

REPORT OF THE REMUNERATION COMMITTEE

Committee Members: At year-end the remuneration committee consisted of Rachel Watson (chairperson), John Copelyn, and Velaphi Mphande.

Hein Carse is a non-executive director of eMedia Investments and is a permanent invitee to these meetings.

Members of the committee are non-executive directors. In line with the recommendations of King IV, the chief executive officer attends the meetings of the committee at the request of the committee, but recuses himself from the meeting before any decisions are made.

This committee is primarily responsible for overseeing the remuneration and incentives of the executive directors and executive management. It takes cognisance of local best remuneration practices in order to ensure that such total remuneration is fair and reasonable to both the employee and the company. The committee utilises the services of independent remuneration consultants to assist in providing guidance on the remuneration for executive management.

The functions and mandates of the remuneration committee include:

- making recommendations to the board of directors' fees and the remuneration and service conditions of executive directors, including the chief executive officer;
- providing a channel of communication between the board and management on remuneration matters;
- reviewing the Group's remuneration policies, practices and proposals, to change these and to make recommendations in this regard to the board;
- reviewing and approving the terms and conditions of executive directors' employment contracts, taking into account information from comparable companies;
- determining and approving any grants to executive directors and other senior employees made pursuant to the company's employee share option scheme; and
- reviewing and approving any disclosures in the annual report or elsewhere on remuneration policies or directors' remuneration.

REMUNERATION POLICY

The Group's remuneration philosophy strives to reward employees in a fair and responsible way which ensures a culture of high performance to deliver returns to shareholders through employees who are motivated, engaged and committed. This philosophy's intended consequence is to attract, retain and develop employees with scarce and critical skills who contribute to sustained business growth and are aligned with the strategic and operational requirements of the business.

Executive directors earn a basic salary which is determined by independent remuneration consultants and escalate in line with inflation for their contracts. Bonuses payable are purely discretionary and are determined annually after reviewing the performance of the Group and its subsidiaries.

Non-executive directors earn a basic fee which is in line with companies of a similar size. These fees escalate annually in line with inflation and are reviewed every three years by an independent remuneration consultant. Directors can earn up to a maximum of 50% of their board fees by serving on the committees responsible to the board of directors. Non-executive directors do not receive short-term incentives and do not participate in any long-term incentive schemes.

In the event that the non-binding advisory resolution in respect of the company's remuneration report or its remuneration policy, as summarised in this report, is voted against by 25% or more of votes cast at the annual general meeting, the board will seek to engage directly with the disapproving shareholders in order to contemplate the reasons for dissent and implement corrective action, if it deems fit.

REMUNERATION IMPLEMENTATION POLICY

The table below provides the actual fees received by non-executive directors for 2017 as well as the proposed fees for non-executive directors for 2018.

Position	Proposed fee 2018	Actual fee 2017
	R'000	R'000
Non-executive director	126.0	119.5
Member of audit committee	51.5	49.0
Member of remuneration committee	47.0	45.0
Member of social and ethics committee	Nil	Nil

TOTAL DIRECTORS REMUNERATION FOR THE YEAR ENDED 31 MARCH 2018

The table below provides information on the remuneration, including benefits, bonuses and share options for executive directors and prescribed officers. Included, is the remuneration (where applicable) and director's fees for non-executive directors.

Paid by a subsidiary company	Salary	Bonus	Retirement and medical contributions	Share options	Directors' fees	Other benefits	Total
Name	R000's	R000's	R000's	R000's	R000's	R000's	R000's
For the year ended 31 March 2018							
Executive directors							
A van der Veen **	1 889	2 209	-	10 023	-	214	14 335
AS Lee	2 533	783	211	-	-	-	3 527
Non-executive directors							
JA Copelyn (Chairman)	6 980	3 927	-	4 051	-	816	15 774
VE Mphande	-	-	-	-	1 152	-	1 152
RD Watson	-	-	-	-	751	-	751
L Govender	-	-	-	-	173	-	173
TG Govender	2 271	1 107	-	1 715	-	425	5 518
Prescribed officers							
M Rosin	3 837	1 183	320	-	-	-	5 340
K Sherrif	3 837	1 183	320	-	-	-	5 340
Paid by Hosken Consolidated Investments Limited's subsidiaries not in the eMedia Holdings Group	(11 140)	(7 243)	-	(15 789)	(1 470)	(1 455)	(37 097)
	10 207	3 149	851	-	606	-	14 813

** Appointed 14 November 2017

For the year ended 31 March 2017

Executive directors							
TG Govender	3 380	1 690	-	1 640	-	585	7 295
AS Lee	2 356	1 552	194	-	-	-	4 102
Non-executive directors							
JA Copelyn (Chairman)	6 493	4 870	-	3 803	-	833	15 999
VE Mphande	-	-	-	-	804	-	804
RD Watson	-	-	-	-	657	-	657
L Govender	-	-	-	-	238	-	238
Prescribed officers							
M Rosin	3 569	2 351	278	-	-	-	6 198
K Sherrif	3 569	2 351	278	-	-	-	6 198
Paid by Hosken Consolidated Investments Limited's subsidiaries not in the eMedia Holdings Group	(9 873)	(6 560)	-	(5 443)	(972)	(1 418)	(24 266)
	9 494	6 254	750	-	727	-	17 225

* There is no distinction made in the remuneration packages of executive directors for services as directors and services for carrying on the business of the Group.

LONG-TERM INCENTIVE SCHEME

eMedia Holdings Remuneration Policy does not provide for any long-term incentive scheme at the moment. A scheme has been developed and is with the JSE for approval. Once approved the long-term incentive scheme will be implemented.

RD Watson

Chairperson: Remuneration Committee

25 July 2018