



## Board Remuneration Policy



# Sanlam

Sanlam Kenya Plc

Life Insurance

General Insurance

Investments

<b>Governance Addressed:</b>	<b>Area</b> Board Governance
<b>Approving Authority:</b>	Sanlam Kenya Plc Board of Directors
<b>Responsible Functionary:</b>	Group Company Secretary
<b>Date of First Approval:</b>	February 2016
<b>Frequency of Review or Update:</b>	Annually
<b>Date of Last Review:</b>	18 <sup>th</sup> February 2020
<b>Date of this Review:</b>	25 <sup>th</sup> March 2021
<b>Date of Next Review:</b>	February 2022
<b>Related Policies</b>	1. Board Charter

## 1. Definitions

**“Sanlam Kenya Plc” / “the Company” / “SKP”**

Sanlam Life Insurance Limited (registration number: C. 10/46)

**“Board”**

Refers to the Board of Directors of Sanlam Kenya Plc

## **2. PURPOSE**

Sanlam Kenya Plc intends to maintain competitive remuneration policies and procedures to attract the best candidates for membership to its Board. Paragraph 2.9.1 of the Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015 (the Code) also requires the Board to establish and approve formal and transparent remuneration policies and procedures that attract and retain Board members.

## **3. SCOPE**

This Policy applies to the Board of Directors of Sanlam Kenya Plc and its subsidiaries.

## **4. POLICY**

The Board, through the Human Resources, Nomination and Remuneration Committee shall ensure that the remuneration policy shall be effective in attracting and retaining Board members and reflect the remuneration for other non-executive directors in the same industry, taking into consideration any specific matters, including the assignments and the responsibility undertaken by the Board as a whole.

The Policy shall clearly stipulate the elements of such remuneration including directors' fees, attendance allowances and bonuses. The Board shall ensure that the remuneration policies are aligned with the Group's strategies.

## **5. PROCEDURE**

The Human Resources, Nomination and Remuneration Committee of the Board in setting the remuneration shall be guided by the principles provided in the Code:

5.1 The directors' remuneration shall be sufficient to attract and retain directors to run the  
the Group effectively.

5.2 The remuneration levels shall retroactively be approved by shareholders in an Annual  
General Meeting.

4.3 The executive directors' remuneration shall be structured in line with remuneration for other directors in the same industry and aligned with the business strategy and long-term objectives of Sanlam.

4.4 The remuneration of the executive directors shall include an element that is linked to corporate performance, so as to ensure the maximization of the shareholders' value.

4.5 The remuneration of non-executive directors shall be competitive and in line with remuneration for other non-executive directors in the same industry.

4.6 The remuneration package to the Board of Directors shall be appropriately disclosed.

## **6 ELEMENTS OF REMUNERATION**

Board Remuneration shall include:

### **6.1 Allowances**

Members of the Board receive attendance allowance for meetings attended, which is approved by the General Meeting for the current financial year. The attendance allowance shall be disclosed in the Annual Report.

In addition to the attendance allowance, annual committee remuneration will be paid to Board members who are also members of the Board Committees.

### **6.2 Incentive programme and bonus pay**

The Board of Directors is not included in any of Sanlam's staff incentive programs (bonus pay or similar plans).

### **6.3 Compensation on takeover of Sanlam Kenya Plc**

On any takeover, retiring Board members will not receive any compensation for their lost Board remuneration and similar benefits.

#### 6.4 Reimbursement of expenses

Expenses in connection with Board and Committee meetings are reimbursed as per account rendered.

#### 6.5 Insurance Cover Scheme

The SKP will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by the Kenyan law.

#### 6.6 Pension scheme

The Board of Directors is not covered by any SKP's pension scheme or a defined benefit pension scheme.

### **7.0 RESPONSIBILITIES**

The Human Resources, Nomination and Remuneration Committee will on an annual basis:

7.1 Come up with measurable remuneration objectives for attracting and retaining Board members.

7.2 Ensure that the remuneration policies and procedures of the SKP are disclosed in the Annual Report in line with sub-paragraph 2.9.1 (c) of the Code.

7.3 Prepare the Remuneration Report as required under the Companies (General) (Amendment) (No.2) Regulations, 2017 (as read with Section 1022 of the Companies Act (No. 17 of 2015, Laws of Kenya) and ensure that a Directors' Remuneration Report is prepared and published for each financial year.

## **8. RELATED LEGISLATION AND DOCUMENTS**

7.1 The Board Charter.

7.2 Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015.

## **8. APPROVAL AND REVIEW DETAILS**

The Human Resources, Nomination and Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy.

The Committee will discuss any amendments that may be required and recommend any such amendments to the Board for approval.







