Remuneration Committee Terms of Reference 2026

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This document must be read with the Companies Act, the Company's Memorandum of Incorporation, the JSE Listings Requirements, King V and the Board Charter, each as amended or replaced from time to time.

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1. Constitution, status and application

1.1 The Remuneration Committee (the "Committee") is constituted by the Board of directors (the "Board") of Salungano Group Limited (the "Company") as a committee of the Board in terms of section 72 of the Companies Act 71 of 2008, as amended (the "Companies Act"), and paragraph 5.7(g) of the JSE Listings Requirements.

1.2 The Committee assists the Board with the governance of remuneration throughout the Company and its subsidiaries (collectively, the "Group"), subject to the powers reserved for the Board and the responsibilities of the boards of Group subsidiaries under applicable law and their respective delegations of authority.

1.3 The Committee has an independent oversight role and is accountable to the Board. It does not assume management functions. The Board retains ultimate responsibility and accountability for remuneration governance and for all matters delegated to the Committee.

1.4 The duties of Committee members under these Terms of Reference are additional to their duties as directors. Membership of the Committee does not reduce or limit any director's fiduciary duties, statutory duties or duty to exercise independent judgement, due care, skill and diligence.

1.5 These Terms of Reference are subject to the Companies Act, the Company's Memorandum of Incorporation ("MOI"), the JSE Listings Requirements ("Listings Requirements"), the King V Code on Corporate Governance for South Africa, 2025 ("King V"), the Board Charter and any other applicable law, regulation or governance requirement, each as amended or replaced from time to time. If there is an inconsistency, the higher-ranking legal or regulatory requirement prevails.

2. Purpose

2.1 The purpose of the Committee is to assist the Board in ensuring that the Group remunerates fairly, responsibly and transparently in a manner that promotes sustainable value creation and supports the Group's strategy, culture, values and risk appetite.

2.2 In fulfilling this purpose, the Committee oversees the design, approval, implementation, monitoring and disclosure of remuneration policies and practices at all levels of the Group, with particular focus on executive directors, prescribed officers and executive management.

2.3 The Committee also assists the Board in maintaining constructive engagement with shareholders and other relevant stakeholders on remuneration matters and in meeting all statutory, regulatory and governance obligations relating to remuneration.

3. Authority and access to resources

3.1 The Committee is authorised by the Board, within the scope of these Terms of Reference, to:

a. obtain unrestricted access to the information, records, employees, executives and officers reasonably required to discharge its responsibilities;
b. require any employee or executive to attend a meeting or provide information, subject to appropriate confidentiality safeguards;
c. obtain independent legal, remuneration, tax, accounting or other professional advice at the Company's expense, subject to the Company's approved procurement and governance arrangements;
d. investigate any matter within its mandate and report its findings and recommendations to the Board;
e. liaise directly with the Chairperson of the Board, the Chairperson of the Audit, Risk and Compliance Committee, internal and external assurance providers and the Company's sponsor, where appropriate; and
f. delegate administrative or preparatory work to management or advisers, without delegating the Committee's accountability.

3.2 The Committee has only those decision-making powers expressly delegated to it by the Board. Matters outside those powers must be referred to the Board with a recommendation.

4. Composition, appointment and tenure

4.1 Membership

a. The Committee shall comprise at least three members, all of whom must be independent non-executive directors of the Company.
b. Members must collectively have the knowledge, skills, experience and capacity necessary to evaluate remuneration strategy, performance, human-capital considerations, financial consequences, risk and relevant legal and regulatory requirements.
c. The Board appoints Committee members and reviews the composition of the Committee at least annually, with the assistance of the Nomination Committee. Appointments are subject to any shareholder re-election requirement arising under section 30B of the Companies Act.
d. The Board may remove or replace a member at any time, subject to the Companies Act, the MOI and any applicable shareholder approval or re-election requirement.

4.2 Chairperson

a. The Board shall appoint the Chairperson of the Committee, on the recommendation of the Nomination Committee. The Chairperson must be an independent non-executive director.
b. The Chairperson of the Board may be a member of the Committee but may not chair the Committee.
c. If the elected Chairperson is absent from a meeting, the members present shall elect one of their number to chair that meeting.

4.3 Invitees

a. The Group Chief Executive Officer, the Executive Head: Corporate Services, the executive responsible for human resources, the Group Chief Financial Officer and any other executive, employee or adviser may attend meetings by invitation of the Chairperson. Invitees are not members and have no voting rights.
b. No executive or other person may be present when the Committee discusses or decides that person's own remuneration, performance assessment, incentive outcome, contractual terms or continued employment, except to provide information at the Committee's request before withdrawing.

5. Meetings and proceedings

5.1 Frequency and convening

a. The Committee shall meet at least three times in each financial year and more frequently when necessary to fulfil its responsibilities.
b. Meetings may be convened by the Chairperson or, after consultation with the Chairperson, by any Committee member or the Group Company Secretary. Meetings may be held in person, by electronic communication or on a hybrid basis.

5.2 Annual work plan, agenda and papers

a. The Committee shall approve an annual work plan aligned with the Group's reporting cycle, performance cycle, shareholder meetings and statutory obligations.
b. The Chairperson, assisted by the Group Company Secretary and relevant executives, shall approve the agenda for each meeting.
c. The notice, agenda and supporting papers should ordinarily be circulated at least five business days before a meeting. The Chairperson may permit a shorter period when a matter is urgent, provided members receive sufficient information and time to exercise informed judgement.

5.3 Quorum and voting

a. A quorum is a majority of the appointed members.
b. Each member has one vote. Decisions are made by a majority of members present and entitled to vote. The Chairperson has no casting vote; an equality of votes must be referred to the Board or reconsidered at a later meeting.
c. A member who has a personal financial interest or other conflict in a matter must disclose it and comply with section 75 of the Companies Act, the Board Charter and the Group's conflicts-of-interest requirements. A conflicted member shall not participate in deliberation or voting on the matter.

5.4 Written resolutions

a. A written resolution, submitted to all Committee members and approved in writing, including by electronic signature, by a majority of the members entitled to vote, is as valid as a resolution adopted at a duly constituted meeting, unless the Board Charter or MOI requires a higher threshold.
b. The resolution and all supporting information must be retained with the Committee's records and noted at the next meeting.

5.5 Minutes and records

a. The Group Company Secretary is the secretary to the Committee and shall maintain the Committee's records, including agendas, papers, attendance registers, declarations of interest, minutes and written resolutions.
b. Draft minutes should ordinarily be circulated to the Committee within ten business days after a meeting for review. Minutes shall be approved at the next meeting or by written resolution and signed by the Chairperson.
c. The minutes must record the substance of deliberations, decisions, recommendations, dissenting views where requested, recusals and material matters requiring Board attention.

6. Duties and responsibilities

6.1 Remuneration governance framework and policy

a. Develop, review at least annually and recommend to the Board a Group remuneration policy that applies appropriate principles at all organisational levels and meets the requirements of section 30A of the Companies Act, the Listings Requirements and King V.
b. Ensure that the remuneration policy and supporting frameworks are designed to:
   - attract, motivate, reward and retain appropriately skilled people;
   - promote achievement of the Group's strategic objectives within its approved risk appetite;

- support fair and responsible remuneration of executive management in relation to overall employee remuneration;
- provide an appropriate balance between fixed and variable remuneration and between short-term and long-term outcomes;
- align variable remuneration with measurable performance, sustainable value creation and relevant financial and non-financial outcomes;
- prevent rewards for conduct or outcomes that expose the Group to excessive or inappropriate risk; and
- support positive, and minimise negative, impacts on the Group's stakeholders and its economic, social and environmental context, Listings Requirements and King V.

c. Ensure that the remuneration policy addresses, where applicable:
   - eligibility, positioning and the mix of guaranteed, short-term and long-term remuneration;
   - performance measures, weightings, targets, vesting conditions and the approach to target-setting;
   - the responsible and transparent exercise of discretion where formulaic outcomes would be inappropriate, unfairly punitive or result in unintended windfall gains;
   - malus, clawback and other forfeiture provisions, including the circumstances and fair process for their application;
   - sign-on, buy-out, retention, termination, change-of-control and restraint-of-trade payments or awards;
   - minimum shareholding requirements for executives, where adopted;
   - benefits, allowances, retirement funding and other material terms of reward; and
   - the process for considering and approving exceptions to policy.
d. Monitor implementation of the remuneration policy and recommend corrective action where implementation does not achieve its stated objectives or is inconsistent with approved policy.
e. Ensure that no material amendment to a shareholder-approved remuneration policy is implemented before it has been approved by shareholders by ordinary resolution, as required by section 30A(2)(c) of the Companies Act.

6.2 Executive remuneration and performance

a. Within the authority delegated by the Board, approve or recommend to the Board, as applicable, the remuneration, benefits, incentive opportunities and material employment terms of the Group Chief Executive Officer, executive directors, prescribed officers and members of executive management.
b. Review and approve or recommend performance measures and targets for short-term and long-term incentives, ensuring alignment with the Group's strategy, budgets, risk appetite, sustainability priorities and shareholder interests.
c. At the end of each performance period, evaluate performance against approved measures, consider the quality and sustainability of the results, and approve or recommend incentive outcomes in accordance with the remuneration policy.

d. Apply, or recommend that the Board apply, appropriate downward or upward discretion, malus, clawback or forfeiture where justified by risk outcomes, misconduct, material control failures, misstatement, restatement, safety or environmental events, reputational harm or other relevant circumstances.
e. Review material termination arrangements and payments before they are agreed or made, to ensure that they are lawful, contractually justified, consistent with policy and do not reward failure or misconduct.
f. Ensure that no person participates in determining or recommending that person's own remuneration or performance outcome.

6.3 Non-executive director fees

a. Develop and periodically review a non-executive director fee policy setting out the principles and criteria used to determine fees, including role complexity, responsibility, time commitment, market positioning and the financial circumstances of the Company.
b. Recommend non-executive director fees to the Board for submission to shareholders by special resolution in accordance with section 66(9) of the Companies Act. The Committee shall ensure that no fee for service as a director is paid unless authorised by a special resolution approved within the previous two years.
c. Non-executive director fees should not be linked to the Company's share price or short-term performance and non-executive directors should not participate in executive incentive arrangements.

6.4 Incentive schemes and share-based remuneration

a. Oversee the design, operation and effectiveness of short-term, long-term, share-based and other incentive arrangements, including any share incentive trust or other vehicle established for this purpose.
b. Review and approve or recommend, within the applicable delegation framework:
    - scheme rules and material amendments;
    - participant eligibility and award allocations;
    - performance and vesting conditions;
    - vesting, settlement, lapse, forfeiture, malus and clawback outcomes;
    - the treatment of awards on termination, change of control or corporate action; and
    - the use of shares, treasury shares or cash settlement and the resulting dilution, accounting, tax and liquidity consequences.
c. Ensure compliance with the Companies Act, the Listings Requirements, applicable scheme rules and all shareholder-approval requirements in force at the relevant time.

6.5 Fair pay, pay equity and human-capital considerations

a. Oversee whether remuneration practices across the Group are fair, responsible and internally coherent, having regard to workforce remuneration, wage and

salary progression, pay disparities, equal-pay considerations, affordability and the Group's ability to attract and retain critical skills.

b. Review relevant pay-gap, average and median remuneration information and the relationship between executive remuneration and remuneration at other organisational levels, and recommend appropriate actions to the Board and management.
c. Coordinate with the Social and Ethics Committee and other Board committees on overlapping matters, including employment equity, workforce practices, organisational culture, ethics and responsible corporate citizenship, without duplicating their mandates.

6.6 Benchmarking and external advisors

a. Review appropriate market benchmarks and peer groups, while avoiding mechanical reliance on benchmarking or remuneration escalation unsupported by performance, affordability and internal fairness.
b. Where an external remuneration adviser is appointed, assess the adviser's competence, independence and objectivity, approve the scope of work and material fees, and consider whether any other services provided by the adviser create an actual or perceived conflict of interest.

6.7 Risk and sustainability

a. Ensure that remuneration structures and performance measures are consistent with the Group's risk appetite and do not encourage excessive risk-taking, short-termism, misconduct or the manipulation of performance outcomes.
b. Consider input from the Audit, Risk and Compliance Committee and management on risk-adjusted performance, material control failures, audit findings, regulatory breaches and other matters that may affect remuneration outcomes.
c. Ensure that financial and non-financial performance measures are balanced and, where appropriate, include safety, environmental, social, governance, culture and stakeholder outcomes that are capable of objective assessment.

6.8 Remuneration report, disclosure and assurance

a. Oversee the preparation of the annual remuneration report required by section 30B of the Companies Act in respect of the previous financial year and recommend it to the Board for approval and presentation to shareholders.
b. Ensure that the remuneration report comprises:
    - a background statement;
    - a copy of the Company's remuneration policy; and
    - an implementation report containing the disclosures required by section 30B and all other applicable legal, regulatory and governance requirements.
c. Without limiting the applicable requirements, oversee the completeness and accuracy of disclosures concerning:
    - the total remuneration, as defined in section 30B, received by each director and prescribed officer;

- the total remuneration of the highest-paid and lowest-paid employees;
- the average and median total remuneration of all employees;
- the ratio between the aggregate total remuneration of the top five per cent of highest-paid employees and the bottom five per cent of lowest-paid employees;
- the implementation of the remuneration policy, performance outcomes and incentive awards;
- the exercise and effect of discretion, exceptions, malus or clawback;
- material termination payments or contractual obligations;
- the use and independence of remuneration consultants; and
- shareholder voting outcomes, engagement and actions taken in response to concerns.

d. Ensure that the Company maintains appropriate processes, controls, consistent definitions and reliable data to support remuneration disclosures. The Committee shall coordinate with the Audit, Risk and Compliance Committee regarding the nature and extent of assurance over remuneration information and the statutory audit scope.
e. Review all other remuneration-related disclosures in the annual financial statements, integrated annual report, notice of annual general meeting, results announcement and other public reports for consistency and compliance.

6.9 Shareholder approval, voting outcomes and engagement

a. Ensure that the remuneration policy is presented to shareholders for approval by ordinary resolution at the annual general meeting, remains in force for three years from approval and is presented for approval every three years thereafter, in accordance with section 30A of the Companies Act.
b. If the remuneration policy is not approved, ensure that it is presented at the next annual general meeting or at a shareholders' meeting called for that purpose, as required by section 30A.
c. Ensure that the annual remuneration report is presented to shareholders for approval by ordinary resolution at each annual general meeting in accordance with section 30B of the Companies Act.
d. If the annual remuneration report is not approved by ordinary resolution:
   - the Committee shall, at the next annual general meeting, explain how shareholders' concerns were considered;
   - subject to section 30B(6), the non-executive directors who served on the Committee must stand for re-election as Committee members at the annual general meeting at which the explanation is presented; and
   - if the remuneration report for the immediate following year is also not approved, the affected non-executive directors may continue to serve as directors only if successfully re-elected at that annual general meeting and shall be ineligible to serve on the Committee for two years thereafter, subject to the statutory exception for a member who served for less than 12 months in the year under review.
e. Promote ongoing, constructive engagement with shareholders and other relevant stakeholders on remuneration matters, rather than limiting engagement to instances of significant dissent.

6.10 Compliance and regulatory developments

a. Monitor compliance with the Companies Act, the Listings Requirements, King V, the MOI, the Board Charter, approved remuneration policies and all other applicable legal and regulatory requirements.
b. Monitor changes in legislation, regulation, governance codes and market practice and recommend timely amendments to the remuneration policy, remuneration report, incentive arrangements and these Terms of Reference.
c. Report any material non-compliance, control weakness or regulatory concern to the Board promptly and oversee appropriate remediation within the Committee's mandate.

7. Reporting and accountability

7.1 The Chairperson shall report to the Board after each Committee meeting on material deliberations, decisions, recommendations, risks, unresolved matters and any issue requiring Board approval or attention.

7.2 The Committee shall provide the Board with an annual written report on the discharge of its responsibilities and the fulfilment of its annual work plan for inclusion, where appropriate, in the Company's annual reporting.

7.3 The Company's annual report shall include the disclosures required by the Companies Act, the Listings Requirements and King V concerning the Committee's composition, mandate, meetings, attendance, activities and material remuneration matters.

7.4 The Chairperson, or another Committee member nominated by the Chairperson, shall attend the annual general meeting and be available to respond to questions on the Committee's work and the Company's remuneration governance.

7.5 Nothing in these Terms of Reference prevents the Committee from reporting directly to the Board at any time where a matter is urgent, sensitive or material.

8. Conduct, confidentiality and conflicts of interest

8.1 Members and invitees must act with independence, objectivity, integrity and due care and must comply with all applicable legal duties, the Board Charter and Group policies.

8.2 Committee information and deliberations are confidential and may be disclosed only as authorised or legally required. Members and invitees must protect personal information and commercially sensitive remuneration data.

8.3 Members shall disclose actual, potential or perceived conflicts of interest at appointment, annually and whenever a conflict arises. The Chairperson shall ensure that disclosures and recusals are properly recorded.

9. Performance evaluation

9.1 The Committee shall assess annually whether it has fulfilled its responsibilities under these Terms of Reference and its annual work plan and shall report the outcome to the Board.

9.2 The Committee, its Chairperson and individual members shall participate in formal performance evaluations in accordance with the evaluation framework, cycle and methodology approved by the Board.

9.3 The Board may require an additional independent evaluation of the Committee at any time.

10. Review of Terms of Reference

10.1 The Committee shall review these Terms of Reference at least annually and whenever there is a material change in law, regulation, governance practice, the Group's structure or the Committee's responsibilities.

10.2 Any proposed amendment must be recommended by the Committee and approved by the Board.

11. Approval

These Terms of Reference were recommended by the Remuneration Committee on 15 July 2026 and approved by the Board on 29 July 2026.

	29 July 2026
CHAIRPERSON OF THE BOARD	**DATE**