

Remuneration report

This report sets out Vodacom's remuneration philosophy and policy for non-executive directors, executive directors and prescribed officers. It also provides a description as to how the policy has been implemented and discloses payments made to non-executive and executive directors and prescribed officers during the year under review.

It is noted that while elements of King IV have been included in this report, further disclosures will evolve when either practice notes on King IV or revised JSE Listings Requirements get published in the year ahead.

The Group's Remuneration Committee (RemCo) determines the policy for remunerating executives and the Board recommends the fees for non-executive directors to shareholders for approval at the annual general meeting (AGM).

The report is divided into three sections:

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01 Background statement with feedback from the Chairman of the Remuneration Committee

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02 Our remuneration philosophy, policy and framework

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03 Implementation report and remuneration disclosure of executive directors and prescribed officers

Section

01 Background statement with feedback from the Chairman of the Remuneration Committee



Chairman

Thoko Martha
Mokgosi-Mwantembe:

Independent non-executive
director

Letter from the Chairman of the Remuneration Committee:

Dear shareholders

As members of the RemCo of the Group, our focus is to assist and advise the Board on matters relating to the remuneration of senior management. We ensure that the remuneration philosophy and policy supports the Group's strategic targets to enable the recruitment, motivation and retention of senior executives in order to maximise shareholder value while also complying with legislation and the requirements of King IV.

Business performance and the impact on our short-term and long-term incentives

The Group's financial performance was good and once again we delivered a solid set of results that will make our shareholders proud. This is testament to the calibre of management and employees that work for us. We had a tough set of targets to achieve, relating to service revenue, EBITDA, operating free cash flow and customer appreciation. Customer growth and the strong demand for data were two of the key drivers of our success, along with excellent execution in enterprise. More detail on the actual achievement against these targets is provided later in the report.

These targets and the extent to which they are achieved have a direct impact on the long- and short-term incentives payable to executives.

Meetings

The RemCo had four formal meetings during the year. Outside these meetings there are frequent discussions by conference call. The main agenda items and discussion points at the meetings were as follows:

Meeting	Agenda items
May 2016	Executive remuneration packages for 2016/2017; Variable remuneration awards, both STIP and LTIP; Target and TSR peer group for 2017 LTIP awards; 2016 directors' remuneration report.
July 2016	Variable pay benchmarking.
November 2016	Update on the achievement of STIP and LTIP; Retention strategy for high risk employees.
March 2017	Approval of annual remuneration review percentage; Executive pay benchmarking.

For the 2018 reporting period, the RemCo approved the following 2 policy changes:

- ▶ One element of the financial targets in the short-term incentive (STIP) scheme where EBITDA was changed to EBIT as a measure. This is to ensure greater focus on capital discipline; and
- ▶ Increased the weighting of direct telecommunications sector competitors to approximately 25% within the TSR peer group for the long-term incentive (LTIP) scheme to ensure a more representative comparison of performance to direct market competitors.

No changes were made to the remuneration mix for executives either at target or at maximum award levels.

Decisions:

The key decisions we took this year were to:

- ▶ Approve increases and adjustments for executives and senior management, as well as all other employees;
- ▶ Review the configuration of both STIP and LTIP schemes and to make changes where appropriate;
- ▶ Approve short-term incentives for executives and senior management, as well as all other employees;
- ▶ Evaluate the LTIP vesting conditions for the 2014 scheme and to approve final vesting ratios;
- ▶ Set performance conditions for long- and short-term incentives for 2017; and
- ▶ Review developments in local and global best practice.

The Remuneration Committee contracted the services of Vasdex Associates (Pty) Ltd for independent external advice.

We received the support of 99.2% of shareholders who voted in favour of the remuneration philosophy and policies tabled at the 2016 AGM.

Executive Changes

Nyimpini Mabunda has been appointed as Chief Officer for the Consumer Business Unit effective 1 September 2016.

Closure:

As required by the Companies Act and King IV, the following resolutions will be tabled for shareholder voting at the AGM, details of which can be found in the AGM notice:

- ▶ Binding vote on non-executive directors' fees;
- ▶ Advisory vote on the remuneration policy; and
- ▶ Advisory vote on the implementation report.

I would like to thank my fellow RemCo members for their continued support and look forward to the challenges that lie ahead.

Thoko Martha Mokgosi-Mwantembe
Chairman of the Remuneration Committee

Role of the Remuneration Committee

Our Board is responsible for the Group's remuneration policy assisted by the Remuneration Committee. The Chief Executive Officer, Chief Human Resources Officer and any other executives invited for specific discussion topics attend the meetings by invitation, but recuse themselves before any decisions are made. The Remuneration Committee operates according to a charter approved by the Board and this charter is reviewed regularly.

The Remuneration Committee's role and responsibilities are summarised below:

- ▶ Determine, agree and develop the Group's remuneration policy;
- ▶ Determine and agree the remuneration packages for the Chief Executive Officer, Chief Financial Officer and all other members of the senior leadership team;
- ▶ Ensure competitive reward to facilitate the recruitment, motivation and retention of high performance employees at all levels in support of corporate objectives and to safeguard stakeholder interests;
- ▶ Determine and recommend to the Board the level of fees for non-executive directors;
- ▶ Review and recommend to the Board the relevant performance measures for executives;
- ▶ Consider other special benefits or arrangements of a substantive financial nature;
- ▶ Review promotions, transfers and termination of employment policies; and
- ▶ Ensure compliance with applicable laws and codes.

The Remuneration Committee Chairman reports to the Board after each RemCo meeting and attends the AGM to answer questions from shareholders on RemCo's areas of responsibility.

02 Our remuneration philosophy and policy and framework

Our aim is to attract, retain and motivate executives of the highest calibre, while at the same time aligning their remuneration with shareholder interests and best practice. Our approach to reward is holistic, balanced across the following elements:

- ▶ Guaranteed package (GP)
- ▶ Variable short-term incentive (STIP)
- ▶ Variable long-term incentive (LTIP)
- ▶ Various recognition programmes
- ▶ Individual learning and development opportunities
- ▶ Stimulating work environment
- ▶ Well designed and integrated Employee Wellness programme

Vodacom adheres to a 'total cost to company' philosophy, which we refer to as the guaranteed package (GP). All employees, including executive directors and prescribed officers, receive a GP based on their role in the company and also linked to their individual performance. Contributions to medical aid, retirement funding and insured benefits are included in the GP.

The above elements are underpinned and reinforced by our Performance Dialogue (PD) and Talent Management processes.

Our policy is to reward our executives for their contributions to our strategic, financial and operating performance.

To be a top employer in our industry we need to attract, develop and retain top talent and intellectual capital both locally and internationally.

To ensure that our reward offerings remain competitive, we conduct an annual salary review in July of each year. On an annual basis we conduct remuneration benchmarking and award increases in the GP according to the market, individual performance and potential. Individual performance and potential assessment is determined through our talent management and PD processes. The outcome of these also influences the awarding of short- and long-term incentives in the future.

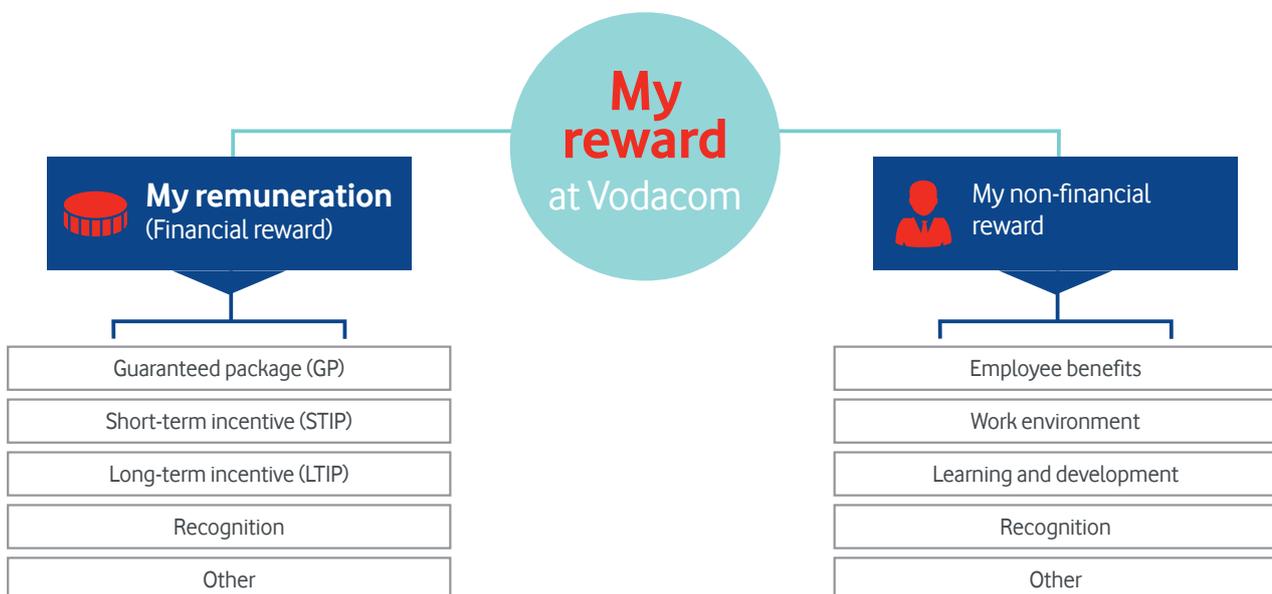
Our short-term incentive, in the form of an annual cash bonus, is linked to achieving financial, strategic and operational objectives and the employee performance against their objectives set by line management. The pool available for short-term incentives is determined by financial performance of the Group against previously set and agreed targets.

Our long-term incentive, in the form of an annual share allocation, encourages ownership and loyalty, and supports our objective to retain valued employees. It is designed to align executive performance to shareholders' interests, as a portion of the award is subject to Group performance conditions. The scheme is a full ownership scheme; as a result, participants receive dividends from the award date although the value of the shares can only be realised after a three-year vesting period, to the extent that the vesting conditions have been met.

RemCo reviews the total pay mix of executives every year and decides on the proportion of total remuneration to be paid as GP, STIP and LTIP, as each of these elements is linked to creating shareholder value and the strategic progress made in the year.

Vodacom reward framework:

Vodacom's reward framework comprises financial and non-financial elements and is applied to all employees, including the executive directors and prescribed officers. The Vodacom reward framework is explained in the picture below.



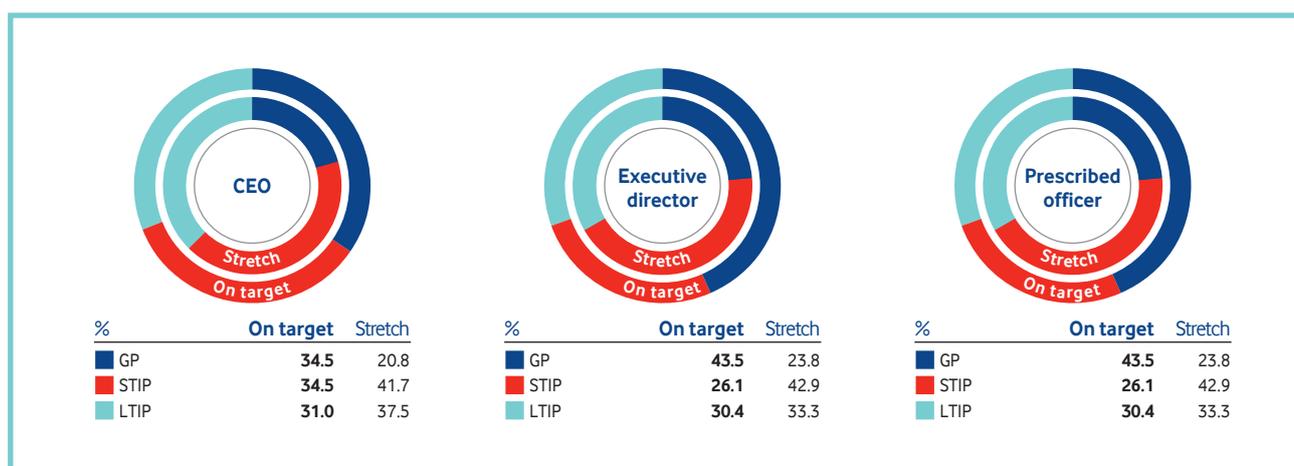
Summary of our remuneration structure

	Purpose and link to strategy	Operation
Guaranteed package (GP)	<ul style="list-style-type: none"> To attract and retain the best talent. 	<ul style="list-style-type: none"> GPs are reviewed annually in July and delivered in 12 payments. Reflects the individuals' competence and skills and the scope and nature of the role. Internal and external equity. Provides competitive pay and rewards performance.
Short-term incentive (STIP)	<ul style="list-style-type: none"> To drive a high-performance culture. Motivates and rewards achievement of business and individual performance. Keeps employees focused on the defined business imperatives. The financial measures are designed to drive our growth strategies whilst also focusing on improving operating efficiencies. 	<ul style="list-style-type: none"> Variable – usually paid in cash in June each year for performance over the prior financial year. Directly linked to business, strategic and individual performance. Reviewed annually to ensure measures and weighting drive the desired behaviours and support the business strategy
Long-term incentive (LTIP)	<ul style="list-style-type: none"> Drives sustainable longer term performance. Retention of key skills by linking performance to long-term value creation. Encourages loyalty and ownership, by aligning the interests of executives to those of the Group and its shareholders. Wealth creation. 	<ul style="list-style-type: none"> Variable in the form of Vodacom and/or Vodafone shares, which vest over a three-year period. Dividends when declared. Reviewed annually to ensure measures and weighting drive the right behaviours and support the business strategy.
Retirement funding	<ul style="list-style-type: none"> To provide financial security when an employee retires. 	<ul style="list-style-type: none"> All contributions are included in the GP. Both pension and provident funds are defined contribution funds. Flexible contribution rates.
Flexible benefit programmes	<ul style="list-style-type: none"> Our flexible benefit programmes offer employees a variety of choice to meet personal needs and positions us as an employer of choice. Integrated approach to drive employee engagement. 	<ul style="list-style-type: none"> Costs included in GP Managing the total cost of employment Provide quality health and wellness benefits. Financial protection in the event of illness, disability or death. Addressing diverse employee needs across differing cultures and age groups.
Recognition programmes	<ul style="list-style-type: none"> Programmes designed as a platform for employee recognition. 	<ul style="list-style-type: none"> Formal recognition programmes that recognises employees for living the Vodacom Way and delivering great customer experience.
Other programmes	<ul style="list-style-type: none"> Position Vodacom as an employer of choice. 	<ul style="list-style-type: none"> Access to lifestyle benefits such as staff discounts, preferential insurance rates, etc. Cell phone benefits. Maternity and paternity leave benefits. Annual executive health checks.

Pay mix

RemCo reviews the total pay mix of executives every year and decides on the proportion of total remuneration paid as part of the GP, or as STIP or LTIP. Each element is linked to creating shareholder value and the strategic progress made in the year. The RemCo also reviews targets and the on-target values for each element every year to ensure that it remains relevant, competitive, drives the right behaviours and enhances overall shareholder value.

The pay mix for executive directors and prescribed officers is shown below:



Benchmarking

To make sure we apply the right pay mix and remunerate our executives competitively, we use industry and country specific benchmarks. Fair and competitive reward is vital to being an employer of choice. RemCo sets the remuneration and the guaranteed packages of executives by looking at peer group data from the JSE telecommunications sector and other listed companies of similar market capitalisation and revenue. Peer group:

We conduct our market benchmarking based on a sample of peers extracted from annual financial statements. From a sizing perspective, we use a weighted combination of market cap capitalisation (40%), turnover (25%), total assets (25%) and number of employees (10%). Instead of comparing to a percentile of the market sample (e.g. median or upper quartile) the comparison is done on a weighted size basis. This allows for a direct sized based analysis to be undertaken rather than a judgemental quartile based decision which is inherently biased depending on the composition of companies and company sizes contained in the sample.

Guaranteed package (GP)

Within the context of our GP, Vodacom offers a selection of benefits that are both best practice and compliant with legislative practices. In terms of our total cost to company philosophy, any change in the price of a benefit or contribution level will not have a cost impact on the employer but will impact on the net remuneration of the employee.

As a standard, we offer the following benefits to all our South African employees, including our executive directors and prescribed officers:

Retirement funding

All permanent employees have to join the Vodacom Group Pension Fund, a defined contribution pension scheme. Executives also participate in the Vodacom Group Executive Provident Fund, which is also a defined contribution scheme. Employees have the option to choose their level of contribution to the pension and provident fund. All contributions are based on pensionable salary which is calculated at 70% of GP. They also have the option to choose where they would like their money to be invested based on their own individual risk profile.

Normal retirement age is 60 for executive directors and other executives. For all other employees it is 65.

Insured benefits

In the unfortunate event of an employee's death, a lump sum amount of three times annual pensionable salary (core cover) is paid to the beneficiaries. If the employee had a qualifying spouse and/or qualifying children upon death, a spouse's pension of 40% of monthly pensionable salary and a child's pension of 10% of monthly pensionable salary becomes payable. The scheme also covers the cost of children's education fees.

All employees have the option to select additional death cover of up to seven times their annual pensionable salary, inclusive of the compulsory core cover of three times annual pensionable salary. These additional contributions are calculated at a percentage of pensionable salary.

Disability

In the event of employees being unable to perform their duties as a result of disability, they will receive a monthly income of 75% of their monthly pensionable salary. The disability premiums are also funded from the GP. This benefit is payable until the employee recovers sufficiently to return to work, or if not, up to normal retirement age, whereafter the employee will retire normally. During the period of disability, payment to the retirement fund and Group life insurance continues.

Medical aid

Employees can choose to participate in any nominated medical aid scheme. The schemes available at Vodacom were chosen for cost effectiveness and to address the needs of the diverse Vodacom workforce. On an annual basis we review the medical aid schemes to assess their appropriateness for our employees. As part of the medical aid benefit offering, we have a full-time Alexander Forbes consultant on site to assist with any medical aid-related queries.

We do not offer post-retirement medical benefits and have no such liabilities.

GP:

	2017	2016	% Increase	Currency
Executive directors				
MS Aziz Joosub	10 000 000	8 000 000	25.0%	ZAR
T Streichert	340 260	315 445	7.9%	GBP
Prescribed officers				
V Jarana	4 500 000	4 000 000	12.5%	ZAR
N Mabunda ¹	3 800 000	–	N/A	ZAR
V Mathur	24 896 427	24 186 327	2.9%	INR

Note:

1. Appointed 1 September 2016.

Short-term incentive (STIP)

All employees, including executive directors and prescribed officers, but excluding employees on a commission, quarterly or bi-annual bonus structure, participate in the annual STIP plan. Bonus payments are discretionary and depend on financial performance and individual contribution. Payments are made in cash in June each year.

Where annual targets are achieved in full, 100% of the on-target bonus will be paid. In instances where target goals are exceeded, the bonus is capped at a percentage of the guaranteed package. Where the bonus targets are not achieved in full, a pro rata bonus is paid only if the threshold performance level has been achieved.

Financial and personal multipliers are applied as separate multiples of the on-target percentages to determine the final award.

The financial multiplier ranges from 0% – 200% and the personal multiplier from 0% – 150%. The personal performance multipliers are based on the performance of executives relative to their objectives.

The CEO does not have a personal performance multiplier and as such his STI is based on business performance only.

The on-target and STIP cap percentages are set out below:

Role	On-target % of GP	Maximum % of GP
CEO	100%	200%
Executive director	60%	180%
Prescribed officers	60%	180%

The formula for determining the STIP for the CEO, executive director and prescribed officers are:

CEO				
GP	X	$\frac{\text{On-target incentive}}{100\%}$	X	$\frac{\text{Business performance multiplier}}{0\% \text{ to } 200\%}$
Executive director				
GP	X	$\frac{\text{On-target incentive}}{60\%}$	X	$\frac{\text{Business performance multiplier}}{0\% \text{ to } 200\%}$ X $\frac{\text{Personal multiplier}}{0\% \text{ to } 150\%}$
Prescribed officer				
GP	X	$\frac{\text{On-target incentive}}{60\%}$	X	$\frac{\text{Business performance multiplier}}{0\% \text{ to } 200\%}$ X $\frac{\text{Personal multiplier}}{0\% \text{ to } 150\%}$

The following financial targets, as set by RemCo, are used for the calculation of the business multiplier: The measures remained unchanged from FY2016. The targets comprise three financial measures, which focus on the core operations of our business and one strategic measure, being customer appreciation.

2017 Measures	Weighting
Service revenue	20%
EBITDA	20%
Operating free cash flow	20%
Customer appreciation	40%

2018 Measures	Weighting
Service revenue	20%
EBIT	20%
Operating free cash flow	20%
Customer appreciation	40%

The only change in the measure is EBITDA that will change to EBIT. This is to ensure greater focus on capital discipline. These weightings align short-term incentives to our strategic focus on revenue growth and market performance. For executives, targets are split between the relevant operating company and the Group. The Group business multiplier is used for the CEO and executive director, and for other prescribed officers the business multiplier is based on a weighted average of the multipliers for the relevant operating company and the Group. The typical split is 30% Group and 70% operating company.

The actual incentives payable to the CEO, executive director and prescribed officers are disclosed on page 10.

Long-term incentives (LTIP)

These incentive plans aim to retain key skills and motivate executives over the long term, which is essential to sustainable performance.

The current policy for annual LTI awards split the total award into the following elements at the time of the awards:

- ▶ 33% awarded as Vodacom retention FSP shares,
- ▶ 33% awarded as Vodacom performance FSP shares, and
- ▶ 33% awarded as Vodafone performance shares.

For the CEO, executive director and prescribed officers, the standard on-target value of share awards (as a percentage of GP at target level) is shown below. As with the STI scheme, the CEO does not have an individual multiplier, but for executive directors and prescribed officers the standard awards may be multiplied by 0% – 200% to set an annual award, based on the performance and potential of the individual.

Role	On-target value % 2017	On-target value % 2016
CEO	90%	90%
Executive directors	70%	70%
Prescribed officers	50 or 70%	50 or 70%

In addition to the annual award, the CEO is entitled to participate in a Vodafone matching arrangement provided that he meets an annual co-investment requirement, which are all subject to performance conditions. The additional incentives offered and associated conditions are:

- ▶ An additional award of Vodacom performance shares with an on-target value of 50% of his GP, provided that he invests in Vodacom shares to the value of 50% of his GP; and
- ▶ An additional award of Vodafone performance shares with an on-target value of 50% of his GP, provided that he invests in Vodafone shares to the value of 50% of his GP.

The CEO may only take advantage of the additional Vodafone share award if he has met the full Vodacom co-investment requirement. His investment in both Vodacom and Vodafone shares must be on an ever-increasing basis to qualify for the additional awards.

Forfeitable Share Plan (FSP)

The FSP was introduced in 2009 as our main long-term incentive plan. Although it is focused on executives, other employees may be selected to participate. Non-executive directors are not eligible for the FSP.

The purpose of the FSP is to give executives the opportunity to own shares in Vodacom through annual grants of forfeitable share awards. This means they receive shares (with dividend and voting rights) on the date of award, subject to restrictions and the risk of forfeiture during a three-year vesting period. A portion of the award depends on meeting performance targets. If the targets are not met, this portion is forfeited.

Performance targets set for the vesting of FSP awards:

2014 – 2017

- ▶ Cumulative operating free cash flow (70%)
- ▶ Total shareholder return (30%)

2015 – 2018

- ▶ Cumulative operating free cash flow (70%)
- ▶ Total shareholder return (30%)

2016 – 2019

- ▶ Cumulative operating free cash flow (70%)
- ▶ Total shareholder return (30%)

2017 – 2020

- ▶ Cumulative operating free cash flow (70%)
- ▶ Total shareholder return (30%)

There is some overlap between financial targets for the short-term and long-term incentives, both include operating free cash flow, which is critical to our business in the short- and long-term.

Total shareholder return refers to Vodacom Group Limited's total shareholder return relative to a peer group from the constituents of the South African INDI 25 Index on the grant date.

Vodafone Performance Share Plan

The Vodafone share plan is a conditional award plan that gives participants the right to shares on vesting. As with the Vodacom FSP plan, vesting is subject to a three year period and the achievement of specific performance conditions, that will be measured at Vodafone group level.

Shareholding guidelines

The Board wishes to encourage individual shareholding in the Company by executives, as a tangible demonstration of their commitment to the Company and to align with shareholder interests. As a result, we implemented a shareholding guideline policy for our executives, which requires them to build up minimum levels of personal shareholding in the Group.

Executives are required to hold between 0.5 times and 1 times their GP as a minimum personal shareholding.

The CEO is required to make substantial investments in company shares to qualify for his co-investment share awards, as described previously, and as a result does not participate in the shareholding guidelines policy.

As an incentive to exceed the minimum requirements, additional awards of FSP performance shares will be made to executives who exceed the minimum requirements over a three-year vesting cycle (six years). The participants will be granted a performance share for every three additional shares held. This award will be capped so that holdings of no more than double the minimum requirements will be recognised. The time period over which the executives are permitted to build up this shareholding is based on the vesting of three cycles of the annual awards under the FSP plan.

The YeboYethu Employee Participation Trust (the trust)

In July 2008, YeboYethu acquired 3.44% of Vodacom South Africa in our R7.5 billion BBBEE transaction. All permanent South African employees were able to participate in the trust. Of the 1.875 billion units available to the trust, 75% was allocated to employees on 1 September 2008. The remaining 25% was set aside for future employees on a sliding scale over the next five years from the date of inception. The allocation is weighted 70/30 in favour of black employees.

The Vodacom South Africa BBBEE ownership scheme matures in October 2018, at which time, the units held by employees will convert into YeboYethu ordinary shares.

Following the conversion of the units into YeboYethu shares, we will facilitate a process for employees to trade their shares on the Johannesburg Stock Exchange (JSE).

Executive contracts and policies

Executives have contracts of permanent employment with six-month notice periods. The CEO's notice period is 12 months.

Section

03

Implementation and remuneration disclosure of executive directors and prescribed officers

The implementation report details the outcomes of implementing the approved policy detailed in Section 2 of this report.

2017 STIP

The graphic below shows the extent to which the Group targets were met for the year that ended 31 March 2017.

Measure	Weight	Threshold	100% Target	Maximum
Service revenue	20%			
EBITDA	20%			
Operating free cash flow	20%			
Customer appreciation	40%			

Overall achievement against the performance measures for this year was 108.6% for the Group on the short-term incentive plan.

Service revenue in specific was impacted by customer disconnections in compliance with customer registration requirements in the Tanzania, the DRC and Mozambique.

The comparable result for the period that ended 31 March 2016 was 174.6%.

Remuneration tables¹

R	GP	Other ²	Short-term incentive ³	Total
Executive directors				
2017				
MS Aziz Joosub	10 000 000	498 667	10 860 000	21 358 667
T Streichert (GBP)	333 949	67 309	199 390	600 648
T Streichert (ZAR)	–	1 611 892	–	1 611 892
2016				
MS Aziz Joosub	7 825 000	3 600	13 968 000	21 796 600
T Streichert (GBP)	210 334	41 998	188 743	441 075
T Streichert (ZAR)	–	1 094 673	–	1 094 673
Prescribed officers				
2017				
V Jarana	4 500 000	4 800	3 592 485	8 097 285
N Mabunda ⁴	2 216 667	2 192 400	1 538 810	5 947 877
V Mathur (INR)	25 973 419	5 979 242	8 971 408	40 924 069
V Mathur (ZAR)	–	1 854 366	–	1 854 366
2016				
V Jarana	3 912 500	6 180	5 031 480	8 950 160
V Mathur (INR)	8 854 981	2 176 076	5 008 369	16 039 426
V Mathur (ZAR)	–	1 829 005	–	1 829 005

Notes:

- This table excludes the settlement of long-term incentives and accruals.
- This includes the Vodacom mobile phone benefit, sign-on bonus, settling-in allowance and Vodafone dividend equivalent cash bonus. For assignees this amount includes the gross value of assignment allowances and education benefits for children.
- These amounts relate to the bonus payable in June 2017, for the year ended 31 March 2017.
- Appointed in September 2016.

2014 LTI (Vesting in 2017)

Achievement of targets for the June 2017 vesting

Description	Vesting % Weight	20% Threshold	50% Target	100% Maximum
Operating free cash flow	70%			
TSR	30%			

Overall achievement against the performance measures on the 2014 issue of the long-term incentive scheme was 106.2% of target.

Long-term incentives and benefits

Year awarded	Number allocated	Number settled in current year	Number forfeited in current year	Closing number	Settled price	Settle-ment date	Settle-ment value	Current unit value ¹	Estimated value	Cur-rency
MS Aziz Joosub										
Conditional benefit – restricted shares										
2014	208 610	–	–	208 610	–	–	–	152.00	31 708 720	ZAR
FSP – with company performance conditions										
2014	140 410	63 325	77 085	–	162.75	June 2016	10 306 144	–	–	ZAR
2015	95 482	–	–	95 482	–	–	–	76.00	7 256 632	ZAR
2016	98 133	–	–	98 133	–	–	–	76.00	7 458 108	ZAR
2017	108 099	–	–	108 099	–	–	–	76.00	8 215 524	ZAR
Vodacom co-investment										
In terms of the CEO co-investment requirement, the CEO made the following investments in Vodacom shares:										
2015	26 864									
2016	28 608									
2017	29 499									
Vodacom matching award										
Matching award – with company performance conditions										
2014	52 772	23 800	28 972	–	144.09	November 2016	3 429 342	–	–	ZAR
2015	53 088	–	–	53 088	–	–	–	76.00	4 034 688	ZAR
2016	70 475	–	–	70 475	–	–	–	76.00	5 356 100	ZAR
2017	–²									
Vodafone co-investment										
In terms of the CEO co-investment requirement, the CEO made the following investments in Vodafone shares:										
2014	94 657									
2015	95 863									
2016	84 360									
2017	100 670									
Vodafone matching award										
Vodafone made a matching award of performance shares to the equivalent value. The Vodafone matching award will vest based on actual target achieved. For the 2014 range the target is 0% – 300%; 2015: 0% – 250%, 2016: 0% – 250%; 2017: 0% – 250%. The actual amount vested will be disclosed at the time of vesting.										
Vodafone matching										
2014	–	72 319	–	–	2.19	June 2016	158 379	–	–	GBP
YeboYethu units										
2008	2 628 498	–	–	2 628 498	–	–	–	0.26	683 409	ZAR
2016	876 862	–	–	876 862	–	–	–	0.26	227 984	ZAR

Notes:

- For FSP and Vodafone shares with performance conditions, a vesting percentage of 50% is applied.
- The CEO matching award for 2017 was not allocated as Vodacom was restricted from purchasing shares. Executives received dividend payments on the FSP shares held from the award date.

Year awarded	Number allocated	Number settled in current year	Number forfeited in current year	Closing number	Settled price	Settle-ment date	Settle-ment value	Current unit value ¹	Estimated value	Cur-rency
V Jarana										
Conditional benefit									8 604 465	ZAR
Conditional benefit – restricted shares										
2014	26 208	–	–	26 208	–	–	–	152.00	3 983 616	ZAR
FSP – no company performance conditions										
2014	6 534	6 534	–	–	162.75	June 2016	1 063 409	–	–	
2015	3 789	–	–	3 789	–	–	–	152.00	575 928	ZAR
2016	5 699	–	–	5 699	–	–	–	152.00	866 248	ZAR
2017	7 567	–	–	7 567	–	–	–	152.00	1 150 184	ZAR
FSP – with company performance conditions										
2014	18 736	8 450	10 286	–	162.75	June 2016	1 375 238	–	–	ZAR
2015	7 577	–	–	7 577	–	–	–	76.00	575 852	ZAR
2016	11 398	–	–	11 398	–	–	–	76.00	866 248	ZAR
2017	15 134	–	–	15 134	–	–	–	76.00	1 150 184	ZAR
Vodafone shares – no performance conditions										
2014	11 133	11 133	–	–	2.19	June 2016	24 381	–	–	GBP
Vodafone shares – with performance conditions										
2014	22 266	7 414	14 852	–	2.19	June 2016	16 237	–	–	GBP
2015	29 016	–	–	29 016	–	–	–	1.14	33 078	GBP
2016	25 630	–	–	25 630	–	–	–	1.14	29 218	GBP
2017	55 442	–	–	55 442	–	–	–	1.14	63 204	GBP
YeboYethu units										
2008	1 567 336	–	–	1 567 336	–	–	–	0.26	407 507	ZAR
2016	522 860	–	–	522 860	–	–	–	0.26	135 944	ZAR

Notes:

1. For FSP and Vodafone shares with performance conditions, a vesting percentage of 50% is applied. Executives received dividend payments on the FSP shares held from the award date.

Year awarded	Number allocated	Number settled in current year	Number forfeited in current year	Closing number	Settled price	Settle-ment date	Settle-ment value	Current unit value ¹	Estimated value	Cur-rency
T Streichert										
Vodafone shares – no performance conditions										
2014	25 492	25 492	–	–	2.12	June 2016	54 043	–	–	GBP
2015	17 871	–	–	17 871	–		–	2.28	40 746	GBP
2016	17 392	–	–	17 392	–		–	2.28	39 654	GBP
2017	42 999	–	–	42 999	–		–	2.28	98 038	GBP
Vodafone shares – with performance conditions										
2014	50 985	16 978	34 007	–	2.12	June 2016	35 993	–	–	GBP
2015	71 478	–	–	71 478	–		–	1.14	81 485	GBP
2016	69 562	–	–	69 562	–		–	1.14	79 301	GBP
2017	171 992	–	–	171 992	–		–	1.14	196 071	GBP
V Mathur										
Vodafone shares – no performance conditions										
2014	36 839	36 839	–	–	2.12	June 2016	78 099	–	–	GBP
2015	24 566	–	–	24 566	–		–	2.28	56 010	GBP
2016	21 471	–	–	21 471	–		–	2.28	48 954	GBP
2017	12 999	–	–	12 999	–		–	2.28	29 638	GBP
Vodafone shares – with performance conditions										
2014	73 679	24 535	49 144	–	2.12	June 2016	52 014	–	–	GBP
2015	98 258	–	–	98 258	–		–	1.14	112 014	GBP
2016	85 874	–	–	85 874	–		–	1.14	97 896	GBP
2017	51 992	–	–	51 992	–		–	1.14	59 271	GBP
N Mabunda										
Vodafone shares – no performance conditions										
2017	54 374	–	–	54 374	–		–	2.28	123 973	GBP

Notes:

1. For FSP and Vodafone shares with performance conditions, a vesting percentage of 50% is applied. Executives received dividend payments on the FSP shares held from the award date.

Non-executive directors

Our business benefits from active non-executive directors who do a lot more than attend meetings. Non-executive directors therefore get a yearly fee for their services on the Board and other committees rather than a fee for meetings attended. They do not receive short- or long-term incentives.

A detailed benchmarking study had been conducted by Vasdex Associates (Pty) Ltd.

In accordance with our memorandum of incorporation, shareholders must approve these fees at the AGM. The current fee level was approved on 19 July 2016 at the AGM and was implemented on 1 August 2016.

Payments to non-executive directors

Name	Director fee (R)	ARCC Chairman (R)	ARCC member (R)	RemCo Chairman (R)	RemCo member (R)	Nomination Committee member (R)	Social and Ethics Committee Chairman (R)	Social and Ethics Committee member (R)	Other Committees (R)	Total (R)
2017										
MP Moyo	2 233 334	–	–	–	–	–	–	–	–	2 233 334
DH Brown	380 000	316 334	–	–	133 334	–	–	–	100 000	929 668
V Badrinath ^{1,2,3}	97 500	–	–	–	33 750	30 000	–	–	–	161 250
M Joseph ¹	380 000	–	–	–	–	–	–	–	25 000	405 000
BP Mabelane	380 000	–	170 000	–	–	–	–	–	75 000	625 000
TM Mokgosi-Mwantembe	380 000	–	–	236 667	–	120 000	–	–	75 000	811 667
PJ Moleketi	380 000	–	170 000	–	–	–	206 667	–	76 667	833 334
JWL Otty ¹	380 000	–	–	–	–	–	–	–	25 000	405 000
M Pieters ¹	380 000	–	–	–	–	–	–	–	–	380 000
RAW Schellekens ¹	380 000	–	–	–	133 334	120 000	–	118 334	–	751 668
S Timuray ^{1,2,4}	282 500	–	–	–	99 584	90 000	–	–	25 000	497 084
	5 653 334	316 334	340 000	236 667	400 002	360 000	206 667	118 334	401 667	8 033 005

Notes:

1. Fees paid to Vodafone and not the individual director.
2. Fees for a portion of the year.
3. V Badrinath appointed 8 December 2016.
4. S Timuray resigned 8 December 2016.

Name	Director fee (R)	ARCC Chairman (R)	ARCC member (R)	RemCo Chairman (R)	RemCo member (R)	Nomination Committee member (R)	Social and Ethics Committee Chairman (R)	Social and Ethics Committee member (R)	Other Committees (R)	Total (R)
2016										
MP Moyo	2 066 667	–	–	–	–	–	–	–	–	2 066 667
DH Brown ¹	353 334	283 334	–	–	128 334	–	–	–	75 000	840 002
HMG Dowidar ^{2, 3}	173 334	–	–	–	–	–	–	–	–	173 334
M Joseph ⁴	353 334	–	–	–	–	–	–	–	25 000	378 334
BP Mabelane ¹	353 334	–	156 667	–	–	–	–	–	–	510 001
TM Mokgosi-Mwantembe ¹	353 334	–	–	226 667	–	118 334	–	–	–	698 335
PJ Moleketi ¹	353 334	–	156 667	–	–	–	195 000	–	25 000	730 001
JWL Otty ⁴	353 334	–	–	–	–	–	–	–	25 000	378 334
M Pieters ^{2, 4, 5}	180 000	–	–	–	–	–	–	–	–	180 000
RAW Schellekens ⁴	353 334	–	–	–	128 334	118 334	–	113 334	–	713 336
S Timuray ⁴	353 334	–	–	–	128 334	118 334	–	–	25 000	625 002
	5 246 673	283 334	313 334	226 667	385 002	355 002	195 000	113 334	175 000	7 293 346

Notes:

1. Independent non-executive directors received an amount of R3 000 or R5 000 in March 2016, for incidental expenses while travelling to Board meetings held in Spain.
2. Fees for a portion of the year.
3. HMG Dowidar resigned 30 September 2015.
4. Fees paid to Vodafone and not the individual director.
5. M Pieters appointed 1 October 2015.

Shareholding

Details of the beneficial interests of directors and prescribed officers in Vodacom's ordinary shares (excluding interests in the long-term incentive plans) are set out in the directors' report online on www.vodacom.com.

Funding of share plans and dilution details of the shares used for the FSP are set out in the consolidated annual financial statements and the directors' report, which is available on www.vodacom.com. All awards granted under the FSP are settled through the shares purchased in the market and not by newly issued shares.