AYO TECHNOLOGY SOLUTIONS LIMITED
(“AYO”)

POLICY DOCUMENT

REMUNERATION PHILOSOPHY & STRATEGY
AYO’s Remuneration Philosophy is anchored in Total Reward addressing the diversity of operations and talent.

The Total Reward philosophy forms the cornerstone of AYO’s Employee Value Proposition (EVP) and is designed to enable the attraction, development, engagement, motivation and retention of key and critical skills to drive performance in alignment with stakeholder expectations.

The Company’s Reward Philosophy also underpins our Human Capital philosophy of “Growing own timber”.

AYO’s Remuneration Philosophy comprises a unique combination of: career & growth opportunities, recognition, culture & values, compensation, benefits and work environment.
REMUNERATION STRATEGY

AYO’s total reward strategy uniquely crafted leveraging the proper mix of rewards that satisfied the personal and financial needs of a current and potential workforce given existing business conditions and cost constraints.

The board shall ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of its strategic objectives and positive outcomes in the short, medium and long term.

This reward strategy’s main aim is to ensure that the company is able to develop, motivate and maintain an internal human capital pipeline, and when necessary attract the requisite skills from the labour market to enable the business growth strategy.

1. CAREER & GROWTH OPPORTUNITIES AND RECOGNITION

Owing to the diverse scope of the Company’s business model and geographic footprint, career and growth opportunities is a high leverage reward element offering the Company a competitive positioning. This edge is communicated in the market with the message: “Many businesses, One purpose, Infinite choice”.

AYO’s career grid contextualizes levels of work and job families for the Company. The grid makes it easy for the employee to identify job rotation, lateral and vertical job movements across all divisions in the Company.

Performance contracts are designed per job aligning performance expectations on key performance areas for the business. Performance outcomes inform growth and development opportunities.

The Company also utilizes the information recognition programmes to acknowledge outstanding behavior or contributions. The purpose of the informal recognition program is to recognize those actions by employees that can be readily observed and immediately rewarded.

2. CULTURE AND VALUES

The total reward strategy seeks to create values alignment optimizing the attraction and retention of talented people.
Alignment of values starts in the recruitment process where assessment instruments enable the selection of employees with similar value set and reinforced in orientation programs where employees are inducted into the AYO way of doing business.

The alignment is further strengthened in developing all levels of leadership by surveying values driven behavior and contracting development actions.

3. **COMPENSATION**

Compensation is differentiated between various categories of employees, structured to meet their specific needs.

Compensation consists of guaranteed and variable elements; guaranteed package, performance related short term incentives and long term incentives. This differentiated pay mix gives the company flexibility of optimizing compensation to align with the needs of the various occupational levels as dictated by the market.

Pay levels are defined by collective agreements; and a group set of scales, with broad parameters defined per job family. AYO recognizes the necessity to remunerate employees competitively. It therefore continuously benchmarks reward practices in the market in which it operates and regularly participates in local and national surveys.

4. **BENEFITS**

The total reward strategy recognizes employees’ needs for traditional benefits, for example – leave, retirement and medical provisions. Leave includes various needs such as annual vacation, studies, family responsibilities and illness. Retirement schemes offer a large variety of choices on monthly saving, investments and insured benefits.

The benefit reward offering includes holistic wellness programmes for all categories of employees. The programme covers the psychological, emotional, physical and financial wellbeing of employees.

5. **WORK ENVIRONMENT**

The reward strategy includes guaranteeing a safe work environment through safety programmes ensuring best practice safety at all sites.
The Company’s geographical footprint offers mobility to a diverse set of employees from all parts of the country on their career journey.

The total reward strategy makes use of opportunities where flexible work arrangements (e.g. flexi-hours and work from home schemes) are mutually beneficial for the Company and employee. The company recognizes that the work environment is a powerful motivational tool in that it can help address the hierarchy of employee needs ranging from safety, affiliation, challenge, autonomy and self actualization.

The company’s total reward strategy is not designed as a one size fits all approach, but enables the customization of reward elements to the needs of various employee segments in their career journey with the company.

This revised Remuneration Philosophy & Strategy Policy Document was adopted by the Remuneration Committee on 03 May and approved by the Board of Directors on 03 May 2018.