

REMUNERATION REPORT

BACKGROUND STATEMENT

Remgro's remuneration philosophy is supported by its business strategy, namely a long-term approach to deliver value in a sustainable manner.

Due to the nature of the business, the remuneration framework, on an organisation-wide basis, provides for guaranteed remuneration (i.e. salary and benefits) and a long-term share plan, which only render value should the share price and market capitalisation increase. As an investment holding company the Remuneration and Nomination Committee (the committee) views increased market capitalisation, sustainable growth in share price and above-average dividend yield as a critical metric to deliver value to shareholders over time. In line with this approach Remgro does not pay short-term incentives (i.e. cash bonuses) and believes that management's decision-making should be long-term focused and aligned with this philosophy that they should be rewarded where value is demonstrated, without excessive risk-taking in the short term. This two tier approach makes the Remgro Remuneration Policy focused and avoids unnecessary layers of complexity.

Remgro has a diversified portfolio of investments across industries, which include: healthcare, banking, consumer products, insurance, industrial and infrastructure.

Constraint consumer spending, droughts, weak commodity prices, the recent credit downgrade and challenging trading conditions have impacted investee companies' earnings to varying degrees. Consequently, this has to an extent influenced Remgro's share price. However, in line with our approach of long-term value creation our long-term incentive instrument remains the share appreciation rights instrument which vests three to five years after grant date and the participant has a further window of between two to four years after vesting to exercise (i.e. crystallise) any benefit. Not only does this long-term view align with shareholders through challenging market conditions, it also supports retention of key management.

Remgro observes the King Report on Corporate Governance™ for South Africa 2016 (King IV) principles in relation to Remuneration Policy and disclosure. Although the committee acknowledges that the full King IV is effective from the 2018 financial year, commencing 1 July 2017, the committee has already adopted, where appropriate, certain elements thereof. The committee will also engage with shareholders regarding the Remuneration Policy to the extent required.

This committee is of the view that Remgro's Remuneration Policy continues to achieve its stated objectives. At the 2017 Annual General Meeting Remgro will put its Remuneration Policy and

Remuneration Implementation Report to a non-binding advisory shareholder vote (see resolution numbers 14 and 15 in the Notice to Shareholders on page 118) and the committee looks forward to a positive outcome in this regard.

REMUNERATION POLICY

The Remuneration Policy provides an overview of Remgro's remuneration principles for the organisation as a whole. The information provided in this policy has been approved by the Board on recommendation by the committee.

GOVERNANCE

The functioning of this dedicated Board committee is well established within Remgro's mode of operation. In essence it is the committee's role to ensure fair and responsible remuneration across the Company and that the disclosure of remuneration is accurate, complete and transparent.

The committee is governed by a mandate that incorporates best practice governance recommendations and serves to assist members of this committee in the execution of their role and responsibilities.

The members of the committee for the year under review were:

- Mr J P Rupert (chairman)
- Mr P K Harris
- Mr G T Ferreira
- Mr F Robertson

The Board acknowledges the recommended practice in King IV that the Chairman of the Board should not be the chairman of this committee but given the following reasons, this arrangement is deemed appropriate:

- The necessity to align the Company's remuneration approach with corporate strategy
- The Chairman receives no emoluments or fees from Remgro thus there are no conflict with regard to the approval of non-executive director fees
- The Chairman is a very significant shareholder in the business hence it is not regarded as unreasonable for him to chair this committee
- In terms of committee composition the majority of the committee remains independent non-executive directors

The committee formally met once during the year and had three further engagements via round robin discussions and decisions. The details on the attendance of the formal meetings are set out in the Corporate Governance Report on page 63.

The terms of reference set out in the mandate of the committee include the following:

In respect of its nomination function –

- Assist the Board with the process of identifying suitable candidates for appointment as directors;
- Ensure the establishment of a formal and transparent process for the appointment of directors;
- Oversee the development of a formal induction programme for new directors;
- Evaluation of the performance of the Board; and
- Ensure that formal succession plans for the Board, Chief Executive Officer (CEO) and other Management Board members are developed and implemented.

In respect of its remuneration function –

- Oversee the fair, responsible and transparent setting and administering of remuneration of all directors, Management Board members and other employees;
- Oversee the establishment of a Remuneration Policy;
- Advise on the fees of non-executive directors, for approval by shareholders at the Annual General Meeting;
- Ensure that remuneration, in cash, share appreciation rights (SARs) and other elements, meets Remgro's needs and strategic objectives and are administered in accordance with the shareholder-approved plan rules; and
- Oversee the preparation and recommending to the Board of the Remuneration Report to be included in the Integrated Annual Report.

COMPONENTS OF REMUNERATION

Remgro has two components of remuneration, namely fixed remuneration (which includes benefits) and long-term incentives in the form of its SAR scheme. Remgro does not pay short-term incentives and believes that management's decision-making should be long-term focused and aligned with the philosophy that they should be rewarded where value is demonstrated, without excessive risk-taking in the short term. The details of these two components are outlined below:

FIXED REMUNERATION

WHAT DOES THIS CONTAIN?

Referred to as total guaranteed package, includes components such as cash salary, travel allowance and the Company's contributions towards retirement funding and the medical scheme. All guaranteed benefits are funded from total guaranteed package.

Retirement funding contributions range between 18.5% and 27.5% of pensionable emolument and the key features of the retirement fund are as follows:

- Retirement savings component with member investment options and a trustee default option
- Insured flexible death, disability and funeral benefits
- Preservation options when exiting the fund

The committee is satisfied that it has carried out its responsibilities for the year in compliance with its mandate.

REMUNERATION PRINCIPLES

The Remuneration Policy is aligned with the Company's approach of rewarding all employees fairly, responsibly and competitively, according to their capabilities, skills, responsibilities and level of performance.

Key remuneration principles embedded in the Remuneration Policy are:

- Alignment with the overall business strategy, objectives and values of Remgro;
- Remuneration design which supports the interests of shareholders;
- Mechanisms for ensuring that executive remuneration is fair and responsible in the context of overall Company remuneration;
- Remuneration design which supports the retention and attraction of key talent and supports succession planning;
- Compliance with best practice remuneration governance standards including prevailing labour law legislation from time to time;
- Recognising and encouraging exceptional and value-added performance in line with a performance-based culture;
- Ensuring that remuneration structures are consistent with the Company's long-term requirements and decision-making; and
- Protecting the Company's rights by means of standard contracts of employment.

VARIABLE REMUNERATION (SARs SCHEME ONLY)

PURPOSE

Remgro Equity Settled Share Appreciation Rights Scheme ("SAR Scheme") is the only variable pay mechanism. This is an equity settled scheme and all employees are awarded rights to the long-term growth in the Remgro share price and market capitalisation of the Company. This design ensures alignment between personal wealth creation and corporate strategy and supports long-term employee retention.

ELIGIBILITY

All permanent employees of the Company participate in the SAR Scheme.

FIXED REMUNERATION

Membership to a medical scheme is compulsory for all employees and contributions are funded from their total guaranteed package. All employees are eligible for membership of the in-house medical scheme, Remedi, and the scheme provides three different options for members to choose from annually. These options aim to accommodate the different healthcare needs and affordability of the diverse membership of the scheme.

Under specific circumstances Remgro also offers employees post-retirement medical benefits. All details in this regard is disclosed in the Annual Financial Statements.

Only employees who are required to travel for business purposes receive travel allowances, which is funded from their total guaranteed packages.

HOW IS TOTAL GUARANTEED PACKAGE BENCHMARKED?

Guaranteed packages are benchmarked against the upper quartile of the market for comparable companies utilising independent salary surveys.

Remgro currently make use the Mercer Top Executive survey for the Management Board members and senior executives. For the rest of the organisation the PwC REMchannel national survey is used.

The services of an independent remuneration consultancy are contracted for this purpose. Total guaranteed packages are positioned competitively to market to ensure that the right talent is attracted and retained. It further supports the remuneration approach of no short-term cash bonuses and discourages excessive risk taking which may be driven by leveraged cash bonuses.

ANNUAL REVIEW PROCESS

The committee conducts an annual review of total guaranteed packages for executives and approves the increase percentage for employees below executive level.

Adjustments to total guaranteed packages depends upon the employee's level of responsibility and his/her overall performance.

The CEO, who attends all committee meetings by invitation, can propose increases to the guaranteed remuneration packages, excluding his own, during such review meetings.

VARIABLE REMUNERATION (SARs SCHEME ONLY)

DETERMINATION OF VALUE

Participants in the SAR Scheme are remunerated with Remgro shares to the value of the appreciation of their rights to a specific number of Remgro ordinary shares that must be exercised within a period of seven years after the grant date.

VESTING AND EXERCISE OF SARs

The earliest intervals at which the SARs are exercisable are as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

All SARs must be exercised within seven years after grant date, upon which date unexercised SARs lapse.

AWARD QUANTUM

The committee makes awards in terms of the SAR Scheme to participants, based on a multiple of total guaranteed package. The set multiples are determined by reference to participants' job grade, role, exceptional contribution of the participant, the need to attract and/or retain key talent and the value added by the participant for Remgro and shareholders.

Such awards are made from time to time and are disclosed in detail. Refer to the Remuneration Implementation Report on page 87.

PERFORMANCE CONDITIONS FOR SAR

The SAR Scheme has an inherent performance condition in that the Remgro share price on grant date has to increase before any value is realised by participants. The general trend by companies in the South African and international market has been to move away from SAR design to full share type plans which always deliver value, no matter whether market capitalisation is increased. However, in line with Remgro's business strategy as an investment holding company, Remgro believes a SAR scheme best serves the Company's and shareholders' needs. With a SAR, value is only created dependent on performance of underlying investments and as such no value is created for participants, unless shareholders receive incremental value. Taking into account the current trading conditions and economic environment, certain SAR grants have grant prices which exceed Remgro's current share price. The SAR Scheme provides direct correlation between participants and shareholders as can be seen over the last two years. Therefore, no additional financial performance conditions are imposed for the vesting of SARs.



FIXED REMUNERATION

FAIR AND RESPONSIBLE REMUNERATION ACROSS THE COMPANY

Remgro is committed to the principle of fair and responsible remuneration for the whole Company. Actions in this regard include:

- Assessment of remuneration conditions between employees at the same level in accordance with the principle of "equal pay for work of equal value" to identify and address any unjustifiable remuneration disparities.
- Investing in its people initiatives, which include: talent management; development opportunities for all employees; various training courses as per identified needs and an employee value proposition aligned to the corporate values and culture.

VARIABLE REMUNERATION (SARs SCHEME ONLY)

EARLY TERMINATION OF EMPLOYMENT PROVISIONS

In the event of resignation or dismissal for just cause all unexercised SARs will be forfeited.

Subject to the discretion of the committee, in the event of death, disability, retrenchment or retirement (or early retirement) unvested SARs will become exercisable within 12 months from termination of employment.

CHANGE OF CONTROL

In the event of a change of control of the Company, unvested SARs will become exercisable immediately (to the extent the SARs grant prices are less than the share price at the change of control date).

VARIATION OF SHARE CAPITAL

In the event of any corporate action which results in a variation of the Company's share capital the committee has the discretion to adjust SAR grants to ensure that participants are not prejudiced.

DILUTION LIMITS

INDIVIDUAL BASIS

No grant will be made to a single participant if at the time of or as a result of the making of such grant, the aggregate number of Remgro ordinary shares in respect of which any unexercised SARs granted to the participant may be exercised, shall exceed 2 197 399 Remgro ordinary shares.

OVERALL BASIS

Similarly, no grant will be made if at the time of or as a result of the making of such grant, the aggregate number of Remgro ordinary shares in respect of which any unexercised SARs may be exercised, shall exceed 21 000 000 Remgro ordinary shares.

SETTLEMENT CONSIDERATIONS

If it is assumed that all of the participants to the SAR Scheme exercise all options awarded to them on 1 July 2017, Remgro will have to deliver 0.6 million shares in order to settle its obligations. This calculation is based on Remgro's closing share price on 30 June 2017 of R213.46. A 10% increase or decrease in the Remgro share price will require the number of shares to be delivered to be 0.9 million shares and 0.5 million shares, respectively.

At 30 June 2017 Remgro held sufficient treasury shares to settle its obligations to deliver shares to the SAR Scheme participants.

EXECUTIVE EMPLOYMENT CONTRACTS

Executive directors and members of the Management Board do not have fixed-term contracts, but are employed in terms of the Company's standard contract of employment applicable to all employees. The notice period for termination of service is one calendar month and the normal retirement age is 63. Executive directors and members of the Management Board also do not have exceptional benefits associated with the termination of their services. Upon termination of employment, any payments made to employees will be as required in terms of legislation, and the consequences in respect of unexercised SARs will be governed by the rules of the SAR Scheme based on the reasons for the termination of employment.

NON-EXECUTIVE DIRECTORS' REMUNERATION

INDEPENDENT NON-EXECUTIVE DIRECTORS

Independent non-executive directors do not have any employment contracts, do not receive any benefits associated with permanent employment and do not participate in the Company's long-term incentive plan.

Furthermore, they are categorised as independent on the basis that the Board concludes that they have no interest, position, association or relationship which, judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making in the best interest of the Company.

The independence of independent non-executive directors is reviewed annually and the independence of non-executive directors, who have served on the Board for more than nine years, is subject to a rigorous review by the Board. The Board is satisfied with the independence of independent non-executive directors, including the independence of Messrs Fred Robertson and Paul Harris, who have served on the Board for 17 years, as well as Mr Murphy Morobe, who has served on the Board for 10 years. Based on the evaluation there is no evidence of any circumstances and/or relationships that will impair their judgement, and their independence is in no way affected by the length of service.

Independent non-executive directors are paid a fixed annual board fee. Committee fees are also determined on a fixed annual basis. The fee structure is reviewed annually on 1 July, based on independent market benchmarks for non-executive directors' fees, taking into account the nature and size of Remgro's operations. Remgro utilises the Mercer Top

Executive survey to benchmark the remuneration levels of non-executive director fees. The trends identified in this survey is then validated through a focused secondary survey among a selected group of companies. Non-executive director fees are approved by shareholders at the Company's Annual General Meeting by special resolution prior to payment. Remgro also pays for all travelling and accommodation expenses reasonably and properly incurred in order to attend meetings.

The annual fees payable to independent non-executive directors for the period commencing on 1 July 2016 were approved by shareholders at the 2016 Annual General Meeting on 1 December 2016.

NON-INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr J P Rupert, Dr E de la H Hertzog and Mr J Malherbe are regarded as non-independent non-executive directors.

The Chairman receives no emoluments or fees from Remgro, whilst Dr Hertzog and Mr Malherbe receive the approved annual board and committee fees paid to independent non-executive directors.

As in the case of independent non-executive directors, these directors do not participate in the Company's long-term incentive plan. It should, however, be noted that, subsequent to the acquisition of VenFin Limited during November 2009, Remgro SARs were awarded to Mr J Malherbe to compensate him for the cancellation of the VenFin Share Appreciation Right Scheme. Mr Malherbe does not qualify for any further allocation of SARs and the last tranche of these SARs vested in December 2016.

Details of the fee structure proposed for the period 1 July 2017 to 30 June 2018 are set out on the next page. During the annual review of the fees of non-executive directors, it became evident that the fee for the Audit and Risk Committee members is lagging the market. Therefore, the proposed increase for these members are to provide greater alignment with the market and exceeds the standard increase percentage.

Remgro has not differentiated in the past between fees payable to a chair and the other members of a committee. Such differentiation is in line with best practice, therefore for the 2018 financial year a different fee for committee chairs is proposed.

Also see special shareholders resolution 1 in the Notice to Shareholders on page 118.



The proposed fee structure payable to non-executive directors for the year ending 30 June 2018 is presented in the table below.

Type of fee (R)	Current fee for the year ended 30 June 2017	Proposed fee for the year ending 30 June 2018
Board member	321 000	345 000
Chairman: Audit and Risk Committee	214 000	260 000
Member: Audit and Risk Committee	107 000	130 000
Member: Remuneration and Nomination Committee	53 500	57 500
Chairman: Social and Ethics Committee	53 500	100 000
Member: Social and Ethics Committee	53 500	57 500

SHAREHOLDER ENGAGEMENT AND NON-BINDING VOTE

The Remuneration Policy and Implementation Report are respectively tabled for separate non-binding advisory votes by the shareholders at the 2017 Annual General Meeting.

The committee will engage with shareholders in the event of a 25% or more dissenting vote on the Remuneration Policy or Remuneration Implementation Report (or both). In that event, the Company will, in its voting results announcement provide for (1) an invitation to dissenting shareholders to engage with the Company, and (2) the manner and timing of

such engagement. In this regard the Company intends to (1) invite the dissenting shareholders to provide the Company with their written submissions as to why they voted against the Remuneration Policy or Remuneration Implementation Report, (2) to address the legitimate and reasonable objections of dissenting shareholders, and (3) report back to the dissenting shareholders. If appropriate and practical, the Company may engage with dissenting shareholders or any one or more of them at meetings called for that purpose. Other methods of shareholder engagement may include conference calls, e-mails and investor roadshows.

**REMUNERATION IMPLEMENTATION REPORT**

(The information on pages 87 to 91 was audited)

TOTAL REMUNERATION (SINGLE FIGURE)

The tables below provide information on the single-figure remuneration for executive directors and prescribed officers, which comprise of a fixed annual amount, as well as the indicative value of SARs that vested during the year, irrespective of it being exercised or not.

EXECUTIVE DIRECTORS

R'000	Fees	Salaries	Retirement fund	Other benefits ⁽⁴⁾	Fixed remuneration	Indicative value of SARs ⁽⁵⁾	Total
30 June 2017							
W E Bührmann	321	3 000	659	314	4 294	2 593	6 887
J J Durand	321	10 506	2 147	344	13 318	7 338	20 656
M Lubbe ⁽¹⁾	241	1 179	263	272	1 955	402	2 357
N J Williams ⁽²⁾	321	3 417	741	339	4 818	2 159	6 977
Subtotal	1 204	18 102	3 810	1 269	24 385	12 492	36 877
30 June 2016							
W E Bührmann	300	2 800	615	297	4 012	4 770	8 782
L Crouse ⁽²⁾	225	5 540	1 035	236	7 036	38 223	45 259
J J Durand	300	9 815	2 006	322	12 443	22 065	34 508
N J Williams ⁽³⁾	75	650	173	80	978	–	978
Subtotal	900	18 805	3 829	935	24 469	65 058	89 527

⁽¹⁾ Mrs M Lubbe was appointed as executive director with effect from 20 September 2016.

⁽²⁾ Mr L Crouse retired as Chief Financial Officer with effect from 31 March 2016.

⁽³⁾ Mr N J Williams was appointed as Chief Financial Officer with effect from 1 April 2016.

⁽⁴⁾ Benefits include medical scheme contributions and vehicle benefits.

⁽⁵⁾ Exercisable value at year-end of SARs that vested during the year. Note that the vested, but unexercised, SARs form part of the balance of SARs accepted at year-end in the Long-term Incentives Outcomes on page 88.

PRESCRIBED OFFICERS

R'000	Salaries	Retirement fund	Other benefits ⁽³⁾	Fixed remuneration	Indicative value of SARs ⁽⁵⁾	Total
30 June 2017						
P R Louw	2 399	476	339	3 214	661	3 875
P J Uys	5 144	1 020	339	6 503	2 667	9 170
Total	7 543	1 496	678	9 717	3 328	13 045
30 June 2016						
P R Louw ⁽¹⁾	455	111	80	646	–	646
P J Uys	4 694	931	319	5 944	5 205	11 149
N J Williams ⁽²⁾	1 997	385	239	2 621	4 956	7 577
Total	7 146	1 427	638	9 211	10 161	19 372

⁽¹⁾ Mr P R Louw was appointed on 1 April 2016.

⁽²⁾ Mr N J Williams was appointed as Chief Financial Officer with effect from 1 April 2016.

⁽³⁾ Benefits include medical scheme contributions and vehicle benefits.

⁽⁴⁾ Both Messrs P R Louw and P J Uys are members of the Management Board, as well as the Social and Ethics Committee.

⁽⁵⁾ Exercisable value at year-end of SARs that vested during the year. Note that the vested, but unexercised, SARs form part of the balance of SARs accepted at year-end in the Long-term Incentives Outcomes on page 90.



LONG-TERM INCENTIVES OUTCOMES

Remgro's Remuneration Policy does not provide for any short-term cash bonuses, therefore no outcomes are reported in terms of this.

The tables below provide information on a director and prescribed officer basis of long-term incentives (SARs) granted and accepted during the year and the indicative value of SARs not yet exercised (outstanding SARs). It also illustrates the cash value of SARs exercised during the year.

DIRECTORS

Participant	Balance of SARs accepted as at 30 June 2016	SARs accepted during the year ⁽¹⁾	Fair value of SARs on offer date (R'000)	SARs transferred during the year ⁽²⁾	Offer price ⁽³⁾ (Rand)	Number of SARs exercised	Date exercising SARs	Share price on exercise date	Increase in value ⁽⁴⁾ (R'000)	Balance of SARs accepted as at 30 June 2017	Fair value of SARs as at 30 June 2017 ⁽⁵⁾ (R'000)
										2017	
Executive											
W E Bührmann	23 548				92.83	(23 548)	31/05/2017	220.40	3 004	–	–
	98 817				142.04					98 817	7 719
	25 485				185.07					25 485	1 470
	8 958				245.53					8 958	366
	26 470				262.77					26 470	1 110
	–	82 971	5 804		209.11					82 971	4 786
L Crouse ⁽⁶⁾	23 587					(23 587)	31/03/2017	–	–	–	–
J J Durand	157 262				92.83					157 262	19 029
	271 258				142.04					271 258	21 188
	93 128				185.07					93 128	5 372
	108 468				245.53					108 468	4 437
	192 676				262.77					192 676	8 079
	–	150 872	10 554		209.11					150 872	8 702
M Lubbe ⁽²⁾	–			20 620	92.83	(20 620)	05/04/2017	205.69	2 327	–	–
	–			13 961	142.04					13 961	1 090
	–			7 444	185.07					7 444	429
	–			4 011	245.53					4 011	164
	–			8 036	262.77					8 036	337
	–	65 632	4 591		209.11					65 632	3 786
N J Williams	18 076				73.67	(18 076)	07/12/2016	207.00	2 410	–	–
	19 768				92.83					19 768	2 392
	81 901				142.04					81 901	6 397
	22 221				185.07					22 221	1 282
	16 430				245.53					16 430	672
	27 492				262.77					27 492	1 153
	–	98 716	6 905		209.11					98 716	5 694
Subtotal	1 215 545	398 191	27 854	54 072		(85 831)			7 741	1 581 977	105 654
Non-executive											
J Malherbe ⁽⁷⁾	50 506				73.67	(50 506)	06/12/2016	209.73	6 872	–	–
Subtotal	50 506	–	–	–		(50 506)			6 872	–	–
Total	1 266 051	398 191	27 854	54 072		(136 337)			14 613	1 581 977	105 654

⁽¹⁾ SARs were offered on 1 December 2016.

⁽²⁾ Mrs M Lubbe was appointed as executive director with effect from 20 September 2016. SARs transferred refer to the balance of SARs granted and accepted by her prior to 20 September 2016.

⁽³⁾ In terms of the rules of the SAR Scheme, the offer price of SARs that were awarded prior to the Remgro rights issue was reduced to ensure that participants were placed in substantially the same position as they were prior to the right issue.

⁽⁴⁾ This refers to the increase in value of the SAR Scheme shares of the indicated participants from the offer date to the date of payment and delivery.

⁽⁵⁾ Fair value was calculated using the standard binomial pricing model. Note that the vested, but unexercised SARs, used in the calculation of the indicative value of SARs reflected in the total remuneration (single figure section) on page 87, are also included in this fair value calculation.

⁽⁶⁾ Mr L Crouse retired as Chief Financial Officer with effect from 31 March 2016. In terms of the rules of the SAR Scheme, participants going into retirement are entitled to exercise all their SARs granted to them at any time within 12 months after the date of retirement or before the expiry of the SAR period (being seven years from the grant date), whichever is the earlier. The 23 587 SARs expired on 31 March 2017 as the Remgro share price was less than the offer price.

⁽⁷⁾ Subsequent to the acquisition of VenFin Limited during November 2009, Remgro SARs were awarded to Mr J Malherbe to compensate him for the cancellation of the VenFin Share Appreciation Right Scheme. Mr Malherbe does not qualify for any further allocation of SARs.

Participant	Balance of SARs accepted as at 30 June 2015	SARs accepted during the year ⁽¹⁾	Fair value of SARs on offer date (R'000)	SARs transferred during the year ⁽²⁾	Offer price (Rand)	Number of SARs exercised	Date exercising SARs	Share price on exercise date	Increase in value ⁽³⁾ (R'000)	Balance of SARs accepted as at 30 June 2016	Fair value of SARs as at 30 June 2016 ⁽⁴⁾ (R'000)
										2016	2016
Executive											
W E Bührmann	23 548				97.55					23 548	3 734
	98 817				147.25					98 817	11 737
	25 485				191.70					25 485	2 429
	8 958				253.53					8 958	637
	–	26 470	2 142		272.00					26 470	1 948
L Crouse ⁽⁵⁾	51 865				97.55	(51 865)	22/03/2016	259.66	8 408	–	–
	94 652				147.25	(94 652)	22/03/2016	259.66	10 640	–	–
	189 300				147.25	(189 300)	04/04/2016	250.94	19 629	–	–
	79 144				191.70	(79 144)	04/04/2016	250.94	4 688	–	–
	23 587				253.53					23 587	1 676
J J Durand	157 262				97.55					157 262	24 941
	271 258				147.25					271 258	32 220
	93 128				191.70					93 128	8 877
	108 468				253.53					108 468	7 709
N J Williams ⁽²⁾	–	192 676	15 591		272.00					192 676	14 177
	–			18 076	78.30					18 076	3 192
	–			19 768	97.55					19 768	3 135
	–			81 901	147.25					81 901	9 728
	–			22 221	191.70					22 221	2 118
	–			16 430	253.53					16 430	1 168
Subtotal	1 225 472	219 146	17 733	185 888		(414 961)			43 365	1 215 545	131 449
Non-executive											
J Malherbe ⁽⁶⁾	50 506				78.30					50 506	8 920
	6 949				75.38	(6 949)	03/11/2015	279.00	1 415	–	–
Subtotal	57 455	–	–	–		(6 949)			1 415	50 506	8 920
Total	1 282 927	219 146	17 733	185 888		(421 910)			44 780	1 266 051	140 369

⁽¹⁾ SARs were offered on 24 November 2015.

⁽²⁾ Mr N J Williams was appointed as Chief Financial Officer with effect from 1 April 2016. SARs transferred refer to the balance of SARs granted and accepted by him prior to 1 April 2016.

⁽³⁾ This refers to the increase in value of the SAR Scheme shares of the indicated participants from the offer date to the date of payment and delivery.

⁽⁴⁾ Fair value was calculated using the standard binomial pricing model. Note that the vested, but unexercised SARs, used in the calculation of the indicative value of SARs reflected in the total remuneration (single figure section) on page 87, are also included in this fair value calculation.

⁽⁵⁾ Mr L Crouse retired as Chief Financial Officer with effect from 31 March 2016. In terms of the rules of the SAR Scheme, participants going into retirement are entitled to exercise all their SARs granted to them at any time within 12 months after the date of retirement or before the expiry of the SAR period (being seven years from the grant date), whichever is the earlier.

⁽⁶⁾ Subsequent to the acquisition of VenFin Limited during November 2009, Remgro SARs were awarded to Mr J Malherbe to compensate him for the cancellation of the VenFin Share Appreciation Right Scheme. Mr Malherbe does not qualify for any further allocation of SARs.

PRESCRIBED OFFICERS

Participant	Balance of SARs accepted as at 30 June 2016	SARs accepted during the year ⁽¹⁾	Fair value of SARs on offer date (R'000)	Offer price ⁽²⁾ (Rand)	Number of SARs exercised	Date exercising SARs	Share price on exercise date	Increase in value ⁽³⁾ (R'000)	Balance of SARs accepted as at 30 June 2017	Fair value of SARs as at 30 June 2017 ⁽⁴⁾ (R'000)
	P R Louw	27 432			92.83					27 432
	22 646			142.04					22 646	1 769
	12 944			185.07					12 944	747
	5 952			245.53					5 952	243
	9 497			262.77					9 497	398
	–	91 120	6 374	209.11					91 120	5 256
P J Uys	218 400			177.24					218 400	17 059
	3 325			185.07					3 325	192
	14 774			245.53					14 774	604
	11 533			262.77					11 533	484
	–	91 463	6 398	209.11					91 463	5 276
Total	326 503	182 583	12 772		–			–	509 086	35 347

⁽¹⁾ SARs were offered on 1 December 2016.

⁽²⁾ In terms of the rules of the SAR Scheme, the offer price of SARs that were awarded prior to the Remgro rights issue was reduced to ensure that participants were placed in substantially the same position as they were prior to the right issue.

⁽³⁾ This refers to the increase in value of the SAR Scheme shares of the indicated participants from the offer date to the date of payment and delivery.

⁽⁴⁾ Fair value was calculated using the standard binomial pricing model. Note that the vested, but unexercised SARs, used in the calculation of the indicative value of SARs reflected in the total remuneration (single figure section) on page 87, are also included in this fair value calculation.

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Participant	Balance of SARs accepted as at 30 June 2015	SARs accepted during the year ⁽¹⁾	Fair value of SARs on offer date (R'000)	SARs transferred during the year ⁽²⁾	Offer price (Rand)	Number of SARs exercised	Date exercising SARs	Share price on exercise date	Increase in value ⁽³⁾ (R'000)	Balance of SARs accepted as at 30 June 2016	Fair value of SARs as at 30 June 2016 ⁽⁴⁾ (R'000)
	P R Louw ⁽²⁾	–			27 432	97.55					27 432
	–			22 646	147.25					22 646	2 690
	–			12 944	191.70					12 944	1 234
	–			5 952	253.53					5 952	423
	–			9 497	272.00					9 497	699
P J Uys	218 400				183.15					218 400	20 482
	3 325				191.70					3 325	317
	14 774				253.53					14 774	1 050
		11 533	933		272.00					11 533	849
N J Williams ⁽²⁾	18 076			(18 076)	78.30					–	–
	25 768			(19 768)	97.55	(6 000)	26/10/2015	278.58	1 086	–	–
	81 901			(81 901)	147.25					–	–
	22 221			(22 221)	191.70					–	–
	16 430			(16 430)	253.53					–	–
		27 492	2 225	(27 492)	272.00					–	–
Total	400 895	39 025	3 158	(107 417)		(6 000)			1 086	326 503	32 094

⁽¹⁾ SARs were offered on 24 November 2015.

⁽²⁾ With effect from 1 April 2016, Mr N J Williams was appointed as Chief Financial Officer and Mr P R Louw was appointed as member of the Management Board. SARs transferred refer to the balance of SARs granted and accepted by them prior to 1 April 2016.

⁽³⁾ This refers to the increase in value of the SAR Scheme shares of the indicated participants from the offer date to the date of payment and delivery.

⁽⁴⁾ Fair value was calculated using the standard binomial pricing model. Note that the vested, but unexercised SARs, used in the calculation of the indicative value of SARs reflected in the total remuneration (single figure section) on page 87, are also included in this fair value calculation.

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NON-EXECUTIVE DIRECTORS' FEES

The non-executive directors' fees for the 2017 financial year, which were approved by the shareholders, are disclosed below (on an individual basis).

Type of fee (R)	Fee for the year ended 30 June 2017	Fee for the year ended 30 June 2016
Board member	321 000	300 000
Chairman of the Audit and Risk Committee	214 000	200 000
Member of the Audit and Risk Committee	107 000	100 000
Member of the Remuneration and Nomination Committee	53 500	50 000
Member of the Social and Ethics Committee	53 500	50 000

The actual fees paid to non-executive directors are disclosed below (on an individual basis).

R'000	Fee for the year ended 30 June 2017	Fee for the year ended 30 June 2016
Non-executive (independent)		
G T Ferreira	375	350
P K Harris	375	350
N P Mageza ⁽¹⁾	455	400
P J Moleketi	428	400
M Morobe	348	300
F Robertson	482	450
S E N De Bruyn Sebotsa ⁽²⁾	508	350
H Wessels ⁽³⁾	390	684
Subtotal	3 361	3 284
Non-executive (non-independent)		
E de la H Hertzog	321	300
J Malherbe	321	300
J P Rupert ⁽⁴⁾	–	–
Subtotal	642	600
Total	4 003	3 884

⁽¹⁾ During the year under review Mr N P Mageza also received R538 000 (2016: R502 000) as director's fees from RCL Foods Limited, a subsidiary of Remgro Limited.

⁽²⁾ Ms S E N De Bruyn Sebotsa was appointed as independent non-executive director with effect from 16 March 2015.

⁽³⁾ In addition to his director's fees and fee as chairman of the Audit and Risk Committee and chairman of the Social and Ethics Committee, an amount of R96 000 (2016: R134 400) was also paid to Mr H Wessels during the year under review for his attendance of meetings of subcommittees of the Audit and Risk Committee.

⁽⁴⁾ Mr J P Rupert receives no emoluments.

FIXED REMUNERATION REVIEW

During the year under review, the executive directors and members of the Management Board received an average salary increase of 7.5% (2016: 7.3%), compared to an average salary increase paid to general staff of 7.5% (2016: 7.1%). Mr Jannie Durand received an average salary increase of 7.0% (2016: 7.0%).



Johann Rupert

Chairman of the Remuneration and Nomination Committee

Stellenbosch

20 September 2017