



Remuneration committee chairman's review

I am pleased to present our inaugural remuneration policy and remuneration implementation report in accordance with the provisions of Section 30A and 30 B of the Companies Act, 71 of 2008.

KEY FOCUS AREAS DURING FY2024

Jasco and its employees were faced with many challenges during the year. These included strained electricity supply in South Africa, the increase of fuel prices, rising inflation that impacted on the cost of living and global uncertainty.

The team supported our employees as best possible. Where required, we reviewed, amended and upheld our strong policy environment in our efforts to assist employees on an ongoing basis.

We continue to adopt a hybrid work-from-home-and-work model. The team assisted employees to adapt to this change.

Jasco continues to encourage health and safety protocols that were widely adopted during the pandemic.

The remuneration committee met three times during the financial year and received detailed reports from the company's human resources executive with regards to remuneration, people and labour practices, policies and employee matters.

1. Impact of challenging market conditions

During the financial year, we continued to review our remuneration policies and practices to adapt to the challenging environment. This included a review of remuneration of our employees.

The economic challenges impacted the group's annual remuneration review in January 2024. After careful consideration, we implemented average salary increases for employees of between 3%-6% in business units where this could be afforded. The executive management team received an increase of 3%.

2. Short- and long-term incentives

Short-term incentive (STI) reviews

We reviewed our short-term incentive scheme and approved a revised scheme and policy, which was approved and recommended to the board for approval. To retain and incentivise management in a challenging business and operating environment, the short-term incentive policy was approved and implemented in FY 2024.

The key performance areas of the executive management team are set out below:

Long-term incentive reviews

As outlined in previous remuneration reports, the remuneration committee reviewed the most appropriate incentives, with a specific evaluation of the Jasco Share Incentive Trust Scheme. As the Share Incentive Trust has not met the company's expectations, it was decided to terminate this scheme. The closure of the scheme was authorised during the financial year.

VOTING AT AGM

At the last AGM on 26 June 2024, shareholders voted as follows:

Votes in favour

Remuneration policy 99.96%

Remuneration implementation 99.96%

As required by King IV, the remuneration policy and implementation report will be tabled for separate non-binding advisory votes by shareholders at the upcoming AGM. We encourage shareholders to provide feedback on the various voting requirements.

We commit to ongoing interaction with shareholders to discuss issues of concern and areas for improvement.

Remuneration committee chairman's review

KEY FOCUS AREAS FOR F2025

- · Aligning the organisational structure with the new vision and strategy for Jasco
- · Succession planning across the executive team and business units
- The development of a long-term incentive for executives and business unit heads
- Filling of critical vacancies at the senior and middle management level
- · Retaining institutional knowledge and networks of retiring senior/middle management
- · Tracking executive team performance against key performance areas
- · Rewarding and retaining employees within budgetary constraints

As a remuneration committee, we will continue working with the board and the human resources team to identify the optimal manner in which to continue supporting employees while managing the pressure on our finances.

APPRECIATION

I extend my appreciation to my fellow remuneration committee members, executive management and the human resources team for their continued support during this year.

Shaheen Bawa

9 October 2024

This remuneration review is structured around three sections.

SECTION 1: BACKGROUND STATEMENT

The remuneration committee consists of three non-executive members:

- · Shaheen Bawa, chairman
- · Pumla Radebe, member
- · Joe Madungandaba, member

The CEO, CFO and group executive: human resources attend the respective meetings by invitation from the chairman.

The remuneration committee (the committee) assists the board to set the remuneration policies for the group, as well as the remuneration of executive committee (exco) members, prescribed officers and senior employees.

The committee issues the mandate for the annual guaranteed remuneration (cost-to-company) review. The committee also advises the main board of directors and makes recommendations to shareholders on fees for non-executive directors.

The committee meets at least twice a year or, when required, more regularly. The committee makes recommendations relating to the remuneration of executive committee members, non-executive directors and senior employees.

Focus of the committee

The committee acts in line with board-approved terms of reference to assist in:

- · Setting and reviewing the remuneration policy of the group
- The annual review and approval of the executive directors' remuneration packages, the group's remuneration review for employees, as well as the determination and approval of annual bonuses, performance-based incentives and long-term incentive schemes
- Reviewing the ongoing appropriateness and relevance of the executive remuneration policy, other executive benefits and long-term incentive or retention programmes
- · Approving management's recommendations for the average annual increase of employees
- · Making recommendations to the board on the remuneration of non-executive directors

SECTION 2: REMUNERATION POLICIES AND PRINCIPLES FOR THE SHAREHOLDERS' VOTE AT THE AGM IN NOVEMBER 2024

Jasco's remuneration policy aims to attract, retain and motivate skilled and performing employees to execute the group's strategy.

Remuneration committee

The remuneration committee is appointed by the board of directors. The role of the committee is to provide guidance and support to the board in fulfilling its responsibilities to shareholders, employees and other stakeholders by appropriately and equitably compensating employees and management for their services to the group, as well as motivating them to perform to the best of their abilities in the interest of all stakeholders.

The committee also ensures objectivity in determining remuneration in the interest of shareholders.

The remuneration committee's responsibilities are to:

- · determine, agree and review the remuneration policy and framework of the group with the board
- determine and agree the total remuneration package of the chief executive officer and chief financial officer and any other executive director
- review the ongoing appropriateness and relevance of the remuneration policy in terms of its ability to attract and retain scarce and critical skilled candidates for employment. This includes the review of company benefit structures, such as retirement and healthcare plans
- make recommendations to the board and shareholders on the remuneration of non-executive directors
- · make recommendations regarding performance measures for executive directors

SECTION 2: REMUNERATION POLICIES AND PRINCIPLES FOR THE SHAREHOLDERS' VOTE AT THE AGM IN NOVEMBER 2024 (continued)

- review the design of all share incentive plans for approval by the board and shareholders and determine whether
 awards will be made. If awards are made, the committee also has to determine the overall amount of these awards,
 the individual awards to executive directors and other senior executives, as well as the performance targets to be used
- · set guidelines for the annual increase cycle for the remuneration of all employees
- · ensure compliance with applicable laws, codes and regulations.

Remuneration and reward policy

Jasco's remuneration policy aims to attract talent and critical skills in a very competitive skills market. The group aims to retain key employees who improve business performance and output, as well as service delivery to our customers.

The remuneration policy and strategy are designed to motivate individual and team performance, as we support a fair, equitable and competitive reward strategy. This has ensured we maintain our Top Employer certification for three consecutive years.

Jasco believes that the remuneration and reward of our employees are both human resources and business matters, as they affect our ability to attract and retain high-calibre employees. It also influences our operational efficiency, company culture, employee behaviour and ultimately the profitability and sustainability of the business.

Jasco aligns the objectives of incentives with the organisation's performance-driven culture, business targets and strategic objectives. Remuneration as a management process is fully integrated with other human resources processes, including performance and talent management.

Our philosophy is to structure remuneration to ensure a fair and equitable level of remuneration for all employees.

Through the various components of remuneration, we encourage high levels of team and individual performance that are aligned with our strategic direction and values.

We aim to position guaranteed remuneration at the median of the market, with superior performance at stretch levels, enabling management, including executives, to achieve remuneration levels in excess of median levels, where truly deserved.

Elements of remuneration and reward

Employees' compensation is structured to encourage good performance, sound behaviour and risk management that is aligned with the group's strategy. Compensation is based on experience, skills, complexities and performance, and promotes long-term commitment to creating and sustaining value. The group's remuneration packages are split into guaranteed and non-guaranteed pay. Guaranteed remuneration is based on cost-to-company remuneration packages. Non-guaranteed remuneration is defined as short-term and long-term incentives, as well as retention scheme payments.

Key principles underpinning our remuneration policy and processes:

- A critical success factor for us is our ability to attract, retain and motivate the talent required to achieve operational and strategic objectives. Remuneration policies are aligned to the agreed business strategy and are regularly reviewed to ensure continued alignment
- Our remuneration policies aim to be transparent and understandable, both for stakeholders and for internal use and application
- Remuneration policies are equitable and balance internal equity (all employees being fairly rewarded for their roles) and external equity (all employees being fairly rewarded in terms of the market)
- · Remuneration policies promote risk management and adequately balance risk and reward
- · Remuneration payments are made within the context of our financial performance

Elements of remuneration

The table outlines the key elements of the remuneration packages paid to all employees, including executive directors.

Reward element	Instrument	Objectives	Characteristics	Participants
Guaranteed pay – including benefits	Cost-to-company remuneration Retirement fund Risk benefits, including group life, income protection and funeral cover Leave benefits Employee wellness and assistance programme Long service awards	 Attraction and retention Reward individual performance Drive long-term strategic objectives and targets Competitiveness and market-related benchmarks 	Fixed Benchmarked to the median of the industry and market	All permanent salaried employees
Short-term incentives	Annual incentives	 Attraction and retention Reward individual performance Drive long-term strategic objectives and targets 	Non-guaranteedVariable8% to 25% ofcost-to-company	All permanent salaried employees
Long-term incentives	Annual incentives	 Drive long-term strategic objectives and targets Retention of key and critical employees Reward individual and group performance 	Variable20% to 30% ofcost-to-company	Key executives
Retention scheme payments	Annual incentives	Retention of key and critical employees	Based on a value determined by guaranteed remuneration	High-performing employees who fulfil key and critical roles and performing employees in scarce skills roles

1. Guaranteed remuneration, including benefits

Guaranteed remuneration is managed on a cost-to-company basis, with flexibility in the selection of benefits within the scope and rules of our retirement fund, such as risk benefits.

We offer a comprehensive benefit cover to all permanent employees in entities in which Jasco holds 100% equity. These benefits include retirement funds, life, severe illness benefit, disability, trauma, child education protection and funeral policies. Participation in the group's retirement fund, life, disability and funeral cover is compulsory for all permanent salaried employees who fall outside the jurisdiction of bargaining councils.

1. Guaranteed remuneration, including benefits (continued)

Our guaranteed remuneration is competitive relative to the market. We benchmark against the market median, with remuneration levels reviewed at least once a year

The group ensures that its remuneration practices and policies are compliant with legislation. We review our policies and practices on an annual basis to only allow justifiable differences and to remove any newly-identified inappropriate differences

Internal parity is promoted and remuneration differentiation between employees is based on criteria that are fair and objective.

The group's job evaluation system allows for differentiation in scope, areas of responsibility and fields of expertise. Increases in guaranteed pay for employees are based on a review of market data, consideration of the individual performance and potential, complexity of the role and/or skills, as well as the business priorities of the group.

Increases for salaried employees are reviewed during January of each year. Increases for wage-based employees are in accordance with the sectoral determinations, as set by the Department of Labour, or the regulations of the Metal and Engineering Industries Bargaining Council, within a specific industry or sector.

2. Short-term incentives

Short-term incentives depend on the company's performance. It is generally paid on an annual basis and is based on the achievement of key performance areas (KPAs). KPAs are set annually and are designed to drive both financial and non-financial strategic targets and objectives. The KPAs of executives include financial indicators such as revenue, profit before interest and tax, earnings per share and return on assets managed, as well as strategic indicators such as the roll-out and implementation of company strategy and objectives.

Executive performance measures for short-term incentives

Financial measures

Revenue All executives
Profit before interest and tax All executives

Earnings per share All group executives
Return on assets managed Financial executives

Strategic measures

Delivery on company strategy Set individually for each executive

Other measures Special projects or job-specific requirements within a financial year

KPAs are cascaded down from senior levels through the organisation to ensure strategic alignment.

Short-term incentives are in place for all permanent salaried employees and are based on the achievement of KPAs, with appropriately set targets which are measured on an annual basis. These include financial indicators, as well as job-specific KPAs, such as leadership, customer satisfaction, learning and development, technical competencies and timeous delivery on objectives.

3. Long-term incentives

As previously reported, the board has decided to wind down the Jasco Share Incentive Trust once all options have lapsed and the shares have been withdrawn, as the cost of the scheme to the group outweighs the benefits on an after-tax basis. The Share Incentive Trust currently has only one participating member.

In addition to the current long-term share scheme, as the business units in our different verticals are diversified, the group has a phantom share scheme. This share scheme rewards participants for the growth in the value of the business units in which they operate over a two- to four-year period. The last participant exited this scheme at 30 June 2021 and no new participants were considered for the 2022 financial year, as recommended by the committee. The remuneration committee will review this scheme and make recommendations to the board on the approach for the next financial year.

3. Long-term incentives (continued)

No retention scheme payments were considered or offered to key employees during the year due to ongoing challenging market and company conditions.

When retention scheme participation takes place, employees are offered a retention value equivalent to approximately one month's remuneration for a minimum of a 12-month retention period and a maximum of a 36-month retention. This payment is made in advance and the employee signs a retention agreement for a 12-, 24- or 36-months. Each 12 months will include one month's remuneration as a retention payment, paid in advance over the contract period.

Should the employee leave the group prior to the retention period being completed, the full value of the retention value becomes due and payable to the company. This may include interest.

Non-executive directors

Non-executive directors are paid a fixed fee, which is determined by the extent of their participation in sub-committees. The fees payable to non-executive directors are reviewed by the remuneration committee and approved by shareholders at the annual general meeting each year.

Contracts of employment

Permanent employees have employment contracts that comply with the labour law requirements of the country of employment. During the year under review, the group also ensured compliance with the Protection of Personal Information Act. The group has included all relevant compliance clauses within our standard employment and contract terms. All employees have a retirement age of 65, which we believe is reflective of working conditions and market benchmarking at senior and executive levels.

Notice periods of employees

Employees 1 to 2 months

Business unit management 2 to 3 months

Executive management 3 months

CEO and CFO 6 months

SECTION 3: APPLICATION OF THE REMUNERATION POLICY

Remuneration for the year

1. Guaranteed remuneration, including benefits

The Group carefully reviewed, considered and awarded an average increase of 3% during its January remuneration review cycle. These increases were only considered for business units based on financial affordability.

2. Short-term incentives

During the year, the group's earnings and profitability did not meet the expected level. Accordingly, no short-term performance-based incentives were paid to group executives.

To qualify for short-term incentives, each individual business unit or group must meet certain minimum financial performance criteria. Due to the current economic and market conditions, one of the business units met the minimum criteria this year, which the remuneration committee considered and recommended to the board for approval.

3. Long-term incentives

As previously reported, the share-based incentive scheme was reviewed and the board determined that the cost to the company far outweighed the benefits to the participants on an after-tax basis. No further allocations were made in the year and the existing scheme was wound down and terminated.

The company is in the process of establishing a long-term incentive mechanism designed to retain senior executives and align executives reward structures with shareholders objectives.

3. Long-term incentives (continued)

Remuneration breakdown

Executive directors

The table below depicts the remuneration earned by the CEO and CFO during FY2024:

Name	Position	Short-term guaranteed Rands	Short- term incentive Rands	bonus	Total
JL Ranchod^	Group Chief Executive Officer	2,273,157	-	1,326,000	3,599,157
WA Prinsloo#	Group Chief Executive Officer	1,407,725	-	-	1,407,725
LA Prigge	Group Chief Financial Officer	2,062,519	-	-	2,147,980

^{*} Remuneration includes leave pay.

No shares were issued during the financial year.

Non-executive directors

The table below depicts the remuneration of the non-executive directors for the current year, as well as the proposed fees for the 2024 calendar year. A 5% increase is proposed for the new year, effective 1 January 2025.

Name	Role	2024 Calendar year Rand	Proposed 2025 Calendar year Rand
Dr ATM Mokgokong	Chairman of the board	560,908	560,908
MJ Madungandaba	Deputy chairman of the board	544,605	544,605
DH du Plessis	Audit and risk committee chairman	431,351	431,351
MSC Bawa	Remuneration committee chairman	422,693	422,693
PF Radebe	Social and ethics committee chairman	422,693	422,693
TP Zondi	Member of a subcommittee	327,191	327,191
Dr ND Munisi	Member of a subcommittee	327,191	327,191
Total		2,964,331*	2,964,331

^{*} Increase was effected on 1 July 2024

[#] Resigned 9 November 2023

[^] Appointed 1 February 2024

Dear Shareholder,

In planning and performing our work of the Social and Ethics Committee of Jasco Electronics Holdings Limited during the financial year ended 30 June 2024, we considered the factors contained in Regulation 43 of 2011 of the Companies Act, 2008 and related internal controls.

We have also sought to identify and review various policies and procedures in business processes that are prone to social and ethics risks and considered the impact of those policies and procedures on Social Compliance.

In performing our work on Social and Ethics Compliance, we consistently seek to create awareness of matters that are opportunities for strengthening the implementation of Social and Ethics Compliance

The report in Annexure 1 that accompanies this letter summarises our activities over the reporting period.

We would like to take this opportunity to express our gratitude for the assistance afforded to us by the management and staff of Jasco Electronics Holdings Limited during the course of our work. We are available to discuss the matters noted in the report, during our work in further detail at the Annual General Meeting on 21 November 2024.

Pumla Radebe

Chairperson of the Social and Ethics Committee

16 September 2024

Report on activities for the period 1 July 2023 to 30 June 2024

I am delighted to present Jasco Electronics Holdings Limited report to shareholders on the Social and Ethics Committee's activities for the year ended 30 June 2024.

The committee considered several aspects this year, including compliance with laws regulations, employment and working conditions, and social and environmental conditions, as mandated by its charter. Jasco will continue to strive to maintain the highest levels of transparency and accountability as a public unlisted company.

LEADERSHIP CHANGES

On behalf of the board of directors of Jasco Electronics Holdings Limited (Jasco) we welcomed, Mr Jayesh Ranchod to the Jasco team.

ROLE AND FUNCTION

The board approved the committee's updated charter, including its roles and responsibilities, after a comprehensive review in February 2024. To support the management of the committee's complex work streams, an annual work plan was implemented.

The work plan assists the committee to monitor the group according to legislation, regulations, codes of good practice relating to corporate citizenship, organisational ethics and stakeholder engagement. Our policies and processes are guided by the requirements of King IVTM to ensure that the rights of stakeholders are respected.

COMMITTEE COMPOSITION

The committee complied with the composition requirements, the South African Companies Act, No. 71 of 2008 (the Companies Act), and the KingIVTM recommendations.

The board appoints committee members on the recommendation of the nominations committee. The committee comprises a majority of independent non-executive directors and is led by an independent chairman.

At year-end, the following directors were members of the committee:

- Ms PF Radebe Independent non-executive director (chairman).
- · Mr MSC Bawa Independent non-executive director
- Mr MD Ngwato Group executive: marketing and communications.

COMPLIANCE

Meeting International Organization for Standardization (ISO) standards represents best practices across a range of operational areas. Jasco is ISO 9000 compliant which drives sustainable improvements across various business operations. Internal and external audits are regularly conducted, and this supports the culture at Jasco.

Occupational Health and Safety standards and best practice is adhered to with external audits being periodically performed.

The committee is satisfied that there were no material instances of non-compliance with legislation or non-adherence to codes of good practice in terms of the areas within its mandate. The committee is also satisfied that it has considered and discharged its responsibilities in terms of its mandate and terms of reference, as stipulated in King IV and the Companies Act during the period.

The committee also provided oversight with compliance with the laws governing its establishment and Jasco's memorandum of incorporation. The Company's amended Memorandum of Incorporation was approved by shareholders for adoption at the upcoming Annual General meeting held on 26 June 2024.

In line with its terms of reference, the committee is satisfied that Jasco has implemented the required frameworks, systems and policies to ensure adherence to all required regulations.

PERFORMANCE

The committee's performance was assessed by the nominations committee and the board. An independent evaluation is under way to objectively assess the functioning of the committee.

ETHICS

In line with the recommendations of the King IV report, the committee supports the board with the governance of ethics. Jasco continued with the review and enforcement of its corporate compliance programme during the year, with the appointment of new executive managers.

The programme ensures that all directors and employees comply with regulations, laws and ethics requirements. Potential corruption risks at customers, suppliers, business units, subsidiaries and within the employee base are monitored and used as a basis for developing the appropriate measures to reduce these risks. There were no material instances of

non-compliance reported to the committee during the year under review.

The committee provided oversight on compliance with the Employment Equity, Act 55 of 1998, as amended. Jasco has reviewed and submitted its employment equity reports in line with the legislation defined in the Employment Equity Act.

Whistleblowing reports can be emailed to fraud.hotline@jasco.co.za. Notifications or incidents are reported to the committee and the audit and risk committee. No material matters were reported to the Committee in FY 2024.

ACTIVITIES IN FY2024

The ongoing impact of the Covid-19 pandemic

The Company encourages and support safety protocols. The awareness of health, safety and protocols created as Jasco and its employees responded to the Covid-19 pandemic have become an intrinsic and for recovering employees returning to work. The majority of employees have returned to offices.

ENERGY MANAGEMENT

Jasco has developed an energy management strategy through direct energy saving initiatives and investment in its power and renewable energy business unit.

The group's Midrand PV installation generates an average capacity of 9,322 kilowatt hour (kWh) per month, significantly reducing Jasco's dependency on the national grid. During the financial year, we achieved savings of R94 366and reduced carbon emissions at Midrand by 46,33 tCO2e. This is equivalent to 70,975 kilometres driven by an average passenger vehicle each year or the equivalent of 1,188 urban trees planted.

Jasco Power Solutions is an important contributor to supplementary and sustainable renewable energy solutions. The measurement of the impact of Jasco Power Solutions will be quantified in the upcoming financial year.

TRANSFORMATION

Transformation remains a priority, with short- and long-term key performance incentives of directors directly linked to the group's progress against its transformation targets. A transformation committee was established to provide oversight and support the capacity of Jasco's B-BBEE verification process. The B-BBEE scorecards and progress against short- and medium-term targets are tracked across all business units.

In a challenging year, Jasco successfully maintained its B-BBEE status to level 2.

OWNERSHIP

Jasco scored 95,51% on black ownership, with 42,83% black women ownership in FY 23.

PROCUREMENT RECOGNITION LEVEL

Jasco attained a procurement recognition level of 125%, which is considered fully compliant and attractive in terms of procuring goods and services.

SKILLS DEVELOPMENT

Jasco invested R794 000 in skills development in FY 2024. The group met the sub-minimum requirement for skills development in its last B-BBEE certification.

Representation by black and black female employees across all levels of the group, including skilled and unskilled employees, are monitored and reported on. Jasco retained its Top Employer accreditation in FY2024.

SOCIO-ECONOMIC DEVELOPMENT

The board has delegated oversight of the group's socio-economic development (SED) programmes to the committee.

During the year, the group continued to support a number of initiatives, which included food schemes at the schools it supports.

At Kaalfontein Primary School in Johannesburg, Jasco maintained the CCTV security systems and wi-fi networks that supports a number of learners. The gardens established by Jasco have now been adopted by a Non-For-Profit Company which will develop a limited feeding scheme from fruit bearing trees.

A direct impact of Jasco's tree-planting initiative was the school's ability to attract more learners to the schools.

Similarly, at Matjiesfontein Primary School, Jasco supported the school with telecommunications and information and communication technologies. Jasco has committed to continue its financial support into FY2023.

Jasco attained 100% in its support of the advancement of black people to gain access to the broader economy.

PROTECTION OF PERSONAL INFORMATION ACT (POPIA) IMPLEMENTATION

The committee reviewed Jasco's compliance with and implementation of the POPI Act. Compliance with POPIA will remain a high priority over the next 12 months.

HEALTH AND SAFETY

The committee reviewed the findings of the Occupational Health and Safety Act, 85 of 1993 (OHASA) through health, safety and quality audits. All audited sites of the group received compliance certification.

KEY FOCUS AREAS IN FY2025

The focus of the committee over the next 12 months will be to provide oversight over the group's transformation strategy and improving the Level 2 B-BBEE status, ISO and OHASA accreditations.

APPRECIATION

I thank the executive team for embracing the current challenges and working hard on ensuring that we address all the group's responsibilities. It was pleasing to see that despite liquidity constraints, the Company maintained its support of employees and corporate social initiatives. I am also deeply grateful to the board of directors for their support and oversight. Thank you also to my fellow committee members for your counsel, assistance and availability during the year.

Pumla Radebe

16 September 2024

