duties effectively.

14.10 The Chief Executive Officer will submit a written report, regarding all payments made to all Board Members, to the Board on a quarterly basis.

14.11 To minimize on the number of Investment Committee meetings, the Board should consider delegating a percentage of asset allocation to Management.

15 LIMITATIONS, ELIGIBILITY AND CONDITIONS

15.1 The Rules of the Company will take up precedence in the event of any apparent conflict or dispute in respect of the interpretation of this Policy.

15.2 The remuneration of Board Members in terms of this policy specifically excludes travel, accommodation, and other authorised reasonable expenses incurred by Board Members as it is provided for in the RH Bophelo Travel Policy.

16. REMUNERATION REPORTING, SHAREHOLDER VOTING AND STATUTORY COMPLIANCE

16.1 The Company shall ensure that its remuneration governance, disclosures and shareholder approvals comply with:

- Sections 30A and 30B of the Companies Act 71 of 2008 (as amended), and Companies Amendment Act, 2024
- The JSE Listing Requirements
- The principles and recommended practices of King V

Ass part of the Disclosure Framework and at the end of each financial year, a remuneration report and statutory remuneration disclosures will be produced which will be part of the integrated report and will consist of:

- The Remuneration Implementation Report;
- An overview of the Remuneration Policy;
- Statutory remuneration disclosures.

16.2 **In accordance with the Companies Act, as amended, and by the Companies Amendment Act, 2024, the Company shall comply with the requirements of Sections 30A and 30B relating to remuneration governance and disclosure.**

16.3 The Remuneration Policy shall:

- be presented to shareholders for approval by a binding **ordinary resolution at the Annual General Meeting (AGM)**;
- remain valid for a period of **three (3) years** from the date of approval;
- be re-submitted for shareholder approval at least every three (3) years or where any **material amendments** are made; and

- where not approved by shareholders, be **re-submitted at the next AGM or at a shareholders' meeting convened for that purpose**.

16.4 The Company shall prepare an **annual Remuneration Implementation Report**, which shall:

- be presented to shareholders at each AGM;
- be subject to approval by a binding **ordinary resolution**; and
- comprise the following components:
    - a background statement;
    - the Remuneration Policy; and
    - an implementation report detailing remuneration outcomes.

16.5 The Remuneration Report shall include, where applicable:

- total remuneration of **directors and prescribed officers**;
- total remuneration of the **highest-paid and lowest-paid employees**;
- **average and median total remuneration** of employees; and
- **remuneration gap indicators**, including ratios reflecting pay differences across employee groupings.

16.6 As required by the JSE Listings Requirements, Section 30A and 30B of the amendment Act 2024, and Companies Act 71 of 2008 (as amended), and as recommended by King V, the Remuneration Policy and Remuneration Report will be presented to the Shareholders of the Company for a **binding resolution** at the Annual General Meeting following publication of the annual integrated report.

16.7 The Company will endeavor to engage with Shareholders where there are **material dissenting votes, including thresholds of 25% or more**, on the Remuneration Policy and/or Remuneration Report and statutory disclosures.

This engagement will:

- seek to understand reasons for dissenting votes;
- address shareholder concerns; and
- inform any necessary **review, amendment, or clarification** of remuneration practices.

16.8 Where the Remuneration Report is not approved by shareholders:

- the Company shall disclose and explain the reasons for non-approval at the subsequent AGM;
- the Remuneration and Nominations Committee shall consider and respond to shareholder concerns; and
- the Company shall take appropriate remedial action in line with statutory requirements and good governance practices.

16.9 Remuneration Committee Accountability

The Remuneration Committee shall:

- Ensure compliance with Section 30A and 30B of the amendment Act 2024;
- Oversee fairness, transparency, and alignment of remuneration outcomes;
- Confirm that disclosures are:
- Accurate, complete and consistent with financial statements

16 Remuneration Fairness and Pay Gap Considerations

- Internal Pay equity monitoring;
- Justification of executive vs employee pay;
- Annual review of: Median pay and pay ratios;
- Alignment with transformation and ESG considerations;

17. Policy Review

Annually as required or every three years