REMUNERATION REPORT

TRANSACTION CAPITAL CONSIDERS COMPENSATION A CRITICAL DETERMINANT OF ORGANISATIONAL PERFORMANCE AND SUSTAINABILITY. THIS VIEW IS FOUNDED IN THE BELIEF THAT ALL FACTORS THAT UNDERPIN ENHANCED PERFORMANCE REQUIRE THE HIGHEST CALIBRE OF LEADERSHIP AND SPECIALIST TECHNICAL EXPERTISE, AND THAT STAKEHOLDERS' INTERESTS ARE BEST SERVED BY ALIGNING STRATEGY, BUSINESS MODEL, STRUCTURE, STAFFING AND COMPENSATION. WITHOUT ATTRACTING, MOTIVATING AND RETAINING THE BEST AVAILABLE TALENT, EVEN THE BEST STRATEGIES, BUSINESS MODELS AND STRUCTURES WILL FAIL.

These principles are reflected in Transaction Capital's fifth strategic objective (page 20), which emphasises the group's commitment to investing in human and intellectual capital. This investment is informed firstly by the view that in every field of endeavour there is a normal distribution of talent, and secondly that the performance and sustainability of Transaction Capital will correlate highly with where its employees rank within that distribution. Put simply, the better Transaction Capital's people, the better the company.

Attracting and retaining high-calibre talent depends on providing both intrinsic and extrinsic rewards. While this remuneration report deals with the latter, intrinsic rewards are reflected in Transaction Capital's employee value proposition, which strives to provide talented individuals with good leadership, personal development and support, and meaningful work in an intellectually stimulating environment. To complement this, compensation policies are directed at sustaining a performance-driven culture where the most talented people at all levels consider Transaction Capital and its divisions an employer of choice.

GOVERNANCE OF COMPENSATION

Principle 14 of the King IV report states:

"The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term."

Transaction Capital has considered the impact of King IV, as well as the JSE Listings Requirements, and has updated the remuneration report to align with the enhanced disclosure requirements. The board of directors approved the remuneration report and believe that the performance criteria that are used to measure and determine short- and long-term incentive awards are aligned with Transaction Capital's goals, strategies and outcomes.

REMUNERATION COMMITTEE COMPOSITION AND MANDATE

The board of directors of the company has ultimate responsibility for the appropriateness of remuneration policies and executive remuneration. The board has delegated oversight of this responsibility to the group's remuneration committee, which comprises the following non-executive directors, the majority of whom are independent:

- Kuben Pillay (chairman of the committee; independent non-executive director).
- Christopher Seabrooke (chairman of the board; independent non-executive director).
- Paul Miller (non-executive director, replacing Jonathan Jawno's membership of the committee with effect from 1 November 2017).

The remuneration committee's mandate is to strive to ensure that the group's remuneration policies:

- Are fair, responsible and transparent.
- Attract, motivate, reward and retain human capital.
- Promote the achievement of strategic objectives within the organisation's risk appetite.
- Promote positive outcomes.
- Promote an ethical culture and responsible corporate citizenship.

It is with this in mind that a well-designed remuneration policy strikes a balance between the interests of shareholders and executives, and the principles of good governance. The remuneration committee assesses the mix of fixed remuneration, variable remuneration and long-term incentives to meet the group's needs and strategic objectives, in addition to reviewing the robustness of incentive schemes in ensuring continued contribution to shareholder value. It is the responsibility of the remuneration committee to oversee that the implementation and execution of the remuneration policy achieves its objectives.

PRINCIPLES OF REMUNERATION

The following overarching principles are applied to remuneration:

- The remuneration policies are approved by the remuneration committee and the board.
- Transaction Capital attempts to eliminate differential compensation related to gender, race and location, and applies the principle of equal work for equal pay.
- Compensation is defined on a cost-to-company basis, with all benefits included and fully taxed.
- Formal and informal research and benchmarking are performed to determine market norms for similar positions.
- Remuneration is aligned to individual outputs measured through performance management systems that focus on goals achieved and exceeded.
- Performance incentives are used to drive specific behaviours that support group, divisional or departmental performance. Incentives and bonuses at executive level are aligned to profit growth and relevant returns metrics, in addition to key outputs and personal performance. In certain instances, a portion of these incentives may be deferred or delivered in the form of share plan awards to support retention.
- In those instances where an executive's decisions are likely to have a material impact on shareholder value, an element of their compensation may be aligned with the medium- to longer-term value of Transaction Capital or each respective division, specifically through defined long-term incentive schemes (see part 1 that follows for the group's compensation principles).
- Any change to the compensation of any individual at every level of the group must be approved by the supervisor of the individual's supervisor, with the remuneration committee approving the compensation of all executive directors, including the CEO and his direct reports, and certain functional specialists.
- No employees or directors have employment terms that exceed six months' notice.
- Where relevant, the company is not under any obligation to make exit payments for leaving executives, and this may be considered on a case-by-case basis. Subject to the remuneration committee's approval, "good leavers" in terms of the long-term incentives will receive a pro-rata benefit due to them, subject to meeting each tranche's performance requirements.

SHAREHOLDER ENGAGEMENT

At the 2016 annual general meeting, 94.2% of shareholders voted in favour of the group's remuneration policy. No significant changes in the remuneration policy have occurred in the current year.

The group's remuneration policy and the implementation thereof will be placed before shareholders for consideration and approval under the terms of separate advisory non-binding votes at the annual general meeting as recommended by King IV and prescribed by the JSE Listings Requirements.

In the event that 25% or more of the votes cast are recorded against either the remuneration policy resolution or the remuneration implementation resolution, or both, then pursuant to paragraph 3.91 of the JSE Listings Requirements, the company will extend an invitation to dissenting shareholders to engage with the company to discuss the reason for their dissenting votes.

PART 1

OVERVIEW OF REMUNERATION POLICY

The success of Transaction Capital and its divisions relies on a wide range of leadership, managerial, functional and technical skills. Many of these skills are unique to specific divisions, departments or organisational levels. The entrepreneurial spirit of the group requires that the remuneration policy remains competitive and flexible, while still able to achieve positive outcomes, and promote an ethical culture and good corporate citizenship.

General staff

Throughout Transaction Capital, fixed and variable compensation policies and practices are structured to attract, motivate and retain the specific talent and skills required at each level for the progress of the group and its divisions. For the most part, these policies are determined by, and according to, divisional or departmental requirements within the governance guidelines described previously.

Leadership

Transaction Capital regards the individual and collective intellectual acuity, education, experience and industry knowledge of its most senior leaders and talent pool as a core capability and a source of competitive advantage. As such, the compensation, recruitment, performance, development and succession of the group's top executives is monitored directly by the CEO, together with his direct reports, with oversight by the remuneration and nominations committees and the board.

Executive compensation strives to attract, reward and retain the highest calibre of individuals in terms of education, expertise and experience, while aligning executive remuneration with stakeholder priorities.

The group operates a total cost to company philosophy where base package and benefits (including defined contributions to retirement funds, medical aid and other insured benefits) form part of the employees' fixed cost to company remuneration. Employees also participate in the short-term incentive scheme in the form of a performance bonus plan. Two key long-term incentive plans are in operation – the share appreciation rights plan (SAR plan) and the conditional share plan (CSP).

The different components of remuneration, the policy that governs it and the strategic intent and drivers are summarised in the table that follows.

REMUNERATION COMPONENT	REMUNERATION POLICY	STRATEGIC INTENT AND DRIVERS
Basic salary	Total guaranteed pay (TGP) measured against the 60th percentile of the market.	The TGP is market-related, provides executives with a competitive stable income and provides a standard of living consistent with the demands of a specific position. The fixed portion represents a sufficiently high portion of the total remuneration to avoid over dependence on the variable components.
Benefits	Group life, provident fund, medical cover and disability cover.	Provides financial structures for death, retirement, health and wellness.
Short-term incentives (STIs)	Variable annual incentives based on the achievement of divisional/group quantitative objectives, with a qualitative portion of the bonus awarded based on individual performance (where appropriate) and a portion deferred in certain circumstances. STIs are bespoke in nature (for the group, divisions and function) and are specifically designed with individualised qualitative objectives to promote performance and/or achieve pre-defined performance requirements (this includes growth in profits and other return metrics where appropriate). Financial objectives include profit growth and relevant returns (for example, return on invested capital in SA Taxi or return on sales in TCRS). Quantitative STIs may be awarded to reward superior performance.	STIs reward specific behaviour and promote retention, while rewarding the executive based on a combination of assessment of the individual's and business' performance. In defining an individual's performance, the remuneration committee considers both financial and non-financial performance. The STI provides means to enjoy a higher quality of life through superior performance.
Long-term incentives (LTIs)	Executives participate in a LTI scheme where their decisions or behaviour is likely to have an impact on shareholder value. These schemes serve to harmonise the required attributes of shareholder alignment, retention of key talent and long-term sustained performance. LTI plans relate to the valuation of the group or its divisions, realisable over the medium to long term. Refer page 96 for a full description of the LTIs available to executives.	Rewards executives for achieving strategic objectives and positive outcomes in the medium to long term, while aligning objectives with stakeholders. Market-related long-term reward and retention for executives and key talent provides opportunity to accumulate wealth based on continued employment and company performance and valuation.
Total reward	Providing a competitive and attractive total compensation with a portion paid over the medium to long term.	To attract, motivate, align and retain scarce talent and to discourage dysfunctional short-term behaviour.

LONG-TERM INCENTIVES

- **Share appreciation rights plan**

The SAR plan allows executives and senior managers to participate in the appreciation of Transaction Capital's share price over time, subject to pre-defined performance criteria.

The SAR plan is an option-type plan (at no cost to the participant), with SARs awarded being equity-settled subsequent to the exercise thereof. A SAR is a conditional right awarded to a participant to receive such number of shares, the value of which is equal to the difference between the market value of the Transaction Capital share on the date of exercise and the date of grant. In other words, the participant is able to enjoy the increase in Transaction Capital's share price from the date of grant until the date on which the conditional rights are exercised.

The share price growth over the SAR period is settled in Transaction Capital ordinary shares, with the gain subject to income tax. To the extent that the SAR grant price exceeds Transaction Capital's share price at the time of exercise, no gain or cost is realised by participants.

Subject to specific performance criteria, being the achievement of continuous growth in group headline earnings per share of over CPI +5%, the SARs vest in full after four years of award date and are exercisable for a 12-month period. SAR awards granted until May 2014 were awarded with a three-year vesting period, with all awards post this date vesting four years after the award date.

While the SAR plan has been a successful retention mechanism since listing, the conditional share plan discussed below is favoured as a more appropriate retention tool with better alignment of performance to shareholder interests. This is in line with international trends towards less volatile and lower geared LTIs, which have proved to provide better alignment with shareholder interests and are more likely to avoid extreme pay-outs. As such, no new SAR awards were granted in the current year. The remuneration committee will assess the future use of SARs on a periodic basis as required. Those SAR awards already in issue will continue to vest as per the SAR plan.

- **Conditional share plan**

Transaction Capital has adopted a decentralised management structure by devolving authority and responsibility to its respective divisions, namely SA Taxi and TCRS. This strategic objective has resulted in the requirement for an LTI scheme which has, as its primary objective, the linking of the scheme's performance to that of the relevant division. The CSP operates as a specific LTI scheme that directly links to the performance of each division. It caters for divisional executives who are believed to be in a position to directly impact and shape the performance of a division, while delivering on the division's strategy. Transaction Capital group executives are incentivised based on the performance of the group as a whole.

The purpose of the CSP is to incentivise participants to deliver the relevant division's business strategy over the long term, and acts as a retention mechanism and tool to attract prospective employees. The CSP will furthermore provide participants with the opportunity to share in the success of the relevant division in which he/she is employed and provide alignment between the participants and shareholders.

The CSP was approved by shareholders at a general meeting held on 20 October 2016. It is anticipated that annual CSP awards will occur in November/December each year, with May awards catering for new joiners and special circumstances. The first tranche of CSPs was awarded in November 2016. All awards are subject to remuneration committee approval.

The remuneration committee believes that the CSP is a superior long-term incentive for Transaction Capital's objectives. The CSP offers participants certainty in that it comprises a fixed number of conditional shares. While its ultimate value will depend on performance, CSP awards will always have a value.

The CSP mechanism, which is overseen and approved by the remuneration committee, operates as follows:

– A valuation of each division will be performed by an independent expert on the date of the CSP award (to obtain a valuation per notional share of each division). Transaction Capital executives are awarded CSPs at the prevailing share price of Transaction Capital on date of award.
– Key executives are awarded notional CSPs in each division (or Transaction Capital) for zero cost, based on retention and/or performance criteria set by the remuneration committee. The CSPs awarded to executives will be based on a notional share held in each division, giving executives direct exposure to the performance of that division (or based on Transaction Capital's share price for its executives).
– An updated valuation of each division will be performed by an independent expert on the date of vesting of the CSP.
– Employees are required to remain in the employ of the group to be eligible for vesting of the CSP (subject to standard "good leaver" rules).
– Employees who resign or are dismissed will forfeit any CSP awards that have not vested.
– Once the vesting period has passed and/or performance criteria are met (where relevant), the participant will receive shares in Transaction Capital to the value of the notional CSP on date of vesting.

The CSP achieves the following objectives:

– It motivates and rewards participants for creating long-term value through the opportunity to earn significant reward for superior performance.
– It creates a direct line of sight between the performance of each division and the incentive earned.
– Participants receive a right to receive a full share as opposed to the increase in value of a share.
– The CSP directly aligns the interests of the participants with those of shareholders.

The remuneration committee has approved a policy that the number of Transaction Capital shares issued in terms of the CSP awards will not exceed more than 5% of the issued ordinary shares of Transaction Capital at the time of approval of the CSP by shareholders.

- **General share purchase scheme**

The general share purchase scheme facilitated voluntary investment whereby executives were able to receive loan funding to purchase shares at market value. The scheme primarily operated prior to the listing of Transaction Capital in 2012 and was largely wound down in the 2014 financial year. No further allocations will be made in terms of this scheme, which terminated in December 2017.

- **Direct investment**

In appropriate circumstances, senior executives of a business may be afforded the opportunity to co-invest in that business (generally by way of an equity subscription partly funded by the company), thereby incentivising and aligning their long-term interests with those of the business, Transaction Capital and its shareholders.

Founders

Jonathan Jawno and Michael Mendelowitz are executive directors of the group, while Roberto Rossi is a non-executive director with a consulting and project contract, and therefore not independent by definition.

As the founder directors, Jonathan Jawno, Michael Mendelowitz and Roberto Rossi continue to be actively involved in various aspects of the group's businesses in support of executive line management. This involvement may include strategy, operations, acquisitions, disposals, capital raising and management, regulatory matters and participation in group and divisional management where appropriate. The board believes that the founder directors' participation in this manner adds considerable value for shareholders on an ongoing basis.

Following the restructure of the shareholding of the founder directors, completed in November 2016, Everglen Capital Proprietary Limited (in which the respective family trusts of the founder directors hold equal shareholdings) continues to be the largest shareholder of reference of the group.

Due to the circumstances and history, the remuneration and fee arrangements of the founder directors are not conventionally structured. None of the founder directors participate in any of the group's employee share schemes or other LTI plans. The base packages of the executive founder directors are well below market-related fees for directors of their calibre. The non-executive director fees and consulting services of the non-executive founder director are also below market. At the end of each financial year, the independent non-executive members of the remuneration committee meet with the founder directors and, in consultation with the CEO, consider their inputs and successes during the year. The remuneration committee then awards incentive bonuses and contract adjustments relative to quantitative and qualitative performance, with reference to market benchmarks for listed companies comparable in size and industry.

Non-executive directors

The annual fees paid to non-executive directors of the company for their services as directors and as members of the various board committees are determined on a market-related basis and are benchmarked against industry norms. No additional meeting attendance fees are paid.

The fees are approved by the remuneration committee and the board prior to being presented to shareholders for approval at the company's annual general meeting.

Directors are required to retire on the third anniversary of their appointment and may offer themselves for re-election. As appropriate, the board, through the nominations committee, proposes their re-election to shareholders.

Non-executive directors do not participate in any of the group's LTI plans.

PART 2

IMPLEMENTATION REPORT

Executive compensation

The following table shows a breakdown of the annual remuneration (excluding SAR and CSP awards) of directors and prescribed officers for the year ended 30 September:

	2017				2016			
	Salary R	Benefits R	Annual incentive bonus R	Total R	Salary R	Benefits R	Annual incentive bonus R	Total R
Executive directors								
David Hurwitz	3 150 802	548 207	2 728 688	6 427 697	2 848 492	685 376	2 598 750	6 132 618
Mark Herskovits	2 194 536	436 401	2 618 140	5 249 077	2 104 560	407 540	1 228 500	3 740 600
Jonathan Jawno	1 341 480	183 570	4 000 000	5 525 050	1 057 200	162 840	4 800 000	6 020 040
Michael Mendelowitz	1 341 480	183 570	4 000 000	5 525 050	1 057 200	162 840	4 800 000	6 020 040
Ronen Goldstein	1 592 500	186 725	1 166 667	2 945 892	265 417	31 121	1 166 667	1 463 205
Prescribed officers								
Terry Kier	2 842 422	2 327 828	2 040 500	7 210 750	2 728 524	1 909 962	2 887 500	7 525 986
David McAlpin	2 824 393	292 007	2 337 300	5 453 700	2 664 522	275 478	2 327 500	5 267 500
Total	15 287 613	4 158 308	18 891 295	38 337 216	12 725 915	3 635 157	19 808 917	36 169 989

Total guaranteed package

Executive TGP is determined based on the findings of an outsourced benchmarking engagement, utilising the Paterson Classic system as an indicator of grades for the executive team. Formal and informal research coupled with market norms and industry practice also influenced the policies and practices in place. The remuneration committee believes that the TGP is fair in light of the outcomes of the benchmarking undertaken and relative market norms.

Short-term incentives

QUANTITATIVE

Bespoke and individualised quantitative targets are pre-set and assessed annually by the remuneration committee to promote individual and group performance. The following factors are taken into account:

- Group:
  - Growth in headline earnings per share above CPI.
  - Return on equity achieved.
- Divisions:
  - Growth in earnings per share above CPI.
  - Return on invested capital.
  - Where relevant, return on sales and new business origination.
- Where appropriate, STIs were awarded for individualised targets being met.
- In general terms, employees can achieve a maximum quantitative STI of up to nine months of the employee's TGP.

QUALITATIVE

Where individual performance warrants, the remuneration committee may reward superior qualitative performance over and above quantitative targets set. The remuneration committee will consider individual performance in meeting strategic imperatives, such as capital management, acquisitions, operational projects and integration. In exercising this discretion, the remuneration committee must satisfy itself that such payments are fair and reasonable, and are disclosed to shareholders as required by remuneration governance principles.

The overall award of STIs for executive directors mirrors the performance of the business, and hence is determined as reasonable and aligned with shareholder interests. It achieves the objective of promoting the strategic objective within the organisation's risk appetite and promotes positive outcomes.

The rationale and context for the remuneration of executive directors is as follows:

Chief executive officer
David Hurwitz

David Hurwitz' incentive bonus of R2 728 688 for 2017 comprised:

- A quantitative bonus for the growth of the group's headline earnings per share and return on equity achieved.
- A qualitative bonus for the overall improvement in the state of the group during 2017, the integration of the acquisitions completed in 2017, and progress in achieving the group's strategic objectives, including stringent capital management in a challenging trading environment.

Executive director: capital management
Mark Herskovits

Mark Herskovits' incentive bonus of R2 618 140 for 2017 comprised:

- A quantitative bonus for the growth of SA Taxi's earnings per share and return on equity achieved.
- A qualitative bonus for meeting the group's capital management requirements well into the 2018 financial year, diversifying SA Taxi's funding sources (in particular with US-based development finance institutions) and managing the group's cost of funding.

Executive director
Jonathan Jawno

Jonathan Jawno's incentive bonus of R4 000 000 for 2017 comprised:

- A quantitative bonus for the growth of the group's headline earnings per share.
- A qualitative bonus for his specific role in the management of risk and capital.

Executive director
Michael Mendelowitz

Michael Mendelowitz' incentive bonus of R4 000 000 for 2017 comprised:

- A quantitative bonus for the growth of the group's headline earnings per share.
- A qualitative bonus for his specific contribution toward capital deployment as well as strategic and acquisitive opportunities.

Financial director
Ronen Goldstein

Ronen Goldstein's incentive bonus of R1 166 667 for 2017 comprised:

- A quantitative bonus for the growth of the group's headline earnings per share and return on equity achieved.
- A qualitative bonus for the overall continued improvement in the state of the financial and risk structures and reporting of the group during 2017, the implementation and integration of the acquisitions completed in 2017, and implementation of key group projects.

Prescribed officer
Terry Kier

Terry Kier's incentive bonus of R2 040 500 for 2017 comprised:

- A quantitative bonus for the growth of the division's earnings.
- A qualitative bonus for the progress in achieving the division's strategic objectives, including stringent capital management in a challenging trading environment.

Prescribed officer
David McAlpin

David McAlpin's incentive bonus of R2 337 300 for 2017 comprised:

- A quantitative bonus for the growth of the division's earnings.
- A qualitative bonus the integration of the acquisitions completed in 2017 and progress in achieving the division's strategic objectives.

Long-term incentives

SHARE APPRECIATION RIGHTS PLAN

All SAR awards were approved by the remuneration committee, with the first tranche of the SAR plan vesting on 12 July 2016. No SARs were awarded in the current year. In previous years, executives were awarded SARs based on executive performance, potential, tenure, job grade, current fixed compensation and STIs relative to market benchmarks; the recommendation of the CEO; and the reasonably expected growth in Transaction Capital's share price.

The following table shows the SAR position of executive directors and prescribed officers as at 30 September 2017:

	Present value of SARs R	Number of SARs	Vesting period (years)	Number of SARs vested during the year and not exercised	Number of SARs exercised during the year	Gains on SARs exercised during the year R
Executive directors						
David Hurwitz						
Granted on 11 July 2013[1]	–	–	3	–	2 004 494	22 303 067
Granted on 18 November 2013	–	–	3	–	979 049	10 379 705
Granted on 25 November 2014	1 029 000	300 000	4	–	–	–
Granted on 26 November 2015	830 000	250 000	4	–	–	–
Mark Herskovits						
Granted on 11 July 2013[1]	–	–	3		939 607	10 099 004
Granted on 18 November 2013	–	–	3	–	1 251 578	13 220 041
Granted on 25 November 2014	857 500	250 000	4	–	–	–
Granted on 26 November 2015	498 000	150 000	4	–	–	–
Ronen Goldstein						
Granted on 18 November 2013	–	–	3	–	70 180	717 703
Granted on 25 November 2014	343 000	100 000	4	–	–	–
Granted on 26 November 2015	498 000	150 000	4	–	–	–
Prescribed officers						
Terry Kier						
Granted on 18 November 2013	–	–	3	–	979 049	10 012 188
David McAlpin						
Granted on 25 November 2014	2 578 280	751 685	4	–	–	–
Granted on 26 November 2015	664 000	200 000	4	–	–	–

1. Tranche vested and exercisable from 13 July 2017. SARs exercised by participants in the current year.

Jonathan Jawno and Michael Mendelowitz do not participate in the SAR plan.

Refer to note 24.1 in the annual financial statements for further details on the SAR plan.

CONDITIONAL SHARE PLAN

The CSP operates as a specific LTI scheme that directly links to the performance of each division. It caters for divisional executives who are believed to be in a position to directly impact and shape the performance of a division, while delivering on the division's strategy. Transaction Capital group executives are incentivised based on the performance of the group as a whole.

The purpose of the CSP is to incentivise participants to deliver the relevant division's business strategy over the long term, and acts as a retention mechanism and tool to attract prospective employees. The CSP will furthermore provide participants with the opportunity to share in the success of the relevant division in which he/she is employed and provide alignment between the participants and shareholders.

The remuneration committee approved the following criteria for the tranche of CSPs awarded in November 2017:

Vesting period:

- Retention element (30% of award): to vest in equal proportions in full after years three and four, subject to continued employment (November 2016 and May 2017 awards: to vest in full after three years, subject to continued employment).
- Performance element (70% of award): to vest as follows (and linked to performance criteria below):
  - Two years: 14.0%
  - Three years: 17.5%
  - Four years: 17.5%
  - Five years: 21.0%

  (November 2016 and May 2017 awards: to vest in equal proportions in years two, three and four, and linked to performance requirements.)

Performance criteria: the following performance criteria have been set (per division for divisional executives, and on a consolidated basis for group executives):

Continuing headline earnings per share growth over vesting period*	% of CSP to be awarded
CPI	20%
CPI +5%	100%

* *Growth levels in between bands will be vested on a proportionate basis.*

The performance and vesting periods of future awards will be assessed for appropriateness by the remuneration committee on an annual basis.

The following table shows the CSP position of executive directors and prescribed officers as at 30 September 2017:

	Component	Present value of CSP award R	Number of CSPs	Vesting periods (years)
Executive directors				
David Hurwitz	Group			
Granted on 22 November 2016		1 684 672	131 821	2 to 4
Granted on 22 November 2017		1 665 106	132 186	2 to 5
Mark Herskovits	SA Taxi			
Granted on 22 November 2016		1 249 900	159 977	2 to 4
Granted on 29 May 2017		1 663 004	214 988	2 to 4
Granted on 22 November 2017		839 072	94 480	2 to 5
Ronen Goldstein	Group			
Granted on 22 November 2016		1 273 374	99 638	2 to 4
Granted on 22 November 2017		823 797	65 398	2 to 5
Prescribed officers				
David McAlpin	Transaction Capital Risk Services			
Granted on 22 November 2016		5 892 530	1 303 817	2 to 4
Granted on 22 November 2017		5 689 807	1 181 474	2 to 5

No CSPs vested in the financial year ended 30 September 2017.

Jonathan Jawno, Michael Mendelowitz and Terry Kier do not participate in the CSP.

Refer to note 24.2 in the annual financial statements for further details on the CSP.

TRANSACTION CAPITAL GENERAL SHARE SCHEME

The following table shows the position as at 30 September 2017:

	2017			2016		
Executive director	**Number of shares**	**Value of shares R**	**Value of funding R**	Number of shares	Value of shares R	Value of funding R
David Hurwitz	**77 409**	**1 180 487**	**662 599**	424 175	5 408 231	2 839 733
Total	**77 409**	**1 180 487**	**662 599**	424 175	5 408 231	2 839 733

All amounts outstanding were settled in December 2017, with this scheme being discontinued.

DIRECT INVESTMENT

Terry Kier (CEO of SA Taxi) holds a direct investment of 2% in SA Taxi Holdings Proprietary Limited, incentivising him and directly aligning his long-term interests with those of SA Taxi, Transaction Capital and its shareholders.

Terry Kier owes a wholly-owned subsidiary of Transaction Capital an amount of R26 million at 30 September 2017. The loan was granted on an interest-free basis and will be repaid from dividends and proceeds from the shares or upon certain pre-determined events. Appropriate fringe benefits tax has been levied on the interest-free loan, the benefit of which is included in the executive compensation table.

Terry Kier no longer participates in the SAR or CSP plans.

Non-executive directors' fees for 2017

The following table details fees paid to non-executive directors for directorship and membership of committees, with no additional meeting attendance fees. This is due to board members providing input to the company on an ongoing basis, not limited to the attendance of meetings.

The fees paid to non-executive directors have been determined on a market-related basis, as recommended by the remuneration committee and the board, and approved by shareholders at the annual general meeting. As from 1 June 2017, VAT is payable on non-executive directors' fees, where appropriate.

Board members	C Seabrooke[1] R	D Woollam[2] R	P Langeni[3] R	D Tabata[4] R	R Rossi[5] R	M Kgosana[6] R	K Pillay R	O Ighodaro[7] R	P Miller[8] R	Total R
Chairperson (including committee attendance)	1 375 000	–	–	–	–	–	–	–	–	**1 375 000**
Director	–	104 167	308 333	104 167	308 333	286 458	308 333	175 000	87 500	**1 682 291**
Audit, risk and compliance committee (chairperson)	–	–	–	–	–	341 146	–	23 438	–	**364 584**
Audit, risk and compliance committee (member)	–	62 500	150 000	–	–	–	–	65 625	–	**278 125**
Asset and liability committee (chairperson)	–	52 083	–	–	–	–	–	–	–	**52 083**
Asset and liability committee (member)	–	–	–	–	–	–	–	60 000	–	**60 000**
Remuneration committee (chairperson)	–	–	–	52 083	–	–	145 833	–	–	**197 916**
Remuneration committee (member)	–	–	–	–	–	–	25 000	–	–	**25 000**
Nominations committee (member)	–	–	–	25 000	95 000	–	70 000	–	–	**190 000**
Social and ethics committee (chairperson)	–	–	197 917	–	–	–	–	–	–	**197 917**
Total annual fees	1 375 000	218 750	656 250	181 250	403 333	627 604	549 166	324 063	87 500	**4 422 916**

1. *Christopher Seabrooke is also the chairman of the nominations committee, and a member of the remuneration committee, ARC committee and asset and liability committee.*
2. *Resigned as a non-executive director effective 2 March 2017.*
3. *In addition to the fees received above, Phumzile Langeni received directors' fees of R247 797 for acting as an independent non-executive director of SA Taxi Finance Holdings (Pty) Ltd and Transaction Capital Risk Services (Pty) Ltd.*
4. *Resigned as a non-executive director effective 2 March 2017.*
5. *In addition to the fees received above, Roberto Rossi received R1 096 667 for consulting services and R2 400 000 for corporate finance and legal services rendered to the group.*
6. *Resigned as a non-executive director effective 8 September 2017.*
7. *Appointed as a non-executive director effective 1 April 2017.*
8. *Appointed as a non-executive director effective 1 July 2017.*

Non-executive directors' fees for 2016

Board members	C Seabrooke[1] R	D Woollam R	P Langeni[2] R	D Tabata R	R Rossi[3] R	M Kgosana[4] R	K Pillay[5] R	Total R
Chairperson (including committee attendance)	1 200 000	–	–	–	–	–	–	**1 200 000**
Director	–	250 000	250 000	250 000	250 000	135 417	41 667	**1 177 084**
Audit, risk and compliance committee (chairperson)	–	160 417	–	–	–	189 583	–	**350 000**
Audit, risk and compliance committee (member)	–	81 250	150 000	–	–	–	–	**231 250**
Asset and liability committee (chairperson)	–	62 500	–	–	–	–	–	**62 500**
Remuneration committee (chairperson)	–	–	–	125 000	–	–	–	**125 000**
Remuneration committee (member)	–	–	–	–	–	–	10 000	**10 000**
Nominations committee (member)	–	–	–	60 000	60 000	–	–	**120 000**
Social and ethics committee (chairperson)	–	–	125 000	–	–	–	–	**125 000**
Total annual fees	1 200 000	554 167	525 000	435 000	310 000	325 000	51 667	**3 400 834**

1. *Christopher Seabrooke is also the chairman of the nominations committee, and a member of the remuneration committee, ARC committee and asset and liability committee.*
2. *In addition to the fees received above, Phumzile Langeni received directors' fees of R200 000 for acting as an independent non-executive director of SA Taxi Finance Holdings (Pty) Ltd and Transaction Capital Risk Services (Pty) Ltd.*
3. *In addition to the fees received above, Roberto Rossi received R890 000 for consulting services.*
4. *Appointed as a non-executive director effective 15 March 2016.*
5. *Appointed as a non-executive director effective 1 August 2016.*