

3 GOVERNANCE



Board of Directors	38
Corporate Governance Report	40
Remuneration Report	45

BOARD OF DIRECTORS



**Anthony John Phillips
(Tony) (70)**

Chairman

*BSc (Eng)
(University of KwaZulu-Natal)*

Tony joined Mpack as an Independent Non-executive Director in April 2011. He is the Chairman of the Board, Chairman of the Nomination Committee and member of the Remuneration Committee. Tony was appointed MD of Barlows Equipment Co in 1988, and MD of Finanzauto SA, Spain in 1992. He was appointed a director of Barloworld Limited in 1996 and was CEO from 1998 until 2006. From 2005 until 2007 Tony was the Chairman of Pretoria Portland Cement Company Limited. Tony is currently vice chairman of Kansai Plascon Africa Limited, a Director of enX Limited and Special Advisor to Nomura South Africa.



**Neo Phakama Dongwana
(44)**

Independent non-executive

*BCom, Postgraduate Diploma in Accounting, BCom (Hons)
(University of Cape Town), CA(SA), MCom (University of the Witwatersrand)*

Neo joined Mpack as an Independent Non-executive Director in April 2011. She is Chairperson of the Mpack Foundation Trust and a member of the Audit and Risk Committee and Social and Ethics Committee. Neo was the first black female to be placed in the Top 10 of the Part II Qualifying Examination for Chartered Accountants in 1998. She was a Partner at Deloitte & Touche for nine years and before that spent time as an equities analyst at Gensec Asset Management. She is a director of AVI Limited, Barloworld Limited, Mutual and Federal and SABSA Holdings (Pty) Ltd. She also serves as a member of the Financial Services Board (FSB) Appeal Board.



**Nomalizo Beryl
Langa-Royds (Ntombi) (55)**

Independent non-executive

*BA (Law), LLB
(National University of Lesotho)*

Ntombi joined Mpack as an Independent Non-executive Director in April 2011. She is the Chairman of the Social and Ethics Committee and the Chairman of Remuneration Committee. She is also a Trustee of Mpack Share Incentive Scheme and a Trustee on the Mpack Foundation Trust.

She has more than 27 years of experience in Human Resources. Ntombi is an Independent Non-executive Director of Murray and Roberts Holdings Limited, Redefine Properties Limited and Europe Assistance SA.



**Maya Makanjee
(54)**

Independent non-executive

*BA Fine Arts (University of Mumbai), BCom (University of KwaZulu-Natal), MBL (cum laude)
(University of South Africa)*

Maya Makanjee was appointed to Mpack's Board as an Independent Non-executive Director, with effect from 5 September 2016. She is a member of the Social and Ethics Committee and the Remuneration and Nominations Committee.

Maya is currently a Non-executive Director of Tiger Brands Limited, AIG South Africa Limited, AIG Life South Africa Limited and a Trustee on the Board of the Nelson Mandela Foundation. Until recently, Maya was a Director of Vodacom (Pty) Ltd, a member of the Vodacom Group Executive Committee and Chairman of Vodacom Foundation, South Africa.



**Timothy Dacre Aird Ross
(Tim) (72)**

Independent non-executive

CTA (University of KwaZulu-Natal),
CA(SA)

Tim joined Mpack as an Independent Non-executive Director in April 2011. He is the Chairman of the Audit and Risk Committee and member of the Remuneration and Nomination Committee. He previously (for 37 years) was a Partner at Deloitte & Touche, and was the Head of Johannesburg Audit, Head of Client Services and a member of the Deloitte & Touche Executive Committee and Board. He is a Non-executive Director of Adcorp Holdings Limited and PPC Limited.



**Andrew Murray Thompson
(59)**

Independent non-executive

BSc (Eng) (University of the
Witwatersrand), MBA (Wharton)

Andrew joined Mpack as Non-executive Director in October 2004. He is a member of the Audit and Risk Committee and Social and Ethics Committee. He previously served as the CEO of Mondi Limited as well as an Executive Director of Anglo American South Africa Limited.



**Bruce William Strong
(48)**

Chief Executive Officer

BSc (Eng) (Summa cum laude)
(University of KwaZulu-Natal), BCom
(Hons) (University of South Africa),
AMP (Harvard University)

Bruce has been the CEO of Mpack Limited since 2009.

With more than 20 years' experience in the paper and packaging industry, Bruce has worked in South Africa and in Europe, in various management roles.

Bruce also serves as vice chairman of Paper Manufacturers Association of South Africa and is the immediate past chairman of the South African Manufacturing Circle, a corporate association of manufacturers whose membership includes small, medium and large companies across all manufacturing sectors.



**Brett David Vaughan Clark
(52)**

Chief Finance Officer

BCom, Post-Graduate Diploma
in Accounting (University of Port
Elizabeth), CA(SA), CIMA, AMP
(Harvard University)

Brett joined Mpack as the CFO in June 2012. He is a Qualified Chartered Accountant and was previously a Principal at ABSA Capital Private Equity, an Executive Director of Brait Private Equity and CFO of Clover Industries Limited and Unihold Limited, respectively. Brett has also worked for Nampak Limited in various positions in South Africa and the United Kingdom.

CORPORATE GOVERNANCE REPORT

COMMITMENT AND APPROACH TO CORPORATE GOVERNANCE

The Board endorses and accepts full responsibility for the application of corporate governance principles. In discharging this responsibility, the Board ensures that effective corporate governance is practiced consistently throughout the Group by complying with the requirements of King III, the JSE Listings Requirements and the Companies Act, in both letter and spirit.

The International Integrated Reporting Framework has been taken into consideration when preparing this Integrated Report. This International Integrated Reporting Framework has been adopted across the world and focuses on the Company providing relevant, reliable, comparable and comprehensive information pertaining to the business operations and capital employed in the Group throughout the Integrated Report.

INTEGRATED REPORTING

Mpact has adopted integrated reporting in line with the recommendations of King III and the JSE Listings Requirements. The content of this Integrated Report is, where relevant and possible, in line with the GRI-G4-guidelines, which is available on Mpact's website.

ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP

The Board has set values to which the Group adheres and these are incorporated into the Group's Code of Ethics. Within the Code of Ethics, we have articulated our ethical values and our behavioural standards. The Group's standards of integrity and ethics in dealing with suppliers, customers, business partners, stakeholders, government and society at large is outlined in the Code of Ethics and every employee is expected to subscribe to the Code of Ethics.

The Code of Ethics is reviewed and endorsed by the Board and management on an annual basis to ensure that the Company remains


differentiated by people who are resolute, trustworthy and responsible.

KING CODE, COMPANIES ACT AND JSE LISTINGS REQUIREMENTS

In terms of paragraph 8.63(a) of the JSE Listings Requirements, the Group has published its application of King III on its website. During the period under review, the Group has considered the principles of King IV and has commenced the process of assessing the disclosures and aligning the level of application of King IV principles to the existing King III in order to identify the gaps and intended governance outcome as recommended by King IV.

There are no material changes to the content of this Integrated Report compared to the 2015 Integrated Report, other than a greater emphasis on providing additional supplementary information on the Group's strategic direction, risk and sustainability initiatives.

Snapshot of King III application

The remainder of the report provides more detail regarding the Group's application of good governance principles and its application is outlined in the Mpact King III Application Register, available on website. 

Stakeholders

Mpact promotes an inclusive approach to governance and takes account of the impact of the Company's operations on internal and external stakeholders. Mpact's approach to corporate governance strives to include all these Groupings, is based on good communication and integrated into every aspect of the business.

Mpact's primary stakeholders have been identified and the details pertaining to stakeholder engagement are set out on pages 59 and 60 of this Integrated Report.

SUMMARY REPORT (current review)



SCORING KEY

- AAA Highest application
- BB Noteable application
- C Application to be improved
- AA High application
- B Moderate application
- L Low application

OVERALL SCORE

AAA



COMPLETENESS METER

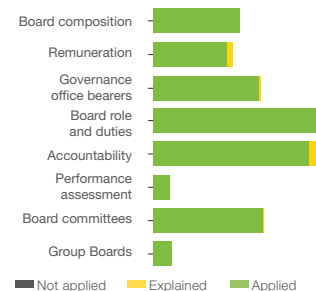
100%

APPLICATION METER

STATUS CATEGORY	SCORE
● Board composition	AAA
● Remuneration	AAA
● Governance office bearers	AAA
● Board role and duties	AAA
● Accountability	AAA
● Performance assessment	AAA
● Board committees	AAA
● Group Boards	AAA



WEIGHTING GRAPHIC



Sustainability

The Group's approach to sustainability and assessing its influence and impact on the environment and the communities in which it operates are foremost in mind when conducting business and considering making investments.

Managing a sustainable business requires the integration of the Material Capitals, as set out in the International Framework. Mpact's business model, together with the inputs and outputs of each of the Material Capitals, are illustrated on pages 8 and 9 of this Integrated Report.

Mpact's CSI strategy is aligned with the Group's strategy (as discussed on page 11). It takes into account potential risks (refer to pages 13 to 15) and considers the requirements and needs of its stakeholders (Mpact's stakeholder engagement is set out on pages 59 and 60). The Group endeavours to uphold the principles of sustainability, corporate governance and social responsibility and has also made efforts to improve sustainability reporting this year in line with recommendations made by the Integrated Reporting and Assurance Services (IRAS) in its Sustainability Data Transparency Index (SDTI): A 2016 Review of Environmental, Social and Governance Reporting in South Africa.

The Group remains committed to sustainable development in each of its businesses by adopting leading industry health and safety standards; obtaining responsibly-sourced raw materials; and ensuring the businesses constantly seek to reduce their environmental impact. Specific strategic goals have been developed for the Plastics and Paper businesses and these strategic goals are set out in detail in the respective operational reviews.

The full details are set out in the Sustainability Review, which is on the Mpact website.

Fraud and illegal acts

The Group does not tolerate fraudulent behaviour and illegal acts. An anonymous whistle-blowing facility administered by Deloitte is in place. The Audit and Risk Committee records, monitors and investigates incidents reported on the facility. The Code of Ethics, as well as the Supplier Code of Conduct, outline Company norms and expected behaviours when dealing with fraud and illegal acts.

BOARD OF DIRECTORS

Board practices

The Board is ultimately responsible for the Group's business, approval of the strategy and key policies and is the focal point and custodian

of corporate governance at Mpact. It is also responsible for approving the Group's strategy, financial objectives and targets. The roles of the Chairman and CEO are separate. The Board is led by the Chairman, who is elected by the Board annually, while operational management of the Group is the responsibility of the CEO. No business of the Group is or will be managed by a third party.

The Board recognises the necessity for directors to occasionally seek independent professional advice at the Group's expense, in this regard the Board has adopted a Board Policy on procedure for taking professional advice.

A minimum of four Board meetings are scheduled per financial year, while additional meetings may be convened when necessary. Well-structured Board agendas and comprehensive papers are circulated electronically to Board members on a timely basis, ensuring that they are well informed and that debate and decisions are constructive and robust.

Composition of the Board

The Board comprises eight directors, two of whom are executive directors, the CEO and CFO. The remaining six directors, three of whom are women, are all independent non-executive directors, including the Board Chairman.

Appointments to the Board

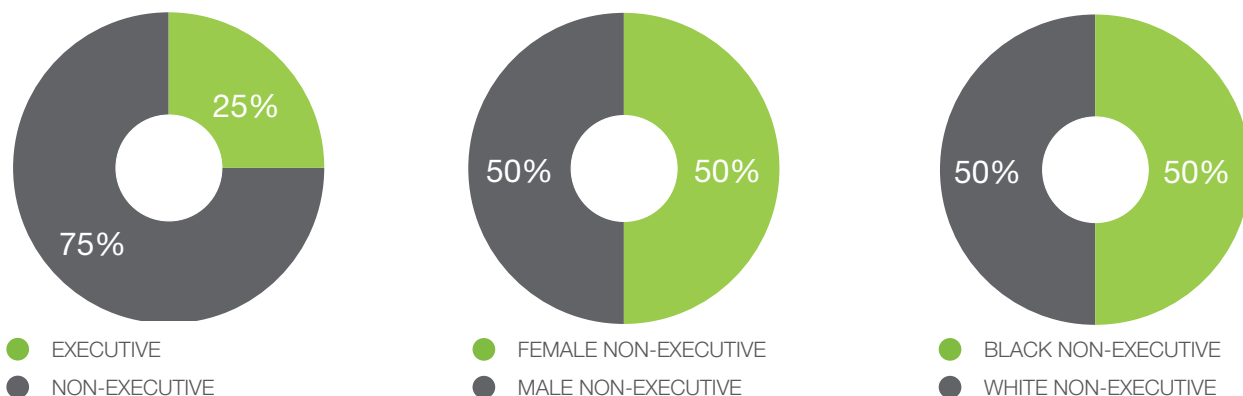
The appointment of new directors is approved by the Board as a whole on the recommendation of the Remuneration and Nomination Committee. Directors are appointed through a formal and transparent process, which includes the identification of suitable members and performance and background checks prior to nominations. Director appointments are formalised through an agreed contract of service between the Company and the director.

Directors are nominated based on their calibre, knowledge, experience and the impact they are expected to have, as well as the time and attention they can devote to their roles. New directors are taken through a formal induction programme and are provided with all the necessary background and information to familiarise them with issues affecting the Board.

Board diversity

The Board recognises the benefits arising from diversifying including a broader pool of high-quality directors and accessing different perspectives and ideas from all available talent. In accordance

Composition of the Board



CORPORATE GOVERNANCE REPORT CONTINUED

with the JSE Listings Requirements, the Board approved a gender diversity policy during the period under review and has set measurable objectives.

The Board is pleased to announce that it has achieved its set objectives of 35% women on the Board by 2020 ahead of schedule by appointing Maya Makanjee to the Board on 5 September 2016. The Board has confirmed its satisfaction with its composition and the Board committees.

Role and function of the Board

The Board is a unitary body that is effective in leading and controlling the Group. Its mission is to ensure Mpact's continued success and sustainability by collectively directing the Company's affairs with effective and responsible leadership within the industries and markets in which Mpact operates, while meeting the appropriate interests of its relevant stakeholders.

Responsibilities of the Board

The Board charter is in line with King III and the Companies Act. The purpose of this charter is to set out the mission, duties and responsibilities of the Board, as well as the requirements for its composition and meeting procedures. A summary of the duties of the Board as outlined in the Board charter are:

- Provides leadership based on an ethical foundation and ensures that the Group's ethics are effectively managed.
- Appreciates that strategy, risk, performance and sustainability are inseparable.
- Acts as the focal point for, and custodian of, corporate governance.
- Has a responsibility to all stakeholders, which include present and potential beneficiaries of the Group's products and services, clients and employees, to achieve continuing prosperity for the Group.
- Reviews and approves financial objectives, plans and actions, including cost allocations and expenditures.
- Ensures that the Group is a responsible citizen by having regard to not only the financial aspects of the business, but also the impact that the business operations may have socially and environmentally.
- Ensures that the Group complies with applicable laws and considers adherence to non-binding rules and standards.
- Is responsible for the governance of risk, including information technology.

Succession planning

The Remuneration and Nomination Committee reviewed the succession plan for the CEO, Chairman and senior management during the year under review and submitted its recommendations to the Board. The Board further reviews the status of the Board succession plan to ensure that it considers the challenges of a constantly changing business environment.

Rotation of directors

In terms of the Memorandum of Incorporation, at least one third of the directors (other than the executive directors) retire by rotation and, if eligible, their names are submitted for re-election at the Annual General Meeting, accompanied by appropriate biographical details set out in the report to shareholders. Maya Makanjee and Andrew Thompson are required to retire by rotation in accordance with the Memorandum of Incorporation at the forthcoming Annual General Meeting.

The Board considers the performance of each director due for re-election at the Annual General Meeting and makes an appropriate recommendation to shareholders in this regard.

Independent directors

The Remuneration and Nomination Committee reviewed the independence of all non-executive directors using the guidelines recommended by King III, JSE Listing Requirements and the Companies Act and further assessed the independence of the non-executive directors who have served on the Board for longer than nine years.

The Board considered the independence of Mr AM Thompson as a result of his years of service and is satisfied that he continued to perform his duties impartially and with the highest integrity.

Non-executive directors bring an independent view to the Board's decision-making. As a Group, they enjoy significant influence at meetings of the Board, ensuring an appropriate balance of power. This also ensures that no one director has unfettered decision-making powers.

Board and Committee effectiveness evaluation

Mpact undertakes an annual Board evaluation, as recommended by King III. The Board evaluation includes an evaluation of the Board as a whole and of each Board sub-committee, as well as of each director to review their ability to add value. This is done through self-assessments and peer review processes. The process is completed by one-on-one sessions with the Chairman to identify training needs for directors.

The Remuneration and Nomination Committee reviewed the efficiency of the Chairman of the Board and Chairmen of the sub-committees and recommended to the Board the re-appointment of Tony Phillips as the Chairman of the Board for his leadership skills, experience and sound knowledge of the organisation's strategy and governance expertise.

Strategic planning

The directors who are also members of the Executive Committee, namely Bruce Strong and Brett Clark, are involved in the day-to-day business activities of the Group. The Board defines the Group's level of authority, reserving powers for the Board while delegating others to management.

The Executive Committee formulates strategy, which is approved by the Board for implementation. The Board is responsible to the shareholders and other stakeholders for setting the strategic direction of the Group. The Board meets with management at least annually to debate and agree on the proposed strategy and to consider long-term issues facing the Group as well as the environment in which it operates.

Conflict of interest

The Board, subsidiary directors and prescribed officers are required to disclose their personal financial interest and interests in contracts in terms of section 75(4) of the Companies Act. The Group ensures that directors and prescribed officers are free of any conflicts between the obligations they have to the Company and their private interests. Directors are required to disclose any potential conflict at quarterly meetings as and when necessary to the Company Secretary.

Share dealings

The Group has adopted a share dealing policy requiring all directors, management and the Company Secretary to obtain prior written clearance from either the Chairman or the Company Secretary to deal in the Company's shares. The Chairman of the Board will in

turn require prior written clearance from the Chairman of the Audit and Risk Committee. Closed periods (as defined in the JSE Listings Requirements) are observed as required. During these periods, the directors, management and employees are not permitted to deal in the Company's securities. Additional closed periods are enforced when the Group commences with a corporate activity and where a cautionary announcement (as defined in the JSE Listings Requirements) is published.

Legal compliance

The Board does not deem it necessary to appoint a Chief Compliance Officer. The Company Secretary, together with the Internal Audit function, the legal advisor and the risk management function, assist the Board in ensuring that there is an appropriate process in place with respect to legal compliance. Compliance with laws and regulations is reported to the Audit and Risk Committee and the Board regularly.

Company Secretary

Noriah Sepuru is the Company Secretary. The Company Secretary plays a vital role in the corporate governance of the Group and has a holistic view of the governance framework. The Company Secretary has a key role to play in ensuring that Board procedures are both followed and regularly reviewed. The Chairman and the Board look to the Company Secretary for guidance on what their responsibilities are under the rules and regulations to which they are subject, and these responsibilities should be discharged. All directors have access to the advice and services of the Company Secretary.

The Company Secretary is also a central source of information and advice to the Board and the Company on matters of ethics and good corporate governance. She ensures that, in accordance with pertinent laws, the proceedings and affairs of the Board and the Company are properly administered.

Meeting attendance register

The table below indicates the attendance of Board members at scheduled meetings during the period 2 March 2016 to 1 March 2017.

Director	Board	Audit and Risk Committee	Remuneration and Nomination Committee	Social and Ethics Committee
AJ Phillips*	7/7 [#]	5/5 (invitee)	5/5 [#]	5/5 (invitee)
BW Strong	7/7	5/5 (invitee)	5/5 (invitee)	5/5 (invitee)
BDV Clark	7/7	5/5 (invitee)	N/A	N/A
NP Dongwana*	7/7	5/5	N/A	5/5
NB Langa-Royds*	7/7	N/A	5/5 [#]	5/5 [#]
M Makanjee**	2/2	N/A	2/2	2/2
TDA Ross*	7/7	5/5 [#]	5/5	N/A
AM Thompson*	7/7	5/5	N/A	5/5

* Independent non-executive directors

[#] Chairperson

N/A Not a member of the committee

** Appointed with effect from 5 September 2016

The Board conducted an evaluation of the Company Secretary's effectiveness, qualifications and experience and confirmed that Noriah has the requisite knowledge and experience to fulfil her duties and responsibilities. Details of her qualifications are set out on page 29 of this Integrated Report. Noriah is not a director of the Company and maintains an arms-length relationship with the Board as she acts independently from it. The appointment and removal of the Company Secretary is a matter for the Board as a whole.

The Company Secretary's Certificate is set out on page 74 of the Integrated Report.

Governance framework

The power and authority to lead, control, manage and conduct business, including the power and authority to delegate, is vested with the Board to ensure that Mpact remains a sustainable and viable business. This responsibility is facilitated by a well-developed governance structure. In discharging its responsibilities, the Board is supported by senior management and Board committees.

Board Committees

The Board has several committees in which non-executive directors play a pivotal role. The responsibilities delegated to the committees of the Board are formally documented in the terms of reference for each committee, which have been approved by the Board and are updated from time-to-time to keep abreast of developments in law and best practice in governance.

This assistance is rendered in the form of recommendations and reports submitted to the Board meetings, ensuring transparency and full disclosure of committees' activities.

CORPORATE GOVERNANCE REPORT CONTINUED



The committees meet at least four times a year. The composition, role, functions and responsibilities for each Board committee are set out as follows:

- Audit and Risk Committee: pages 71 to 73
- Social and Ethics Committee: pages 57 and 58
- Remuneration and Nomination Committee: page 45 to 53
- Executive Committee: page 28

INTERNAL CONTROL SYSTEMS

The Mpac internal controls encompass a set of rules, policies and procedures that are implemented to provide reliable financial and operational reports and to ensure that its activities comply with applicable laws and regulations. The control environment sets the foundation and provides discipline and structure upon which it operates.

These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority, the assets are adequately protected against material losses, unauthorised acquisitions, use or disposals, and that all transactions are properly recorded.

These systems demonstrate effective governance in terms of integrity and ethical behaviour, commitment to competence, Board of Directors and Audit and Risk Committee participation, management philosophy and operating style, organisation structure, assignment of authority and responsibility and human resources policies and procedures.

As required by King III, the Chief Executive of the Internal Audit function provided a written assessment on the system of internal control and risk management (negative assurance) for the financial year ended 31 December 2016.

The assessment was based on the Internal Audit work performed in terms of the approved 2016 financial year Internal Audit Plan, coverage in terms of the rotational risk-based Internal Audit plan, assessment of Mpac's internal control environment, management's self-assessment of the risk management processes and the performance of suitable, but not limited, sample testing on the existence and effectiveness of internal controls at Mpac.

Internal Audit reported that, based on the scope of their work, the results of the internal control testing and subject to the limitations of

sampling and reliance on the efficiency of the combined assurance framework, nothing other than the results reported at the Committee meetings during the course of 2016 came to their attention that would suggest that internal controls and risk management at Mpac were not satisfactory.

The Internal Audit function is set out in the Audit and Risk Committee Report on page 72 of this Integrated Report.

IT GOVERNANCE

The Board has an IT governance policy and ensures adherence to King III's IT governance principles. The Board measures the implementation of the recommended principles against the detailed King III Application Register. The ICT Steering Committee assists the Board with IT governance-related matters. The committee is governed by an effective charter, which gives guidance to the ICT management team and ensures effective and efficient management of all IT resources.

The IT governance framework with all relevant structures, processes and mechanisms to enable IT to deliver value to the business and mitigate IT risks. IT risks have been identified and incorporated into the risk register.

An external independent person is appointed to provide the Board with an independent assurance on the effectiveness of IT internal controls including outsourced IT services. In addition, the independent member is required from time to time to join the ICT Steering Committee to give guidance on the ICT strategy alignment with business strategy. This includes, but is not limited to, expressing independent opinion on emerging technology trends and their rate of adoption and implementation by various business sectors.

ANNUAL GENERAL MEETING

All the necessary information and facilities are made available to shareholders to enable them to attend the Annual General Meeting, submit forms of proxy and receive announcements and circulars in accordance with the JSE Listings Requirements. The Chairman of the Board, Chairpersons of the committees and the External Auditor are available to answer questions at the Annual General Meeting.

REMUNERATION REPORT

REMUNERATION AND NOMINATION COMMITTEE

Composition

Ntombi Langa-Royds is the Chairperson of the Remuneration Committee and Tony Phillips is the Chairman of the Nomination Committee in accordance with King III and the JSE Listings Requirements. Tim Ross and Maya Makanjee are members of both Committees. All of the committee members are independent non-executive directors.

Role and function of the Remuneration Committee

The Remuneration Committee considers the remuneration policy of the Group with the assistance and guidance of independent experts, if required, and makes recommendations to the Board on all aspects of remuneration. The committee further ensures that the directors are fairly rewarded for their individual contributions to the Group's overall performance. The committee also considers bonuses, which are discretionary and based upon general economic variables, the performance of the Group and the individual's performance, share options and certain other employee benefits and schemes. No remuneration of any nature shall be paid, increased or varied to any director without the prior approval of the members of the committee.

Responsibilities of the Remuneration Committee

The responsibility for the remuneration policy rests with the Remuneration Committee. The committee comprises at least three members, all of whom are independent non-executive directors, and is governed by formal Terms of Reference.

With respect to remuneration matters, the committee is charged with:

- Assisting the Board by setting and administering remuneration policies in the Group's long-term interests, and ensuring, through an ongoing review of the remuneration policy for both appropriateness and relevance, the Group remunerates fairly and responsibly.
- Being especially concerned with and providing recommendations regarding the remuneration of both executive and non-executive directors, and giving due regard to any relevant legal requirements.
- Determining, within the terms of the agreed policy, the total individual remuneration package of the CEO and, in consultation with the CEO, the other members of Exco and any other executive whose total remuneration is comparable to, or higher than, that of an Exco member.
- Ensuring that individuals are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to Mpac's success.
- Approving the design of and determining targets for any performance-related pay schemes in which the executive management and other members of the senior management population participate.
- Determining the design of and targets for such schemes by taking into account all factors it deems necessary, including performance-related pay schemes, and regularly reviewing incentive schemes to ensure the continued contribution to shareholder value.
- Reviewing the design of all executive and all employee share plans for approval by the Board and shareholders.
- Being responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee.

- Ensuring, in determining remuneration policy, specifically that contractual terms on termination of the CEO and Exco, and any payments made, are fair to the individual and Mpac.

Role and function of the Nomination Committee

The Nomination Committee is guided by the Board Policy and Procedure document that intends to guide the order, fairness and consistent conduct of the nomination and election process of members of the Board. The committee is also governed by a charter that further outlines its mandate in its role in assisting the Board and ensuring that the Board has the appropriate composition for it to execute its duties effectively.

Responsibilities of the Nomination Committee

With regard to the nomination matters, the committee is charged with:

- Regularly reviewing of the structure, size, skills, knowledge, experience and diversity required of the Board and make recommendations to the Board with regard to any changes that are appropriate.
- Identifying and evaluating suitable potential candidates for appointment to the Board and recommending the same to the Board, which may then appoint such candidate in accordance with the MOI.
- Giving full consideration to succession planning and management development for the Board and Exco, taking into account the challenges and opportunities facing Mpac and the skills and expertise needed by Mpac in the future.
- Recommending to the Board the re-appointment of any non-executive directors at the conclusion of their specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.

Assurance

The Remuneration and Nomination Committee confirmed that they were diligent in exercising their duties of care and skill and they have taken reasonable steps to ensure that they performed their duties in accordance with the committee's mandate.

REMUNERATION POLICY

Objectives

The objectives of the remuneration policy are to enable the business to:

- retain competent employees who enhance business performance;
- reward, recognise and confer appreciation for superior performance;
- direct employees' energies and activities towards key business goals;
- recruit high-performing, skilled individuals from a shrinking pool of talent; and
- achieve the most effective returns (employee productivity) for total employee spend.

To achieve this, Mpac rewards its executives and managers in a way that reflects the dynamics of the market and the context in which it operates. All components of this remuneration policy, including the fixed pay and variable pay for performance, are aligned to the strategic direction of the business and business-specific value drivers.

REMUNERATION REPORT CONTINUED

Key principles

The remuneration policy has been set with the objective of attracting, motivating and retaining experienced directors, managers and employees in a manner that is consistent with best practice and aligned with the interests of Mpact's shareholders.

The remuneration policy for executive directors, prescribed officers and other senior managers is framed around the following key principles:

- Remuneration packages should be set at levels that are competitive in the relevant market.
- The structure of remuneration packages and, in particular, the design of performance-based remuneration schemes, should be aligned with shareholders' interests and should support the achievement of our business strategy and the management of risk.
- A significant proportion of the remuneration of executive directors and other senior executives should be performance-based.
- The performance-based element of remuneration should be appropriately balanced between the achievement of short-term objectives and longer-term objectives.
- The remuneration of executive directors and other senior executives should be set taking appropriate account of remuneration and employment conditions elsewhere in the Group.

PAY MIX

Pay mix is defined as the balance targeted between the major components of remuneration, namely:

- guaranteed pay based on total guaranteed cost of employment (TGCOE); and
- variable pay for performance comprising:
 - short-term incentives; and
 - long-term incentives.

The targeted pay mix aims to align the incentives of employees with the interests of shareholders.

Guaranteed pay

Mpact aims to establish and maintain a logical pay scale with pay levels that ensure that the Company is able to remain competitive, while managing costs.

Salaries are reviewed annually, normally with effect from 1 January. Mpact undertakes annual market pricing exercises against top management reward surveys conducted by reputable consultancies. The benchmark used is the median TGCOE for similar positions in South African listed companies which are of a similar size, complexity and scope to the Group.

The committee also takes into account business performance, salary practices prevailing for other employees in the Group and, when setting individual salaries, the individual's performance and experience in their role.

Variable pay

Short-term incentives

Annual incentives are aimed at rewarding a combination of both business and individual performance:

- business performance is assessed in terms of one or more performance indicators, covering both financial and non-financial elements (such as safety); and
- individual performance is assessed from a weighted (balanced) scorecard of key performance areas or value drivers. The selection of these is informed by the performance management framework.

Long-term incentives

Mpact share plan

In order to attract, retain, motivate and reward executives and managers who are able to influence the performance of the Group on a basis which aligns their interests with those of shareholders, the Company has the Mpact share plan.

The plan provides for the inclusion of a number of performance conditions, designed to align the interests of participants with those of shareholders, and to reward organisational and individual performance, more so than merely the performance of the economy or the sector in which the Group operates.

In terms of this plan, executives and selected managers as well as those of subsidiaries may be offered annually a weighted combination of:

- awards of performance shares;
- grants of bonus shares;
- allocations of share appreciation rights; and
- deferred cash bonuses.

The combined, weighted implementation of the above share plan elements allows Mpact to be competitive in annual and share-based incentives and reward long-term sustainable Company performance. This also acts as a retention tool, and ensures that executives share a significant level of personal risk with shareholders.

Prior authority is required at the Company's Annual General Meeting if the shares awarded to all or any one participant should exceed the prescribed limit. At 31 December 2016, these prescribed limits were not exceeded.

Performance share plan

Annual conditional awards of performance shares may be made to executives. Performance shares will vest on the third anniversary of their award, to the extent that Mpact has met specified performance criteria over the intervening period.

The committee will dictate the performance criteria for each award. There are two performance criteria, Total Shareholder Return (TSR) and ROCE.

For the 2016 awards, the performance criteria are as follows:

TSR (50% of award)

To satisfy this condition in full, Mpact's TSR over the performance period must be at least 1.2 times the average TSR, calculated excluding Mpact, of the companies included in the JSE Packaging Index (TSRavg). For clarity, TSRavg will be calculated as the sum of the TSRs of each individual Company included in the Index divided by the number of companies, excluding Mpact.

If Mpact's TSR equals TSRavg then 62.5% of this half of the award will vest. No vesting will occur if Mpact's TSR is less than 0.8 times TSRavg. If Mpact ranks in between the above thresholds then the proportion vesting will be determined on the basis of a straight-line interpolation.

ROCE (50% of award)

This half of the Performance Share Method will vest in full if 15% or better is achieved. If 10% is achieved, 30% of the part of the Performance Share Method will vest. No vesting will occur below this level of performance. Between the 10% (threshold) and 15% (maximum) performance levels vesting will be based on straight-line interpolation.

Any performance shares which do not vest at the end of the three-year period will lapse.

The performance share method closely aligns the interests of shareholders and executives by rewarding superior shareholder and financial performance in the future.

Bonus share plan

On an annual basis, executives and selected senior managers may receive a grant of bonus shares, the value of which matches, according to a specific ratio, the annual cash incentive accruing to the executive.

The 2016 grant of bonus shares will vest after three years conditional only on continued employment. Participants on the bonus share method do not receive dividends declared by the Group; however, a single cash payment is made after the three years vesting period referred to as Dividend Equivalent Bonus. This is calculated on the dividend payment forfeited during the holding period based on the number of bonus shares granted.

The bonus share method provides for share-based retention to those executives who through their previous loyalty and/or their performance on an annual basis have demonstrated their value to the organisation.

Share appreciation rights plan

Annual allocations of share appreciation rights may be made to executives and selected employees. They will be available to be settled in equal thirds on the third, fourth and fifth anniversaries (alternatively all on the third anniversary), but need not be exercised until the sixth anniversary, at which time they must be exercised or they will lapse.

Notwithstanding the above time frame(s), vesting will only occur, and exercise and settlement will only be permissible, as and when the performance targets that may have been set are met. On settlement, the value accruing to participants will be the appreciation of the share price from date of allocation to date of exercise.

The Board will dictate the performance targets for each allocation.

Mpact cash plan (deferred cash bonus)

In order to retain, motivate and reward other key personnel, such as those with scarce skills who are vital to success, the Company operates the Mpact cash plan.

On an annual basis, identified employees may be granted a deferred cash bonus, the value of which matches, according to a specified ratio, the annual cash incentive accruing to the employee. The deferred cash bonus vests after three years conditional only on continued employment. Interest accrues monthly at the Johannesburg Interbank Agreed Rate (JIBAR) rate and is paid out with the cash bonus at the time of vesting.

POLICY ON EMPLOYMENT CONTRACTS

Executive directors, prescribed officers and senior managers

Executive directors' service contracts should provide for a maximum of six months' notice by either party, except where a longer notice period is appropriate as a transitional measure, in which case the notice period would reduce automatically to six months within a reasonable period of time.

Employment contracts for senior management provide for three months' notice by either party.

In the event of early termination of service contracts, the policy is to act fairly in all circumstances.

The service contracts for senior executives should contain pay *in lieu* of notice provisions which may be invoked at the discretion of the Remuneration Committee if the Company terminates the service contract. The payment in lieu of notice would comprise the TGCOE for the notice period and an amount in respect of the bonus for that part of the financial year worked, at the discretion of the committee.

All employees within the Group should have employment contracts.

Given that existing contracts may have been entered into in prior years, current notice periods and termination clauses for executive directors and senior managers may differ.

Non-executive directors

Non-executive directors' fees are benchmarked against similar-sized companies listed on the JSE. The level of complexity of the underlying business is also taken into consideration when benchmarking.

The appointment of a non-executive director may be terminated without compensation if that director is not re-elected by shareholders or otherwise in accordance with the MOI.

REMUNERATION REPORT CONTINUED

INCENTIVE BONUS PARAMETERS AND ACHIEVEMENT FOR THE YEAR UNDER REVIEW

For the year under review, the maximum potential incentive bonus for executive directors and prescribed officers was 117% (2015: 117%) of TGCOE as reflected below.

Maximum potential annual incentive bonus for the year under review

	BW Strong CEO		BDV Clark CFO		Other prescribed officers	
	2016	2015	2016	2015	2016	2015
Annual cash bonus maximum potential as % of TGCOE (A)	72%	72%	72%	72%	72%	72%
Conditional bonus shares as % of annual cash bonus earned (B)	62.5%	62.5%	62.5%	62.5%	62.5%	62.5%
Maximum potential incentive bonus as % of TGCOE (C) where $C = A + (A \times B)$	117%	117%	117%	117%	117%	117%

The annual incentive bonus is measured against the achievement of financial, safety and individual performance targets. For the year under review, financial performance had a weighting of 60% (2015: 60%), safety 10% (2015: 10%) and individual performance 30% (2015: 30%) for all executive directors and prescribed officers. The financial targets were based on EBITDA, underlying EBIT and ROCE.

For the year ended 31 December 2016, the executive directors and prescribed officers achieved 18% (2015: 100%) for financial performance, 60% (2015: 0%) for safety and differing levels for individual performance. Their total incentive bonus achievements attributable for the year ended 31 December 2016 were between 47.7% and 52.1% of TGCOE (2015: between 100% and 103.2%), of which the cash portion was paid in February 2017 and will be reflected in the 2017 remuneration.

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

Prescribed officers are defined as having general executive control over and management of a significant portion of the Company or regularly participate therein to a material degree, and are not directors of the Company. Prescribed officers include the three highest paid non-directors.

The remuneration of the executive directors and prescribed officers of Mpact and its subsidiaries, who served during the period under review was as follows:

Rands	Year	Salary	Incentive bonus ¹	Retirement funding contribution ²	Other cash benefits ³	Total remuneration
Executive directors						
BW Strong	2016	3,654,968	2,775,386	932,769	319,506	7,682,629
	2015	3,457,036	2,790,091	883,304	330,721	7,461,152
BDV Clark	2016	3,132,959	2,130,776	244,938	301,678	5,810,351
	2015	2,930,616	2,082,414	229,989	221,580	5,464,599
Total	2016	6,787,927	4,906,162	1,177,707	621,184	13,492,980
	2015	6,387,652	4,872,505	1,113,293	552,301	12,925,751
Prescribed officers						
RP von Veh	2016	3,390,215	2,354,632	266,540	415,367	6,426,754
	2015	3,180,510	2,280,478	252,406	433,802	6,147,196
HM Thompson	2016	3,448,185	2,268,478	284,881	298,324	6,299,868
	2015	3,260,473	2,254,589	269,774	307,484	6,092,320
JW Hunt	2016	1,781,538	1,441,988	508,699	295,144	4,027,369
	2015	1,650,632	1,322,667	475,420	301,545	3,750,264
N Naidoo	2016	2,620,027	1,796,764	207,275	220,860	4,844,926
	2015	2,436,995	1,736,280	193,715	218,040	4,585,030
J Stumpf ⁴	2016	3,146,827	507,780	212,712	215,460	4,082,779
	2015	710,996	–	48,344	1,053,160	1,812,500
Total	2016	14,386,792	8,369,642	1,480,107	1,445,155	25,681,696
	2015	11,239,606	7,594,014	1,239,659	1,314,031	21,387,310

¹ The cash portion of the incentive bonus attributable for the year ended 31 December 2015 was paid in March 2016 and therefore reflected as 2016 remuneration. Similarly, that attributable for the year ended 31 December 2014 is reflected as 2015 remuneration.

² Employer contribution towards a defined contribution retirement fund.

³ Other cash benefits include car allowances, employer contribution to medical aid schemes, dividend equivalent bonus and other benefits.

⁴ Employed at Mpact Operations Proprietary Limited effective 1 October 2015.

REMUNERATION REPORT CONTINUED

SHARE AWARDS AND VESTINGS

Rands	Year	Grant value of bonus shares awarded ¹	Value of performance shares vested during the year		Value of share appreciation rights exercised during the year	
			Value at grant date ²	Share price gain on vesting ³	Value at grant date ²	Share price gain on vesting ⁴
Executive directors						
BW Strong	2016	1,734,616	2,136,497	2,681,167	1,167,260	2,923,730
	2015	1,743,807	1,705,201	2,853,887	1,083,823	2,376,248
BDV Clark	2016	1,331,735	1,610,280	2,020,799	–	–
	2015	1,301,509	499,801	836,484	–	–
Total	2016	3,066,351	3,746,777	4,701,966	1,167,260	2,923,730
	2015	3,045,316	2,205,002	3,690,371	1,083,823	2,376,248
Prescribed officers						
RP von Veh	2016	1,471,645	1,616,692	2,028,863	874,439	2,190,278
	2015	1,425,299	1,278,321	2,139,444	811,922	1,780,113
HM Thompson	2016	1,417,799	1,175,121	1,474,684	642,111	1,608,347
	2015	1,409,118	937,906	1,569,713	596,209	1,307,168
JW Hunt	2016	901,242	735,732	923,283	400,208	1,002,433
	2015	826,667	584,466	978,184	743,182	1,629,404
N Naidoo	2016	1,122,977	–	–	–	–
	2015	1,085,175	–	–	–	–
J Stumpf	2016	317,362	–	–	–	–
	2015	896,000	–	–	–	–
Total	2016	5,231,025	3,527,545	4,426,830	1,916,758	4,801,058
	2015	5,642,259	2,800,693	4,687,341	2,151,313	4,716,685

¹ Value of conditional awards based on prior year performance vesting in three (3) years.

² Value of 2013 share award made at grant date, based on the number of shares vested (2015: Value of 2012 share award made at grant date, based on the number of shares vested).

³ Value of the share price gain between date of grant and date of vesting relating to the 2013 share award. The value of Mpact share price increased from R22.21 to R50.09 during the share award holding period. (2015: Value of the share price gain between date of grant and date of vesting relating to the 2012 share award. The value of Mpact share price increased from R15.79 to R42.21 during the share award holding period).

⁴ Share price gains on the share appreciation rights plan, where the value of Mpact share price increased from R13.41 to R47.00 during the share award holding period. (2015: Share price gains on the share appreciation rights plan, where the value of Mpact share price increased from R13.41 to R42.81 during the share award holding period).

SHARE AWARDS GRANTED TO EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS

The following tables set out the share awards grants to the executive directors and prescribed officers.

Mpact Limited 2016

Type of award ^{1,2,3}	Awards held at beginning of year or on appointment to the Board	Awards granted during year	Awards exercised during year	Shares lapsed	Awards held as at 31 December 2016	Award price basis (ZAR cents)	Date of award	Release date	
Executive director									
BW Strong	SARP	117,449	–	(87,044)	(30,405)	–	1,341	Sep 11	Mar 16
	BSP	66,230	–	(66,230)	–	–	2,221	Apr 13	Mar 16
	PSP	96,184	–	(96,184)	–	–	2,221	Apr 13	Mar 16
	BSP	56,649	–	–	–	56,649	2,684	Jun 14	Mar 17
	PSP	84,377	–	–	–	84,377	2,684	Jun 14	Mar 17
	BSP	41,098	–	–	–	41,098	4,243	Apr 15	Mar 18
	PSP	95,185	–	–	–	95,185	4,243	Apr 15	Mar 18
	BSP	–	35,949	–	–	35,949	4,825	Apr 16	Mar 19
	PSP	–	88,387	–	–	88,387	4,825	Apr 16	Mar 19
BDV Clark	BSP	30,773	–	(30,773)	–	–	2,221	Apr 13	Mar 16
	PSP	72,494	–	(72,494)	–	–	2,221	Apr 13	Mar 16
	BSP	43,047	–	–	–	43,047	2,684	Jun 14	Mar 17
	PSP	63,595	–	–	–	63,595	2,684	Jun 14	Mar 17
	BSP	30,674	–	–	–	30,674	4,243	Apr 15	Mar 18
	PSP	43,044	–	–	–	43,044	4,243	Apr 15	Mar 18
	PSP	–	40,311	–	–	40,311	4,825	Apr 16	Mar 19
	BSP	–	27,600	–	–	27,600	4,825	Apr 16	Mar 19
Prescribed officers									
RP von Veh	SARP	87,986	–	(65,208)	(22,778)	–	1,341	Sep 11	Mar 16
	BSP	52,471	–	(52,471)	–	–	2,221	Apr 13	Mar 16
	PSP	72,783	–	(72,783)	–	–	2,221	Apr 13	Mar 16
	BSP	42,415	–	–	–	42,415	2,684	Jun 14	Mar 17
	PSP	68,926	–	–	–	68,926	2,684	Jun 14	Mar 17
	BSP	33,592	–	–	–	33,592	4,243	Apr 15	Mar 18
	PSP	47,189	–	–	–	47,189	4,243	Apr 15	Mar 18
	BSP	–	30,499	–	–	30,499	4,825	Apr 16	Mar 19
	PSP	–	43,819	–	–	43,819	4,825	Apr 16	Mar 19
HM Thompson	SARP	64,610	–	(47,883)	(16,727)	–	1,341	Sep 11	Mar 16
	BSP	55,573	–	(55,573)	–	–	2,221	Apr 13	Mar 16
	PSP	52,903	–	(52,903)	–	–	2,221	Apr 13	Mar 16
	BSP	44,603	–	–	–	44,603	2,684	Jun 14	Mar 17
	PSP	58,012	–	–	–	58,012	2,684	Jun 14	Mar 17
	BSP	33,210	–	–	–	33,210	4,243	Apr 15	Mar 18
	PSP	39,082	–	–	–	39,082	4,243	Apr 15	Mar 18
	BSP	–	29,383	–	–	29,383	4,825	Apr 16	Mar 19
	PSP	–	36,291	–	–	36,291	4,825	Apr 16	Mar 19
JW Hunt	SARP	40,268	–	(29,844)	(10,424)	–	1,341	Sep 11	Mar 16
	BSP	35,986	–	(35,986)	–	–	2,221	Apr 13	Mar 16
	PSP	33,122	–	(33,122)	–	–	2,221	Apr 13	Mar 16
	BSP	28,954	–	–	–	28,954	2,684	Jun 14	Mar 17
	PSP	36,321	–	–	–	36,321	2,684	Jun 14	Mar 17
	BSP	19,483	–	–	–	19,483	4,243	Apr 15	Mar 18
	PSP	24,698	–	–	–	24,698	4,243	Apr 15	Mar 18
	BSP	–	18,678	–	–	18,678	4,825	Apr 16	Mar 19
	PSP	–	23,239	–	–	23,239	4,825	Apr 16	Mar 19
N Naidoo	BSP	5,903	–	–	–	5,903	2,684	Jun 14	Mar 17
	PSP	44,430	–	–	–	44,430	2,684	Jun 14	Mar 17
	BSP	25,576	–	–	–	25,576	4,243	Apr 15	Mar 18
	PSP	30,213	–	–	–	30,213	4,243	Apr 15	Mar 18
	BSP	–	23,273	–	–	23,273	4,825	Apr 16	Mar 19
	PSP	–	28,427	–	–	28,427	4,825	Apr 16	Mar 19
J Stumpf	BSP	21,117	–	–	–	21,117	4,243	Apr 15	Mar 18
	BSP	–	6,577	–	–	6,577	4,825	Apr 16	Mar 19
	PSP	–	33,341	–	–	33,341	4,825	Apr 16	Mar 19

¹ Bonus share plan (BSP).

² Performance share plan (PSP).

³ Share appreciation rights plan (SARP).

REMUNERATION REPORT CONTINUED

Mpact Limited 2015

Type of award ^{1,2,3}	Awards held at beginning of year or on appointment to the Board	Awards granted during year	Awards exercised during year	Shares lapsed	Awards held as at 31 December 2015	Award price basis (ZAR cents)	Date of award	Release date
Executive director								
BW Strong	SARP	234,899	–	(80,822)	(36,628)	117,450	1,341	Sep 11 Mar 14 Mar 15 Mar 16
	BSP	83,527	–	(83,527)	–	–	1,579	Apr 12 Mar 15
	PSP	127,073	–	(108,013)	(19,060)	–	1,579	Apr 12 Mar 15
	BSP	66,230	–	–	–	66,230	2,221	Apr 13 Mar 16
	PSP	96,184	–	–	–	96,184	2,221	Apr 13 Mar 16
	BSP	56,649	–	–	–	56,649	2,684	Jun 14 Mar 17
	PSP	84,377	–	–	–	84,377	2,684	Jun 14 Mar 17
	BSP	–	41,098	–	–	41,098	4,243	Apr 15 Mar 18
	PSP	–	95,185	–	–	95,185	4,243	Apr 15 Mar 18
BDV Clark	PSP	37,246	–	(31,659)	(5,587)	–	1,579	Apr 12 Mar 15
	BSP	30,773	–	–	–	30,773	2,221	Apr 13 Mar 16
	PSP	72,494	–	–	–	72,494	2,221	Apr 13 Mar 16
	BSP	43,047	–	–	–	43,047	2,684	Jun 14 Mar 17
	PSP	63,595	–	–	–	63,595	2,684	Jun 14 Mar 17
	BSP	–	30,674	–	–	30,674	4,243	Apr 15 Mar 18
	PSP	–	43,045	–	–	43,044	4,243	Apr 15 Mar 18
Prescribed officers								
RP von Veh	SARP	175,971	–	(60,546)	(27,439)	87,986	1,341	Sep 11 Mar 14 Mar 15 Mar 16
	BSP	69,432	–	(69,432)	–	–	1,579	Apr 12 Mar 15
	PSP	95,262	–	(80,973)	(14,289)	–	1,579	Apr 12 Mar 15
	BSP	52,471	–	–	–	52,471	2,221	Apr 13 Mar 16
	PSP	72,783	–	–	–	72,783	2,221	Apr 13 Mar 16
	BSP	42,415	–	–	–	42,415	2,684	Jun 14 Mar 17
	PSP	68,926	–	–	–	68,926	2,684	Jun 14 Mar 17
	BSP	–	33,592	–	–	33,592	4,243	Apr 15 Mar 18
	PSP	–	47,189	–	–	47,189	4,243	Apr 15 Mar 18
HM Thompson	SARP	129,219	–	(44,460)	(20,149)	64,610	1,341	Sep 11 Mar 14 Mar 15 Mar 16
	BSP	70,715	–	(70,715)	–	–	1,579	Apr 12 Mar 15
	PSP	69,893	–	(59,410)	(10,483)	–	1,579	Apr 12 Mar 15
	BSP	55,573	–	–	–	55,573	2,221	Apr 13 Mar 16
	PSP	52,903	–	–	–	52,903	2,221	Apr 13 Mar 16
	BSP	44,603	–	–	–	44,603	2,684	Jun 14 Mar 17
	PSP	58,012	–	–	–	58,012	2,684	Jun 14 Mar 17
	BSP	–	33,210	–	–	33,210	4,243	Apr 15 Mar 18
	PSP	–	39,082	–	–	39,082	4,243	Apr 15 Mar 18
JW Hunt	SARP	100,931	–	(55,420)	(5,243)	40,268	1,341	Sep 11 Mar 14 Mar 15 Mar 16
	BSP	44,487	–	(44,487)	–	–	1,579	Apr 12 Mar 15
	PSP	43,555	–	(37,022)	(6,533)	–	1,579	Apr 12 Mar 15
	BSP	35,986	–	–	–	35,986	2,221	Apr 13 Mar 16
	PSP	33,122	–	–	–	33,122	2,221	Apr 13 Mar 16
	BSP	28,954	–	–	–	28,954	2,684	Jun 14 Mar 17
	PSP	36,321	–	–	–	36,321	2,684	Jun 14 Mar 17
	BSP	–	19,483	–	–	19,483	4,243	Apr 15 Mar 18
	PSP	–	24,698	–	–	24,698	4,243	Apr 15 Mar 18
N Naidoo	BSP	5,903	–	–	–	5,903	2,684	Jun 14 Mar 17
	PSP	44,430	–	–	–	44,430	2,684	Jun 14 Mar 17
	BSP	–	25,576	–	–	25,576	4,243	Apr 15 Mar 18
	PSP	–	30,213	–	–	30,213	4,243	Apr 15 Mar 18
J Stumpf	BSP	–	21,117	–	–	21,117	4,243	Apr 15 Mar 18

1 Bonus share plan (BSP).

2 Performance share plan (PSP).

3 Share appreciation rights plan (SARP).

INTERESTS OF DIRECTORS AND PRESCRIBED OFFICERS IN MPACT'S SHARE CAPITAL

Share dealings

The Group has adopted a share dealing policy requiring all directors, management and the Company Secretary to obtain prior written clearance from either the Chairman or the Company Secretary to deal in the Company's shares. The Chairman of the Board will in turn require prior written clearance from the Chairman of the Audit and Risk Committee. Closed periods (as defined in the JSE Listings Requirements) are observed as required. During these periods, the directors, management and employees are not permitted to deal in the Company's securities. Additional closed periods are enforced when the Group commences with a corporate activity and where a cautionary announcement (as defined in the JSE Listings Requirements) is published.

The aggregate beneficial holdings as at 31 December 2016 and 2015 of the directors and prescribed officers of the Company and their immediate families in the issued ordinary shares of the Company are detailed below. There have been no material changes in these shareholdings between 31 December 2016 and 1 March 2017, the date of approval.

Directors and prescribed officers

	Number of shares held			
	31 December 2016		31 December 2015	
	Direct	Indirect	Direct	Indirect
Non-Executive director				
AJ Phillips	8,502	1,448	–	–
Executive director				
BW Strong	420,489	–	416,668	–
BDV Clark	–	18,890	–	18,719
Prescribed officers				
RP von Veh	116,547	–	113,553	–
HM Thompson	296,960	–	201,666	–
JW Hunt	158,995	–	134,125	–
Total	1,001,493	20,338	866,012	18,719

There are no associate interests for the above directors and prescribed officers.

NON-EXECUTIVE DIRECTORS' REMUNERATION

	Fees			
	2016		2015	
	Fees paid as non-executive director	Fees paid as Trustee of Mpact Foundation Trust	Fees paid as non-executive director	Fees paid as Trustee of Mpact Foundation Trust
Rands				
AJ Phillips	917,921	–	840,136	–
AM Thompson	473,298	60,017	459,320	–
NP Dongwana	473,298	120,033	432,513	–
NB Langa-Royds	605,863	60,017	583,753	–
M Makanjee ¹	101,951	–	–	–
TDA Ross	578,620	–	520,954	–
Total	3,150,951	240,067	2,836,676	–

¹ From date of appointment to the Board on 5 September 2016.