

Group remuneration policy

The remuneration report focusses on three key areas:

- 1 Background to Discovery's remuneration strategy and policy
- 2 Our remuneration policy
- 3 How we implement our remuneration strategy and policy

The report demonstrates that Discovery's remuneration structure is aligned with our overall business strategy and is based on the principle of 'pay for performance'.

At Discovery, we recognise the importance of our people as an essential underpin to our Shared-Value Insurance model. We have a deep and unequivocal belief that talented employees, liberated to do their best and achieve their potential, are what makes and keeps our business successful. In the context of Discovery's expanding global footprint and our goal to become the world's best insurance organisation, innovation is essential; and to achieve sustained innovation, it is necessary to attract and retain the best talent. Our remuneration policy supports this strategy.

The Remuneration Committee's key focus areas for 2017 included:

- Reviewing overall pay policy
- Ensuring alignment between incentives and the achievement of Ambition 2018
- Reviewing director and prescribed officer package structures to ensure ongoing alignment with the market
- Continuing to address the pay gap through differential annual increases for earners on lower pay scales

Key focus areas for 2018 include:

- Continue to review remuneration practices and make adjustments as required
- Ensure incentive schemes attract, retain and reward top talent

- Continue to focus on equal pay for work of equal value; and eliminate any unjustifiable differences
- Continue to identify and address income differentials related to race and/or gender

Ms SE de Bruyn Sebotsa was appointed as chairperson of the Remuneration Committee on 25 August 2016. Other Remuneration Committee members are MI Hilkwitz and H Bosman. The Committee met three times during the past financial year and attendance was as follows:

	24 August 2016	9 November 2016	26 June 2017
SE de Bruyn Sebotsa (Chairperson)	✓	✓	✓
H Bosman	✓	✓	✓
MI Hilkwitz	✓	✓	✓

The remuneration policy and Committee responsibilities for our business in the UK are governed by a UK Remuneration Committee, chaired by Sir Andrew Foster.

All Remuneration Committee members have the relevant skills and experience to perform their duties. The majority of Remuneration Committee members have no business or other relationships that could materially interfere with their independent judgement. These members are also members of key oversight committees so that they are able to monitor risk trends across the Group. The chairperson of the Internal Remuneration Committee, Barry Swartzberg, and members of executive management, also attend the meetings by invitation. Executive directors are not allowed to participate in discussions regarding their own remuneration and they are not entitled to a vote at the meetings. B Olivier (independent remuneration expert) attends Remuneration Committee meetings by invitation.

In line with King IV, stakeholders will have the opportunity to vote on the following at the 2017 Annual General Meeting:

- A non-binding advisory vote on part 2 of this report
- A non-binding advisory vote on part 3 of this report (excluding recommended fees for Non-executive Directors)
- The recommended fees for Non-executive Directors

Discovery's remuneration policy

At Discovery, we believe that great people are the foundation of our success. We offer an environment that provides challenging and meaningful work, where our people are liberated to grow and take advantage of immense opportunities. It is through liberating the best in our people that we will be able to achieve our ambition of being the best insurance company in the world. We are committed to providing total remuneration packages that ensure we are able to:

- Attract, retain and motivate **high-calibre employees**
- **Encourage performance** and **reward employees** who exceed business objectives
- Align the **financial wellbeing of employees** with the economic interest of shareholders
- Provide an environment that encourages **innovative thinking and extraordinary performance**
- Bring **consistency, transparency and equity** to pay principles that will increase trust and employee engagement
- Foster Discovery's **owner-manager culture**.

We **balance a flexible approach** that recognises differences in individual performance, value and contribution to the organisation, **with a consistent framework** that ensures fair pay levels and decisions.

REMUNERATION PRINCIPLES

- To succeed, we must have the right people in the right positions, and so strive to offer pay packages that are **competitive in the market**.
- **Pay for performance** is at the heart of our remuneration philosophy and we encourage all employees to set and achieve ambitious goals aligned with the objectives of the Group. Exceptional performance is recognised and rewarded.
- **We believe in pay that is right and fair** – we conduct regular salary surveys both internally and externally to ensure fairness and consistency across the business.
- We recognise that remuneration is not the only reason our employees join and stay at Discovery, but it is of significant concern if it is not fair or equitable.

- We are **non-discriminatory** – all remuneration policies and practices are free from unfair discrimination based on race, gender, age, religion, marital status and ethnic or social origin.
- We employ a **total-cost-to-company** approach to remuneration.
- Our **short-term incentive schemes** are designed to encourage, recognise and reward performance and are based on rigorous objective setting and measurement, while allowing sufficient flexibility to respond to different business needs.
- Our **long-term incentive schemes** create a sense of ownership in the company and specific schemes are designed for start-ups (to encourage an entrepreneurial mindset) and retention.
- Our remuneration policy assists managers to make **educated and defensible pay decisions**.
- Remuneration policies and practices are governed by the **Remuneration Committee**, a subcommittee of the Board, with support from the **Internal Remuneration Committee**.

REMUNERATION GOVERNANCE

The Board is ultimately responsible for the remuneration policy. To assist the Board in fulfilling its responsibilities, it has appointed and mandated a Remuneration Committee. This Committee is a subcommittee of the Board, consists of Non-executive Directors and is advised by an independent expert.

The overarching purpose of the Remuneration Committee is to consider, agree on and recommend to the Board an overall remuneration policy and philosophy for the Group. The policy and philosophy should recognise the interests of relevant stakeholders, and align with the long-term business strategy, business objectives, risk appetite, and values of Discovery.

In its execution of this mandate, the Remuneration Committee's principal responsibilities are to:

- Formulate, approve and monitor adherence to the remuneration policy
- Ensure alignment with the latest governance standards
- Review and approve all short- and long-term incentive structures and monitor overall liability
- Approve and report to the Board on all remuneration elements for the CEO and executive directors
- Review total remuneration packages for executive management



Group remuneration policy (continued)

- Review and approve annual salary increase parameters
- Review and approve the total quantum, vesting criteria and director allocations in the phantom share scheme
- Regularly review incentive schemes to ensure continued contribution to shareholder value
- Recommend the base for Non-executive Directors' fees to the Board for shareholder approval.

The Remuneration Committee may, at its sole discretion, waive or amend the performance criteria for variable remuneration if extraordinary circumstances arise.

The Committee has delegated certain of its functions to the Internal Remuneration Committee (comprising the executive directors and business unit CEOs). This latter body is responsible for:

- Detailed analysis and development of research-based recommendations to the Remuneration Committee
- The remuneration packages of management and employees in general (with the exception of directors) in line with the policy
- Implementing the increase and incentive processes and reporting any anomalies to the Committee
- Recommending new schemes and scheme restructures to the Committee.

The Remuneration Committee uses the services of a number of independent advisors to assist in tracking market trends related to all levels of employees. In the 2017 financial year, advisors included Khokhela Consulting (Mabili Reward), PwC's Remchannel, 21st Century Pay Solutions, and Vasdex Associates.

The Board will table the remuneration policy and Implementation Report for a non-binding advisory vote by shareholders at the Annual General Meeting on a yearly basis. In the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised, Discovery, in its voting results announcement following the Annual General Meeting, will issue an invitation to dissenting shareholders to engage in dialogue with us.

EMPLOYEE REMUNERATION: TOTAL REWARDS

Our total-rewards approach encompasses both financial and non-financial elements. The financial elements are explained in the sections that follow.

Financial	Non-financial
Guaranteed pay	Challenging and meaningful work
Compulsory benefits (medical and group life insurance)	Development and training
Retirement funding (pension and provident)	Discovery culture and environment
Short-term incentives	Recognition (Star Awards, etc.)
Long-term incentives	Opportunity to work with great people
	Career opportunities

The mix of the financial pay elements is linked to organisational level, with the proportion of variable pay and pay-at-risk, increasing at more senior levels.

We offer competitive guaranteed rewards (around the market average), with opportunities in many roles to earn additional variable pay-for-performance incentives, that lead to above-market-average total rewards for top performers.

REMUNERATION ELEMENTS

The remuneration policy covers four remuneration elements, although not all employees participate in all elements:

1. Guaranteed monthly salary
2. Monthly performance-based pay
3. Short-term incentive (within one year)
4. Long-term incentive (over three to five years, usually applicable only to selected senior management members)

1

GUARANTEED MONTHLY SALARY

Our **total-cost-to-company** approach is designed to provide employees with flexibility and choice when it comes to compulsory benefits. All permanent non-sales employees, irrespective of level, receive a guaranteed component of remuneration, consisting of:

- A basic salary
- Compulsory benefits (medical aid, provident and pension funds, group life cover)

▶ EMPLOYEES SELECT:

- The Discovery Health Medical Scheme plan that best suits them (Discovery membership is compulsory for all employees unless they are a dependant on their spouse's scheme)
- Their contribution level to the provident fund, ranging from 7.5% to 20% of guaranteed or base pay
- The structure of their provident fund portfolio, with a choice of conservative, moderate and aggressive funds.

The pension fund compulsory contribution is set at 5% of salary.

Employees who work in sales environments typically receive a variable monthly remuneration linked directly to their sales productivity relative to target. The expected monthly salary, or "deemed salary" is used as the basis to calculate benefits.

▶ GUARANTEED PAY CAN BE:

- Above the median to attract top talent, particularly in scarce and critical skill areas; and to retain top talent
- At, or close to, the market median
- In rare instances, below the median for people who display high potential but are new to their role and still need to grow fully into the role.

We use independent providers to ensure we pay employees competitively. Benchmarking exercises are completed at least annually to keep track of market movements. These take into account factors such as industry, company size (revenue, profit, number of employees) and availability of skills. Many of our roles at Discovery are unique, so market data is used to assist in making pay decisions, but is not the only reason we pay employees as we do.

2

Pay for performance is at the heart of our pay philosophy and as a result, most permanent employees also have an opportunity to earn performance-based pay.

MONTHLY PERFORMANCE-BASED PAY

In many of the operational areas of the business where performance is highly measurable, monthly pay is made up of:

- Guaranteed monthly salary
- Performance-based pay ("on-par")

The performance element ensures alignment between company goals and individual performance, and allows top performers to significantly enhance their earnings. Targets are reviewed and adjusted as required at the discretion of management to drive continuous improvement in the areas concerned.



Group remuneration policy (continued)

3

SHORT-TERM INCENTIVE SCHEMES

Short-term incentive schemes are designed to encourage and reward performance at every level. Different business units run different schemes based on business priorities, and therefore scheme structures (payout percentages, pay periods and calculations) vary by scheme. Typically, short-term schemes span three to 12 months, and to receive payment, an employee must have been employed for a minimum of three months in the period, and not have resigned at the time of payout. All schemes are performance-based and reward delivery against pre-agreed stretch targets, which may be at an individual, and/or business level.

- At staff and team leader levels, payments may be made quarterly, bi-annually or annually, depending on the scheme. Measures are set by management and aligned with business goals and continuous improvement.
- The management team participates in a bi-annual Management Incentive Scheme which takes into account performance against both personal and business objectives.
- Senior managers participate in a Discovery Group level profit pool scheme.
- The sales team participates in production-related incentives applicable to their roles.

Targets and final payout amounts are determined and applied at the discretion of management and the Remuneration Committee.

The management schemes have thresholds below which no payment is made as well as maximum payment caps.

Targets are set at company or divisional level using key performance indicators, and cross-company calibration ensures alignment with Group objectives and shareholder interests, as well as consistency across the various Group companies. Of the weighting, 60-70% relates to standard measures that apply to all businesses, with the balance available to drive company or divisional-specific initiatives.

THE MEASURES MAY INCLUDE, AMONG OTHERS:

- Profit
- New business
- Customer satisfaction
- Employment equity
- Key financial ratios

The Discovery Profit Pool Scheme is based on the achievement of a target level of growth in normalised operating profit, excluding start-ups.

The on-target value of the management incentives are expressed as a percentage of salary, depending on the level of the individual within the organisation. Actual payout takes into consideration individual, and business performance, and proposed payments are reviewed and signed off by the Remuneration Committee prior to payout.

The on-target split between individual and profit pool components for different levels of management are:

Employee category % of total cost to company	Individual management incentive	Discovery profit pool
Executive Director ¹	50%	50%
Prescribed Officer ²	35%	50%
General Manager	25%	15%-25%
Deputy General Manager	20%-30%	10%
Manager/Divisional Manager	15%-20%	-

¹ Package structures aligned with the market with effect from 1 July 2016. Individual Incentive % increased from 25% to 50%.

² Package structures aligned with the market with effect from 1 January 2017. Individual Incentive % increased from 25% to 35% and Profit Pool % from 35% to 50%.

Typically, the more senior an employee, the higher the proportion of their total package that is linked to "pay at risk" or pay for performance.

4

LONG-TERM INCENTIVE PLANS

Long-term Incentives encourage alignment with long-term shareholder interests and are used to drive longer-term performance, retain key people and create opportunities for individuals to share in the success of the Group. These schemes are restricted to senior managers and executives and align their interests with the longer-term strategic goals of the Group. Long-term Incentive Plans typically run over three to five years.

Discovery currently operates a Phantom Share and Option Scheme referenced to the Discovery share price performance for the purposes of calculating incentives payable. Selected senior managers are eligible to participate in this scheme. The Remuneration Committee approves the total allocation value per annum and the individual director allocations. Allocations below director level vary by role, level and individual performance. Guidelines are provided by role and level, and each business CEO recommends the participants and the associated allocations. The Committee reviews and approves the allocations as well as the performance measures set for each allocation. Payments are made in cash on the second, third, fourth and fifth anniversaries of allocation. Growth in headline earnings per share must exceed a target level for payment to be made in any year.

From time to time, the Remuneration Committee may decide to implement a specific long-term incentive to drive a particular business result. This may be associated with, for instance, the start-up of a new venture or the delivery of strategic stretch business targets. Participation is at the discretion of the Committee and is limited to key influencers. Payout under start-up schemes is typically linked to value created and profitability.

A black economic empowerment staff share trust intended to recruit and retain senior black talent is also in operation, with allocations based on role and level.

All bonus schemes are non-contractual and discretionary, and may be changed by the Remuneration Committee.

PAYMENTS ON TERMINATION OF OFFICE

Our standard practice is to not pay ex gratia payments on termination of office of executive directors and prescribed officers, except for such payments that are due under existing short- and long-term schemes.

SIGN-ON, RETENTION AND RESTRAINT OF TRADE PAYMENTS

Such payments are made when deemed necessary in order to attract and retain critical employees. These are approved by the Remuneration Committee and disclosed appropriately.

ANNUAL SALARY REVIEW PROCESS

The annual salary review process provides an opportunity to adjust salaries in line with the market, and takes place between April and June each year, with increases effective from July. The Remuneration Committee determines the overall percentage increase to the salary bill, taking into account benchmarking to understand market trends, particularly for scarce and critical skills, changes to the national cost of living, and business performance and affordability. Performance is primarily rewarded through the incentive structures, not through the salary increase process. Typically, an employee has to be employed for a minimum of three months to be part of the review process, and any increase may be moderated for length of service and time in role. This three-month exclusion may not apply in certain instances.

Interim increases may be awarded during the year at the discretion of senior management, under the following circumstances:

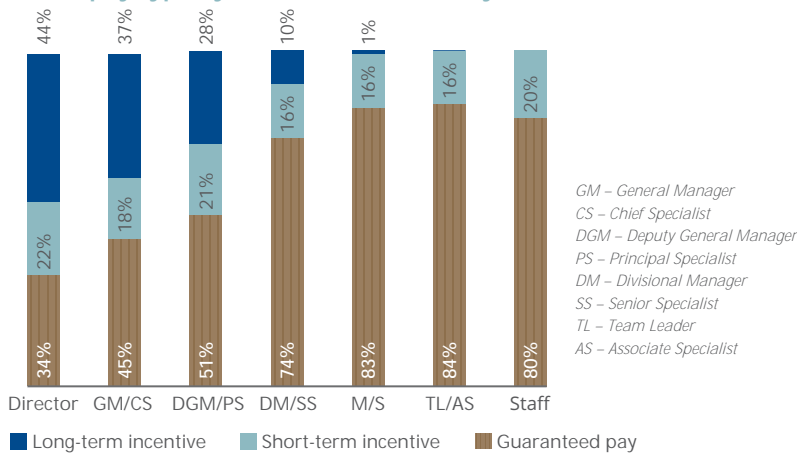
- Successful internal recruitment into a higher-paying role
- Qualification and passing certain exams
- Promotion to a higher level

Group remuneration policy (continued)

Implementation of the remuneration policy

The mix of the financial pay elements is linked to organisational level, with the proportion of variable pay and pay-at-risk increasing at more senior levels.

Mix of pay type by level across Discovery FY17



DIRECTOR INCENTIVE TARGETS AND PERFORMANCE

Stretch targets are determined annually in advance for each executive director's individual incentive and agreed to by the Remuneration Committee. These targets ensure delivery in the current financial year as well as driving strategic initiatives that will ensure the long-term, sustainable success of the company.

The measures incorporate:

1. Business performance based on the Board-approved targets
2. Transformation
3. Innovation
4. Achievement of innovative strategic initiatives for the future

EXECUTIVE DIRECTOR REMUNERATION

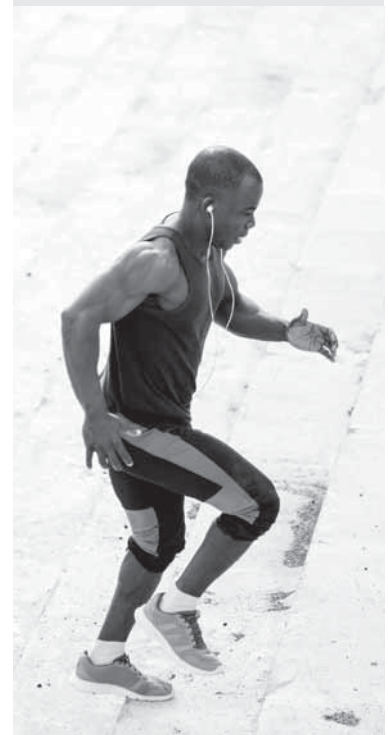
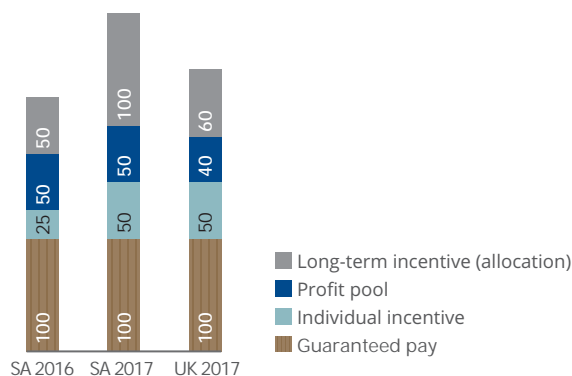
Benchmarking was carried out both in South Africa and in the United Kingdom to ensure alignment of directors' packages with the relevant local market.

In South Africa, this resulted in an increase in the on-target percentage of the short-term individual director incentive from 25% to 50%, and an increase in the annual phantom share allocation to, on average, 100% of guaranteed pay.

In the United Kingdom, the benchmarking exercise found that the UK directors' packages reflected both their roles in the UK as well as their continued influence on the wider Group as members of the top executive structure and of the Discovery Board. No adjustment was proposed.

Director target pay mix (using allocation value)

(Guaranteed pay = 100 units)



In 2017, the key performance indicators per business included:

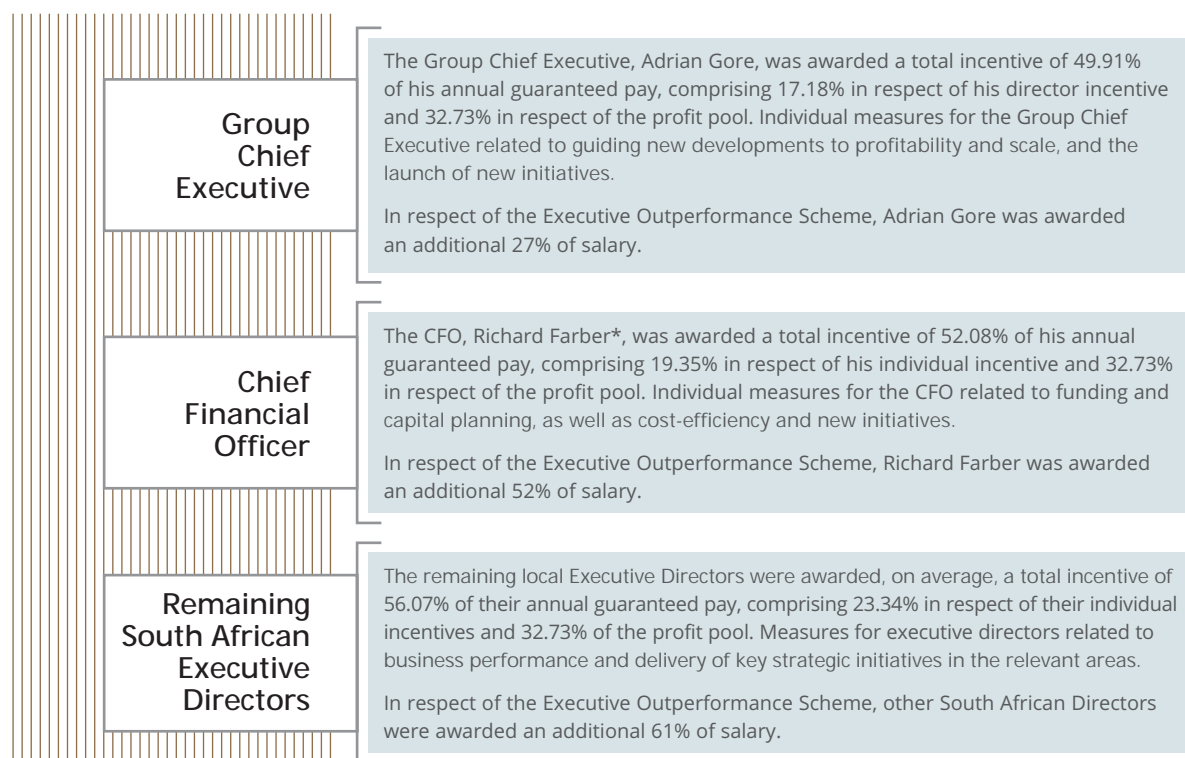
Standard business objectives	Measure	Weightings
Insurgency and market leadership in new business	<ul style="list-style-type: none"> New business API 	10%-20%
Products that meet complex consumer needs and are sustainable in the long term	<ul style="list-style-type: none"> Innovation 	10%-15%
Superior actuarial dynamics and engagement	<ul style="list-style-type: none"> Loss ratios Lapse rates Value of new business Engagement in the Vitality programme 	10%-30%
Exceptional service ecosystem	<ul style="list-style-type: none"> Broker/franchise perception scores Member-based research (MBR) scores 	10%-20%
Financial excellence and superior returns	<ul style="list-style-type: none"> Growth in normalised profit from operations 	10%-35%
Diverse workforce	<ul style="list-style-type: none"> Employment equity 	7.5%-15%

The target growth in normalised operating profit used to determine the value of the profit pool was set at 20% excluding new ventures. The threshold growth below which no profit pool accumulates, was set at CPI x 1.5%. Actual growth in normalised operating profit resulted in the profit pool value being 57.8% of expected.

Final payments (made in September) are based on audited year-end results, therefore the payouts reflected below are based on achievements against performance in the 2016 financial year, paid in March 2016 and September 2016.

For the 2016 financial year, the on-target percentages for the South African director incentive and the profit pool were 25% and 50% respectively.

An additional payment was made to directors against the 2015 Executive Outperformance Scheme. This scheme is a once-off scheme designed to drive achievement of the Discovery Ambition 2018. Two-year stretch targets were set and measured to the end of the 2015 financial year. Cash payments linked to this scheme were deferred from 2015 to 2017 based on individual performance and indexed to the Discovery share price.

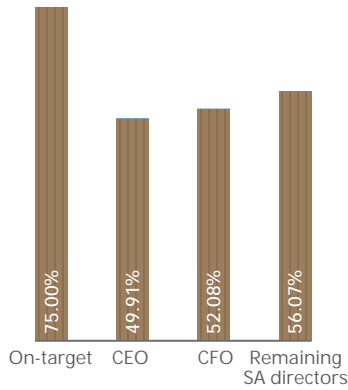


* Mr Farber relinquished his role as CFO on 1 May 2017 and remained an executive director on the Discovery Limited Board of Directors.



Group remuneration policy (continued)

SA directors' performance against targets



<p>UK Directors</p>	<p>The UK directors, Herschel Mayers and Neville Koopowitz, were awarded a total incentive of on average 81% of annual guaranteed pay, comprising 46% in respect of their individual incentive and Discovery Group profit pool performance, and 35% in respect of the stretch incentive. Individual incentive measures for the UK directors related to the business scorecard while the stretch incentive was linked to transformative initiatives and business growth.</p> <p>In respect of the Executive Outperformance Scheme, the UK directors were awarded an additional 24% of salary.</p>
<p>US Director</p>	<p>Alan Pollard was awarded a total incentive of 30% of annual guaranteed pay. Individual measures related to guiding new developments to profitability and scale, and gaining traction in the US.</p> <p>In respect of the Executive Outperformance Scheme, Alan Pollard was awarded an additional 36% of salary.</p>
<p>Prescribed Officers</p>	<p>Prescribed officers' individual management incentives are aligned with their business units' scorecards. In the 2016 financial year, the on-target percentages for the management incentive and the profit pool were 25% and 35% respectively.</p> <p>Prescribed officers were awarded, on average, a total incentive of 48.36% of their annual guaranteed pay, comprising 25.45% in respect of their individual incentives and 22.91% of the profit pool.</p> <p>In respect of the Executive Outperformance Scheme, the prescribed officers were awarded an additional 56% of salary.</p>

Payment in respect of the long-term phantom share and option scheme relate to allocations made from the 2011 to the 2014 financial year, which vest 25% per year from year two to year five.

TERMS OF EMPLOYMENT

All executive directors are employed on employment contracts that can be cancelled with notice of one to three months by either the executive or the company.

NON-EXECUTIVE DIRECTORS

Non-executive directors receive a combination of fixed and meeting attendance fees for their participation on the Board and Board Committees. Non-executive directors do not receive annual incentive awards.

The Remuneration Committee reviews the fees paid to Non-executive Directors annually by taking into consideration the individuals' responsibilities and Board Committee membership. The chairperson is not present when his or her remuneration is reviewed. In addition, from time to time, the fees are benchmarked to other local and international financial services companies and companies with similar market capitalisations to ensure the fees remain competitive. Recommendations are made to the Board for consideration and taken to the Annual General Meeting for shareholder approval.

The non-executive board member fee structure has two components:

1. A retainer
2. A Board or Board Committee meeting attendance fee.

The chairperson of the Board receives an all-inclusive retainer and does not receive any other fees or retainer for attendance at Board or Committee meetings.

The fee structure for 2017 and proposed 2017/2018 financial years, is shown below (exclusive of VAT)

The Non-executive Director fees were reviewed by an independent external expert and benchmarked against comparable financial services companies operating in South Africa. As a result of this benchmarking exercise, it is proposed that adjustments higher than inflation be made to certain Non-executive Directors' fees.

	Proposed 2017/2018	2016/2017
Retainer for the Chairperson of the Board	R4 200 000	R3 834 000
SA-based Board retainer	R200 000	R172 210
SA-based Board attendance fees	R33 500 per meeting	R28 755 per meeting
SA-based Committee Chairperson retainer	R225 200	R212 470
SA-based Committee member's retainer	R130 375	R123 000
SA-based Committee Chairperson attendance fees	R26 075 per meeting	R24 600 per meeting
SA-based Committee member's attendance fee	R16 600 per meeting	R15 655 per meeting
UK-based Board retainer	GBP30 155	GBP29 420
UK-based Board attendance fee	GBP5 065 per meeting	GBP4 940 per meeting
UK-based Committee Chairperson retainer	GBP28 535	GBP27 840
UK-based Committee Chairperson attendance fee	GBP2 800 per meeting	GBP2 730 per meeting
UK-based Committee member's retainer	GBP8 615	GBP8 405
UK-based Committee member's attendance fee	GBP1 190 per meeting	GBP1 160 per meeting
USA-based Board retainer	\$39 620	\$38 660
USA-based Board attendance fees	\$6 565 per meeting	\$6 405 per meeting
Non-resident director travel allowance	\$2 700 per return leg	\$2 640 per return leg

TERMS FOR NON-EXECUTIVE DIRECTORS

There is no limitation on the number of times a Non-executive Director may stand for re-election. Proposals for re-election are based on individual performance and contribution, which is reviewed by the Board.

Group remuneration policy (continued)

2017 REMUNERATION AND FEES

Payments to directors for the year ended 30 June 2017 for services rendered are as follows:

R'000	Services as directors	Basic salary	Performance bonus	Phantom scheme bonus	Provident fund contributions	Other benefits ¹	Total
EXECUTIVE							
A Gore	–	6 233	3 569	6 141	935	287	17 165
R Farber	–	4 741	2 176	5 858	345	72	13 192
HD Kallner	–	4 642	3 650	8 530	232	126	17 180
NS Koopowitz ²	–	14 929	10 501	7 898	173	411	33 912
HP Mayers ³	–	14 894	13 208	6 780	1 623	7 821	44 326
Dr A Ntsaluba	–	3 898	2 328	10 701	292	205	17 424
A Pollard ⁴	–	5 890	1 740	8 631	144	255	16 660
JM Robertson	–	3 550	2 050	6 072	727	85	12 484
B Swartzberg	–	4 634	2 731	5 858	238	129	13 590
DM Viljoen ⁵	–	713	10 000	–	109	11	10 833
Subtotal	–	64 124	51 953	66 469	4 818	9 402	196 766
PRESCRIBED OFFICERS							
Dr J Broomberg	–	4 352	2 306	5 731	218	131	12 738
K Rabson	–	4 173	2 170	5 814	209	319	12 685
Dr P Moumakwa	–	2 911	1 575	5 139	291	61	9 977
Subtotal	–	11 436	6 051	16 684	718	511	35 400
NON-EXECUTIVE							
MI Hilkwitz	3 834	–	–	–	–	–	3 834
Dr BA Brink	933	–	–	–	–	–	933
HL Bosman ⁶	1 268	–	–	–	–	–	1 268
SE de Bruyn Sebotsa	1 256	–	–	–	–	–	1 256
SB Epstein ⁷	1 936	–	–	4 052	–	186	6 174
R Enslin	211	–	–	–	–	–	211
F Khanyile ⁸	470	–	–	–	–	–	470
Dr TV Maphai	798	–	–	–	–	–	798
TT Mboweni	604	–	–	–	–	–	604
AL Owen ⁹	2 862	–	–	–	–	–	2 862
SV Zilwa	1 278	–	–	–	–	–	1 278
Subtotal	15 450	–	–	4 052	–	186	19 688
Total	15 450	75 560	58 004	87 205	5 536	10 099	251 854
Less: paid by subsidiaries	(15 450)	(75 560)	(58 004)	(87 205)	(5 536)	(10 099)	(251 854)
Paid by holding company	–	–	–	–	–	–	–

¹ "Other benefits" comprise medical aid contributions, travel and other allowances, where applicable.

² Salary and incentive are paid in GBP.

³ Remuneration consists of GBP and Rands components.

⁴ Salary and incentive are paid in USD.

⁵ The sign-on bonus paid to DM Viljoen has a two-year retention condition.

⁶ Directors' fees for services rendered by HL Bosman were paid to Rand Merchant Insurance Holdings Limited.

⁷ Included in directors' fees for SB Epstein is US\$ 100 000 for services rendered as director of TVG Inc. Directors' fees are paid in USD.

⁸ Directors' fees for services rendered by F Khanyile were paid to WDB Investment Holdings Proprietary Limited.

⁹ Directors' fees are paid in GBP.

2016 REMUNERATION AND FEES

Payments to directors for the year ended 30 June 2016 for services rendered are as follows:

R'000	Services as directors	Basic salary	Performance bonus	Phantom scheme bonus	Provident fund contributions	Other benefits ¹	Total
EXECUTIVE							
A Gore	–	5 898	3 690	7 852	845	257	18 542
R Farber	–	3 789	3 035	7 710	190	116	14 840
HD Kallner	–	3 822	2 920	8 820	191	114	15 867
NS Koopowitz ²	–	17 646	9 572	35 211	697	506	63 632
HP Mayers ³	–	11 214	7 454	8 664	1 228	310	28 870
Dr A Ntsaluba	–	3 409	2 664	12 132	536	182	18 923
A Pollard ⁴	–	6 318	2 774	10 015	155	240	19 502
JM Robertson	–	3 355	2 337	7 932	682	58	14 364
B Swartzberg	–	4 065	2 981	7 710	479	116	15 351
Subtotal	–	59 516	37 427	106 046	5 003	1 899	209 891
PRESCRIBED OFFICERS							
Dr J Broomberg	–	3 851	2 381	7 483	256	118	14 089
K Rabson	–	3 473	2 305	7 570	343	255	13 946
Dr P Moumakwa	–	2 714	1 680	6 702	271	79	11 446
Subtotal	–	10 038	6 366	21 755	870	452	39 481
NON-EXECUTIVE							
MI Hilkowitz	3 600	–	–	–	–	–	3 600
Dr BA Brink	891	–	–	–	–	–	891
HL Bosman ⁵	1 153	–	–	–	–	–	1 153
SE de Bruyn Sebotsa	924	–	–	–	–	–	924
JJ Durand ⁶	439	–	–	–	–	–	439
SB Epstein ⁷	1 243	–	–	1 792	–	–	3 035
F Khanyile ⁸	276	–	–	–	–	–	276
Dr TV Maphai	817	–	–	–	–	–	817
TT Mboweni	444	–	–	–	–	–	444
AL Owen ⁹	3 697	–	–	–	–	–	3 697
T Slabbert ⁸	267	–	–	–	–	–	267
SV Zilwa	1 214	–	–	–	–	–	1 214
Subtotal	14 965	–	–	1 792	–	–	16 757
Total	14 965	69 554	43 793	129 593	5 873	2 351	266 129
Less: paid by subsidiaries	(14 965)	(69 554)	(43 793)	(129 593)	(5 873)	(2 351)	(266 129)
Paid by holding company	–	–	–	–	–	–	–

¹ "Other benefits" comprise medical aid contributions, travel and other allowances.

² Salary and Incentives are paid in GBP.

³ Received a salary paid in GBP from January 2016 in addition to component paid in rands.

⁴ Salary and Incentives are paid in USD.

⁵ Directors' fees for services rendered by HL Bosman were paid to Rand Merchant Insurance Holdings Limited.

⁶ Directors' fees for services rendered by JJ Durand were paid to Remgro Limited.

⁷ Included in directors' fees for SB Epstein is US\$ 100 000 for services rendered as director of TVG Inc. Directors' fees are paid in USD.

⁸ Directors' fees for services rendered by T Slabbert and F Khanyile were paid to WDB Investment Holdings Proprietary Limited.

⁹ Directors' fees are paid in GBP.

Group remuneration policy (continued)

DIRECTORS' PARTICIPATION IN SHARE INCENTIVE SCHEMES

Discovery's directors and prescribed officers participate in the various share incentive schemes offered by the Group and their participation is disclosed below.

Discovery Limited phantom share scheme

Directors and prescribed officers participation as at 30 June 2017:

Directors and prescribed officers	Outstanding shares	Date granted	Strike price R	Final vesting date	Value at 30 June 2017 R
J Broomberg	4 315	30/09/12	-	30/09/17	551 975
	12 945	30/09/12	54.75	30/09/17	960 337
	20 072	01/07/13	-	30/09/17	2 601 327
	5 947	30/09/13	-	30/09/18	755 649
	11 893	30/09/13	84.76	30/09/18	557 461
	8 225	30/09/14	-	30/09/19	1 038 312
	16 451	30/09/14	97.89	30/09/19	648 804
	8 433	30/09/15	-	30/09/20	1 057 323
	16 866	30/09/15	134.94	30/09/20	345 358
	17 570	30/09/16	-	30/09/21	2 171 744
R Farber	4 638	30/09/12	-	30/09/17	593 325
	13 915	30/09/12	54.75	30/09/17	1 032 279
	18 434	01/07/13	-	30/09/17	2 388 973
	6 796	30/09/13	-	30/09/18	863 599
	13 592	30/09/13	84.76	30/09/18	637 098
	9 401	30/09/14	-	30/09/19	1 186 669
	18 801	30/09/14	97.89	30/09/19	741 507
	31 870	30/09/15	-	30/09/20	3 995 836
	63 739	30/09/15	134.94	30/09/20	1 305 156
	37 936	30/09/16	-	30/09/21	4 689 088
A Gore	4 638	30/09/12	-	30/09/17	593 325
	13 915	30/09/12	54.75	30/09/17	1 032 279
	16 295	01/07/13	-	30/09/17	2 111 852
	10 194	30/09/13	-	30/09/18	1 295 399
	20 388	30/09/13	84.76	30/09/18	955 647
	14 101	30/09/14	-	30/09/19	1 780 003
	28 201	30/09/14	97.89	30/09/19	1 112 231
	14 456	30/09/15	-	30/09/20	1 812 482
	28 913	30/09/15	134.94	30/09/20	592 039
	32 424	30/09/16	-	30/09/21	4 007 776
HD Kallner	4 638	30/09/12	-	30/09/17	593 325
	13 915	30/09/12	54.75	30/09/17	1 032 279
	27 651	01/07/13	-	30/09/17	3 583 460
	6 796	30/09/13	-	30/09/18	863 599
	13 592	30/09/13	84.76	30/09/18	637 098
	41 581	30/09/14	-	30/09/19	5 248 932
	83 162	30/09/14	97.89	30/09/19	3 279 869
	9 638	30/09/15	-	30/09/20	1 208 405
	19 275	30/09/15	134.94	30/09/20	394 686
	75 918	30/09/16	-	30/09/21	9 383 861
NS Koopowitz	40 861	01/07/13	-	30/09/17	5 295 558

DIRECTORS' PARTICIPATION IN SHARE INCENTIVE SCHEMES (continued)

Discovery Limited phantom share scheme (continued)

Directors and prescribed officers	Outstanding shares	Date granted	Strike price R	Final vesting date	Value at 30 June 2017 R
HP Mayers	4 638	30/09/12	–	30/09/17	593 325
	13 915	30/09/12	54.75	30/09/17	1 032 279
	26 360	01/07/13	–	30/09/17	3 416 232
	6 796	30/09/13	–	30/09/18	863 599
	13 592	30/09/13	84.76	30/09/18	637 098
	9 401	30/09/14	–	30/09/19	1 186 669
	18 801	30/09/14	97.89	30/09/19	741 507
	9 638	30/09/15	–	30/09/20	1 208 405
19 275	30/09/15	134.94	30/09/20	394 686	
A Ntsaluba	4 638	30/09/12	–	30/09/17	593 325
	13 915	30/09/12	54.75	30/09/17	1 032 279
	22 489	01/07/13	–	30/09/17	2 914 547
	6 796	30/09/13	–	30/09/18	863 599
	13 592	30/09/13	84.76	30/09/18	637 098
	9 401	30/09/14	–	30/09/19	1 186 669
	18 801	30/09/14	97.89	30/09/19	741 507
	9 638	30/09/15	–	30/09/20	1 208 405
19 275	30/09/15	134.94	30/09/20	394 686	
38 229	30/09/16	–	30/09/21	4 725 304	
A Pollard	1 546	30/09/12	–	30/09/17	197 764
	4 638	30/09/12	54.75	30/09/17	344 075
	19 663	01/07/13	–	30/09/17	2 548 238
	2 294	30/09/13	–	30/09/18	291 446
	4 588	30/09/13	84.76	30/09/18	215 030
	3 134	30/09/14	–	30/09/19	395 556
	6 267	30/09/14	97.89	30/09/19	247 169
	3 213	30/09/15	–	30/09/20	402 843
	6 425	30/09/15	134.94	30/09/20	131 562
	7 587	30/09/16	–	30/09/21	937 793
	15 175	30/09/16	134.94	30/09/21	574 655
K Rabson	4 315	30/09/12	–	30/09/17	551 975
	12 945	30/09/12	54.75	30/09/17	960 337
	20 789	01/07/13	–	30/09/17	2 694 231
	5 947	30/09/13	–	30/09/18	755 649
	11 893	30/09/13	84.76	30/09/18	557 461
	8 225	30/09/14	–	30/09/19	1 038 312
	16 451	30/09/14	97.89	30/09/19	648 804
	30 665	30/09/15	–	30/09/20	3 844 754
	61 330	30/09/15	134.94	30/09/20	1 255 828
	17 570	30/09/16	–	30/09/21	2 171 744
JM Robertson	4 638	30/09/12	–	30/09/17	593 325
	13 915	30/09/12	54.75	30/09/17	1 032 279
	20 277	01/07/13	–	30/09/17	2 627 871
	6 796	30/09/13	–	30/09/18	863 599
	13 592	30/09/13	84.76	30/09/18	637 098
	9 401	30/09/14	–	30/09/19	1 186 669
	18 801	30/09/14	97.89	30/09/19	741 507
	9 638	30/09/15	–	30/09/20	1 208 405
	19 275	30/09/15	134.94	30/09/20	394 686
	37 936	30/09/16	–	30/09/21	4 689 088
DM Viljoen	75 785	01/05/17	–	30/04/22	9 222 553

Group remuneration policy (continued)

DIRECTORS' PARTICIPATION IN SHARE INCENTIVE SCHEMES (continued)

Discovery Limited phantom share scheme (continued)

Directors and prescribed officers	Outstanding shares	Date granted	Strike price R	Final vesting date	Value at 30 June 2017 R
B Swartzberg	4 638	30/09/12	–	30/09/17	593 325
	13 915	30/09/12	54.75	30/09/17	1 032 279
	18 434	01/07/13	–	30/09/17	2 388 973
	6 796	30/09/13	–	30/09/18	863 599
	13 592	30/09/13	84.76	30/09/18	637 098
	9 401	30/09/14	–	30/09/19	1 186 669
	18 801	30/09/14	97.89	30/09/19	741 507
	9 638	30/09/15	–	30/09/20	1 208 405
	19 275	30/09/15	134.94	30/09/20	394 686
43 493	30/09/16	–	30/09/21	5 375 962	
P Moumakwa	4 315	30/09/12	–	30/09/17	551 975
	12 945	30/09/12	54.75	30/09/17	960 337
	14 983	01/07/13	–	30/09/17	1 941 704
	5 947	30/09/13	–	30/09/18	755 649
	11 893	30/09/13	84.76	30/09/18	557 461
	8 225	30/09/14	–	30/09/19	1 038 312
	16 451	30/09/14	97.89	30/09/19	648 804
	8 433	30/09/15	–	30/09/20	1 057 323
	16 866	30/09/15	134.94	30/09/20	345 358
17 570	30/09/16	–	30/09/21	2 171 744	

The Vitality Group Inc phantom stock plan

Directors and prescribed officers participation as at 30 June 2017:

Directors and prescribed officers	Outstanding shares	Date granted	Strike price US\$	Final vesting date	Value at 30 June 2017 US\$
A Pollard	146 429	01/10/13	–	01/10/17	117 143
	312 814	01/10/14	–	01/10/18	262 764
	346 287	01/10/15	–	01/10/19	305 887
	355 773	01/10/16	–	01/10/19	346 730

The VitalityHealth and VitalityLife phantom share schemes

Directors and prescribed officers participation as at 30 June 2017:

Directors and prescribed officers	Outstanding shares	Date granted	Strike price GBP	Final vesting date	Value at 30 June 2017 GBP
NS Koopowitz	19 493	2016	–	2020	562 178
	19 978	2015	154.13	2019	616 721
	19 873	2015	–	2019	570 554
	7 960	2013	–	2017	255 118
HP Mayers	19 978	2015	154.13	2019	616 721
	19 493	2016	–	2020	562 178