Remuneration report

BACKGROUND STATEMENT

The remuneration committee is pleased to present the Bidvest remuneration report for the year ended 30 June 2017.

We have considered the impact of the King IV™ Code on Corporate Governance (King IV) on the remuneration policy as well as the amended JSE Listing Requirements and present this report in two parts. The chairman's background statement, providing context on the decisions and considerations taken during the reporting year which influenced the remuneration outcomes.

Since we presented the last remuneration policy to shareholders no major changes were made but we have enhanced our variable pay disclosure. We believe our key performance indicators (KPIs) which are used for the measurement and determination of short- and long-term incentive awards are aligned with Company goals and strategies. At the annual general meeting (AGM) on 26 November 2016, our 2016 remuneration report was presented and voted on in sections, namely:

- Section 1: Policy on base package and benefits – endorsed by 99,1% of shareholders that voted
- Section 2: Policy on short-term incentives – endorsed by 95,3% of shareholders that voted
- Section 3: Policy on long-term incentives – endorsed by 68,0% of shareholders that voted.

The Group performed credibly in a year where political uncertainty, negative investor sentiment and depressed business confidence caused further economic underperformance. Bidvest, as a diversified group in many ways, mirrors the economy at large so management's focus on cost control, efficient integration of new businesses and tight asset management played a significant role in delivering results that generally outperformed comparative peer company performances. Basic earnings were up by 107,0% while headline earnings per share were up by 5,1%. Cash generation of R6,9 billion ensured that the balance sheet remains robust with net debt to EBITDA below a factor of one. A major emphasis remains the realisation of non-core assets and the search for acquisitions that fit Bidvest's strategic intent.

Given the diversified nature of the Group, the intention of the remuneration report is to provide an overview and understanding of Bidvest's remuneration philosophy and focuses on executive and non-executive director remuneration and further provides an overview of the share plans used across the Group.

PART 1 – 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 positive operational outcomes, strategic objectives, and adherence to an ethical culture and good corporate citizenship. 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 through-the-cycle reward is designed to be variable and aligned with stakeholder interests. This is prescribed by the achievement of realistic profit targets together with, where applicable, the individual's personal contribution to the growth and development of their immediate business, their division or the wider Group. Only when warranted by exceptional circumstances, special bonuses may be considered as additional awards
- As a consequence of the Group's dynamic and fast-moving nature, management is often redeployed to take on new challenges and address poor performing divisions. In such cases, subjective criteria may need to be applied when making an evaluation of performance
- Long-term incentives align the objectives of management and 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:

- salary structures and policies, cash as well as 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
- 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 amended share-based incentive schemes and their design
- non-executive board and committee fees.

The remuneration report, Part 1 and Part 2, will be put to a non-binding shareholders' vote at the AGM of shareholders.

Composition, mandate and attendance for remuneration committee

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

The attendance for these meetings is contained on page 8.

The chief executive and Group financial director attend meetings by invitation, to assist the remuneration committee with the execution of its mandate. Other members of executive management are invited when appropriate. No executive participates in the vote process or 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 its standing independent advisers.

The chairman of the remuneration committee or, in his absence, another member of the remuneration committee, is required to attend the AGM 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 chairman and 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 chief executive and 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 in both South African and offshore operations
- agreeing to long-term incentive allocations (Conditional Share Plan) and awards for executive directors and all allocations (Share Appreciation Right Plan) for senior management
- overseeing the preparation of the remuneration report (as contained in this Annual Governance report) to ensure that it is clear, concise and transparent
- ensuring that the remuneration policy and remuneration policy implementation be put to a non-binding advisory vote by shareholders and engaging with shareholders and other stakeholders on the Group's remuneration philosophy.

Role of benchmarking

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. Reviews are performed when required to benchmark the Group's remuneration against the services, trading and distribution industry and the general South African market.

The policy aims at positioning the Group as a preferred employer within the services, trading and distribution 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, vital role in realising business strategy and therefore should be competitive in the markets in which it operates.

Executive directors

Terms of service

The minimum terms and conditions applied to South African executive directors are governed by legislation. The notice period for these directors is one month. 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.

Executive directors are permitted to serve as non-executive directors on one other public company board with the express permission of the chief executive and the nominations committee. This excludes directorships where the Group holds a strategic investment in that public company (ie nominee directorship). Fees paid to nominee directors accrue to the Group and not to the individual directors concerned.

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 a performance bonus plan. Two long-term incentive plans are in operation, namely the Bidvest Share Appreciation Right Plan for senior management and executive directors who are not members of the Group exco and the Bidvest Conditional Share Plan for Group executive directors.

The different components of remuneration, their objectives, the policy which governs it and their link to the business strategy are summarised overleaf. Where changes to the policy are envisaged for the following financial year, these are highlighted.

The Group views the executive directors who are members of the Group exco 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	Future changes
Part 1 – Section 1 Guaranteed pay (CTC)	Base package	Attract and retain the best talent. Reviewed annually and set on 1 July.	This component aligns with business strategy as it takes into account internal and external equity, thereby 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), 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 Bidvest.	The Company contributes towards retirement benefits as per the rules of its retirement funds. Medical aid contributions depend upon each individual's needs and package selection. Risk and insurance benefits are Company contributions, all of which form part of total cost of employment.	No changes to standard employment benefits.
Part 1 – Section 2 Short-term incentives (STIs)	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 Bidvest's strategy. The annual bonus is paid in cash in August/ September each year for Group financial performance during the previous financial year.	Encourages growth in trading profit targets, earnings per share and return on equity for shareholders in a sustainable manner over the short term. Combines the above Group financial performance metrics with strategic metrics, such as leadership, to ensure well-balanced KPIs. Rewards executive directors for their measurable contribution to the Group based on predetermined metrics.	Target and stretch performance targets are set for the following metrics: **Company financial performance** ▷ Headline earnings per share (HEPS) growth ▷ Return on funds employed (ROFE) achieved. Measured against prior year's performance and budgets. **Strategic** Sustainability and transformation, business enhancements and acquisitive growth. **Earning potential** At target performance, the earning potential is 100% of CTC. Stretch earning potential is limited to 150% of CTC 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 Bidvest 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.	It is proposed to increase the STI limit in respect of the chief executive from 150% to 165%.
Part 1 – Section 3 Long-term incentives (LTIs)	LTI – 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 conditional rights to shares is 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, to ensure support of Group business strategy. Awards consist of conditional rights to shares, subject 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 Group performance metrics comprise the following: ▷ HEPS growth ▷ Relative total shareholder return (TSR) as external performance measure ▷ ROFE ▷ Strategic – success in attaining B-BBEE targets and business enhancements.	It is proposed to include business enhancements and acquisitive growth in the strategic metrics. The strategic metric weighting of 20% will remain unchanged but be subject to linear vesting.

Further details on long-term incentive plans

Conditional Share Plan

At the 2008 AGM, shareholders approved a CSP. The CSP was implemented for executive directors only, to replace previous participation in the share option plan. 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. Group performance conditions, each with different weightings, have been imposed. The performance period is three years, coinciding with the Group's financial year.

Further details on the award levels, performance period and measure can be found in Part 2 of this report.

Share Appreciation Right Plan

Upon the unbundling of Bid Corporation Limited (Bidcorp) from Bidvest during May 2016, shareholders approved a new Share Appreciation Right Plan (SAR Plan) to replace the previously used Group Option Scheme. It is the intention that senior management (excluding executive directors) will participate in the SAR Plan and no further awards will be made under the Group Option Scheme. SARs vest after three years and lapse after seven years.

Share dilution

An aggregate limit applies to the CSP and SAR Plan and no more than 5% of the issued share capital of Bidvest can be issued in settlement of both the CSP and the SAR Plan. If shares are purchased in the open market for settlement of allocations in terms of the CSP and the SAR Plan, the limits 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

Group policy is to pay competitive fees for the role while recognising the required time commitment. Fees are benchmarked against a comparator group of JSE-listed companies. 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. The Group 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.

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 2017 AGM as 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 remuneration committee may participate in these engagements with selected shareholders
- ▷ Executive management will make specific recommendations to the remuneration 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.

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 parties.

Non-binding advisory vote

Shareholders are requested to cast an advisory vote on the remuneration policy as contained in Part 1 of this report.

PART 2 – IMPLEMENTATION OF REMUNERATION POLICY

Executive director remuneration

Guaranteed pay – base pay and benefits

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, turnover, profitability, number of employees and sector.

In aggregate executive directors received a 7% increase.

Short-term incentives 2017 outcomes

The performance measures and targets generating the awards are:

- HEPS growth (40% weighting) measured on a linear basis from the threshold (inflation growth only), target (2% real growth) and stretch (4% real growth)
- ROFE (30% weighting) measured on a linear basis from the threshold 20,0%, target 21,5% and stretch 24,0%
- Strategic metrics:
  - Sustainability and transformation (15% weighting) – evaluation based on goals set in consultation with the Group social and ethics committee
  - Business enhancements and acquisitive growth (15% weighting).

Short-term bonuses, in terms of the formula, amounted to 67,8% of aggregate CTC. This compared to a maximum cap of 150% of CTC, primarily driven by below threshold performance on the HEPS metric.

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

The remuneration paid to executive directors, while in office of the Company during the year ended 30 June 2017, is analysed as follows:

Director	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	**2017 Total emoluments R'000**	2016 Total emoluments* R'000
AW Dawe	4 487	76	263	3 347	**8 173**	7 648
NT Madisa	3 027	89	272	2 324	**5 712**	4 883
GC McMahon	1 672	154	218	1 409	**3 453**	3 084
HP Meijer	3 237	164	397	2 606	**6 404**	2 773
LP Ralphs	9 164	912	825	7 227	**18 128**	20 224
2017 total	**21 587**	**1 395**	**1 975**	**16 913**	**41 870**	**38 612**

** Excludes former executive directors.*

Short-term incentives 2018

The 2017 criteria for performance measures and targets as well as weightings are being applied in respect of short-term incentives for the 2018 financial year.

Long-term incentives

The following performance targets, weighting and performance periods are applicable to the CSPs and replacement rights and are to be tested over a three-year period commencing on 1 July 2016:

Performance conditions and weighting	Detail of performance conditions	Vesting profile	Peer group for testing TSR condition
▷ HEPS growth (40%) ▷ Relative TSR against peer group median (20%) ▷ ROFE (20%) ▷ Strategic metrics, which include progress on transformation and sustainability (20%)	Three-year HEPS growth: ▷ Threshold – Inflation only ▷ Target – 3% real growth ▷ Stretch – 6% real growth Three-year ROFE: ▷ Threshold – 21,5% ▷ Target – 23% ▷ Stretch – 26% Three year TSR ▷ Threshold – 80% of peer group performance ▷ Target – 100% of peer group performance ▷ Stretch – 120% peer group performance. Strategic metrics: ▷ Goals at threshold, target and stretch as set by the Group social and ethics committee.	HEPS, TSR and ROFE: ▷ Below threshold – 0% vesting ▷ At threshold – 30% vesting ▷ Target – 60% vesting ▷ Stretch – 100% vesting, where linear vesting will occur between the levels stated above. The vesting of the strategic metrics awards will be based on thresholds, targets and stretch criteria determined by the Group social and ethics committee. No linear vesting will apply.	Remgro, Tiger Brands, AVI, Mr Price, Netcare, Pioneer Foods, Life Healthcare, Spar Group, Distell Group, Pick n Pay Stores, Imperial Holdings and Barloworld

The Bidvest CSPs awarded on 24 October 2016 are subject to performance conditions measured over the period 1 July 2016 to 30 June 2019, vesting of 75% of the awards will occur in 2019 and the remaining 25% will vest in 2020.

Replacement rights

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

Details of directors and officers' outstanding CSP

The following CSP awards were granted to the executive directors on 24 October 2016:

Director	Balance at 30 June 2016 Number	New awards Number	Exchanged for replacement rights Number	Forfeited* Number	Shares awarded Number	Closing balance 30 June 2017 Number
AW Dawe	–	28 000	–	–	–	**28 000**
GC McMahon	–	12 000	–	–	–	**12 000**
LP Ralphs	35 000	174 280**	(35 000)	–	–	**174 280**
NT Madisa	–	20 000	–	–	–	**20 000**
HP Meijer	–	22 000	–	–	–	**22 000**
Total	**35 000**	**256 280**	**(35 000)**	**–**	**–**	**256 280**

* *Forfeited as a result of targets not being met.*
** *The award of 174 280 CSP to Mr LP Ralphs includes 94 280 replacement rights.*

Likely vesting outcomes

As at 30 June 2017, the vesting of the 2016 CSPs and replacement rights are estimated to be achieved as follows:

Performance conditions	Weighting %	Vesting %	Weighting vesting %
HEPS growth	40	–	–
Relative TSR	20	100,0	20,0
ROFE	20	46,0	9,2
Strategic metrics	20	82,5	16,5
Expected vesting (%)			45,7

Bidvest Incentive Loan Scheme

The Bidvest Incentive Loan Scheme granted loans to staff and executive directors for the acquisition of shares in the Company. The scheme was concluded in the current year and loans were repaid.

	2017		2016	
Director	**Number of shares**	**Carrying value of loan R'000**	Number of shares	Carrying value of loan R'000
LP Ralphs	**–**	**–**	148 743	13 473
Total	**–**	**–**	148 743	13 473

Remuneration report *(continued)*

Held in terms of the Bidvest Option Scheme

As a consequence of the unbundling, each option holder who has not exercised their options granted under the Bidvest Option Scheme at the unbundling date, exchanged each one of their existing Bidvest Group options for one right over one Bidcorp share and one Bidvest share (referred to as the "replacement rights"). The original option prices were not adjusted, but on exercise of the replacement right, the original option price will be deducted from the combined value of the Bidcorp and Bidvest shares. The vesting date and lapse dates of the replacement rights will be the same as that of the original options.

Details of the directors and officers' outstanding replacement rights are as follows:

	Replacement rights at 30 June 2016		Replacement rights granted during the year		Replacement rights exercised		**Replacement rights at 30 June 2017**	
	Number	Average price R	Number	Average price R	Number	Market price[1] R	**Number**	**Average price R**
AW Dawe	133 066	267,27	–	–	–	–	**133 066**	**267,27**
NT Madisa	118 566	266,49	–	–	–	–	**118 566**	**266,49**
GC McMahon	76 250	258,30	–	–	15 000	267,03	**61 250**	**271,44**
HP Meijer	158 066	252,43	–	–	42 500	257,27	**115 566**	**269,29**
LP Ralphs	120 000	61,75	–	–	120 000	410,59	**–**	**–**
	605 948	221,42	–	–	177 500	361,75	**428 448**	**268,19**
Company secretary								
CA Brighten	28 078	253,05	–	–	7 500	237,27	**20 578**	**262,26**
	634 026	222,82	–	–	185 000	356,70	**449 026**	**267,92**

[1] Value of share/replacement right on exercise of replacement rights.

These replacement rights are exercisable over the period 1 July 2016 to 31 December 2025. A detailed register of replacement rights outstanding by tranche is available for inspection at the Company's registered office.

Summary of executive directors' long-term incentives (LTIs) including CSPs

Director	**Share-based payment expense R'000**	**Benefit arising from the exercise* of options R'000**	**Benefit arising from award of CSP R'000**	**Gross benefit R'000**	**Previous share-based payment expense in respect of awards R'000**	**Actual LTI benefit R'000**
2017						
AW Dawe	**3 687**	**–**	**–**	**3 687**	**–**	**3 687**
NT Madisa	**3 086**	**–**	**–**	**3 086**	**–**	**3 086**
GC McMahon	**1 834**	**4 005**	**–**	**5 839**	**(1 027)**	**4 812**
HP Meijer	**3 710**	**10 934**	**–**	**14 644**	**(2 945)**	**11 699**
LP Ralphs	**3 920**	**91 865**	**–**	**95 785**	**(6 179)**	**89 606**
2017 total	**16 237**	**106 804**	**–**	**123 041**	**(10 151)**	**112 890**

** Includes taxable benefits arising on the sale of shares and settlement of The Bidvest Incentive Scheme loans.*

Non-executive remuneration

The remuneration paid to non-executive directors while in office of the Company during the year ended 30 June 2017 is analysed as follows:

	2017			
Director	**Directors' fees R'000**	**As directors of subsidiary companies and other services R'000**	**Total emoluments R'000**	2016 Total R'000
DDB Band	**551**	**–**	**551**	881
EK Diack	**808**	**775**	**1 583**	1 684
B Joffe	**203**	**4 000**	**4 203**	407
AK Maditsi	**535**	**–**	**535**	400
S Masinga	**582**	**–**	**582**	603
NG Payne	**1 296**	**873**	**2 169**	2 557
CWL Phalatse	**1 350**	**–**	**1 350**	1 120
T Slabbert	**562**	**–**	**562**	566
	5 887	**5 648**	**11 535**	8 218
Former directors	**–**	**–**	**–**	1 914
2017 total	**5 887**	**5 648**	**11 535**	10 132
2016 total	**7 026**	**3 106**	**10 132**	

Proposed non-executive directors' fees for 2018

	Basic per annum R'000	**Per meeting R'000**
Non-executive directors	**97 600**	**39 200**
Audit committee chairman	**278 200**	**44 000**
Chairman	**1 430 000**	
Audit committee member	**73 500**	**32 000**
Remuneration committee chairman	**125 000**	**30 200**
Remuneration committee member		**34 500**
Nominations committee member		**31 800**
Acquisitions committee chairman	**83 700**	**35 600**
Acquisitions committee member		**37 400**
Risk committee chairman	**148 400**	**26 200**
Risk committee member		**27 800**
Social and ethics committee chairman	**89 000**	**26 200**
Social and ethics committee member		**26 200**
Ad hoc meetings		**19 000**

The above fees are proposed net of VAT which may become payable thereon to directors, depending on the status of the individual director's tax position.

Refer to special resolution 2 on page 8 of the notice of AGM for approval of the fees by shareholders in terms of section 66 of the Companies Act.

Non-binding advisory vote

Shareholders are requested to cast an advisory vote on the remuneration implementation report as contained in Part 2 of this report.

Approval

This remuneration report was approved by the board of directors of Bidvest. Signed on behalf of the board of directors.

Doug Band
Remuneration committee chairman