



MR PRICE GROUP LIMITED

REMUNERATION AND NOMINATIONS COMMITTEE

MANDATE

During May 2009, to streamline the Board Committee process and to make better use of time spent by Directors on Company matters, it was resolved that the Nominations Committee and Remuneration Committee be merged and that the combined Committee would deal with matters normally associated with the two individual Committees. It was recognised that this may be a permanent or temporary arrangement and the decision would be reviewed on an annual basis.

Introduction

The Remuneration and Nominations Committee (“the Committee”) is constituted as a committee of the Board of Directors of Mr. Price Group Limited (“the Company”).

The duties and responsibilities of the members of the Committee are in addition to those as members of the Board. The deliberations of the Committee do not reduce the individual and collective responsibilities of the board members in regard to their fiduciary duties and responsibilities and they must continue to exercise due care and judgement in accordance with their statutory obligations.

This Mandate is subject to the provisions of the Companies Act, the Company’s Memorandum of Incorporation and any other applicable law or regulatory provision.

Purpose of the Mandate

The purpose of this Mandate is to set out the Committee’s role and responsibilities as well as the requirements for its composition and meeting procedures.

Composition

The Committee comprises at least three non-executive directors, the majority of whom are independent.

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



The members of the Committee as a whole must have sufficient qualifications and experience to fulfil the Committee's duties and meet its responsibilities.

Role

The Committee has an independent role, operating as an overseer and makes recommendations to the Board for its consideration and final approval. The Committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.

The Committee's role in relation to its Remuneration function is to assist the Board in ensuring that:

- the Company remunerates directors, executives and staff fairly and responsibly,
- the annual disclosure of director and executive remuneration is accurate, complete and transparent, and
- the granting and exercise of share options or any other share scheme matter recommended to the trustees for action have been properly authorised by the Chief Executive Officer and considered by this Committee.

To fulfil its Remuneration role above, the Committee must:

- determine and review the terms of appointment of the executive directors and executive employees of the Company,
- oversee the establishment of a remuneration policy that will promote the achievement of strategic objectives, encourage individual performance and retain high performing staff,
- oversee the setting and administering of remuneration at all levels in the Company and fix the remuneration packages of individual executives within the remuneration policy and framework as agreed by the Board,
- review the outcomes of the implementation of the remuneration policy to establish whether the set objectives are being achieved,
- ensure that the mix of fixed and variable pay in cash, shares and other components, meets the Company's needs and strategic objectives,
- satisfy itself as to the accuracy of recorded performance measures that govern the vesting of incentives,
- ensure that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued,
- consider the results of the evaluation of the performance of the CEO and other executive directors in determining remuneration,
- with outside advice, if considered necessary, select an appropriate comparative group when comparing remuneration levels,



- regularly review incentive schemes to ensure that they continue to contribute to added shareholder value and are administered in terms of the rules,
- consider the appropriateness of early vesting of shares at the end of employment in terms of share-based schemes,
- under advice from the Company Secretary and executive directors, evaluate the remuneration of non-executive directors with any change being put to shareholders, by way of a special resolution in the annual general meeting before implementation,
- oversee the preparation and recommendation to the Board of the remuneration report to be included in the Integrated Report to ensure that it:
 - o is accurate, complete and transparent,
 - o provides a clear explanation of how the remuneration policy has been implemented, and
 - o provides sufficient forward-looking information for the shareholders to pass a special resolution in terms of section 66 (9) of the Companies Act, 2008.
- ensure that the remuneration policy is put to a non-binding advisory vote at the annual general meeting of shareholders once every year,

The Committee's role in relation to its Nominations function is to assist the Board to ensure that:

- the Board has the appropriate composition to enable it to execute its duties effectively. Consideration should be given to matters such as:
 - o size of the Board,
 - o whether there is a majority of non-executive directors,
 - o whether the majority of non-executive directors is independent,
 - o the skills-base of the Board with a sufficient number of Board members having substantial fashion/value retail skills,
 - o the race and gender representation on the Board, having regard to the demographics of the country and the customer profile.
- directors are appointed through a formal process,
- induction and ongoing training and development of directors take place,
- there is a directors' rotation policy that allows for continuity of skills and knowledge on the Board, and
- formal succession plans for the Board, the Chairman of the Board and Chairmen of the Committees, Chief Executive Officer and senior management are in place.

To fulfil its Nominations role above, the Committee must:

- ensure the establishment of a formal process for the appointment of directors, which will incorporate:



- the identification of suitable members for board appointment
 - the performance of reference and background checks of candidates prior to nomination, and
 - formalisation of the appointment of directors through an agreement between the Company and the director.
- oversee the development of a formal induction programme for new directors,
 - ensure that inexperienced directors are developed through a mentorship programme,
 - oversee the development and implementation of continuing professional development programmes for directors,
 - ensure that directors receive regular briefings on changes in risks, laws and the environment in which the Company operates,
 - consider the performance of directors and, together with the Chairman of the Company, take steps to remove directors who do not make an appropriate contribution,
 - recommend to the Board a replacement for the Chief Executive Officer when that becomes necessary,
 - ensure, in conjunction with the Transformation Committee, that there is a Company-wide succession plan which includes formal succession plans for the Board, Chief Executive Officer and senior management personnel, and
 - identify and nominate chairmen and members of the Board Committees for approval of the Board on an annual basis. Nominations for the Audit and Compliance Committee will be made directly to the annual general meeting of shareholders, although the chairman of that Committee will be nominated by this Committee and appointed by the Board.

Authority

The Committee acts in terms of the delegated authority of the Board as recorded in the Mandate and has the power to investigate any activity within the scope of its Mandate.

The Committee, in the fulfilment of its duties, may call upon the chairmen of the other board committees, any of the executive directors, officers or the Company Secretary to provide it with information, subject to following a Board approved process.

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

The Committee may form sub-committees and delegate authority to such sub-committees or other member/s of the Committee.



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

The Committee makes recommendations to the Board where appropriate on any area within the ambit of its Mandate, where action or improvement is considered necessary.

Meeting procedures

Frequency

The Committee must hold sufficient scheduled meetings to discharge all its duties as set out in this Mandate but subject to a minimum of two meetings per year.

Meetings in addition to those scheduled may be held at the request of the Chief Executive Officer, head of human resources or other members of senior management or at the instance of the Board.

Attendance

The Chief Executive Officer, Chief Financial Officer, head of human resources or other members of senior management as may be required, 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 Chairman or Company Secretary.

The Company Secretariat will act as Secretary to this Committee.

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

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 this Mandate. The more critical matters will need to be attended to each year while other matters may be dealt with on a rotational 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 chairman and the Committee members for review. The minutes must be formally approved by the Committee at its next scheduled meeting.

Quorum

A representative quorum for meetings is a majority of members being present.

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

Evaluation

The Board must perform an evaluation of the effectiveness of the Committee every year and include an overview of the appraisal process, results and action plan in the integrated report.

The evaluation may take the form of a questionnaire, feedback from relevant stakeholders or any other form as may be prescribed by the Board.

Approval of this Mandate

This Mandate was adopted by the Board on the 23rd day of March 2011

AE McArthur
Chairman of the Board