Bidcorp

Passionate about foodservice

Remuneration report 2016

Bid Corporation Limited (Bidcorp) is a multinational group, listed on the JSE Limited, which comprises predominantly international operations. Our remuneration policy is reflective of the many countries in which we operate and the diverse employment environment across the group.

Following the unbundling from The Bidvest Group Limited on May 30 2016, the remuneration of the directors of Bidcorp did not change from that as set out in the Bidcorp pre-listing statement dated April 14 2016. The intention of the remuneration report is to provide an overview and understanding of Bidcorp's remuneration philosophy and focuses on executive and non-executive remuneration.

Part 1 – Policy

Key principles of our philosophy

The key principles that shape our policy are:

- A critical success factor of the group is its ability to attract, retain and motivate the entrepreneurial talent required to achieve its operational and strategic objectives. Both short and long-term incentives are used to this end.
- Delivery-specific short-term incentives are viewed as strong drivers of performance. A significant portion of senior management's reward is variable and is determined by the achievement of realistic profit and returns targets together with an individual's personal contribution to the growth and development of their immediate business, the applicable division, and the wider group. Only when warranted by exceptional circumstances, special bonuses may be considered as additional awards.
- Long-term incentives align the objectives of management, shareholders and other stakeholders for a sustainable period.

Policy principles

The remuneration committee functions as a subcommittee of the board in terms of an agreed mandate and evaluates and monitors the group's remuneration philosophy and practices to ensure consistency with governance principles and corporate strategy. The remuneration committee further implements the board-approved remuneration policy to ensure:

1. salary structures and policies, as well as cash and share-based incentives, motivate superior performance and are linked to realistic performance objectives that support sustainable long-term business growth;
2. stakeholders are able to make an informed assessment of reward practices and governance processes; and
3. compliance with all applicable laws and regulatory codes.

Governance and the remuneration committee

Board responsibility

The board carries ultimate responsibility for the remuneration policy. The remuneration committee operates in terms of a board-approved mandate. The board will, when required, refer matters for shareholder approval, for example:

- new and/or amended share-based incentive schemes; and
- non-executive board and committee fees.

The remuneration policy, contained in this part 1 of the remuneration report, will be put to a non-binding shareholders' vote at the annual general meeting of shareholders.

Composition, mandate and attendance for remuneration committee

The members of the remuneration committee are independent non-executive directors as defined by King III. The remuneration committee is scheduled to hold three meetings per year but meets on an ad hoc basis when required.

The attendance for these meetings is contained in the directors' report (remuneration committee report section), which can be found online.

The executive chairman, chief executive and chief financial officer attend meetings by invitation, to assist the remuneration committee with the execution of its mandate. No executive participates in the vote process nor is present at meetings of the remuneration committee when his/her own remuneration is discussed or considered. The remuneration committee uses the services of PricewaterhouseCoopers (PwC) as standing independent advisers to the remuneration committee.

The chairman of the remuneration committee or, in his absence, another member of the remuneration committee is required to attend the annual general meeting to answer questions on remuneration.

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

- reviewing of the group remuneration philosophy and policy and assisting the board to establish a remuneration policy for directors and senior executives that will promote the achievement of strategic objectives and encourage individual performance;
- ensuring that the mix of fixed and variable pay in cash, shares and other elements meet the group's needs and strategic objectives;
- reviewing incentive schemes to ensure continued contribution to shareholder value;

- reviewing the recommendations of management on fee proposals for the group's non-executive directors and determining, in conjunction with the board, the final proposals to be submitted to shareholders for approval;
- determining all the remuneration parameters for the executive chairman, chief executive and other executive directors. Reviewing and recommending to the board the relevant criteria necessary to measure the performance of executives in determining their remuneration;
- agreeing to the principles for senior management increases and cash incentives for all operations;
- agreeing to long-term incentive allocations and awards for executive directors conditional share plan (CSP) and for senior management share appreciation rights (SARs);
- settling long-term incentive allocations and awards for executive directors;
- overseeing the preparation of the remuneration report (as contained in the annual integrated report) to ensure that it is clear, concise and transparent;
- ensuring that the remuneration report be put to a non-binding advisory vote by shareholders and engaging with shareholders and other stakeholders on the group's remuneration philosophy; and
- ensuring that consideration is given to executive succession planning in the group.

Role of benchmarking

Benchmarking and position in the market

To ensure that the group remains competitive in the markets in which it operates, all elements of remuneration are subject to regular reviews against relevant market and peer data.

The policy aims at positioning the group as a preferred employer within the foodservice industry. To retain flexibility and ensure fairness when directing human capital to those areas of the group requiring focused attention, subjective performance assessments may sometimes be required when evaluating employee contributions.

The group believes that its remuneration policy plays an essential role in realising business strategy and therefore should be competitive in the markets in which the group operates.

Executive directors

Terms of service

The minimum terms and conditions applied to South African executive directors are governed by legislation. Terms of service for executive directors outside South Africa are governed by labour legislation in their local jurisdiction and the terms of their employment contracts. In exceptional situations of termination of the executive directors' services, the remuneration committee (assisted by independent labour law legal advisers) oversees the settlement of terms.

Executive directors are required to retire on the third anniversary of their appointment and may offer themselves for re-election. As appropriate, the board, through the nominations committee, proposes their re-election to shareholders.

The terms of the executive director's employment post-unbundling is as follows:

i. Mr B Joffe (executive chairman) is party to a new employment agreement with Bidcorp, the salient terms of which are set out below.
ii. Mr B Berson (chief executive) is party to an ongoing employment agreement with Bidvest Australia Limited but will be party to a new employment agreement with Bidcorp.
iii. Mr D Cleasby (chief financial officer) will be party to a new employment agreement with Bidcorp.

Salient terms and conditions in relation to Mr Joffe include:

- Gross annual remuneration equivalent to £518 000 and R4 650 000
- Term of contract is three years
- Normal inflation-related increases and performance-related bonus

Salient terms and conditions of employment for Mr Berson (CEO) and Mr Cleasby (CFO) are substantially similar to those in terms of their previous employment within The Bidvest Group Limited.

The annual gross remuneration package payable to the CEO (for the full period) and CFO (pro rata from date of unbundling) for the 2016 financial year is as follows:

- CEO: Mr Berson – A$1 250 000
- CFO: Mr Cleasby – R4 700 000

Under the employment contracts, the employment of an executive director will continue until terminated upon (i) five weeks' notice for the CEO and one month's notice for the CFO respectively or (ii) retirement thereof.

Bidcorp can also terminate the executive directors' employment summarily for any reason recognised by law as justifying summary termination.

The value of the gross remuneration package payable in terms of the employment contracts is allocated among the following benefits (i) basic remuneration (ii) retirement and or medical benefits and (iii) other benefits.

Executive directors are permitted to serve as non-executive directors on other public company boards with the express permission of the nominations committee.

Elements of remuneration

The group operates a total cost-to-company (CTC) philosophy whereby cash remuneration, benefits (including a defined contribution retirement fund, medical aid and other insured benefits) form part of employees' fixed total CTC remuneration. Senior management and executive directors also participate in short-term incentives (in the form of performance bonus plans). Two long-term incentive plans are in operation, namely the Bidcorp SAR (for senior management) and the Bidcorp CSP (for executive directors).

The different components of remuneration, their objectives, the policy which governs them and their link to the business strategy are summarised below in Table 1.

The group views the executive directors as the current "prescribed officers" as defined in the Companies Act and therefore no separate remuneration policy disclosure for prescribed officers is necessary.

Table 1: Summary of remuneration components for executive directors

	Component	Objective and practice	Link to business strategy	Policy
Part 1 – section 1 guaranteed pay (CTC)	Base package	Attract and retain the best talent. Reviewed annually and set on July 1.	This component aligns with business strategy as it takes into account internal and external equity. Hereby, ensuring competitiveness and rewarding individuals fairly based on a similar job in the market.	Level of skill and experience, scope of responsibilities and competitiveness of the total remuneration package are taken into account when determining cost to company.
	Benefits	Providing employees with contractually agreed basic benefits such as retirement fund benefits (defined contribution), medical aid, risk benefits, and life and disability insurance on a CTC basis.	Benefits recognise the need for a holistic approach to guaranteed package and are part of the overall employee value proposition offered by Bidcorp.	The company contributes towards retirement benefits as per the rules of its retirement funds. Medical aid contributions depend upon each individual's needs and the package selection. Risk and insurance benefits are company contributions, all of which form part of total CTC.
Part 1 – section 2 short-term incentives	Short-term incentive	To motivate and incentivise delivery of performance over the one-year operating cycle. Bonus levels and the appropriateness of measures and weightings are reviewed annually to ensure that these continue to support Bidcorp's strategy. The annual bonus is paid in cash in August/September each year for company financial performance during the previous financial year.	Encourages growth in headline earnings per share and return on funds employed (ROFE) for shareholders in a sustainable manner over the short term. Combines the above financial performance metrics with strategic metrics, such as leadership, innovation, sustainability and expansion to ensure well-balanced KPIs. Rewards executive directors for their measurable contribution to the group based on predetermined metrics.	For the 2017 financial year, target and stretch performance targets have been set for the following metrics: **Financial performance** Headline earnings per share (HEPS) growth on a constant currency basis and return on funds employed achieved. Measured against prior year's performance and budgets. **Strategic objectives** Non-financial, strategic objectives, such as leadership, innovation, sustainability and expansion are also considered to determine the quantum of bonuses paid.

	Component	Objective and practice	Link to business strategy	Policy
Part 1 – section 2 short-term incentives (continued)				**Earning potential** At target performance the earning potential is 100% of guaranteed package. Stretch earning potential is limited to 160% of guaranteed package and is subject to exceptional performance. **Discretion of remuneration committee** The remuneration committee has discretion, when warranted by exceptional circumstances and where considerable value has been created for shareholders and stakeholders of Bidcorp by specific key employees, to award special bonuses or other ex gratia payments to individuals. In exercising this discretion the remuneration committee must satisfy itself that such payments are fair and reasonable and are disclosed to shareholders as required by remuneration governance principles.
Part 1 – section 3 long-term incentives	Long-term incentive – conditional share plan (CSP)	To motivate and incentivise delivery of sustained performance over the long term.	Alignment of executives' interests with shareholders through conditional rights to future delivery of equity. Vesting of equity instruments are subject to performance targets, thereby supporting the performance culture of the group. Motivates long-term, sustainable performance.	Award levels are set according to best practice benchmarks and to ensure support of group business strategy. Awards consist of conditional rights to shares, subjected to performance conditions over a three-year performance period and continued employment period for the duration of the vesting periods of three years (75% of the award) and four years (25% of the award) respectively. The company performance metrics comprise the following: ■ HEPS growth on a constant currency basis ■ Relative total shareholder return (TSR) as external performance measure ■ ROFE ■ Strategic objectives

Further details on long-term incentive plans

Bidcorp Conditional Share Plan (CSP)

Upon the listing and unbundling of Bidcorp, shareholders approved the CSP. The CSP was implemented for executive directors only. Under the CSP, participants are awarded a right to future delivery of equity (ie a conditional right to receive shares). Vesting of shares is subject to the achievement of performance conditions. Performance conditions, each with different weightings, have been imposed. The performance period is three years, coinciding with the Bidcorp financial year.

Details of the 2016 award, the performance periods and the performance conditions are shown in part 2 of this report.

Bidcorp Share Appreciation Rights Plan (SAR)

Upon the listing and unbundling of Bidcorp, shareholders approved a SAR for senior managers, excluding any executive directors.

Bidcorp's long-term incentive plans and dilution

In terms of the Bidcorp long-term incentive plan rules, an overall limit of approximately 5% of the issued shares of the company has been imposed when shares are allocated and issued in terms of the plans, incorporating both SARs and CSP. The total award that may be allocated to any one individual may not exceed 10% of the total awards made in that year.

If shares are purchased in the open market for settlement of allocations in terms of the Bidcorp SAR and CSP, the limit of 5% will not be impacted.

Non-executive directors

Terms of service

Non-executive directors are appointed by the shareholders at the AGM. Interim board appointments are permitted between AGMs. Appointments are made in accordance with group policy. Interim appointees retire at the next AGM, when they may make themselves available for re-election.

As appropriate, the board, through the nominations committee, proposes their re-election to shareholders. There is no limit on the number of times a non-executive director may make him or herself available for re-election.

Fees

The group policy is to pay competitive fees for the role while recognising the required time commitment. The fees comprise an annual retainer component and attendance fee for scheduled meetings, as tabulated in part 2 of this report. In addition, non-executive directors are compensated for travel and subsistence on official business where necessary and to attend meetings. No contractual arrangements are entered into to compensate non-executive directors for the loss of office.

Non-executive directors do not receive short-term incentives nor do they participate in any long-term incentive schemes, except where non-executive directors previously held executive office, and they remain entitled to unvested benefits arising from their period of employment. Bidcorp does not provide retirement contributions to non-executive directors.

Management proposes non-executive directors' fees (based on independent advice) to shareholders annually for shareholder vote.

Directors' interests in contracts

During the financial year, none of the current directors had a material interest in any contract of significance to which the company or any of its subsidiaries were a party.

Non-binding advisory vote

Shareholders are requested to cast an advisory vote on the remuneration policy as summarised on pages 3 and 4 of this document: part 1 – section 1: Guaranteed pay (CTC); part 1 – section 2: Short-term incentives; part 1 – section 3: Long-term incentives.

Part 2 – Implementation of remuneration policy

1. Guaranteed pay – base pay and benefits

Guaranteed pay increases for the financial years ending 2016 and 2017

In determining the CTC increases for executive directors, the remuneration committee considered the average increases to general staff and also used relevant market data. Benchmarks were selected based on a number of factors, including, but not limited to, company size and complexity of comparable listed companies by reference to market capitalisation, revenues, profitability, number of employees and the industry sector.

In 2016 and under The Bidvest Group Limited (Bidvest), the average rate of increase of the CTC for the Bidcorp executive directors was 7,82% for local directors and 14,0% for international directors.

For the 2017 financial year, finalisation of the executive directors CTC arrangements await appropriate benchmarking information.

2. Short-term incentives for the year ended June 2016

During the past financial year, the determination of short-term incentives has largely derived from the role that the respective executive directors played as members of Bidvest executive.

In Mr Berson's case, the spotlight has also focused on his role as CEO of the Bidcorp business. In Bidvest, the conclusion of the unbundling became the key priority for the executive. Gratifyingly this mission was achieved in the shortest possible timeframe, at a remarkably low cost to both Bidvest and shareholders, and in a manner which enabled the operating business to continue on a business as usual basis. The outcome has been positive both in terms of a significant uplift in shareholder value and in resolving the management succession challenges.

This contribution and a gratifying performance from the perspective of both headline earnings per share (both in terms of Rand growth as well as constant currency performance) and ROFE has motivated the Remuneration committee to award the positive increases in bonuses as detailed in the directors' remuneration report and as tabled below. Rand weakness has on translation also impacted the percentage increases recorded for the international pay element of the bonuses.

3. Short-term incentives for the year ending June 2017

Short-term incentive targets for the Bidcorp executive are to be based on a combination of the following performance measures:

- Headline earning performance (50% weighting) will be measured on a linear basis for headline earning per share performance on a constant currency basis from the threshold (2,5% real growth) target (5% real growth) and stretch (8% real growth);
- Return on funds employed (ROFE) (30% weighting) has a threshold of 32,5%, a target of 35,0% and a stretch of 37,5% achievement; and
- Key performance indicators (20% weighting) include performance on innovation, sustainability (including transformation in relation to South Africa), expansion (acquisitions) and business development. While more subjective in character, these will also be evaluated on a threshold, target and stretch basis.

Bonuses to be paid in terms of the aforementioned scheme will have a maximum cap of 160% of individual CTC packages which could only be attained at full stretch performance on all criteria.

Summary of executive directors' guaranteed pay and short-term incentives 2016

Directors' remuneration

The remuneration paid to executive directors while in office of the company and Bidvest during the year ended June 30 2016 can be analysed as follows:

	Remuneration and benefits paid to directors by the company				Remuneration and benefits paid to directors by The Bidvest Group Limited				
Director	**Basic remuneration R'000**	**Other benefits and costs R'000**	**Retirement/ medical benefits R'000**	**Cash incentives R'000**	**Basic remuneration R'000**	**Other benefits and costs R'000**	**Retirement/ medical benefits R'000**	**Cash incentives R'000**	**Total emoluments R'000**
BL Berson	12 777	275	370	14 864	–	–	–	–	28 286
DE Cleasby	335	19	41	442	3 693	495	439	4 858	10 322
B Joffe	9 115	45	38	10 311	8 133	1 755	873	8 800	39 070
2016 total	**22 227**	**339**	**449**	**25 617**	**11 826**	**2 250**	**1 312**	**13 658**	**77 678**

For comparative purposes the remuneration paid to the executive directors while in office of the company and Bidvest during the year ended June 30 2015 can be analysed as follows:

	Remuneration and benefits paid to directors by the company				Remuneration and benefits paid to directors by The Bidvest Group Limited				
Director	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
BL Berson	9 675	244	239	10 637	–	–	–	–	20 795
DE Cleasby	–	–	–	–	3 662	428	414	4 500	9 004
B Joffe	6 536	–	–	7 730	8 322	1 253	903	8 000	32 744
2015 total	16 211	244	239	18 367	11 984	1 681	1 317	12 500	62 543

4. Long-term incentives

CSP

A conditional award is a conditional right to a share, which is awarded subject to performance and vesting conditions.

Treatment of CSP on listing and unbundling of Bidcorp

At the unbundling date, executive directors held unvested conditional awards under the Bidvest Conditional Share Plan. As a consequence of the unbundling, the Bidvest remuneration committee resolved to restructure the outstanding 2012, 2013 and 2014 Bidvest CSP as follows:

- 2012 awards – at the unbundling date, 25% of the 2012 was unvested and were subsequently vested.
- 2013 and 2014 awards – performance conditions were tested and vested at a percentage of 67,0% for the 2013 award and 80,5% for the 2014 award.

The above awards were settled in Bidvest shares prior to the listing and unbundling of Bidcorp.

Awarded in 2016

CSP awards were granted in Bidvest on December 11 2015. As a consequence of the unbundling, the Bidvest remuneration committee resolved to restructure the outstanding 2015 Bidvest CSP as follows:

The Bidvest CSP awards made on December 11 2015 were exchanged for replacement rights over Bidcorp shares and the number of shares comprising the replacement rights are to be adjusted so that the market value is the same as that of the Bidvest CSP pre unbundling. The vesting period for the replacement rights was extended for an additional year and are subject to performance conditions measured over the period July 1 2016 to June 30 2019, vesting of 75% of the awards will occur in September 2019 and the remaining 25% will vest in September 2020. The following performance targets, weighting and performance periods are applicable to the replacement rights and are to be tested over a three-year performance period.

Performance conditions and weighting	Detail of performance conditions	Vesting profile	Peer group for testing TSR condition
HEPS growth (50%) Relative TSR against peer group median (20%) ROFE (20%) KPIs (10%)	Three-year real HEPS growth on a constant currency basis in excess of Bidcorp inflation. HEPS targets are set by reference to the company's three-year plan and market expectation. The remuneration committee considers the targets to be critical to the company's long-term success and its ability to maximise shareholder value, and to be in line with the strategic goals of the company. In addition, the remuneration committee considers these targets to be sufficiently demanding with significant "stretch", ensuring only outstanding performance will be rewarded with a maximum payout. As the JSE Limited does not allow forward looking statements regarding forecasts without significant regulatory compliance, specific HEPS targets are not shown in the remuneration policy. The group is to be measured against a number of appropriate peers within the international foodservice industry and the comparable listed peers on the JSE Limited. Accordingly, the outperformance of the peer group is felt to be the most appropriate TSR measure. The average ROFE of the group as measured over the financial period on a monthly average over 15 months measured against targets set. KPIs are subjective in character and include the evaluation of performance against innovation, sustainability (including transformation in relation to South Africa), expansion (acquisitions) and business development.	HEPS, TSR, ROFE and KPIs: below threshold – 0% vesting; at threshold – 30% vesting; target – 60% vesting; and stretch – 100% vesting, where linear vesting will occur between the levels stated above.	In the process of finalisation.

Disclosure of the value of long-term incentives

The tables below illustrate on an individual executive director level the details of long-term incentive participation.

Held in terms of the Bidvest/Bidcorp Conditional Share Plan (CSP)

Conditional share plan awards accounted for in the company

Director	Balance at June 30 2015	New awards	Shares* awarded	Vesting arising out of unbundling**	Forfeited***	Transfer as a result of unbundling	**Closing balance June 30 2016********
BL Berson	151 163	35 000	(47 930)	(68 417)	(34 816)	–	**35 000**
DE Cleasby	–	–	–	–	–	19 000	**19 000**
B Joffe	–	–	–	–	–	70 000	**70 000**
	151 163	35 000	(47 930)	(68 417)	(34 816)	89 000	**124 000**

Conditional share plan awards accounted for in The Bidvest Group Limited

Director	Balance at June 30 2015	New awards	Shares* awarded	Vesting arising out of unbundling**	Forfeited***	Transfer as a result of unbundling	**Closing balance June 30 2016**
DE Cleasby	87 747	19 000	(31 228)	(37 340)	(19 179)	(19 000)	**–**
B Joffe	310 495	70 000	(89 421)	(145 329)	(75 745)	(70 000)	**–**
	398 242	89 000	(120 649)	(182 669)	(94 924)	(89 000)	**–**

* *During 2016 shares were awarded at R342,62 per share.*

** *As a result of unbundling, The Bidvest Group Limited remuneration committee resolved to restructure the outstanding 2012, 2013, 2014, and 2015 Bidvest CSP. On May 26 2016 CSP were awarded at a market price of R346,00 per share.*

*** *Shares forfeited as a result of performance targets not being met.*

**** *Refer to page 7 note 4 'Long-term incentives: CSP awarded in 2016' for further explanation.*

2016 long-term incentive vesting outcomes

As at June 30 2016, the vesting of the 2015 CSP in 2019 is estimated to be achieved at the 70,0% threshold.

Summary of executive directors' long-term incentives

Executive directors' long-term incentives accounted for in the company

Director	Share-based payment expense R'000	Benefit arising from award of CSP R'000	Benefit arising from restructure of CSP R'000	Gross benefits R'000	Previous share-based payment expense in respect of awards R'000	Actual LTI benefit R'000
2016						
BL Berson	**6 428**	**16 422**	**23 672**	**46 522**	**(22 551)**	**23 971**
DE Cleasby	**101**	**–**	**–**	**101**	**–**	**101**
B Joffe	**373**	**–**	**–**	**373**	**–**	**373**
2016 total	**6 902**	**16 422**	**23 672**	**46 996**	**(22 551)**	**24 445**
2015						
BL Berson	5 791	21 292	–	27 083	(11 605)	15 478
2015 total	5 791	21 292	–	27 083	(11 605)	15 478

Executive directors' long-term incentives accounted for in The Bidvest Group Limited

Director	Share-based payment expense R'000	Benefit arising from award of CSP R'000	Benefit arising from restructure of CSP R'000	Benefit arising from the exercise of options* R'000	Gross benefits R'000	Previous share-based payment expense in respect of awards R'000	Actual LTI benefit R'000
2016							
BL Berson	**5 068**	**–**	**–**	**–**	**5 068**	**–**	**5 068**
DE Cleasby	**6 122**	**10 699**	**12 920**	**–**	**29 741**	**(12 976)**	**16 765**
B Joffe	**23 326**	**30 637**	**50 284**	**11 408**	**115 655**	**(47 424)**	**68 231**
2016 total	**34 516**	**41 336**	**63 204**	**11 408**	**150 464**	**(60 400)**	**90 064**
2015							
DE Cleasby	3 397	15 969	–	–	19 366	(8 704)	10 662
B Joffe	11 723	31 939	–	–	43 662	(17 407)	26 255
2015 total	15 120	47 908	–	–	63 028	(26 111)	36 917

** Includes taxable benefits arising on the settlement of The Bidvest Group Limited incentive scheme loans.*

5. Non-executive remuneration

Non-executive directors' fees paid

The remuneration paid to non-executive directors while in office of the company during the year ended June 30 2016 is analysed as follows:

Non-executive director	Directors' fees R'000
PC Baloyi	**106**
DDB Band	**180**
NG Payne	**120**
CWL Phalatse	**115**
H Wiseman	**264**
2016 total	**785**

All non-executive directors were appointed with effect from March 10 2016.

Prescribed officers

Due to the nature and structure of the group and the number of executive directors on the board of the company, the directors have concluded that there are no prescribed officers of the company.

Proposed non-executive directors' fees for 2016/2017

	2017 proposed fees	
	Basic per annum	**Per meeting**
Lead independent non-executive director	R106 000	R42 400
Non-executive directors (SA-based)	R89 000	R35 600
Non-executive directors (international)	A$70 000 or £41 950	
Audit and risk committee chairman	A$30 000	
Audit and risk committee member (SA-based)	R73 450	R32 000
Audit and risk committee member (international)	£14 700	£6 400
Remuneration committee chairman	R118 700	R28 400
Remuneration committee member (SA-based)		R28 400
Remuneration committee member (international)		£5 700
Nominations committee chairman	R76 850	R26 550
Nominations committee member		R26 550
Acquisitions committee chairman	R83 750	R35 600
Acquisitions committee member (SA-based)		R35 600
Acquisitions committee member (international)		£7 135
Social and ethics committee chairman	R89 000	R26 200
Social and ethics committee member		R26 200
Ad hoc meetings (SA-based)		R19 000
Ad hoc meetings (international)		A$6 350 or £3 800

Refer to special resolution 11 on page 25 of the notice of annual general meeting for approval of the fees by shareholders in terms of section 66 of the Companies Act.

The increase in the proposed non-executive directors' fees for 2016/2017 are based on an inflationary increase of 6,0%. Provision has been made in the aforementioned fees for the potential appointment of further international non-executive directors should the board deem this appropriate.

Approval

This remuneration report was approved by the board of directors of Bid Corporation Limited.

Signed on behalf of the board of directors.

Doug Band
Remuneration committee chairman