



# **Compensation Committee Terms of Reference (Charter)**

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## 1. Definitions

**Board:** The board of directors of Diginex

**CEO:** Chief Executive Officer of Diginex

**Charter, Terms of Reference:** Compensation Committee Charter

**Committee:** Compensation Committee.

**Diginex, "We", "we", "Our", "our":** All companies, including subsidiaries and joint ventures, over which Diginex is able to exercise control, either directly or indirectly, with respect to policies and procedures.

**Exchange Act:** Securities Exchange Act of 1934

**Nasdaq:** The Nasdaq Stock Market

**SEC:** The US Securities and Exchange Commission. The mission of the SEC is to protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation.

**Staff, "You", "you", "Your", "your":** All Diginex directors, officers, agents, employees, temporary workers, interns, consultants, contractors or any other person who is employed by or otherwise works for or on behalf of Diginex, regardless of the duration of their employment contract or other type of relationship.

## 2. Purpose

2.1 The Committee is appointed by the Board to:

- (a) assist the Board in overseeing Diginex's employee compensation policies and practices, including
  - (i) determining and approving the compensation of the CEO and Diginex's other executive officers; and
  - (ii) reviewing and approving incentive compensation and equity compensation policies and programs, and exercising discretion in the administration of such programs; and
- (b) produce the annual report of the Committee required by the rules of the SEC.

2.2 This Charter is effective as of September 30, 2020.

## 3. Committee Membership

### 3.1 Composition

- (a) The Committee shall consist of at least one of more members of the Board.
- (b) Except as otherwise directed by the Board, a director selected as a Committee member shall continue to be a member for as long as he or she remains a director or until his or her earlier resignation or removal from the Committee.
- (c) Any member may be removed from the Committee by the Board, with or without cause, at any time.
- (d) Any vacancy on the Committee shall be filled by a majority vote of the Board. No member of the Committee shall be removed except by a simple majority vote of the Board.

## 3.2 Chair

- (a) The Chair of the Committee shall be appointed from among the Committee members by, and serve at the pleasure of, the Board, shall preside at meetings of the Committee and shall have authority to convene meetings, set agendas for meetings, and determine the Committee's information needs, except as otherwise provided by the Board or the Committee.
- (b) If the Board does not so designate a chairperson, the members of the Committee, by a simple majority vote, may designate a chairperson. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members to serve as chair of the meeting.

## 3.3 Independence

- (a) Each member of the Committee shall satisfy all applicable listing standards of Nasdaq, including standards specifically applicable to compensation committee members, subject to any exceptions or cure periods that are applicable pursuant to the foregoing requirements.
- (b) Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

## 4. Authority

- 4.1 In discharging its role, the Committee is empowered to inquire into any matter that it considers appropriate to carry out its responsibilities, with access to all books, records, facilities and personnel of Diginex, and, subject to the direction of the Board, the Committee is authorized and delegated the authority to act on behalf of the Board with respect to any matter necessary or appropriate to the accomplishment of its purposes.
- 4.2 The Committee shall have the sole discretion to retain or obtain advice from, oversee and terminate any compensation consultant, legal counsel or other adviser to the Committee and be directly responsible for the appointment, compensation and oversight of any work of such adviser retained by the Committee, and Diginex will provide appropriate funding (as determined by the Committee) for the payment of reasonable compensation to any such adviser.

## 5. Committee Meetings

- 5.1 The Committee shall meet as often as necessary to carry out its responsibilities, which shall be at least quarterly.
- 5.2 The Committee shall establish its own schedule of meetings. The Committee may also act by unanimous written consent of its members.
- 5.3 Notice of meetings shall be given to all Committee members or may be waived, in the same manner as required for meetings of the Board. Meetings of the Committee may be held by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear and speak with each other.
- 5.4 A majority of the members of the Committee shall constitute a quorum for a meeting.
- 5.5 The Committee shall act on the affirmative vote of a simple majority of members present at a meeting at which a quorum is present.
- 5.6 The Committee shall otherwise establish its own rules of procedure.

## 6. Delegation

- 6.1 The Committee, by resolution approved by a majority of the Committee, may form and delegate any of its responsibilities to a subcommittee so long as such subcommittee is solely comprised of one or more members of the Committee and such delegation is not otherwise inconsistent with law and applicable rules and regulations of the SEC and Nasdaq.
- 6.2 In addition, the Committee may, by resolution approved by a majority of the Committee, delegate to management the administration of Diginex's incentive compensation and equity-based compensation plans, to the extent permitted by law and as may be permitted by such plans and subject to such rules, policies and guidelines (including limits on the aggregate awards that may be made pursuant to such delegation) as the Committee shall approve, provided that, consistent with paragraph 7 below, the Committee shall determine and approve the awards made under such plan to any executive officer and any other member of senior management as the Committee shall designate and shall at least annually review the awards made to such other members of senior management as the Committee shall designate.

## 7. Responsibilities

- 7.1 The following responsibilities are set forth as a guide for fulfilling the Committee's purposes in such manner as the Committee determines is appropriate:
- (a) establish and review the objectives of Diginex's management compensation programs and its basic compensation policies;
  - (b) review and approve corporate goals and objectives relevant to the compensation of the CEO and other executive officers, including annual and long-term performance goals and objectives;
  - (c) review and approve, subject to such further action of the Board as the Board shall determine, any employment, compensation, benefit or severance agreement with any executive officer;
  - (d) evaluate at least annually the performance of the CEO and other executive officers against corporate goals and objectives including the annual performance objectives and, based on this evaluation, determine and approve, subject to such further action of the Board as the Board shall determine, the compensation (including any awards under any equity-based compensation or non-equity-based incentive compensation plan of Diginex and any material perquisites) for the executive officers based on this evaluation;
  - (e) determine and approve the compensation level (including any awards under any equity-based compensation or non-equity-based incentive compensation plan of Diginex and any material perquisites) for other members of senior management of Diginex as the Committee or the Board may from time to time determine to be appropriate;
  - (f) review at least annually the compensation of other employees as the Committee determines to be appropriate (including any awards under any equity-based compensation or non-equity-based incentive compensation plan of Diginex and any material perquisites);
  - (g) review on a periodic basis Diginex's management compensation programs, including any management incentive compensation plans as well as plans and policies pertaining to perquisites, to determine whether they are appropriate, properly coordinated and achieve their intended purpose(s), and recommend to the Board any appropriate modifications or new plans, programs or policies;
  - (h) review, approve and recommend to the Board the adoption of any equity-based compensation plan for employees of or consultants to Diginex and any modification of any such plan;

- (i) administer Diginex's equity-based compensation plans for employees of and consultants to Diginex as provided by the terms of such plans, including authorizing all awards made pursuant to such plans;
- (j) review, approve and recommend to the Board the adoption of any non-equity-based incentive compensation plan for employees of or consultants to Diginex and any material modification of any such plan and review at least annually the awards made pursuant to such plans;
- (k) review, approve and recommend to the Board the adoption of any employee retirement plan, and other material employee benefit plan, and any material modification of any such plan;
- (l) review at least annually
  - (i) Diginex's compensation policies and practices for executives, management employees and employees generally to assess whether such policies and practices could lead to excessive risk taking behaviour and
  - (ii) the manner in which any risks arising out of Diginex's compensation policies and practices are monitored and mitigated and adjustments necessary to address changes in Diginex's risk profile;
- (m) with respect to any compensation consultant who has been engaged to make determinations or recommendations on the amount or form of executive or director compensation:
  - (i) annually, or from time to time as the Committee deems appropriate, assess whether the work of any such compensation consultant (whether retained by the compensation committee or management) has raised any conflicts of interest; and
  - (ii) review the engagement and the nature of any additional services provided by such compensation consultant to the Committee or to management, as well as all remuneration provided to such consultant;
- (n) annually, or from time to time as the Committee deems appropriate and prior to retention of any advisers to the Committee, assess the independence of compensation consultants, legal and other advisers to the Committee, taking into consideration all relevant factors the Committee deems appropriate to such adviser's independence, including factors specified in the listing standards of Nasdaq;
- (o) review and discuss with management the Compensation Discussion and Analysis disclosure required by SEC regulations and determine whether to recommend to the Board, as part of a report of the Committee to the Board, that such disclosure be included in Diginex's Annual Report on Form 20-F;
- (p) review the form and amount of director compensation at least annually, and make recommendations thereon to the Board;
- (q) oversee and monitor other compensation related policies and practices of Diginex, including:
  - (i) Diginex's stock ownership guidelines for directors and executive officers;
  - (ii) compliance by management with rules regarding equity-based compensation plans for employees and consultants pursuant to the terms of such plans, and the guidelines for issuance of awards as the Board or Committee may establish; and
  - (iii) Diginex's recoupment policy and procedures;
- (r) oversee stockholder communications relating to executive compensation and review and make recommendations with respect to stockholder proposals related to compensation matters;

- (s) conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this charter, and recommend to the Board such amendments of this charter as the Committee deems appropriate;
- (t) report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests, and maintain minutes or other records of Committee meetings and activities;
- (u) in consultation with the CEO, annually report to the Board on succession planning, which shall include emergency CEO succession, CEO succession in the ordinary course and succession for other members of senior management, working with the entire Board to evaluate potential successors to the CEO; and
- (v) undertake such other responsibilities or tasks as the Board may delegate or assign to the Committee from time to time.

## 8. Secretariat

- 8.1 A Secretariat will be appointed for the Committee who will be responsible for:
- (a) Arranging Committee meetings and circulating the agenda and meeting documentation;
  - (b) Minuting the attendance, proceedings and decisions of Committee meetings;
  - (c) Circulating the minutes of Committee meetings promptly after each meeting;
  - (d) Maintaining all Committee records, including meeting minutes and documentation.
- 8.2 The Secretariat will be appointed by the Committee in line with the decision-making process detailed in paragraph 5.

## 9. Other Matters

- 9.1 This Charter may be amended in line with the decision-making process detailed in paragraph 5, and subject to Board's approval.