

G13**Terms of Reference****Remuneration and Human Resources Committee 2021**

Author	Ann Easton	Designation:	Company Secretary	
Recommended to Board for Approval:	Mrs. Nokhana Moerane		Chairperson – Remuneration and HR Committee	
Approved by Board	Prof. Bridgette Gasa-Toboti		Chairperson: Board of Dube TradePort Corporation	
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1. Introduction

The Remuneration and Human Resources Committee (the Committee) is constituted as a committee of the Board of Dube TradePort Corporation (DTPC). The duties and responsibilities of the members of the Committee are in addition to those as members of the Board (where applicable).

The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members (where applicable) in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgment in accordance with their statutory obligations.

These terms of reference are subject to the provisions of the:

- Public Finance Management Act (PFMA) No. 1 of 1999;
- KwaZulu-Natal Dube TradePort Corporation Act No. 2 of 2010; and
- Any other applicable law or regulatory provision as well as the recommendations of the Code of Good Governance for South Africa –King IV.

2. Purpose of the terms of reference

The purpose of these terms of reference is to set out the Committee's role and responsibilities as well as the requirements for its composition and meeting procedures.

3. Composition

The Committee comprises at least three members, the majority of which are non-executive members. The Chief Executive Officer serves as the executive member on the Committee. The Corporate Services Executive attends meetings per a standing invitation.

Members of this Committee and its Chairperson are nominated by the Board.

The members of the Committee, as a whole, must have sufficient qualifications and experience to fulfill their duties.

4. Role

The role of the Committee is to assist the Board in the discharge of its duties and responsibilities in relation to:

- Establishing a formal and transparent mechanism for developing remuneration policies and practices for executives that creates value for the Company over the long term;
- Administering the recruitment process of the Chief Executive Officer and recommending the appointment of the Chief Executive Officer and Executives to the Board.
- Support the Chief Executive Officer in the process of appointment of Executives;
- Ensuring succession planning for the Chief Executive Officer and Executive management and key personnel at DTPC;
- Ensure that the Pay Differential at DTPC is reviewed;
- Ensuring that DTPC's remuneration policies and practices are reviewed regularly and aligned to the DTPC strategy;
- Making recommendations to the Board on;
 - Performance assessment of the Chief Executive Officer;
 - Moderation of the performance assessments of Executives and the Company Secretary;
 - Executive remuneration and performance bonuses; and
 - Payment of performance bonuses;
- Development of human resources policies;
- Review and recommend to the Board the DTPC organisational structure above senior management level that will enable the achievement of strategic and business objectives;
- Monitor the implementation of the Performance Management System;
- Monitor the implementation of the DTPC Employment Equity Plan;
- Monitor the implementation of the DTPC Learning and Development Strategy
- Monitor the B-BBEE and transformational initiatives;
- Monitor and consider any material Human Resources Risks and ensure these are communicated to the Audit and Risk; and
- Compliance with relevant legislation.

5. Authority

The Committee acts in terms of the delegated authority of the Board as recorded in these terms of reference. It has the power to investigate any activity within the scope of its terms of reference. The Committee, in the fulfillment of its duties, may call upon the Chairpersons of the other Board committees, any of the executive management or Company Secretary to provide it with information, subject to following a Board approved process.

The Committee has reasonable access to the entity's records, facilities and any other resources necessary to discharge its duties and responsibilities.

The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at DTPC's cost, subject to following a Board approved process.

The Committee makes the recommendations to the Board that it deems appropriate on any area within the ambit of its terms of reference where action or improvement is required.

6. Meeting procedures

6.1 Frequency

The Committee must hold sufficient scheduled meetings to discharge all its duties as set out in these terms of reference. The Committee shall meet at least once per quarter.

Meetings in addition to those scheduled may be held at the request of the Chief Executive Officer, Corporate Services Executive or other members of executive management or at the instance of the Board.

The Chairperson of the Committee may meet with the Chief Executive Officer, Corporate Services Executive and/ or the Company Secretary prior to a Committee meeting to discuss important issues and agree on the agenda.

7.2 Attendance

The Corporate Services Executive, Chief Financial Officer, or other members of executive management, assurance providers, professional advisors and Board members may be in attendance at Committee meetings, but by invitation only and they may not vote.

Committee members must attend all scheduled meetings of the Committee, including meetings called on an *ad hoc*-basis for special matters, unless prior apology, with reasons, has been submitted to the Chairperson or Company Secretary.

The Company Secretary is the secretary to this Committee.

If the nominated Chairperson of the Committee is absent from a meeting, the members present must elect one of the members present to act as chairperson.

7.3 Agenda and minutes

The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in these terms of reference: the more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three-year period. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

A detailed agenda, together with supporting documentation, must be circulated, at least one week prior to each meeting to the members of the Committee and other invitees.

Committee members must be fully prepared for Committee meetings to be able to provide appropriate and constructive input on matters for discussion.

The minutes must be completed as soon as possible after the meeting and circulated to the Chairperson within 7 days of the meeting for review thereof. The minutes must be formally approved by the Committee at its next scheduled meeting.

7.4 Quorum

A representative quorum for meetings is the two non-executive board members.

Individuals in attendance at Committee meetings by invitation may participate in discussions but do not form part of the quorum for Committee meetings.

8. Evaluation

The Board must perform an evaluation of the effectiveness of the Committee every year.

9. Records

The records table shall contain the following information:

Record Name	Location	Responsibility	Retention Period	Disposal
Remuneration and HR Committee Terms of Reference	Store Room; and Dube World	Company Secretary	Indefinite	Indefinite

10. Version History

Indicates the major changes that have been made to the document over its lifetime:

Date	Version No.	Nature of Change
2012		Implementation of terms of reference. Approved by Board.
2013		Annual Review by Committee and Approval by the Board
2014		Annual Review by Committee and Approval by the Board
2015		Annual Review by Committee and Approval by the Board
2016		Annual Review by Committee and Approval by the Board
2017		Annual Review by Committee and Approval by the Board
2018	V1	Annual Review by Committee and Approval by the Board
2018	V2	Amend quorum requirement

2019		Annual Review by Committee and Approval by the Board
2021	V3	Review of structure and review of content of document