

# Remuneration committee report

Bell Equipment group's remuneration philosophy and strategy are aimed at driving an ethical, high performance culture that creates sustainable long term value for shareholders. The remuneration policy is designed to attract, motivate, reward and retain competent, talented employees to deliver sustained business growth in an ethical manner. The policy sets out clear guidelines to develop relevant, timely, market related total reward practices aimed at achieving the group's business objectives.

## About this report

This report provides an overview of the remuneration framework for the Bell Equipment group employees and details how the policy and practices were implemented in the reporting period to align with shareholder value creation.

The structure of this report includes a background statement, the group's remuneration policy and implementation report.

It is informed by regulatory requirements, standards and guidance which include:

- Companies Act, 2008, as amended
- JSE Listings Requirements
- King IV Code of Governance for South Africa ('King IV™').

The remuneration paid to executive and non executive directors for the 2024 financial year is detailed on page 100.

This report aims to enable investors to make informed decisions when voting on the group's remuneration policy and its implementation.

The following remuneration related resolutions will be tabled for consideration by shareholders at the annual general meeting ('AGM') on 3 June 2025.

- 1 An advisory non binding vote on the group's remuneration policy (set out on page 128).
- 2 An advisory non binding vote on the group's remuneration implementation report (set out on page 128).
- 3 Approval of the proposed non executive directors' fees (refer to page 130 of this report).

The group seeks to continually enhance the quality of its remuneration disclosures and reporting and welcomes feedback from stakeholders on this report. Feedback should be directed to the company secretary at [diana.mcilrath@bellequipment.com](mailto:diana.mcilrath@bellequipment.com).

## SECTION A

### BACKGROUND STATEMENT

On behalf of the board, I am pleased to present our remuneration committee report for the financial period ended 31 December 2024. The report details the focus areas for the 2024 financial period and enhancements to our remuneration policy. It further details the remuneration outcomes for the period and planned focus areas for the 2025 financial period.

The delivery of Bell Equipment's strategy is dependent on the values, talent and skills of all employees across the group and the committee has been mandated to ensure that the group's remuneration policy remains fair, transparent and relevant in order to drive a growing and sustainable business. This requires that there is a meaningful consideration of the group's external and internal operating environments together with the competitive landscape in respect of levels of remuneration required to ensure that the right talent is attracted and retained at appropriate levels and/or positions.

The group's employee value proposition supports this objective through a holistic approach to reward by promoting fair and responsible remuneration practices and enhanced employee well being through our employee wellness, employee development, and organisational diversity and inclusion initiatives.

The group continues to implement policies and undertake training in order to remain current with developing health and safety issues



and ensuring safety standards are maintained. A number of in person and online courses are provided to employees which are aligned to its strategic and operational imperatives.

We remain focused on rewarding executives and employees in a responsible, fair and sustainable manner to ensure the retention of key executives and employees to achieve our objectives, which include implementing our succession plans and our ongoing focus on transformation. We continue to monitor both the internal and external landscape, taking cognisance of all stakeholders, to ensure our remuneration policy remains relevant and fulfils its purpose in the short, medium and long term.

### Committee governance

The committee has conducted its affairs in compliance with its terms of reference, which are reviewed annually, and has discharged its responsibilities in accordance therewith. The board remains ultimately responsible for remuneration policy and will refer matters to shareholders for approval when required.

The board accepted all the recommendations made by the committee during the year and the committee's terms of reference continue to be subject to the provisions of the Companies Act, the MOI and any other applicable laws or regulatory provisions. In this regard, the committee has reviewed and implemented the King IV™ principles in the policy design and implementation and with specific reference to Principle 14 addressing fair and transparent remuneration. It continues to consider and interpret the recommended practices in the context of King IV™ in a way that is appropriate for the group and the sector in which it operates.

### Committee composition

In line with the recommendations of King IV™, the committee comprises of one non executive director and two independent non executive directors and as further detailed in the leadership report on page 34. The three suitably skilled and experienced members have an appropriate mix of talent required to undertake the responsibility of effectively executing the mandate of the committee.

The chief executive attends meetings by invitation to ensure that the strategic imperatives of the business and its trading environment provide context to the many and varied considerations with which this committee engages. However, he has no voting rights and is recused when his own remuneration is reviewed. In addition, other members of executive management, including but not limited to the group human resources executive, may be invited to committee meetings from time to time when appropriate, but they too have no voting rights and are not present when their particular performance is evaluated and/or when their remuneration is discussed.

The company secretary serves in her capacity as secretary to this committee which is convened on four occasions during the year. The attendance details of members of the committee who participated therein are set out in the leadership report on page 34.

### Key activities of the committee during the reporting period

The activities undertaken by the committee during the reporting period included the following:

- the basis for remuneration of non executive directors for the 2026 financial year was approved by the committee subject to approval by the shareholders at the AGM scheduled to take place on 3 June 2025;
- the committee approved the increments and pay levels for the group employees' salaries and wages effective from 1 July 2024;
- the committee considered changes to the LTIS rules as recommended by DG Capital (Pty) Ltd and ENS Attorneys which included clarifying certain aspects of the rules, building in flexibility, specifically in respect of any corporate action, and introducing specific malus and claw back provisions. A separate malus and clawback policy was prepared by ENS and approved by the committee;
- the appointment of ShareForce, a web based platform that provides automated incentive plan management, administration, and accounting, to undertake the administration of the LTIS going forward and to assist management with the required accounting and financial reporting process;
- the board approved the allocation of the strike based and zero strike LTIS awards per GEC member for the 2024 financial year, in line with the amended LTIS rules;
- the board approved the payment to LTIS participants of certain of the 2019, 2020 and 2021 awards which vested in quarter 1 of 2024;
- the committee considered and approved the amended scheme rules in respect of the 2024 group bonus scheme, in which all employees of Bell Equipment were participants;
- following certain demands by the Bell employees at the Kindel operation in Germany, a grading system in line with the German labour union's subscribed grading system was introduced in the Kindel operations and a guaranteed bonus incentive payment according to a collective sectoral agreement of metal industries was negotiated with the workers council where the incentive bonus payment would be split in two, one half at summer break in July and the other half in December of the same year;
- in December 2024, the board approved the payment of 25% of a 13th cheque for all employees, other than the scheduled employees who received a 13th cheque and certain Bell Germany employees who already participated in a separately negotiated bonus arrangement, and excluding the GEC (who did not receive any percentage of a 13th cheque);
- the current retirement fund status and the group risk benefits were considered;
- the updated group remuneration policy was formalised and approved by the committee, the objectives of which included the enablement of consistency, fairness, and compliance with the concept of equal pay for work of equal value, in South Africa as per the Employment Equity Act, recognising the importance of pay parity for employees with similar responsibilities and levels of performance and the management of remuneration expenditure in an appropriate manner that yields the desired behaviour and performance of employees in line with Bell's values and performance standards;
- the impact from a remuneration committee perspective of the proposed South African Companies Act amendments were reviewed;
- consideration of the report on the outcome of the committee's self evaluation exercise that was undertaken at the end of 2023.

### Future focus areas of the committee

During the 2025 financial year the committee will continue to focus on the execution of its mandate according to its terms of reference, and will primarily focus on the following key areas:

- reviewing our remuneration strategy and policies to ensure equity in a global market where Bell is competing for talent. We will continue to evaluate our international remuneration practices to ensure we are compliant with international legislation and competitive in the everchanging employee remuneration and benefits environment;
- continuing to ensure that the group's internal human resources and remuneration policies support transformation across the business;
- ensuring compliance with the amendments to the Employment Equity Act, specifically the sectoral targets for the representation of black women and persons with disabilities;
- the allocation of the LTIS awards for the 2025 financial year.

### Independent external advisers

During the reporting period, the committee contracted ENS Attorneys, DG Capital (Pty) Ltd, ShareForce, Investec, Deloitte Human Capital and Global Business Solutions for independent external advice. The committee was satisfied with their independence and objectivity.

The group remains focused on rewarding in a responsible, fair and sustainable manner to ensure the retention of key employees so as not to hamper succession plans, whilst also continuing to focus on transformation. The remuneration philosophy and reward principles have remained consistent, and the group continues to focus on maintaining the long term sustainability of the business and achieving balance for all stakeholders by setting appropriate performance targets that are aligned with the group's strategic plan.

### Approval of remuneration policy and implementation report

In terms of King IV™ principles and the JSE Listings Requirements, the group's remuneration policy and implementation report, as set out in sections B and C which follow, are required to be approved by separate non binding advisory votes at the AGM of shareholders scheduled for 3 June 2025.

Should 25% or more votes be cast against either or both of the non binding advisory resolutions, the company undertakes to engage with shareholders to ascertain the reasons for the dissenting votes. Details of the engagement process, if applicable, will be published on SENS after the AGM. The steps taken to address legitimate and reasonable concerns (if any) of shareholders will be disclosed in the following year's remuneration committee report.

For ease of reference, the six previous AGMs rendered the following voting results pertaining to the company's remuneration policy and the remuneration implementation report, which meant that the group was not required to engage with shareholders on the remuneration policy or implementation report.

AGM Date	Resolution	Vote in favour
15 May 2019	Remuneration policy	91,49%
15 May 2019	Implementation report	95,06%
15 July 2020	Remuneration policy	87,86%
15 July 2020	Implementation report	96,40%
18 June 2021	Remuneration policy	95,38%
18 June 2021	Implementation report	95,49%
31 May 2022	Remuneration policy	94,23%
31 May 2022	Implementation report	99,67%
31 May 2023	Remuneration policy	97,01%
31 May 2023	Implementation report	97,01%
31 May 2024	Remuneration policy	97,60%
31 May 2024	Implementation report	97,60%

This report of the committee, approved by the board of directors of Bell Equipment Limited, provides an overview of the organisation wide remuneration policy. The committee has applied its collective mind to the preparation and presentation of the information in this report and believes that this report addresses the material issues and presents a balanced and fair account of the group's remuneration policy.



Derek Lawrance  
Chairman  
Remuneration committee  
26 March 2025