



It's all about the food

Remuneration report 2018



Remuneration report 2018

This report comprises four sections:

Part 1 – Background statement

Part 2 – Remuneration policy

Part 3 – Implementation of remuneration policy

Part 4 – Non-executive remuneration

PART 1 – BACKGROUND STATEMENT

The Bidcorp remuneration committee (committee) is pleased to present the remuneration report for the year ended June 30 2018. Since we presented the remuneration policy to shareholders in 2017, no material changes were made to the policy or its implementation. Likewise no material future changes are envisaged. The committee considered the impact of the King IV™ Report on Corporate Governance for South Africa 2016 (King IV) on remuneration which has further enhanced the disclosure in this report. The committee also considered the voting outcomes on the 2017 remuneration policy (95,44% in favour) and implementation of the policy (95,44% in favour) and is satisfied that its policies are aligned with sound governance principles.

Bidcorp uses the services of PricewaterhouseCoopers (PwC) as standing independent advisers to the committee. Due to the decentralised and diversified nature of the group, and the geographic spread of its operations, the individual companies manage their own remuneration policies according to local requirements. The committee provides oversight on senior executive remuneration in the subsidiaries and share incentive awards. This report therefore details the remuneration policy and implementation thereof for executive directors as well as fees paid to non-executive directors and details of the share incentive plans used by the group.

The group's performance for the year under review has again been most gratifying with ongoing operations reflecting sustained growth thanks to Bidcorp's focus on its "all about the food" strategy. In the ongoing pursuit of this goal it was decided to exit the UK Contract Distribution (CD) business, which was reported as a discontinued operation.

Shareholder engagement

The group's remuneration policy and the implementation thereof are placed before shareholders for consideration and approval under the terms of an advisory non-binding vote at the 2018 annual general meeting (AGM) as provided for in the Listings Requirements of the JSE Limited (JSE) and recommended by King IV.

In the event that 25% or more of the votes cast are recorded against either the remuneration policy resolution or the implementation resolution, then:

- Executive management will engage shareholders to ascertain the reasons for dissenting vote. Where considered appropriate, members of the committee may participate in these engagements with selected shareholders.
- Executive management will make specific recommendations to the committee as to how the legitimate and reasonable objections of shareholders might be addressed, either in the group's remuneration policy or through changes on how the remuneration policy is implemented.

PART 2 – REMUNERATION 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 (STI) 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 return targets together with an individual's personal contribution to the growth and development of the group. Only when warranted by exceptional circumstances, special bonuses may be considered as additional awards.
- Long-term incentives (LTI) align the objectives of management, shareholders and other stakeholders for a sustainable period.

Policy principles

The 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 committee further implements the board-approved remuneration policy to ensure:

- 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;
- Stakeholders are able to make an informed assessment of reward practices and governance processes; and
- 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;
- non-executive board and committee fees; and
- any new related party remuneration matters.

The remuneration policy and implementation thereof contained in parts 2 and 3 of this remuneration report will be put to a non-binding shareholders' vote at the AGM.

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Composition, mandate and attendance for the committee

The members of the committee are independent non-executive directors as defined by King IV. The committee meets annually, as well as on an ad hoc basis when required. The attendance for these meetings is contained in the *directors' report (remuneration committee report section) within the 2018 annual integrated report*. The chief executive (CE) and chief financial officer (CFO) attend meetings by invitation to assist the committee with the execution of its mandate. No executive participates in the vote process nor is present at meetings of the committee when his own remuneration is discussed or considered. The committee uses the services of PwC as standing independent advisers to the committee. The chairman of the committee or, in his absence, another member of the committee is required to attend the AGM to answer questions on remuneration.

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

- reviewing 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 the remuneration of executive management to ensure that it is fair and responsible in the context of overall employee remuneration in the group;
- reviewing incentive schemes to ensure continued contribution to shareholder value;
- reviewing the recommendations of management on fee proposals for the group's chairman, 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 CE 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 the principles for senior management increases and their cash incentives;
- agreeing to LTI allocations and awards for executive directors and certain senior management (conditional share plan (CSP)) and for other senior management (share appreciation rights (SAR));
- settling LTI allocations and awards for executive directors and certain senior management;
- overseeing the preparation of the remuneration 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 policy; and
- ensure that consideration is given to executive succession planning.

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. In the case of the CE, his salary is benchmarked against international listed companies (predominantly Australian companies) while the CFO is benchmarked predominantly against JSE listed companies. 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 and vital role in realising business strategy and therefore should be competitive in the markets in which the group operates.

Executive directors

Terms of service

The 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 an 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 is as follows:

- BL Berson (CE) is party to an employment agreement with Bid Corporation Limited.
- DE Cleasby (CFO) is party to an employment agreement with Bid Corporation Limited.

B Joffe's service agreement terminated on June 30 2017 but he continued to provide advisory consulting services to the company for the period July 1 2017 to June 30 2018. Details regarding his long-term incentives are set out in part 3.

Under the employment agreements, the employment of an executive director will continue until terminated upon (i) six months' notice for the CE and a similar notice period for the CFO respectively or (ii) retirement. Bidcorp can also terminate the executive director's 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 agreements is allocated among the following benefits: (i) basic remuneration; (ii) retirement and or medical benefits; and (iii) other benefits.

Elements of remuneration

The group operates a total cost-to company (CTC) philosophy whereby cash remuneration, benefits (including a defined contribution retirement fund or superannuation scheme, medical aid and other insured benefits) form part of employees' fixed total CTC remuneration. Executive directors and senior management also participate in STIs (in the form of a performance bonus plan). Two LTI plans are in operation, namely the Bidcorp CSP (for executive directors and certain senior management) and the Bidcorp SAR plan (for all other senior management). The different components of remuneration, their objectives, the policy which governs them and their link to the business strategy are summarised on pages 3 and 4. There are no changes to the policy proposed for the following financial year, as confirmed on pages 3 and 4. 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.

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Table 1: Summary of remuneration components for executive directors

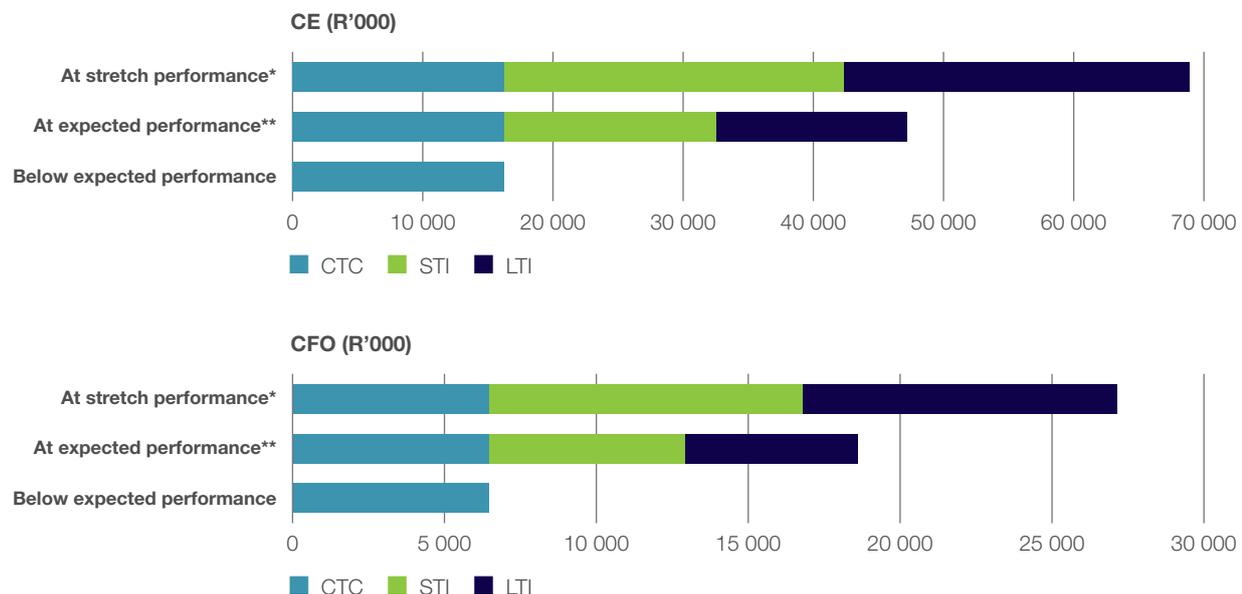
Component	Objective and practice	Link to business strategy	Policy	Changes for 2019	
Guaranteed pay (CTC)	Base package	Attract and retain the best talent. Reviewed annually and set on July 1.	This component aligns with business strategy as it takes into account internal and external equity. Hereby, ensuring 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 CTC.	No changes proposed.
	Benefits	Providing employees with contractually agreed basic benefits such as retirement fund benefits (defined contribution or superannuation), 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 the respective retirement funds or superannuation schemes. Medical aid contributions depend on each individual's needs and the package selection. Risk and insurance benefits are company contributions, all of which form part of total CTC.	No changes proposed.
Short-term incentives (STI)	STI	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 in respect of the group financial performance during the previous financial year.	<p>Encourages growth in headline earnings per share and return on funds employed (ROFE) for shareholders in a sustainable manner over the short term.</p> <p>Combines the above company financial performance metrics with strategic metrics, such as leadership, to ensure well balanced KPIs.</p> <p>Rewards executive directors for their measurable contribution to the group based on predetermined metrics.</p>	<p>For the 2018 financial year, target and stretch performance targets were set for the following metrics:</p> <p>Company financial performance</p> <ul style="list-style-type: none"> Constant currency headline earnings per share (HEPS) growth; and ROFE achieved. <p>Measured against prior year's performance and budgets.</p> <p>Strategic objectives Non-financial, strategic objectives, such as leadership, are also considered to determine the quantum of bonuses paid.</p> <p>Earning potential</p> <ul style="list-style-type: none"> 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. <p>Discretion of committee The 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 committee must satisfy itself that such payments are fair and reasonable and are disclosed to shareholders as required by remuneration governance principles.</p>	No changes proposed.

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Component	Objective and practice	Link to business strategy	Policy	Changes for 2019	
Long-term incentives (LTI)	LTI –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.	<p>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.</p> <p>The company performance metrics comprise the following:</p> <ul style="list-style-type: none"> • constant currency HEPS growth; • relative total shareholder return (TSR) as external performance measure; • ROFE; and • KPIs. 	No changes proposed.

Package design

The below scenario graphs provide an overview of potential pay outcomes at below expected performance, at expected performance and at stretch performance levels.



* LTI includes indicative face value on grant date assuming full vesting.

** LTI includes indicative expected value on grant date.

Further details on LTI plans

Bidcorp CSP

Upon the listing and unbundling of Bidcorp, shareholders approved the CSP. The CSP was originally only implemented for executive directors. However, where senior management perform some group-wide functions, they are considered for CSP awards. 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. After the three-year performance period, 75% of the shares vest while the remaining 25% vest after four years. Details of the 2018 award, the performance period and the performance conditions are shown in part 3 of this report.

Bidcorp SAR Plan

Upon the listing and unbundling of Bidcorp, shareholders approved a SAR plan for senior management, excluding executive directors. SARs vest between three and five years after award and lapse after seven years.

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Bidcorp's LTI plans and dilution

In terms of the Bidcorp LTI 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 CSPs. If shares are purchased in the open market for settlement of allocations in terms of the SAR and CSP, the overall 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 4 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 STIs nor do they participate in any LTI 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 included in this report on pages 1 to 5: **Part 2: Remuneration policy.**

PART 3 – IMPLEMENTATION OF REMUNERATION POLICY

1. Guaranteed pay – base pay and benefits

Guaranteed pay increases for the financial years ending 2018 and 2019

In determining the CTC increases for executive directors, the committee considered relevant benchmarking data. Given the global nature of the group's business, the CE's CTC is benchmarked against predominantly Australian listed companies. The CTC for the CFO is benchmarked against predominantly JSE listed companies. Benchmarks were selected based on several 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 2018 the increase of the CTC for CE, BL Berson, was 3,0%. In respect of CFO, DE Cleasby, a CTC increase on his rand-based salary of 6,0% was granted and a 50% increase on the sterling portion of his CTC was granted.

For the 2019 financial year, CE, BL Berson's CTC increase is 3,56%. For CFO, DE Cleasby, the CTC increase on his rand-based salary is 5,71% and a 3,0% increase on the sterling portion of his CTC has been granted.

2. Former executive director

In terms of B Joffe's consultancy agreement, he was paid R4,0 million in equal monthly instalments for the period July 1 2017 to June 30 2018.

The board believes that the group should retain the access to B Joffe's unique skills in successful deal-making which he has accumulated in his extended business career. As acquisitive growth remains a fundamental pillar of the group's strategy, the ability to call for his time and intellectual input on acquisitions is a key advantage. Accordingly the board has extended the consultancy services agreement for a further year from July 1 2018 to June 30 2019 on the same terms and conditions, with a 6% inflationary increase.

3. Short-term incentive outcomes for 2018

Factors assessed in determining the STI awards to executives were a combination of the following performance measures (as set out in the 2017 remuneration report):

The bonus outcomes were calculated as follows:

Measures and weightings

Financial

HEPS (50%) – earning performance measured on a linear basis for constant currency HEPS performance (50,0% weighting) from the threshold (2,5% real growth) target (5% real growth) and stretch (8% real growth)

ROFE (30%) – ROFE (30,0% weighting), with a threshold of 32,5%, a target of 35,0% and a stretch of 37,5% achievement

Non-financial (20%) – KPIs (20,0% weighting) including performance on staff development, innovation, acquisitions, improving performance of laggard operations, etc.

Overall score

Less: Penalty applied for UK CD business

Net score

Total bonus

	Results achieved (%)	Bonus outcome (% of CTC)
	6,9	68,3
	34,6	26,5
	85,0	27,2
		122,0
		(15,0)
		107,0
	BL Berson	A\$1 652 573
	DE Cleasby	R3 743 693 and £160 444

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4. Short-term incentives 2019

STIs for executive directors will be based on similar principles to the 2018 STI plans. A combination of the following performance measures will be used:

- Earning performance will be measured on a linear basis for constant currency HEPS performance (50,0% weighting) from the threshold (2,5% real growth), target (5% real growth) and stretch (8% real growth).
- ROFE (30,0% weighting) has a threshold of 32,5%, a target of 35,0% and a stretch of 37,5% achievement.
- KPIs (20,0% weighting) include performance on staff development, innovation, acquisitions, improving performance of laggard operations, etc. 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.

5. Long-term incentives

Awarded in 2018

CSP awards were granted on November 27 2017 and performance conditions are measured over the period July 1 2017 to June 30 2020. Vesting of 75% of the awards will occur post September 2020 and the remaining 25% will vest post September 2021. The following performance targets, weighting and performance periods are applicable to the 2018 CSP awards and are to be tested over a three-year performance period:

Performance conditions and weighting	Detail of performance conditions	Vesting profile	Actual targets
HEPS growth (50%)	Three-year real constant currency HEPS growth in excess of Bidcorp inflation. HEPS targets are set by reference to the company's three-year plan and market expectation. The 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 committee considers these targets to be sufficiently demanding with significant "stretch", ensuring only outstanding performance will be rewarded with a maximum pay-out.	HEPS: <ul style="list-style-type: none"> • Below threshold – 0% vesting; • At threshold – 30% vesting; • Target – 60% vesting; or • Stretch – 100% vesting, where linear vesting will occur between the levels stated above. 	HEPS targets: <p>Achievement of constant currency HEPS for period ending June 30 2020:</p> <ul style="list-style-type: none"> • Threshold – 2,5% per annum real constant currency HEPS growth over the three-year performance period; • Target – 5,0% per annum real constant currency HEPS growth over the three-year performance period; or • Stretch – 8,0% per annum real constant currency HEPS growth over the three-year performance period.
Relative TSR against peer group (20%)	The group is 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.	TSR: <ul style="list-style-type: none"> • Below threshold – 0% vesting; • At threshold – 30% vesting; • Target – 60% vesting; or • Stretch – 100% vesting, where linear vesting will occur between the levels stated above. 	TSR targets: <p>Achievement of TSR against peer group for period ending June 30 2020:</p> <ul style="list-style-type: none"> • Threshold – 80% of peer group performance over the three-year performance period; • Target – 100% of peer group performance over the three-year performance period; or • Stretch – 120% of peer group performance over the three-year performance period. <p>The peer group consists of the following companies:</p> <ul style="list-style-type: none"> • Woolworths Holdings Limited: JSE – WHL • The Spar Group: JSE – SPP • Unilever Plc: LN – ULVR • Metcash: ASX – MTS • Metro AG: ETR – B4B • Bunzl: LN – BNZL • Marr s.p.A: IM – MARR • Nestlé SA: SIX – NESN • Sligro Food Group: AMS – SLIGR • Sysco Corporation: NYSE – SYY • Performance Food Group: PFG: NYSE – PFGL

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Performance conditions and weighting	Detail of performance conditions	Vesting profile	Actual targets
ROFE (20%)	The average ROFE of the group per annum is measured over the performance period on a monthly average over 13 months against targets set.	ROFE: The vesting of the awards in relation to the ROFE condition will be subject to linear vesting which will occur between the levels stated below: <ul style="list-style-type: none"> • Below threshold – 0% vesting; • At threshold – 30% vesting; • Target – 60% vesting; or • Stretch – 100% vesting. 	ROFE targets: Achievement of ROFE for period ending June 30 2020: <ul style="list-style-type: none"> • Threshold – 32,5% ROFE over the three-year performance period; • Target – 35,0% ROFE over the three-year performance period; or • Stretch – 37,5% ROFE over the three-year performance period.
KPIs (10%)	Non-financial strategic objectives such as leadership, acquisitions, etc.	As per set objectives subject to linear vesting which will occur between the levels stated below: <ul style="list-style-type: none"> • Below threshold – 0% vesting; • At threshold – 30% vesting; • Target – 60% vesting; or • Stretch – 100% vesting. 	

The CSPs awarded during 2018, expressed as a percentage of CTC are reflected below:

Executive directors	CSP as a % of CTC (expected value)	CSP as a % of CTC (face value)
BL Berson	90	164
DE Cleasby	88	160

Vested during 2018

No CSPs vested during the period July 1 2017 to June 30 2018.

Outstanding LTIs and likely vesting outcomes

2017 awards:

The Bidvest CSP awards made on December 11 2015 were exchanged for CSP replacement rights over Bidcorp shares and the number of shares comprising the replacement rights were adjusted so that the market value is the same as that of the Bidvest CSP's pre-unbundling. The vesting period for the CSP 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 Bidcorp CSPs awarded on November 30 2016 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.

2018 awards:

The Bidcorp CSPs awarded on November 27 2017 are subject to performance conditions measured over the period July 1 2017 to June 30 2020, vesting of 75% of the awards will occur in September 2020 and the remaining 25% will vest in September 2021.

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As at June 30 2018, the vesting of the 2017 CSP replacement rights, 2017 CSPs and 2018 CSPs is estimated to be achieved as follows, however, the actual vesting may differ from these estimations:

2017 CSP replacement rights and 2017 CSPs:

Criteria	Threshold 30%	Target 60%	Stretch 100%	Estimate	Weighting	Weighted estimated
HEPS	R11,63	R12,50	R13,60	R14,55	50%	50,0%
ROFE	32,5%	35,0%	37,5%	34,0%	20%	9,6%
TSR	80%	100%	120%	96,2%	20%	10,9%
KPIs		Achieve		Achieve target	10%	6,0%
Total expected vesting %						76,5%

2018 CSPs

Criteria	Threshold 30%	Target 60%	Stretch 100%	Estimate	Weighting	Weighted estimated
HEPS	R12,72	R13,67	R14,88	R13,27	50%	23,6%
ROFE	32,5%	35,0%	37,5%	34,0%	20%	9,6%
TSR	80%	100%	120%	84,2%	20%	7,2%
KPIs		Achieve		Achieve target	10%	6,0%
Total expected vesting %						46,4%

Summary of executive directors' LTIs

A summary of the unvested CSPs held by executive directors in 2017 and 2018 are indicated below. No CSPs vested or were forfeited during the year.

	Opening number on July 1 2017	Opening estimated fair value at July 1 2017 ¹ R	Granted during 2018	Forfeited during FY2018	Settled during FY2018	Closing number on June 30 2018	Closing estimated fair value at June 30 2018 ^{2,3} R
Executive directors							
CSP							
BL Berson							
01/12/2016	135 000	24 986 757	-	-	-	135 000	26 948 489
07/11/2017	-	-	90 000	-	-	90 000	10 702 840
DE Cleasby							
01/12/2016	50 500	9 346 757	-	-	-	50 500	10 080 790
07/11/2017	-	-	35 000	-	-	35 000	4 162 031
Former executive director							
B Joffe							
01/12/2016	162 500	30 075 903	-	-	-	162 500	32 438 489

¹ The CSP awards made on 01/12/2016 are shown at the indicative expected value of R282,57 with an estimated vesting percentage of 65,5%.

² The CSP awards made on 01/12/2016 are shown at the indicative expected value of R261,04 with an estimated vesting percentage of 76,5%.

³ The CSP awards made on 07/11/2017 are shown at the indicative expected value of R255,92 with an estimated vesting percentage of 46,4%.

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6. TOTAL REMUNERATION OUTCOMES

Single figure of remuneration

2018

The actual total pay outcomes for the 12 months ending June 30 2018 are depicted below for the executive directors, comprising salary and benefits and a cash incentive for 2018:

	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentive ¹ R'000	LTI reflected ² R'000	Total single figure of remuneration R'000
Executive directors						
BL Berson	14 847	253	249	16 240	–	31 589
DE Cleasby	5 457	193	441	6 642	–	12 733

¹ Cash incentive linked to the 2018 financial year.

² No value is included in the LTI reflected as no CSP awards had a performance period ending in the year under review.

2017

The actual total pay outcomes for the 12 months ending June 30 2017 are depicted below for the executive directors, comprising salary and benefits and a cash incentive for 2017:

	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentive ¹ R'000	LTI reflected ² R'000	Total single figure of remuneration R'000
Executive directors						
BL Berson	14 754	262	359	17 904	–	33 279
DE Cleasby	4 461	278	385	6 017	–	11 141
B Joffe	13 032	637	454	16 479	–	30 602

¹ Cash incentive linked to the 2017 financial year.

² No value is included in the LTI reflected as no CSP awards had a performance period ending in the year under review.

Non-binding advisory vote

Shareholders are requested to cast an advisory vote on the remuneration policy as included in this report on pages 5 to 9 **Part 3: Remuneration implementation report.**

PART 4 – NON-EXECUTIVE REMUNERATION

Non-executive directors' fees paid

Proposed non-executive directors' fees for 2019

2019 proposed fees

Refer to special resolution number 2 on page 21 of the notice of AGM 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 2019 are based on an inflationary increase of 6,0% for local directors and 3,0% for international directors. 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



DDB Band

Chairman: Remuneration Committee



www.bidcorpgroup.com