

Timberland Services Ltd

REMUNERATION POLICY

DECEMBER 30, 2017

VERSION HISTORY

Updated On	Updated By	Summary of Changes
30 December 2017		Initial Setup

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1 POLICY STATEMENT

Timberland Services Ltd (“**TS**” or the “**Company**”) is required to ensure that there is an appropriate level of remuneration to attract and retain experienced people of high calibre to oversee TS’s business and ongoing development.

Remuneration has to be sufficiently flexible to compete effectively in the market, whilst being financially sustainable.

2 POLICY OBJECTIVE

The purpose of this Policy is to detail the remuneration and benefits accessible to the Employees and Board members within the Company. The Policy seeks to ensure the consistent and equitable remuneration and benefits for Employees and Board members. It also seeks to ensure that all Employees and Board members have a clear understanding of the benefits available to them. Further, it specifies the criteria used to determine the remuneration of those directly or indirectly involved in the activity of provision of benchmarks.

3 SCOPE

This Policy applies to:

1. Board members and
2. the Employees

engaged directly or indirectly in the activity of provision of benchmarks.

4 DEFINITIONS

Capitalized terms not otherwise defined herein have the meaning given to them in the Glossary of Terms document. The following defined terms are set-out here for ease of reference of the reader.

“**Base salary**” is a fixed amount of monetary compensation paid to an Employee by the Company in return for work performed by the Company. Base salary does not include benefits, bonuses or any other potential compensation from the Company.

“**Board member**” is a member of the board of directors of the Company

“**Employee**” is, regardless of jurisdiction and contractual terms, a person who is employed by TS, volunteers, interns, independent consultants and contractors and other authorised personnel offered access to the TS’s resources.

“**Remuneration**” means all forms of Base Salary and includes payments and benefits, monetary or non-monetary, awarded directly to Employees by or on behalf of the Company in exchange for professional services rendered by Employees.

“**Shareholder**” is a person or legal entity who owns shares in an institution or, depending on the legal form of an institution, other owners or members of the institution.

5 GUIDING PRINCIPLES

The Remuneration of the Board members is agreed and approved by the Shareholders.

The Remuneration of the Employees is agreed and approved by the Board members.

Employees and Board members' remuneration packages are exclusively comprised of a fixed component which is benchmarked against a mix of local and regional benchmark providers, professional firms and major corporations.

Experience, qualifications and competency, performance considerations, market considerations (supply and demand), and business criticality will be balanced to determine an appropriate Remuneration to be paid to Employees and Board members.

To ensure competitiveness and mitigate the risk of loss of key Employees and Board members the Remuneration ranges are updated annually.

6 ROLES AND RESPONSIBILITIES IN RESPECT OF THIS POLICY

STAKEHOLDER	RESPONSIBILITIES
Board members	<ul style="list-style-type: none"> • Review and support this Policy • Review and approve exceptions • Reinforce compliance of all stakeholders
Central Services	Present all employees with the relevant policies along with the joining instructions and employment formalities

7 EXCEPTIONS TO THE POLICY

Exceptions to the guiding principles in this Policy must be documented and formally approved by the Board members of the Company.

Policy exceptions must describe:

- a. The nature of the exception;
- b. Provide reasonable explanations for a Policy exception or where TS has deviated or will deviate from the Policy;
- c. Any risks created by the Policy exception; and
- d. Evidence of approval by the Company Oversight Function.

8 ENSURING AND MONITORING THE COMPLIANCE

Inquiries regarding this Policy can be directed to the Company Oversight Function. The terms of compliance with this Policy as well as its contents and its adequacy to the business operating environment of the Company are reviewed on a periodic basis.

9 EFFECTIVE DATE

This Policy becomes effective 01 January 2018.