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CORPORATE GOVERNANCE OVERVIEW

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The board recognises that good corporate governance emanates from effective, responsible leadership, which is characterised by responsibility, accountability, fairness and transparency.

GOVERNANCE FRAMEWORK

The SepHold board of directors leads ethically and is committed to good governance practices that add value to the business.

<table>
<thead>
<tr>
<th>BOARD</th>
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<td>The SepHold board of directors leads ethically and is committed to good governance practices that add value to the business.</td>
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<thead>
<tr>
<th>AUDIT AND RISK COMMITTEE</th>
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<tr>
<td>The committee is an independent statutory committee appointed by the shareholders. It advises and makes submissions on financial reporting and oversees risk management and internal financial controls.</td>
</tr>
<tr>
<td>The committee advises on the external audit function and statutory and regulatory compliance of SepHold and Métier. It advises on the internal audit functions of the subsidiary and associate.</td>
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<thead>
<tr>
<th>SOCIAL AND ETHICS COMMITTEE</th>
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<tr>
<td>The committee assists the board in compliance related matters pertaining to environmental; health and safety; stakeholder management; good corporate citizenship; ethics; labour; and transformation.</td>
</tr>
<tr>
<td>The committee oversees and evaluates management’s performance against the board targets on each of these matters.</td>
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<tr>
<th>REMUNERATION AND NOMINATION COMMITTEE</th>
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<tr>
<td>The committee decides on remuneration and incentives for the executive directors.</td>
</tr>
<tr>
<td>The committee makes recommendations on long-term incentives and submits all policy amendments to the board for approval.</td>
</tr>
<tr>
<td>The committee deals with the nomination and appointment of directors, the appropriateness of the composition of the board, and succession planning.</td>
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</table>

The board committees enhance governance by discharging their responsibilities according to clear terms of reference and upholding SepHold’s ethics code. The board is responsible for a group-wide culture of ethical conduct and integrity. The codes of conduct and ethics guide all employees to act with uncompromising honesty and integrity in their daily work and in their relationships with stakeholders. There is ongoing training in this respect and the extent of the training as well as employee attendance is reported to the board. These reports form part of the assessment the board considers in ensuring effective compliance in this respect. The group gauges its performance by how frequently management detects unethical behaviour and the frequency of reported unethical behaviour through the outsourced, anonymous whistle-blowing toll-free hotline.

SepHold recognises that good corporate governance and transparent business practices are essential to stakeholders’ interests, sustainable performance and preserving shareholder value.

The board delegates authority to the executive directors to manage SepHold’s business. The audit and risk committee reviews the delegation of authority and presents its findings to the board annually. The board monitors and reviews the delegated authorities to align with best practice and considers the recommendations set out in King IV. The board is satisfied that the group delegation of framework contributes to role clarity, effective exercise of authority and responsibilities at SepHold and Métier.

COMPANY SECRETARY

The group company secretary, Acorim, guides directors in discharging their duties and responsibilities regarding legislation, regulatory requirements and governance procedures. The board is aware of the responsibilities and duties of the company secretary, and is committed to supporting Acorim in performing its duties. The company secretarial services by Acorim were assessed by the board and determined to have been satisfactory. The board believes its arrangements for accessing Acorim’s services and providing them with unfettered access are effective.

The board is satisfied that Acorim, represented by Amy Parker, has the required knowledge, skill and discipline to perform the functions and duties of the group company secretary. Acorim maintains an arms-length relationship with the Company and its board. None of the Acorim employees are directors of any group entity, nor do they have any interests or relations that may affect independence. In its assessment, the board considered the independence of Acorim directors, shareholders, employees, collective qualifications and track record.
THE SEPHOLD BOARD

The board reviews and approves the group strategy and policies. It provides overall strategic direction within a framework of incentives and controls. This maintains an appropriate balance between long-term sustainable growth and short-term performance. The board-approved strategy is robust and targets areas for growth, while maintaining sound controls and a strong focus on risk management. In approving the strategy, the board considered future economic trends and assumptions, opportunities and risks that could impact the group’s growth ambitions. Refer to page 12 for information on the strategy.

THE BOARD CHARTER
The board has an approved charter to regulate conduct in line with the principles of sound corporate governance. The board charter is aligned to King IV’s recommended principles detailing the powers of the board and stipulates that the board has ultimate accountability and responsibility for the group’s performance and affairs. The charter summarises corporate governance practices, defines the separate roles for the chairman and the chief executive officer and elaborates on the board’s expectations of the committee chairmen and directors. The board is satisfied that it has fulfilled its responsibilities in accordance with the charter.

BOARD APPOINTMENTS
The board, assisted by the remuneration and nomination committee (“REMCO” or “committee”), appoints directors through a formal, fair and transparent process. The committee consists of a majority of independent directors and is chaired by the board chairman in all matters relating to nominations. The REMCO is responsible for evaluating, promoting and ensuring diversity. In identifying suitable candidates for appointment, candidates are considered on merit against objective criteria and with due regard for gender and race diversity. The board believes that diversity improves business functions, and that a plethora of factors contribute to the consequent strength of the group. These factors need to be balanced for the optimal board composition. To efficiently and effectively discharge its duties, the board annually evaluates its composition with a particular emphasis on diversity. The board appointment process includes an assessment of candidates’ other interests.

The board is committed to upskilling capable women into leadership positions, and endeavours to groom strong candidates for board positions over three to five years. The board will consider women for all vacant board positions. The board maintained the targeted 30% female representation by 31 March 2018 despite Ms. B Maluleke resigning. The board is committed to increasing the number of female members. The SepHold gender policy can be accessed on our website – www.sephakuholdings.com/corporate-governance.

Changes to the board
Ms B Maluleke, an independent non-executive director, took on additional executive responsibilities at African Bank and resigned from our board on 30 October 2017. She was appointed to the board on 9 November 2016 and served on the audit and risk as well as the social and ethics committees. Ms B Bulo was appointed as an independent non-executive director and a member of the audit and risk committee, with effect from 26 March 2018. Ms Bulo’s abbreviated curriculum vitae appears on page 67.

Induction and further training
Directors are inducted through formal processes whereby new appointees meet with the executive committee and the company secretary and representative of the JSE sponsor to understand the group’s operations, business environment and sustainability matters. The induction includes a briefing on their fiduciary and statutory responsibilities, including the JSE Listings Requirements.

Training includes ongoing support and resources that are included in committee meeting documentation. Directors receive professional development and training through regular updates on changes and proposed changes to laws and regulations affecting the group. The principles and application of King IV was the main focus for training in 2018.
BOARD COMPOSITION
The board comprises 10 directors: three executive, two non-executive and five independent non-executive directors. The board is satisfied that it has the requisite balance of skills, knowledge, experience and diversity to be effective. It continuously reviews its diversity and succession requirements.

EXPERIENCE AND SKILLS
- Asset management
- Building and construction materials manufacturing: ready-mixed concrete, cement and aggregates
- Business development
- Corporate: finance (mergers and acquisitions), governance and commercial law
- Economics and international politics
- Internal audit
- Investment analysis and research
- Management consulting
- Medicine and healthcare
- Mining
- Retail management
- Risk management
- Social development and upliftment
- Taxation

Legend
♀ Women
♂ Men

ATTENDANCE

<table>
<thead>
<tr>
<th>Director</th>
<th>Designation</th>
<th>BOARD</th>
<th>Audit and risk committee</th>
<th>Remuneration and nomination committee</th>
<th>Social and ethics committee</th>
<th>Director up for rotation</th>
</tr>
</thead>
<tbody>
<tr>
<td>B Williams</td>
<td>Independent non-executive director</td>
<td>3/4</td>
<td>1/3¹</td>
<td>1/2*</td>
<td>2020</td>
<td></td>
</tr>
<tr>
<td>RR Matjiu</td>
<td>Non-executive director</td>
<td>3/4</td>
<td></td>
<td>1/2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KJ Capes</td>
<td>Executive director</td>
<td>4/4</td>
<td>*</td>
<td>0/2</td>
<td>-*</td>
<td></td>
</tr>
<tr>
<td>PF Fourie</td>
<td>Non-executive director</td>
<td>4/4</td>
<td>3/3*</td>
<td>2/2</td>
<td>2020</td>
<td></td>
</tr>
<tr>
<td>PM Makwana</td>
<td>Independent non-executive director</td>
<td>4/4</td>
<td>3/3</td>
<td>3/3</td>
<td>2018</td>
<td></td>
</tr>
<tr>
<td>MM Ngoasheng</td>
<td>Independent non-executive director</td>
<td>3/4</td>
<td>3/3*</td>
<td></td>
<td>2019</td>
<td></td>
</tr>
<tr>
<td>J Pitt</td>
<td>Alternate to Mr. MM Ngoasheng</td>
<td>2/4</td>
<td></td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>B Maluleke</td>
<td>Independent non-executive director</td>
<td>1/4</td>
<td></td>
<td></td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>B Bulo</td>
<td>Independent non-executive director</td>
<td></td>
<td></td>
<td></td>
<td>2021</td>
<td></td>
</tr>
<tr>
<td>Dr L Mohuba</td>
<td>Chief executive officer</td>
<td>4/4</td>
<td>3/3¹</td>
<td>3/3¹</td>
<td>2/2*</td>
<td></td>
</tr>
<tr>
<td>NR Crafford-Lazarus</td>
<td>Financial director</td>
<td>4/4</td>
<td>3/3¹</td>
<td>3/3</td>
<td>2/2*</td>
<td></td>
</tr>
</tbody>
</table>

¹ Chairs the portion of the meeting dealing with nominations.
² Resigned on 30 November 2017.
³ Appointed on 26 March 2018.
* Chairman.
† Invitee.
* Ex officio member.
**Brent Williams (54)**  
Chairman and independent non-executive director  
BA (University of Cape Town), BProc (University of Western Cape), LLM (Harvard University Law School)  
Brent was appointed as director and chairman of SepHold on 3 March 2012. He was admitted as an attorney in 1992 and has held a number of key positions. He is currently the chief executive officer of Cliffe Dekker Hofmeyr.

**Martie Jacoba Janse van Rensburg (62)**  
Independent non-executive director  
BCompt (University of the Free State), BCompt Hons (University of South Africa), CA(SA), Executive Programme in Strategy and Organisation (Stanford University Business School), TCTA Leadership Development Programme (Gordon Institute of Business Science), AltX Director Programme (JSE & WBS)  
Martie was appointed as a director of SepHold on 22 September 2016. Between 1994 and 2008, she was the CFO (five years) and then CEO (10 years) of the Trans Caledon Tunnel Authority. She has served as non-executive director and member or chairman of audit committees for Bond Exchange of SA, Airports Company South Africa, Johannesburg Water SOC and Denel SOC. She is a non-executive director of the Development Bank of Southern Africa, the Independent Regulatory board of auditors and a non-executive member of the FirstRand Wholesale Credit Committee (International and Specialised Finance) and Ashburton Credit Committee.

**Paul Mpho Makwana (47)**  
Independent non-executive director  
BAdmin (University of Zululand), BAdmin Hons (University of Pretoria), PGDip: Retailing Management (University of Stirling Institute of Retail Studies), Kellogg's Executive Development Programme  
Mpho was appointed a director of SepHold on 11 January 2013. He is the chairman of ArcelorMittal, and an independent non-executive director at Adcock Ingram Holdings Limited, Nedbank Group Limited and Nedbank Limited, among others. He also serves on a number of unlisted companies and trustee boards.

**Moses Modidima Ngoasheng (60)**  
Independent non-executive director  
BA (Economics and International Politics) (University of South Africa), BSocSci Hons (University of Natal), MPhil (University of Sussex)  
Moses was appointed a director of SepHold on 1 February 2008. He was instrumental in the industrial policy of the African National Congress and was economic advisor to President Thabo Mbeki from 1995 to 2000. He serves on a number of boards, including AB InBev SA Breweries and Dimension Data.

**Neil Robus Crafford-Lazarus (58)**  
Financial director and executive director  
BCompt (University of the Free State), BCompt Hons (University of South Africa), CA(SA)  
Neil was appointed a director and CEO of SepHold on 1 June 2007 and became financial director on 28 March 2012. He started his career in mining finance in 1988. Since then, he has held various senior positions in taxation, business development and corporate finance with companies such as Anglo-American PLC, Cencor Industries Inc and BHP Billiton. He also served as financial director of Xstrata SA Proprietary Limited between 1998 and 2005.
INDIVIDUAL DIRECTORS (continued)

Dr Lelau Mohuba (61)
Chief executive officer and executive director
MBChB (Nelson Mandela School of Medicine, former University of Natal)
Lelau is a founding director of SepHold. He became the original chairman on 3 February 2005 and became CEO on 28 March 2012. He retired as a medical practitioner in 2001 after a 22-year career. His commercial career began in 2002 and since then he has served in various capacities in several entrepreneurial endeavours.

Kenneth John Capes (49)
Executive director and business development director
Kenneth was appointed a director of SepHold on 29 July 2013.
Kenneth has extensive experience in the ready-mixed concrete and aggregates industry. Kenneth spent 20 years in a building and construction materials entity, holding various management positions. He was directly involved in developing the ready-mixed concrete and quarrying business as a general manager. Kenneth’s extensive knowledge, expertise and passion for concrete manufacture led him to be a co-founder of Métier.

Pieter Frederick Fourie (62)
Non-executive director, chief executive officer (Sephaku Cement)
BCom (Accounting) (University, Executive Development Programme (PRISM) for Global Leaders (IMD, Switzerland)
Pieter was appointed a director of SepHold on 20 November 2009. He has extensive experience in the cement industry and became chief executive officer of Sephaku Cement in May 2007.

Rose Raisibe Matjiu (57)
Non-executive director
BA (Hons) (Social Work) (University of the North), MA (Medical Social Work) (University of Pretoria), Certification in Mining and Minerals (University of the Witwatersrand)
Rose was appointed a director of SepHold on 23 August 2005. She has extensive experience as a professional community and social worker in government and the private sector. She has served in a number of directorate positions and is a member of South African Women in Mining and the Business Women’s Association.
Bukelwa Bulo (40)
Independent non-executive director
BBusSc (Finance) and PGDip in Accounting (University of Cape Town), CFA, Leadership Development Program at Harvard Business School
Bukelwa was appointed a director of SepHold on 26 October 2018. She has over 10 years’ experience in private equity with exposure to a wide spectrum of sectors including industrial services and retail.
Bukelwa has expertise in investment and divestment evaluation, deal structuring, strategic and stakeholder management. She is a co-founder of Jade Capital Partnership Proprietary Limited, an investment holding company focused primarily on the property, industrial, construction and building and construction materials sectors. Her current directorships include non-executive directorships on the boards of directors of Franki Geotechnical Proprietary Limited, Capital Appreciation Limited and Netcare Limited.

Basani Maluleke (40)
Independent non-executive director
BCom (Accounting) and LLB degrees (University of Cape Town), MBA Kellogg School of Management at North-West University), Fellow of the African Leadership Initiative and the Aspen Global Leadership Network
Basani was appointed as a director of SepHold on 9 November 2016 and resigned on 30 October 2017. She has over 10 years of financial services experience in corporate finance, private banking and private equity. Basani was a director of Transcend Capital Proprietary Limited, a boutique corporate finance firm specialising in BBBEE ownership advisory for multinationals. She was admitted as an attorney of the High Court after serving articles at Edward Nathan and Friedland (now Edward Nathan Sonnenbergs).

Justin Pitt (48)
Alternate director to Moses Modidima Ngoasheng
BCom (Accounting) (University of the Witwatersrand), CA(SA), CFA, Member of South African Institute of Chartered Accountants and Association for Investment Management and Research
Justin was appointed as an alternate director of SepHold on 21 August 2014. He co-founded Safika Resources and QuestCo in 2002 and is currently the managing director of Safika Resources.
SEPHOLD’S BOARD SUBCOMMITTEES

The board delegates specific functions to various committees in which independent non-executive, executive and non-executive directors participate. The committees fulfil their obligations as contained in the Companies Act, the requirements contained in King IV and in SepHold’s memorandum of incorporation. In discharging its duties, the board delegates authority to committees and individuals through clearly defined terms of reference, which it reviews regularly. The board maintains effective control through the well-developed governance framework. The chairmen of these committees, in conjunction with the board, are elected by the members of each committee.

The board believes that the group will remain a going concern in the 12-month period ahead. Their main statement in this regard is contained in the directors’ approval to the financial statements.

AUDIT AND RISK COMMITTEE

The committee has specific statutory duties to shareholders. The committee chairman holds office for no longer than five consecutive years unless the REMCO, through the board, has a solid reason to determine otherwise.

Statutory duties

The committee executed the following statutory responsibilities in 2018:

- Nominated a registered, independent auditor for appointment by shareholders, and determined their fees and terms of engagement
- Oversaw the external audit processes and prepared a report for the annual financial statements that describes how the committee carried out its functions and whether it is satisfied of the auditors’ independence
  - Refer to pages 1 to 3 of the annual financial statements for the committee’s report
- Reported to the board on any matters related to SepHold and Métier’s accounting practices, the content or auditing of annual financial statements and internal financial controls; and
- Performed other functions determined by the board, including: developing and implementing a policy plan for a systematic, disciplined approach to evaluate and improve risk management; internal control and governance processes and information technology management.

The statement from the audit and risk committee as per the JSE Listings Requirements in accordance with paragraph 22 can be read in the annual financial statements as part of the audit and risk committee point number 4. The annual financial statements can be accessed at www.sephakuholdings.com/investor-centre/results-and-reports.

Financial director

The committee considered and satisfied itself of the appropriateness of the expertise and experience of the financial director, Mr. N Crafford-Lazarus, whose curriculum vitae appears on page 65. The committee also considered and satisfied itself of the appropriateness of the expertise, adequacy of the resources of SepHold’s financial function and the experience of the responsible senior members of management.

Feedback on 2018 focus areas

- Assessed and helped improve internal controls at Métier and Sephaku Cement;
- Sephaku Cement debt covenants management: successfully negotiated for the reshaping by the lenders;
- Risk and safety management: began aligning Métier’s risk management methodology to Sephaku Cement’s; and
- Facilitated workshops on amendments to reporting standards, emerging industry practices in the concrete industry, plant site visits and carbon tax

FY 2019 key focus areas:

- Application of new accounting IFRS Standards 9 and 15
- Development of a group information technology framework
- Risk management
SOCIAL AND ETHICS COMMITTEE
The committee comprises four members of the board including four standing invitees.

The board members are constituted of two independent non-executive, one non-executive and one executive director.

The standing invitees are:
- Sephaku Cement
  - Operation manager
  - Performance manager
  - Head of risk
- Métier
  - Managing director

Statutory duties
The committee focused on the operating companies in the following matters:
- Sephaku Cement’s community relations and the related outstanding issue;
- Monitoring the Sephaku Cement EDP;
- Employment equity and employee retention; and
- Corporate citizenship custodianship
  - The review of group conduct and ethics codes
  - The maintenance of good relations with customers
  - Monitoring the implementation of Métier and Sephaku Cement with regulatory requirements, particularly the approval of the Sephaku Cement SLP
  - Impact of the mining charter on Aganang

Feedback on 2018 focus areas
- Drafted and signed a memorandum of understanding with the communities located near the Aganang plant. This will enable the resolution of several outstanding matters including:
  - acquisition of grazing land for the surrounding communities;
  - approval of the social and labour plan; and
  - operationalisation of the BBBEE structure, Torosesha;
- Métier BBBEE status: the level 6 achieved was significantly better than anticipated
- Employee retention plan at Sephaku Cement: review of plan indicated a success rate of approximately 75%
- Unionisation at Sephaku Cement: the associate successfully concluded a relationship charter with AMCU and a 12-month wage agreement

FY 2019 key focus areas:
- Conclude the engagement process for the Sephaku Cement SLP approval
- Pursue the appointment of community elected board members into the Torosesha
BOARD EVALUATION AND INDEPENDENCE

SepHold annually evaluates the effectiveness and performance of the board, its committees and individual directors. During the year, Acorim, as group company secretary, internally assessed the performance and effectiveness of the board, its committees and members. The assessment monitored the board’s effectiveness as a collective; the effectiveness of committees in discharging their duties as stated in the respective terms of reference; and the performance of individual members.

None of the directors raised major concerns in respect of the functioning of the board or any of its committees. The board assisted by the REMCO specifically considers the independence of directors and their commitments on the date of appointment and annually thereafter. This evaluation determines whether a director has sufficient time to discharge his or her duties effectively and is not constrained by conflicts that cannot be managed satisfactorily. The board is satisfied that the evaluation process has improved its performance and effectiveness. An externally facilitated review of the board’s performance and effectiveness has been scheduled for the 2019 financial year.

SPECIFIC INDEPENDENCE CONSIDERATION

Mr. MM Ngoasheng has been a member of the board for 10 years. Mr. Ngoasheng has extensive knowledge in deal structuring and the building and construction materials sector which is valuable to the group’s strategic intent. The recent appointment of independent non-executive directors balances his familiarity. The board values the depth of his experience and believes that his continued participation in the board will enhance its effectiveness. Mr. Ngoasheng’s independence was scrutinised by the board with the assistance of the REMCO. The assessment considered Mr. Ngoasheng’s tenure and his indirect ownership in SepHold through Safika Resources Proprietary Limited. REMCO concluded that Mr. Ngoasheng’s familiarity due to his tenure is sufficiently balanced by the recent appointment of independent non-executive directors. The committee also concluded that his ownership constitutes a fairly small proportion of his wealth and is therefore unlikely to influence his independence. The board accepts that Mr. Ngoasheng’s character and judgement are not compromised by the 10 years of service in the SepHold board.

INSIDER TRADING AND CONFLICT OF INTEREST

In addition to the regulatory requirements, the board charter:

- sets out the approval process relating to dealing in SepHold securities;
- sets out the required notification process of share transactions in terms of the JSE Listings Requirements; and
- prohibits director dealings in SepHold shares when in possession of non-public, material (price-sensitive) information.

Board members are required to continually confirm their trading in SepHold shares and compliance with the regulatory requirements with the board chairman or chief executive officer. Declaration of interests is a standing agenda item at all board meetings. Directors are required to formally update their directorships and other relevant interests at least annually.

Directors who have an interest in specific matters discussed at board or committee meetings are recused during the relevant discussion and/or decisions. Executive managers are reminded, at least biannually, and during financial results closed periods, that trading in Company shares is prohibited when in possession of price-sensitive information.

RISK MANAGEMENT

The board considers risk management as an appropriate balance between realising opportunities and minimising adverse impacts. The board is satisfied that no member of management has exceeded their authority or acted contrary to the board’s risk appetite nor, in so doing, exposed the group to unnecessary risk during the financial year and up to the date of this report. The operational companies identify, measure, monitor, manage and report on all material risks to which they are exposed. Sephaku Cement’s and Métier’s executive committees implemented and monitored their risks monthly, in line with the board-defined risk tolerance targets.

The operational assessment took a systematic, disciplined approach to evaluate and improve the effectiveness of risk management.

The audit and risk committee reviews the group’s risks, progress on their management, and the effectiveness of the management activities. The board is satisfied that Sephaku Cement and Métier maintain effective ongoing risk assessments and adequately measure the likelihood and impact of risks. The outputs of the assessments are presented to the board for a realistic perspective of material risks.
INFORMATION TECHNOLOGY

The group entities have information technology management strategies and processes specific to their requirements.

SEPHAKU CEMENT
Sephaku Cement supplements general information management with SAP® in its operations and has automated plant systems that need to be managed meticulously. The associate developed a detailed three-year strategy during the year with 16 objectives including enhancing the business process management platform, establishing fully automated interfaces and decentralising the business continuity management systems. This strategic plan creates an infrastructure environment that leverages current and emerging information technology solutions towards the business’s goals. The current and planned architecture is geared towards supporting operational functions through a unified information management and automation hub with a single set of standards across the company. This optimises the available resources at Sephaku Cement for effective and efficient support as well as project rollouts. Through an emphasis on information technology service excellence, the plan facilitates the roll-out of new platforms to ensure the availability of information, improved system resilience and improved support.

SEPHOLD
SepHold has basic information technology and management systems that support its administrative processes. The necessity to develop a group policy on information technology has been identified and the board has included the development of a framework in its 2019 financial year plan.

MÉTIER
Métier uses proprietary software in the mixed concrete manufacturing process. The manufacturing software enables the subsidiary to automate the production process which shortens the timelines. The software records and stores a digital log of the raw material inputs used in every batch produced. This enhances the ability to control output quality and to archive the information for future reference. Métier is determined to continue applying best practice processes such as the production software and to this effect is awaiting the release of the new version expected in 2019. Métier’s plans to focus on disaster recovery and cloud-based systems in the next 12 months with a broader goal of further aligning information technology management to prevailing governance requirements.

INTERNAL CONTROLS

The board evaluates the adequacy and effectiveness of the internal controls as well as the combined assurance processes of group entities at every meeting.

Risk management and financial reporting are essential to internal control. The subsidiary and associate provide internal audit reports to the audit and risk committee for due consideration. The committee is responsible for ensuring that reported information is reliable and that the group adheres to all requisite rules and regulations.

Métier’s lines of defence
First
Internal controls
Second
Management control
Third
Risk management
Fourth
External audit
Fifth
Métier board

Sephaku Cement’s lines of defence
First
Internal controls
Second
Management control
Third
Risk management
Fourth
Internal and external audit
Fifth
Sephaku Cement board

The audit and risk committee recommended the independent external auditor, Grant Thornton, which was then appointed by the shareholders. The external auditor reports on whether the annual financial statements are fairly presented in compliance with International Financial Reporting Standards (IFRS) and the Companies Act. The preparation of the annual financial statements remains the responsibility of the board.

INTERNAL AUDIT
SepHold’s financial director fulfils Métier’s internal audit function. The committee believes that new appointments should strengthen the Métier accounting function and improve control by dividing duties. As such, this is better suited to the subsidiary’s needs than an internal audit function would be. Due to the nature and size of SepHold, the accounting function is appropriately structured to effectively deal with all current requirements and, as such, the audit and risk committee does not believe that an internal audit function is necessary at this stage.

Sephaku Cement has an internal audit department that reports to its board audit committee chairman, on which SepHold is represented.
STATEMENT OF COMPLIANCE
The board is responsible for the group’s compliance with applicable laws, rules, codes and standards as reported throughout the integrated annual review. Compliance is integral to the group’s culture, and key to its strategy. SepHold, as the listed entity, complies with various codes and regulations, including the Companies Act, the JSE Listings Requirements and King IV.

There were no material or repeated regulatory penalties, sanctions or fines for contraventions of, or non-compliance with statutory obligations imposed on the group entities, board members, executive directors or prescribed officers.

KING IV APPLICATION
The group applied the King IV code to the furthest possible extent. To better apply the principles in the 2019 financial year, the board commissioned a gap analysis from the company secretary. The board engaged management to determine where additional alignment with King IV’s recommended practices would be appropriate. The gap analysis identified the following focus areas for FY 2019:

- Incorporate the codes of ethics into the group’s third-party supplier agreements
- Develop and implement an overarching group governance framework
- Develop and implement a group stakeholder engagement policy
- Implement a group information and technology governance policy at all levels
- Enhance the board evaluation process
- Enhance the remuneration policy

King IV is not prescriptive on which governance structure should assume responsibility for any particular principle or recommended practice. Therefore, although certain principles will primarily involve the board or a particular committee, the combined result of the activities of the various governance structures will be assessed holistically when considering which practices to apply to support the principles.

All committee work plans, charters and agendas are being updated in respect of King IV. Refer to the King IV application register at www.sephakuholdings.com/corporate-governance.
REMUNERATION

The remuneration and nomination committee (REMCO) is chaired by Mr. M Ngoasheng with the board chairman, Mr. B Williams, chairing the meeting portion dealing with nominations. The group chief executive and the financial director were invited to meetings to assist the committee in executing its mandate.

Statutory duties

To contribute to the group’s implementation of the strategic objectives the committee achieved:

- The development of the board succession plan;
- Group succession plans for executive positions;
- The approval of the SepHold and Métier short term incentive;
- The approval of the King IV aligned remuneration policy;
- The nomination of Ms Bulo as non-executive director; and
- Review of the committee charter to align with King IV.

On the focus areas stated in the previous integrated report the REMCO is pleased to provide the following update:

- Group succession: Developed succession plans for all key positions
- Board gender and skills diversity: Reviewed the board gender diversity policy
- Enhancement of key performance areas to align to strategic objectives: Updated the performance indicators for the SepHold executive management

The REMCO considered and applied King IV’s guidance of fairness, responsibility and transparency stipulated in principle 14 to enhance the group remuneration policy. The group’s remuneration policy excluding Sephaku Cement is described in the report below. The group participates in the determination of the appropriate remuneration strategy and policy at Sephaku Cement through the representation of three directors.

REMUNERATION REPORT

Background statement

The group’s remuneration management is market related. We conduct market surveys and benchmarking to ensure competitiveness. Competitive remuneration is critical in attracting and retaining high-performing individuals due to the shortage of technical skills in the building and construction materials manufacturing industry. Competitive remuneration motivates employees and improves their performance in line with the group’s strategic objectives.

The board through REMCO is responsible for making decisions regarding the remuneration of executive directors, FD and the CEO. The CEO and FD are subsequently responsible for determining the appropriate total guaranteed remuneration and incentives of the rest of the group employees. The CEO is on a permanent contract and there will be no unusual obligation for the group at retirement which is set at 65 years. The CEO and FD’s employment contracts have a provision for a minimum payment equivalent to annual remuneration on termination of employment due to change of control. The share incentive scheme also provides for an early vesting of options in case of change of control.

The CEO is a member of eight boards including SepHold, Métier and Sephaku Cement which require his active participation regularly. The succession plan for the CEO was finalised during the year and the REMCO is confident that the group is sufficiently prepared for all eventualities as it relates to the CEO’s tenure.

The REMCO recommends and advises the board on remuneration practices and long-term employee incentives, and it submits policy amendments to the board for approval.

To ensure market related remuneration, consultants are contracted from time to time to provide an independent opinion on prevailing remuneration trends and to ensure that the group remains competitive. PricewaterhouseCoopers prepared a benchmark report in FY 2017 to inform the executive management remuneration packages. The report was considered objective and independent by the committee and recommended for adoption by SepHold. The report’s recommendations were implemented in the 2017 financial year but reviewed in the reporting period following feedback from shareholders and to align to King IV. The amendments in the policy mainly related to the compilation of the short-term incentives (STI) scorecard and development of a long-term incentives (LTI) to replace the share option scheme that was concluded during the current financial year. In applying King IV, REMCO considered the magnitude of the group to ensure that the implementation of the recommended practices is not a mindless application process but transformative to enhance the group governance framework. The board is committed to continuous improvement in the remuneration framework and will seek further ways to improve the policy.

At the AGM held on 21 September 2017, the resolutions on the remuneration policy and non-executive directors’ remuneration were approved by 94.3% and 99.9% respectively. Executive management engaged shareholders who expressed concerns on the structure of the key performance indicators. These were mainly related to the compilation of the STI scorecard and development of a LTI to replace the share option scheme.
The remuneration policy

The group adopts a total cost to company approach in remunerating all its employees. This ensures that employees are appropriately rewarded and are aware of the terms and conditions under which they are employed.

The remuneration framework ensures that the group companies:
- align remuneration practices with the business strategy, objectives, values and long-term interests of the company;
- appropriately compensate employees for services provided;
- ensure equitable and fair remuneration to facilitate the deployment of people throughout the business;
- ensure variable remuneration is aligned to company performance, at both a divisional and individual level;
- implement a flexible and competitive remuneration structure that:
  - is referenced to appropriate benchmarks;
  - reflects market and industry practices; and
  - is tailored to the specific circumstances of the group;
- comply with all relevant legal requirements.

Positioning of the total guaranteed package is based on an employee’s level of demonstrated competency, qualifications, experience and performance. The total guaranteed package of employees new to the position are normally at the low end of the salary range. As the employee demonstrates increased experience, learning and performance, the package is adjusted based on the objective outcome of performance reviews.

The following summarises the performance measurement criteria:
- **Entry point**: New to the job or building the skill
- **Needs improvement**: The skill needs enhancing to improve performance
- **Effective**: Meets expectations
- **Excellent**: Exceeds expectations
- **World-class**: Expert and fully competent

The table below summarises the main components of the reward package for group employees. Sephaku Cement applies a different reward framework as a subsidiary of DCP.

<table>
<thead>
<tr>
<th><strong>Objective and practice</strong></th>
<th><strong>Award size and performance period</strong></th>
</tr>
</thead>
</table>
| **Guaranteed pay**        | Remunerate above the market and industry average for key positions
                           | Remunerate market-related salaries for all other positions
                           | Review total guaranteed pay annually on 1 March
                           | The level of skill and experience, scope of responsibility and the total remuneration package are taken into account when rewarding employees
                           | Appropriate market percentiles based on skills, experience and competitiveness
| **Short-term incentive**   | To motivate employees and incentivise delivery of performance over the financial year
                           | The appropriateness of measures and weightings are reviewed annually to ensure ongoing support of the strategy
                           | The exco annual bonus is paid in cash in July each year for performance over the previous financial year
                           | Performance over the financial year is measured against targets set in the balanced scorecards
                           | Target bonus (30%, 50% and 70%) of the total guaranteed pay aligned with the level achieved as defined in the performance management policy
| **Long-term incentive**    | To motivate and incentivise delivery over the long term
                           | Awards relating to total shareholder return and against a framework for determining vesting to ensure continued support of the company strategy
                           | Performance over three financial years is measured against targets for the performance period with vesting ranging between 0%, 50%, 100% and 200% of the total guaranteed pay. The award will consist of a share award bought in the open market.

**Sephaku executive management performance criteria**

The board-approved performance indicators to measure executive management’s performance are reviewed annually. The indicators are broadly categorised into financial (75%) and non-financial measures (25%).

Contrary to the remuneration policy which states that key employees should be remunerated at the upper percentile rate, the executive management has deemed it prudent to receive guaranteed annual packages aligned to the JSE mean for directors of listed companies one year in arrears, since FY 2014 because of the construction industry downturn. Furthermore, the executive directors have decided not to increase their basic remuneration in the 2019 financial year. This demonstrates the REMCO’s consideration of responsible and fair remuneration.
Following consultations with shareholders, the STI and LTI score card was revised to the one indicated in the table below. The short-term assessment criteria will be applied to the FY 2019 performance to be paid in FY 2020 and the long-term criteria will be applied from the 2021 financial year.

### Short-term incentives scorecard

<table>
<thead>
<tr>
<th>Performance indicator</th>
<th>Weighting (%)</th>
<th>Performance condition detail</th>
<th>Minimum (30%)</th>
<th>Target (50%)</th>
<th>Stretch (70%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial measures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real* growth in headline earnings per share (HEPS)</td>
<td>30</td>
<td>HEPS growth over the previous year in excess of inflation</td>
<td>Real HEPS growth of more than 0%</td>
<td>Real HEPS growth of 4% per annum</td>
<td>Real HEPS growth of 8% per annum or more</td>
</tr>
<tr>
<td>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</td>
<td>25</td>
<td>The achievement of SepHold’s EBITDA against budget. The EBITDA should reflect the proportionately consolidated EBITDA of the underlying subsidiaries less corporate costs.</td>
<td>80% of budget achieved</td>
<td>100% of budget achieved</td>
<td>120% or more of budget achieved</td>
</tr>
<tr>
<td>Gearing/covenants</td>
<td>20</td>
<td>Reduction in the ratio of total debt to EBITDA and improvement in debt service coverage ratio.</td>
<td>2.5 and 1.3</td>
<td>2.25 and 1.4</td>
<td>2.0 and 1.5</td>
</tr>
<tr>
<td><strong>Non-financial measures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety, environment and transformation</td>
<td>15</td>
<td>The achievement of safety, environmental and transformation targets as determined by the Company, will be measured against a portfolio of evidence.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievement of job specific personal goals</td>
<td>10</td>
<td>The achievement of job specific personal goals as determined by the Company will be measured against a portfolio of evidence.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The revised LTI scheme replaces the option scheme that ended in FY 2018. To limit dilution of shareholders’ interests through the option scheme, the new long term incentives are awarded in cash after a three year vesting period during which the executive’s performance is assessed against the key performance indicators. The cash awarded is used to purchase shares in the market to align the executives to shareholder interest. The executives are mandated to hold the shares for a period of two years during which they may benefit from capital appreciation and any dividends paid.

### Long-term incentives scorecard

<table>
<thead>
<tr>
<th>Performance indicator</th>
<th>Weighting (%)</th>
<th>Performance condition detail</th>
<th>Minimum (30%)</th>
<th>Target (50%)</th>
<th>Stretch (70%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total shareholder return (TSR)</td>
<td>75</td>
<td>TSR is measured against a comparable set of 10 companies.</td>
<td>Sixth or seventh position</td>
<td>Fourth or fifth position</td>
<td>First to third position</td>
</tr>
<tr>
<td>Achievement of strategic goals</td>
<td>25</td>
<td>The achievement of Sephaku strategic goals as determined by the Company, will be measured against a portfolio of evidence.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* As measured against CPI.
REMUNERATION (continued)

The table below summarises the assumption of the delivery of the minimum, target and stretch performance achievement on total remuneration of the CEO and FD in a single total figure based on the revised remuneration policy. The figures below apply to the CEO and FD because their remuneration is identical for each measure.

**Summary of single total remuneration figure for minimum, target and stretch performance**

<table>
<thead>
<tr>
<th></th>
<th>CEO and FD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base</td>
</tr>
<tr>
<td><strong>2019</strong></td>
<td></td>
</tr>
<tr>
<td>Base</td>
<td>3 914 600</td>
</tr>
<tr>
<td>Min</td>
<td>3 914 600</td>
</tr>
<tr>
<td>Target</td>
<td>3 914 600</td>
</tr>
<tr>
<td>Stretch</td>
<td>3 914 600</td>
</tr>
</tbody>
</table>

1 Base includes travel allowance where applicable.

**Non-executive directors’ remuneration**

**Elements and purpose**

The group aims to attract and retain suitably skilled and experienced non-executive directors. An appropriate level of competitive remuneration is necessary to reward them for their time and expertise. The group non-executive directors are remunerated by way of an annual fee paid in recognition of membership of the board and its committees. The non-executive directors, including the group chairperson, do not receive any other employment benefits, performance-related remuneration, or any form of compensation for loss of office. The fee structure is reviewed and benchmarked annually to ensure that the proposed fees are aligned to market levels and supports the attraction and retention of high-quality individuals.

**Service contracts**

None of the directors have written service contracts with the company. Directors are employed by the board and rotate in terms of the memorandum of incorporation.
IMPLEMENTATION REPORT

Below are the details of the implementation of the remuneration policy.

Executive directors’ and prescribed officer's emoluments

<table>
<thead>
<tr>
<th>Executive</th>
<th>Remuneration</th>
<th>Prior year performance bonuses</th>
<th>Travel allowances</th>
<th>Pension fund</th>
<th>IFRS 2 staff cost relating to share-based payment vesting expenses (non-cash)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td></td>
<td>R</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr L Mohuba</td>
<td>3 801 117</td>
<td>972 000</td>
<td>–</td>
<td>123 802</td>
<td>568 555</td>
<td>5 465 474</td>
</tr>
<tr>
<td>NR Crafford-Lazarus</td>
<td>3 649 620</td>
<td>972 000</td>
<td>151 497</td>
<td>123 802</td>
<td>870 533</td>
<td>5 767 452</td>
</tr>
<tr>
<td>KJ Capes*</td>
<td>1 080 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
<td>1 080 000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8 530 737</strong></td>
<td><strong>1 944 000</strong></td>
<td><strong>151 497</strong></td>
<td><strong>247 604</strong></td>
<td><strong>1 439 088</strong></td>
<td><strong>12 312 926</strong></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr L Mohuba</td>
<td>3 531 600</td>
<td>1 500 000</td>
<td>–</td>
<td>115 395</td>
<td>614 597</td>
<td>5 761 592</td>
</tr>
<tr>
<td>NR Crafford-Lazarus</td>
<td>3 375 043</td>
<td>1 500 000</td>
<td>156 557</td>
<td>115 395</td>
<td>746 865</td>
<td>5 893 860</td>
</tr>
<tr>
<td>KJ Capes</td>
<td>2 158 117</td>
<td>2 379 947</td>
<td>–</td>
<td>–</td>
<td></td>
<td>4 538 064</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9 064 760</strong></td>
<td><strong>5 379 947</strong></td>
<td><strong>156 557</strong></td>
<td><strong>230 790</strong></td>
<td><strong>1 361 462</strong></td>
<td><strong>16 193 516</strong></td>
</tr>
</tbody>
</table>

*KJ Capes has been on a consultancy contract with the group as a business development expert to identify viable expansion opportunities since FY 2017. He is remunerated on a retainer based on agreed terms with the Company. KJ Capes, performance bonus is related to the transactions he successfully concludes during any particular year. To date, he has been working on the aggregates joint venture (Cato Ridge).

The CEO and FD STI awarded for the FY 2018 performance to be paid in FY 2019 were based on the measures in the table below. The bonus to be paid will therefore be R 760 000 representing the 20% weighting score. The decrease of the bonus paid from R1,5 million in FY 2017 and R 972 000 in FY 2018 demonstrates the REMCO’s and executives’ prudent approach to remuneration that is informed by the prevailing challenging trading environment. The constrained economic environment has resulted in relatively weak financial performance as demonstrated in the table below.

<table>
<thead>
<tr>
<th>Performance condition</th>
<th>Weighting</th>
<th>Actual performance</th>
<th>Metric %</th>
<th>Weighted %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial measures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HEPS</td>
<td>35%</td>
<td>Down on prior year</td>
<td>0%</td>
<td>0,00%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>25%</td>
<td>66% of Budget</td>
<td>0%</td>
<td>0,00%</td>
</tr>
<tr>
<td>Total shareholder return</td>
<td>15%</td>
<td>Min threshold</td>
<td>30%</td>
<td>4,5%</td>
</tr>
<tr>
<td><strong>Non-financial measures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety, environment &amp; transformation</td>
<td>15%</td>
<td>Better than expected</td>
<td>70%</td>
<td>10,5%</td>
</tr>
<tr>
<td>Achievement of personal goals</td>
<td>10%</td>
<td>Met expectations</td>
<td>50%</td>
<td>5,00%</td>
</tr>
<tr>
<td><strong>OVERALL %</strong></td>
<td></td>
<td></td>
<td></td>
<td>20,00%</td>
</tr>
</tbody>
</table>


## Remuneration (continued)

<table>
<thead>
<tr>
<th>Other prescribed officer</th>
<th>Remuneration R</th>
<th>Performance bonus R</th>
<th>Travel allowance R</th>
<th>Pension fund R</th>
<th>Total R</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WJ du Toit</td>
<td>1 648 350</td>
<td>242 769</td>
<td>25 200</td>
<td>156 081</td>
<td>2 072 400</td>
</tr>
<tr>
<td><strong>2017</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WJ du Toit</td>
<td>1 576 146</td>
<td>385 942</td>
<td>25 200</td>
<td>144 178</td>
<td>2 131 466</td>
</tr>
</tbody>
</table>

WJ du Toit is a prescribed officer of SepHold and an executive director of Métier. All remuneration paid to him by the subsidiary company has therefore also been disclosed.

<table>
<thead>
<tr>
<th>Non-executive</th>
<th>Fees for services as director R</th>
<th>Remuneration R</th>
<th>Performance bonus R</th>
<th>IFRS 2 Staff cost relating to share-based payments vesting expense (non-cash) R</th>
<th>Total R</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B Williams</td>
<td>410 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>410 000</td>
</tr>
<tr>
<td>PM Makwana</td>
<td>310 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>310 000</td>
</tr>
<tr>
<td>MM Ngoasheng</td>
<td>310 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>310 000</td>
</tr>
<tr>
<td>MJ Janse van Rensburg</td>
<td>310 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>310 000</td>
</tr>
<tr>
<td>B Maluleke</td>
<td>155 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>155 000</td>
</tr>
<tr>
<td>RR Matjiu</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>165 028</td>
<td>165 028</td>
</tr>
<tr>
<td>PF Fourie</td>
<td>–</td>
<td>3 914 256</td>
<td>805 837</td>
<td>–</td>
<td>4 720 093</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1 495 000</td>
<td>3 914 256</td>
<td>805 837</td>
<td>165 028</td>
<td>6 380 121</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-executive</th>
<th>Fees for services as director R</th>
<th>Remuneration R</th>
<th>Performance bonus R</th>
<th>IFRS 2 Staff cost relating to share-based payments vesting expense (non-cash) R</th>
<th>Total R</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B Williams</td>
<td>380 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>380 000</td>
</tr>
<tr>
<td>MG Mahlare</td>
<td>125 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>125 000</td>
</tr>
<tr>
<td>PM Makwana</td>
<td>250 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>250 000</td>
</tr>
<tr>
<td>MM Ngoasheng</td>
<td>250 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>250 000</td>
</tr>
<tr>
<td>MJ Janse van Rensburg</td>
<td>125 000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>125 000</td>
</tr>
<tr>
<td>B Maluleke</td>
<td>62 500</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>62 500</td>
</tr>
<tr>
<td>RR Matjiu</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>121 426</td>
<td>121 426</td>
</tr>
<tr>
<td>PF Fourie</td>
<td>–</td>
<td>3 223 349</td>
<td>1 001 784</td>
<td>–</td>
<td>4 225 133</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1 192 500</td>
<td>3 223 349</td>
<td>1 001 784</td>
<td>121 426</td>
<td>5 539 059</td>
</tr>
</tbody>
</table>

Refer to shareholders information in the directors’ report in the annual financial statements for directors’ interests in share options.

PF Fourie is a non-executive director of SepHold and an executive director of Sephaku Cement. All remuneration paid to him by the associate company, Sephaku Cement, has therefore also been disclosed above.