

REMUNERATION REPORT

This remuneration report outlines the philosophy, policy and details of the reward elements for remuneration of Executive Directors/ Officers and Executives as well as for Non-Executive Directors of Tongaat Hulett. The reward philosophy has remained consistent with that previously approved at the past annual general meetings (AGMs) in the non-binding advisory vote by shareholders as required by King III. This will again be applied at the next AGM, in support of good governance.

Remuneration Committee

The roles and responsibilities of the Remuneration Committee have been determined and approved by the Board, as explained in the corporate governance section of this integrated annual report, which deals with Board committees, structures and responsibilities. The committee, which meets at least twice a year, is chaired by an independent non-executive director and comprises only of non-executive directors. The current members are S G Pretorius (Chairman), J B Magwaza and N Mjoli-Mncube. P H Staude, as CEO, and C Mokoena as the HR executive, attend by invitation. M A C Mahlari is the secretary.

The overall objective of the Remuneration Committee is to propose, review and administer the broad policy for executive and director remuneration on behalf of the Board and the shareholders in accordance with best corporate practice. It ensures alignment of the remuneration strategy and policy with the overall business strategy, desired company culture, shareholders' interests and the sustainable commercial well-being of the business.

The committee is responsible for considering and making recommendations to the Board on the policy and on the quantum, structure and composition of remuneration packages of executive directors and senior executives. In addition, it reviews general salary increases for management and the operation of the company's management incentive schemes.

The major principles of the company's remuneration philosophy and policies are set out below together with the relevant details of the remuneration of directors, officers and executives.

Remuneration philosophy and policy

The objective of the remuneration policy is to align the performance of company executives with company commercial success and sustainability, simultaneously taking into account various stakeholders' perspective and affordability/ cost to company. In developing the remuneration policy, the following factors were considered:

- motivating executives to achieve Tongaat Hulett' business plan, business strategy and budgets;
- creating a strong, performance-orientated environment;
- attracting/motivating and retaining high caliber talent; and
- keeping within industry benchmarked pay levels.

These reward elements are structured to allow for appropriate differentiated reward for different roles and performance of

executives, managers and employees, while attention is paid to the quantum of gaps between grades.

Rewards are linked to both individual performance and the performance of the company. From time to time, independent external studies and comparisons are used to ensure that compensation is market related, while the total cost to company is taken into consideration to determine quantum of pay overall. As a general principle, good performers are remunerated in line with the market median, with high achievers and exceptional performers being rewarded towards the market upper quartile.

Performance targets include financial and non-financial targets, and are set at various levels; being company-level targets, operating entity specific targets, team and individual performance levels. All targets are pre-determined and approved by the Remuneration Committee and the Board, and performance reviews are conducted at the end of each performance period for the various instruments in respect of annual targets and multi-year long-term incentive targets. The pre-determined performance targets for short-term goals are explained in the sections below. For long-term targets, a variety of relevant and appropriate measures are used, as detailed in the section on share incentives schemes below.

To ensure alignment with shareholder expectations, the performance targets are set for both short-term and long-term growth expected, and focus executives on both the business plan and long-term strategic aspirations and achievements of the company. The pay elements comprised guaranteed pay including benefits, variable short-term incentives and long-term incentives, which are also utilized as retention instruments for selected and key individuals in the company.

The company's operating context and challenges, against the skills supply in each operating geography, is taken into consideration in utilizing the various pay instruments contained in the Tongaat Hulett remuneration practices. This is considered locally, in each country of operation, regionally as well as globally.

EXECUTIVE REMUNERATION

The remuneration of executives is determined by taking into consideration market comparisons and an assessment of performance related to the achievement of documented measurable performance targets. Strategic and business objectives, which are reviewed periodically, as well as a general assessment of performance, are taken into account.

The remuneration structure at senior management level consists of:

- guaranteed pay
 - made up of cash package and benefits
- variable pay
 - short term incentive bonus schemes, which have maximum levels; and
 - long term incentives in the form of employee share incentive schemes.

Guaranteed pay

Basic salary

The cash package of senior management is subject to annual review by the Remuneration Committee and the Board and is set with reference to relevant external market data as well as the assessment of individual performance.

Benefits

Membership of an approved company pension fund is compulsory for all senior management, and other benefits include the provision of medical aid, gratuity at retirement and death and disability insurance.

Variable pay

The primary purpose of the bonus scheme is to serve as a short-term incentive which gives executives and senior managers the opportunity to earn an annual bonus based on the financial performance of Tongaat Hulett and the operations as well as an element related to individual/team performance.

Incentive bonus scheme

The short-term incentive bonus scheme is based on a combination of the achievement of pre-determined targets, and an assessment of the individual's overall general performance. These targets include measures of corporate and, where applicable, operational performance as well as the achievement of individual and where applicable team performance against pre-determined objectives related to key business strategies and requirements.

The performance targets are made up of 50% financial targets and; depending on job grade level; 50% non-financial targets, which are strategic objectives and team targets.

Financial targets for bonus scheme

All financial targets have an upper limit and a lower limit. If financial results are below the lower limit, zero points will be earned for the element concerned. If financial results exceed the upper limit, the full score related to the relevant element of the bonus will apply to the scheme (participants) concerned. The financial targets of this year comprise

- headline earnings
- ROCE
- cash-flow and
- operating profit

Over and above the range mentioned above, in the 2013/14 performance period, there was also a condition that if Tongaat Hulett's headline earnings were below R700 million, no bonuses would be payable in respect of any element of any scheme. The same principle will be applied in 2014/15.

Incentive share schemes

The objective of the long-term incentive share schemes is to strengthen the alignment of shareholder and management

interests and assist in the attraction, retention and appropriate reward of management.

The various instruments are the Share Appreciation Right Scheme 2005 (SARS), the Long Term Incentive Plan 2005 (LTIP) and the Deferred Bonus Plan 2005 (DBP) (collectively referred to as "the Plans"). These share-schemes were amended at the AGM on 27 July 2010 to ensure compliance with Schedule 14 of the JSE Listing Requirements and, where appropriate, the King III Report.

Under these share incentive schemes, senior management and professional employees of the company are awarded rights to receive shares in the company based on the value of these awards (after the deduction of employees' tax) when performance conditions have been met, the awards have vested and, in the case of the SARS, when the share appreciation rights have been exercised. The amendment in 2010 of the LTIP scheme also included the introduction of retention shares that may be awarded on the condition that the employee remains in the service of the company. The purpose of such awards of unconditional RLTIPIs is to assist with targeted key and high potential employee retention. Retention shares are a small quantum in relation to other share-based instruments; and are awarded by exception.

The accounting charges to the income statement required by IFRS 2 Share-based Payment are accounted for as equity-settled instruments. The costs associated with the settlement of awards under the share schemes qualify for a tax deduction by the company.

Details of the schemes and awards made from 2005 to 31 March 2014, after approval by the Remuneration Committee and the Board, are detailed on the following pages. The share incentive scheme in operation prior to 2005 was discontinued in 2005, with the previous awards continuing to run their course and no new awards being made.

Performance conditions governing the vesting of the scheme instruments are set at the time of each annual award and currently relate to:

- growth in earnings per share,
- total shareholder return,
- return on capital employed, and
- strategic goals in areas such as sugar production, renewable energy and extracting value from land conversion.

The performance targets are intended to be challenging but achievable. Targets are linked, where applicable, to the company's medium term business plan, over three year performance periods, with actual grants being set each year considering the job level and cash package of the participating employee, their individual performance, and appropriate benchmarks of the expected combined value of the awards.

The King III Report refers to the application of company

REMUNERATION REPORT CONTINUED

performance conditions to govern the vesting of awards under the Plans, and precludes the application of retesting. The application of company performance conditions has been applied since the approval of the Plans. New awards thus have relevant performance conditions, do not provide for retesting, and apply the principle of graduated vesting as recommended by King III.

NON-EXECUTIVE DIRECTORS' REMUNERATION

Non-executive directors receive fees for their services as directors on the Board and Board committees. Directors' fees are recommended by the Remuneration Committee, considered by the Board, and proposed to the shareholders for approval at each AGM.

Non-executive Directors do not participate in short-term bonus schemes nor in long-term incentive share schemes.

As required by the Companies Act 2008 as amended, the remuneration of non-executive directors will be authorized by special resolution at the AGM and is set out on pages 133 to 134 of the integrated annual report.



SUMMARY OF REMUNERATION COMMITTEE ACTIVITIES/ DECISIONS DURING THE FINANCIAL YEAR

The main issues considered and approved/ recommended by the remuneration committee for 2014 were;

- Cash package increases for CEO, executives and senior managers.
- Short term incentives (bonuses) for CEO and executives.
- Recommendation of long term incentives (share schemes) for the CEO, executives and senior managers.
- Reviewing recommendations for fees payable to non-executive directors.
- Considered executive succession planning for the organisation as well as talent management.
- Updated Remuneration Committee terms of reference.
- Approval of the Remuneration report included in the 2014 Integrated Annual Report, including the non-binding advisory vote.

REMUNERATION DISCLOSURES

The table below sets out for ease of reference, the relevant sections of the remuneration details of directors and officers including share schemes and interest in share capital.

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DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS AND INTERESTS

Executive directors' remuneration (R000)

The executive directors' remuneration for the year ended 31 March 2014 was as follows:

| Name | Cash Package | Cash Bonus * | Retirement, medical and other benefits # | Total |
|---------------------------------------|---------------|--------------|--|---------------|
| B G Dunlop (to 31 August 2013) | 1 681 | 979 | 2 799 # | 5 459 |
| M H Munro | 3 966 | 2 478 | 585 | 7 029 |
| P H Staude | 7 651 | 5 991 | 1 060 | 14 702 |
| | 13 298 | 9 448 | 4 444 | 27 190 |

Includes accrued leave and retirement gratuity.

The executive directors' remuneration for the year ended 31 March 2013 was as follows:

| Name | Cash Package | Cash Bonus * | Retirement and medical contributions | Total |
|------------|--------------|--------------|--------------------------------------|--------|
| B G Dunlop | 3 743 | 2 033 | 469 | 6 245 |
| M H Munro | 3 665 | 2 041 | 474 | 6 180 |
| P H Staude | 7 019 | 4 794 | 835 | 12 648 |
| | 14 427 | 8 868 | 1 778 | 25 073 |

The requirement to include prescribed officers is covered by the above executive directors, as they exercise effective management and control.

* Bonuses are reported to match the amount payable to the applicable financial period.

Executive directors' share incentive gains:

| | 2014 | 2013 |
|--------------------------------|--------------|---------------|
| B G Dunlop (to 31 August 2013) | 322 | 2 132 |
| M H Munro | 5 611 | 2 421 |
| P H Staude | 966 | 5 880 |
| | 6 899 | 10 433 |

REMUNERATION REPORT CONTINUED

DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS AND INTERESTS continued

Non-executive directors' remuneration (R000)

| Name | 12 months to 31 March 2014 | | | 12 months to 31 March 2013 | | |
|--|----------------------------|--------------|--------------|----------------------------|--------------|--------------|
| | Fees | Other | Total | Fees | Other | Total |
| F Jakoet | 281 | 237 | 518 | 282 | 214 | 496 |
| J John | 305 | 299 | 604 | 258 | 277 | 535 |
| R P Kupara | 305 | 139 | 444 | 282 | 138 | 420 |
| J B Magwaza | 1 075 | 134 | 1 209 | 994 | 95 | 1 089 |
| A A Maleiane | 305 | | 305 | 282 | | 282 |
| T N Mgoduso | 280 | 103 | 383 | 255 | 95 | 350 |
| N Mjoli-Mncube | 305 | 324 | 629 | 282 | 286 | 568 |
| S G Pretorius | 305 | 221 | 526 | 282 | 103 | 385 |
| C B Sibisi | 305 | 103 | 408 | 282 | 95 | 377 |
| Directors who retired/resigned during the year | | | | 95 | 112 | 207 |
| | 3 466 | 1 560 | 5 026 | 3 294 | 1 415 | 4 709 |

In the above table, "Fees" relates to services as directors on the board and "Other" relates to fees paid for services as committee members.

Declaration of full disclosure

Other than the remuneration disclosed in this note, which was paid by the company, no consideration was paid to, or by any third party, or by the company itself, in respect of services of the company's directors, as directors of the company, during the year ended 31 March 2014.

Interest of directors of the company in share capital

The aggregate holdings as at 31 March 2014 of those directors of the company holding issued ordinary shares of the company are detailed below. Holdings are direct and beneficial except where indicated otherwise.

| Name | 2014 | 2013 |
|--------------------------------------|----------------|----------------|
| Executive directors: | | |
| M H Munro | 98 098 | 63 662 |
| P H Staude | 258 759 | 236 046 |
| Director who retired during the year | | 70 223 |
| | 356 857 | 369 931 |
| Non-executive directors: | | |
| F Jakoet | 5 068 | 5 000 |
| J B Magwaza | 12 275 | 12 111 |
| | 17 343 | 17 111 |

EMPLOYEE SHARE INCENTIVE SCHEMES

The adoption of IFRS 2 Share-based Payment (IFRS 2) in 2005 required that all awards made after 7 November 2002 be accounted for in the financial statements of the company. IFRS 2 has therefore been applied to The Tongaat-Hulett Group Limited 2001 Share Option Scheme in respect of the awards made on 14 April 2003, 1 October 2003 and 21 April 2004 and to the Share Appreciation Right Scheme 2005 (SARS), the Long Term Incentive Plan 2005 (LTIP), the Deferred Bonus Plan 2005 (DBP) and the Long Term Incentive Plan introduced in 2010 for retention awards.

Details of awards in terms of the company's share incentive schemes are as follows:

As a result of the unbundling of Hulamin, participants in these share schemes who had not exercised their rights at the unbundling date converted their existing Tongaat-Hulett Group Limited instruments into two components, a Tongaat Hulett Limited component and a Hulamin Limited component, as detailed in the 2007 Annual Report. The obligation to settle these share schemes is in accordance with the following principles, which are in accordance with the Unbundling Agreement. Tongaat Hulett is obliged to settle all benefits under the SARS grant of 2006 and the original share options for its own employees using Tongaat Hulett shares. It will settle the outstanding share scheme instruments that arise after the award adjustments for its own employees, by purchasing Tongaat Hulett shares in the market, or by issuing Tongaat Hulett shares. The benefit for the Hulamin component will be determined with reference to the Hulamin share price, and the Tongaat Hulett component with respect to the Tongaat Hulett share price, however, benefits arising from the Hulamin component will be settled using Tongaat Hulett shares.

The Tongaat-Hulett Group Limited 2001 Share Option Scheme (the Original Share Option Scheme)

Under the original share option scheme, participating employees were awarded share options in the company. On vesting, the employee is entitled to purchase shares in the company and immediately sell the shares at the market price, thereby benefiting from the appreciation in the share price.

The option price and number of unexercised options after the unbundling of Hulamin were apportioned into a Tongaat Hulett component (Tongaath Hulett) and a Hulamin component (Hulamin), as detailed in the 2007 Annual Report.

| Expiring ten years from | Option price Rand Apportioned | | Fair value Rand Apportioned | | Number of options at 31 March 2013 | | Options exercised | | Options lapsed | | Number of options at 31 March 2014 | |
|-------------------------|-------------------------------|---------|-----------------------------|---------|------------------------------------|---------|-------------------|---------|-----------------|---------|------------------------------------|---------|
| | Tongaath Hulett | Hulamin | Tongaath Hulett | Hulamin | Tongaath Hulett | Hulamin | Tongaath Hulett | Hulamin | Tongaath Hulett | Hulamin | Tongaath Hulett | Hulamin |
| 14 April 2003 | 24,37 | 7,53 | 8,51 | 2,63 | 9 100 | 144 100 | 9 100 | 144 100 | | | | |
| 1 October 2003 | 26,35 | 8,15 | 8,51 | 2,63 | 30 000 | 30 000 | 30 000 | 30 000 | | | | |
| 21 April 2004 | 35,90 | 11,10 | 12,27 | 3,79 | 152 800 | 392 100 | 136 600 | 6 600 | 16 200 | 385 500 | | |
| | | | | | 191 900 | 566 200 | 175 700 | 180 700 | 16 200 | 385 500 | | |

No awards have been made since 21 April 2004 under the original share option scheme, which was replaced by share schemes based on equity-settled share appreciation rights, conditional shares and a deferred annual bonus plan.

The significant inputs into the model for the 2004 awards of the original share option scheme were:

| | |
|-----------------------------------|---|
| Exercise price | The exercise price is the share price at grant date, as noted above, allocated between Tongaat Hulett and Hulamin. |
| Expected option life | 114 months (assume contractual plus a leaving percentage of 5%). |
| Risk-free interest rate | 9,84% |
| Expected volatility | Expected volatility of 35% is based on historical volatility determined by the statistical analysis of daily share price movements over the past three years. |
| Expected dividends | The measurement of the fair value of the share option did not take into account dividends, as no dividend payment was expected. A continuous dividend yield of 3,9% was used. |
| Weighted average share price | Tongaath Hulett component: R35,90 (2013: R33,86) Hulamin component: R11,10 (2013: R10,04). |
| Expected early exercise | Early exercise is taken into account on an expectation basis. |
| Performance (vesting) conditions | There are no performance (vesting) conditions other than the passage of time. |
| Non-market performance conditions | No non-market conditions. |
| Market performance conditions | No market conditions. |
| Weighted average remaining life: | |
| Expected | 1 month (2013: 10 months) |
| Contractual | 120 months |

REMUNERATION REPORT CONTINUED

EMPLOYEE SHARE INCENTIVE SCHEMES continued

Details of awards in terms of the company's share incentive schemes are as follows: continued

Share Appreciation Right Scheme 2005

Under the share appreciation right scheme, participating employees are awarded the right to receive shares equal to the difference between the exercise price and the grant price, less income tax payable on such difference. The employee therefore participates in the after tax share price appreciation in the company. The vesting of the right is conditional on the achievement of Tongaat Hulett performance levels over a performance period.

The grant price and number of unexercised rights after the unbundling of Hulamin were apportioned into a Tongaat Hulett component and a Hulamin component, as detailed in the 2007 Annual Report.

| Expiring seven years from | Grant price Rand | Fair value Rand | Number of rights at 31 March 2013 | | Rights granted | Rights exercised | Rights forfeited | Rights lapsed | Number of rights at 31 March 2014 |
|---------------------------|------------------|-----------------|-----------------------------------|---------|----------------|------------------|------------------|---------------|-----------------------------------|
| | | | Tongaat Hulett | Hulamin | | | | | |
| 22 April 2006 | 96,09 | 18,11 | 44 570 | 793 102 | | 44 570 | | 793 102 | |
| 20 August 2007 | 88,84 | 15,97 | 630 807 | | | 74 015 | | | 556 792 |
| 25 April 2008 | 92,74 | 16,93 | 806 576 | | | 94 372 | | | 712 204 |
| 22 May 2009 | 75,06 | 12,54 | 985 523 | | | 57 329 | 9 608 | | 918 586 |
| 31 May 2010 | 97,49 | 20,00 | 1 217 706 | | | 125 891 | 14 576 | | 1 077 239 |
| 31 May 2011 | 90,42 | 17,50 | 1 460 832 | | | | 26 159 | | 1 434 673 |
| 29 May 2012 | 110,21 | 21,73 | 1 367 446 | | | | 15 425 | | 1 352 021 |
| 29 May 2013 | 126,85 | 24,30 | | | 1 435 892 | | 34 903 | | 1 400 989 |
| | | | 6 513 460 | 793 102 | 1 435 892 | 396 177 | 100 671 | 793 102 | 7 452 504 |

The estimated fair value costing of these outstanding share appreciation rights was determined using the binomial tree valuation model and non-market performance conditions, based on the following significant inputs:

| | |
|-----------------------------------|---|
| Exercise price | The share price at grant date, as noted above. |
| Expected option life | 80 months (assume contractual plus a leaving percentage of 5%). |
| Risk-free interest rate | 2013 award: 6,73% (2012 award: 7,26%, 2011 award: 7,95%, 2010 award: 7,71%, 2009 award: 7,66%, 2008 award: 8,75% and 2007 award: 8,19%). |
| Expected volatility | Expected volatility of 28,34% (2012: 28,51%, 2011: 30%, 2010: 26,78%, 2009: 28% and 2008 and 2007: 27%) is based on historical volatility determined by the statistical analysis of daily share price movements over the past three years. |
| Expected dividends | The measurement of the fair value of the share appreciation rights did not take into account dividends, as no dividend payment was expected. A continuous dividend yield of 2,6% was used for the 2013 award (2012 award: 2,6%; 2011 award: 2,75%; 2010 award: 2,5%; 2009 award: 3,5% and 2008 and 2007 awards: 3,44%). |
| Weighted average share price | As above. |
| Expected early exercise | Early exercise is taken into account on an expectation basis. |
| Time constraints | Three years from grant date. |
| Performance (vesting) conditions | An increase in headline earnings per ordinary share as determined by the Remuneration Committee. Retesting of the performance condition is not allowed with effect from the 2010 award. |
| Non-market performance conditions | Growth in headline earnings per share. |
| Market performance conditions | No market conditions. |
| Weighted average remaining life: | |
| Expected | 2013 award: 74 months (2012 award: 62 months; 2011 award: 50 months; 2010 award: 38 months; 2009 award: 26 months; 2008 award: 13 months and 2007 award: 5 months). |
| Contractual | 84 months. |

EMPLOYEE SHARE INCENTIVE SCHEMES continued

Details of awards in terms of the company's share incentive schemes are as follows: continued

Long Term Incentive Plan 2005

Under the long term incentive plan, participating employees are granted conditional awards. These awards are converted into shares on the achievement of performance conditions over a performance period.

| Expiring three years from | Issue price Rand | Fair value Rand | Number of conditional awards 31 March 2013 | Conditional awards granted | Conditional awards settled | Conditional awards lapsed / forfeited | Number of conditional awards 31 March 2014 |
|---------------------------|------------------|-----------------|--|----------------------------|----------------------------|---------------------------------------|--|
| 31 May 2010 | 97,49 | 46,55 | 171 916 | | 25 787 | 146 129 | |
| 31 May 2011 | 90,42 | 40,54 | 202 238 | | | | 202 238 |
| 29 May 2012 | 110,21 | 47,69 | 341 489 | | | 2 557 | 338 932 |
| 29 May 2013 | 126,85 | 49,22 | | 555 092 | | 15 437 | 539 655 |
| | | | 715 643 | 555 092 | 25 787 | 164 123 | 1 080 825 |

The estimated fair value costing of these outstanding conditional share awards was determined using the Monte Carlo Simulation model and non-market performance conditions, based on the following significant inputs:

| | |
|-----------------------------------|---|
| Exercise price | The share price at grant date, as noted above. |
| Expected option life | 34 months (assume contractual plus a leaving percentage of 5%). |
| Expected dividends | The measurement of the fair value of the conditional share awards did not take into account dividends, as no dividend payment was expected. A continuous dividend yield of 2,6% was used for the 2013 award (2012 award: 2,6% and 2011 award: 2,75%). |
| Weighted average share price | As above. |
| Time constraints | Three years from grant date. |
| Performance (vesting) conditions | For the 29 May 2013 award, 25% of the award is subject to the TSR condition, 25% to the Return on Capital Employed (ROCE) condition, 25% to a Sugar Production condition and 25% is subject to the Bulk Land Deals condition. No retesting of the performance conditions is allowed. For the 29 May 2012 award, 25% of the award is subject to the TSR condition, 25% to the ROCE condition, 25% to a Sugar Production condition and 25% is subject to the establishment of a regulatory framework for Electricity in South Africa. For awards made up to 31 May 2011, 50% of the LTIP award is subject to the TSR condition and 50% is subject to the ROCE condition. No retesting of the performance conditions is allowed. |
| Non-market performance conditions | For the 29 May 2013 award, ROCE, Sugar Production and the Bulk Land Deals conditions. For the 29 May 2012 award, ROCE, Sugar Production and the establishment of a regulatory framework for Electricity in South Africa. For awards made up to 31 May 2011, ROCE. |
| Market performance conditions | Total shareholder return (TSR). |
| Weighted average remaining life: | |
| Expected | 2013 award: 26 months (2012 award: 14 months and 2011 award: 2 months). |
| Contractual | 36 months. |

REMUNERATION REPORT CONTINUED

EMPLOYEE SHARE INCENTIVE SCHEMES continued

Details of awards in terms of the company's share incentive schemes are as follows: continued

Long Term Incentive Plan 2005 - Retention Awards

Under the long term incentive plan, participating employees are granted conditional awards which are converted into shares after the required service period is completed.

| Expiring four years from | Issue price Rand | Fair value Rand | Number of conditional awards 31 March 2013 | Conditional awards granted | Number of conditional awards 31 March 2014 |
|-----------------------------|------------------------|-----------------------|---|----------------------------------|---|
| 31 May 2011 | 90,42 | 65,87 | 13 200 | | 13 200 |
| 14 November 2011 | 94,26 | 84,31 | 20 000 | | 20 000 |
| 28 November 2011 | 90,86 | 81,27 | 20 000 | | 20 000 |
| 16 November 2012 | 126,71 | 92,88 | 72 442 | | 72 442 |
| 11 March 2013 | 139,39 | 102,18 | 15 000 | | 15 000 |
| 29 May 2013 | 126,85 | 92,99 | | 99 205 | 99 205 |
| | | | 140 642 | 99 205 | 239 847 |

The estimated fair value costing of these outstanding conditional share awards was based on the following significant inputs:

| | |
|-----------------------------------|---|
| Exercise price | The share price at grant date, as noted above. |
| Expected option life | 46 months (assume contractual plus a leaving percentage of 5%) for the May 2011, 2012 and 2013 awards and 48 months (assume contractual plus a leaving percentage of 0%) for the November 2011 awards. |
| Expected dividends | The measurement of the fair value of the conditional share awards did not take into account dividends, as no dividend payment was expected. A continuous dividend yield of 2,6% was used for the May 2013 award (November 2012 and March 2013 awards: 2,6% and 2011 awards: 2,75%). |
| Weighted average share price | As above. |
| Time constraints | Four years from grant date. |
| Performance (vesting) conditions | There are no performance (vesting) conditions other than the passage of time. |
| Non-market performance conditions | No non-market conditions. |
| Market performance conditions | No market conditions. |
| Weighted average remaining life: | |
| Expected | 29 May 2013 award: 38 months (16 November 2012 award: 32 months; 11 March 2013 award: 35 months; 31 May 2011 award: 14 months; 14 November 2011 award: 19 months and 28 November 2011 award: 20 months). |
| Contractual | 48 months. |

EMPLOYEE SHARE INCENTIVE SCHEMES continued

Details of awards in terms of the company's share incentive schemes are as follows: continued

Deferred Bonus Plan 2005

Under the deferred bonus plan, participating employees purchase shares in the company with a portion of their after tax bonus. These pledged shares are held in trust by a third-party administrator for a qualifying period, after which the company awards the employee a number of shares in the company which matches those pledged shares released from the trust.

| Expiring three years from | Issue price Rand | Fair value Rand | Number of conditional awards at 31 March 2013 | Conditional awards granted | Conditional awards settled | Number of conditional awards at 31 March 2014 |
|---------------------------|------------------|-----------------|---|----------------------------|----------------------------|---|
| 1 June 2010 | 100,40 | 81,18 | 10 768 | | 10 768 | |
| 30 May 2011 | 93,35 | 71,30 | 37 885 | | | 37 885 |
| 30 May 2012 | 111,11 | 87,31 | 66 008 | | | 66 008 |
| 29 May 2013 | 126,85 | 100,49 | | 63 630 | | 63 630 |
| | | | 114 661 | 63 630 | 10 768 | 167 523 |

The estimated fair value costing of the outstanding deferred bonus share awards was based on the following significant inputs:

| | |
|-----------------------------------|--|
| Share price at grant date | The price at which the deferred bonus share is issued, as noted above. |
| Expected option life | 34 months (assume contractual plus a leaving percentage of 5%). |
| Expected dividends | The measurement of the fair value of the deferred bonus shares did not take into account dividends, as no dividend payment was expected. A continuous dividend yield of 2,6% was used for the 2013 award (2012 award: 2,6% and 2011 award: 2,75%). |
| Weighted average share price | As above. |
| Time constraints | Three years from grant date. |
| Performance (vesting) conditions | There are no performance (vesting) conditions other than the passage of time. |
| Non-market performance conditions | No non-market conditions. |
| Market performance conditions | No market conditions. |
| Weighted average remaining life: | |
| Expected | 2013 award: 26 months (2012 award: 14 months and 2011 award: 2 months). |
| Contractual | 36 months. |

The deferred bonus shares were purchased by the participating employees on 31 May 2013 in respect of the 2013 award. (2012 award purchased 30 May 2012 and the 2011 award purchased 30 May 2011).

REMUNERATION REPORT CONTINUED

EMPLOYEE SHARE INCENTIVE SCHEMES continued

Interest of directors of the company in share-based instruments

The Original Share Option Scheme

The option price and number of unexercised options after the unbundling of Hulamin were apportioned into a Tongaat Hulett component (Tonga Hulett) and a Hulamin component (Hulamin), as detailed in the 2007 Annual Report.

| Name of executive director | Expiring ten years from | Option price Rand Apportioned | | Fair value Rand Apportioned | | Number of options at 31 March 2013 | | Options exercised | | Options lapsed | Number of options at 31 March 2014 |
|----------------------------|-------------------------|-------------------------------|---------|-----------------------------|---------|------------------------------------|---------------|-------------------|---------------|----------------|------------------------------------|
| | | Tonga Hulett | Hulamin | Tonga Hulett | Hulamin | Tonga Hulett | Hulamin | Tonga Hulett | Hulamin | | |
| M H Munro | 14 April 2003 | 24,37 | 7,53 | 8,51 | 2,63 | | 4 900 | | 4 900 | | |
| | 1 October 2003 | 26,35 | 8,15 | 8,51 | 2,63 | 30 000 | 30 000 | 30 000 | 30 000 | | |
| | 21 April 2004 | 35,90 | 11,10 | 12,27 | 3,79 | 32 000 | 32 000 | 32 000 | | | 32 000 |
| | | | | | | <u>62 000</u> | <u>66 900</u> | <u>62 000</u> | <u>34 900</u> | | <u>32 000</u> |
| P H Staude | 21 April 2004 | 35,90 | 11,10 | 12,27 | 3,79 | | 28 000 | | | | 28 000 |

Share Appreciation Right Scheme 2005

The grant price and number of unexercised rights after the unbundling of Hulamin were apportioned into a Tongaat Hulett component (Tonga Hulett) and a Hulamin component (Hulamin) as detailed in the 2007 Annual Report.

| Name of executive director | Expiring seven years from | Grant price Rand | Fair value Rand | Number of rights at 31 March 2013 | | Rights granted | | Rights lapsed | Number of rights at 31 March 2014 | Performance condition and time constrained |
|----------------------------|---------------------------|------------------|-----------------|-----------------------------------|---------------|----------------|---------------|----------------|-----------------------------------|--|
| | | | | Tonga Hulett | Hulamin | Tonga Hulett | Hulamin | | | |
| M H Munro | 22 April 2006 | 96,09 | 18,11 | | 20 472 | | 20 472 | | | |
| | 20 August 2007 | 88,84 | 15,97 | 23 830 | | | | 23 830 | | |
| | 25 April 2008 | 92,74 | 16,93 | 25 807 | | | | 25 807 | | |
| | 22 May 2009 | 75,06 | 12,54 | 30 857 | | | | 30 857 | | |
| | 31 May 2010 | 97,49 | 20,00 | 23 638 | | | | 23 638 | | |
| | 31 May 2011 | 90,42 | 17,50 | 28 669 | | | | 28 669 | 28 669 | |
| | 29 May 2012 | 110,21 | 21,73 | 31 873 | | | | 31 873 | 31 873 | |
| | 29 May 2013 | 126,85 | 24,30 | | | 34 476 | | 34 476 | 34 476 | |
| | | | | <u>164 674</u> | <u>20 472</u> | <u>34 476</u> | <u>20 472</u> | <u>199 150</u> | | <u>95 018</u> |

EMPLOYEE SHARE INCENTIVE SCHEMES continued

Interest of directors of the company in share-based instruments continued

Share Appreciation Right Scheme 2005 continued

| Name of executive director | Expiring seven years from | Grant price Rand | Fair value Rand | Number of rights at 31 March 2013 | | Rights granted | | Rights lapsed | | Number of rights at 31 March 2014 | Performance condition and time constrained |
|----------------------------|---------------------------|------------------|-----------------|-----------------------------------|---------|----------------|---------|----------------|---------|-----------------------------------|--|
| | | | | Tongaat Hulett | Hulamin | Tongaat Hulett | Hulamin | Tongaat Hulett | Hulamin | | |
| P H Staude | 22 April 2006 | 96,09 | 18,11 | | 62 082 | | | 62 082 | | | |
| | 20 August 2007 | 88,84 | 15,97 | 71 073 | | | | | 71 073 | | |
| | 25 April 2008 | 92,74 | 16,93 | 75 720 | | | | | 75 720 | | |
| | 22 May 2009 | 75,06 | 12,54 | 91 120 | | | | | 91 120 | | |
| | 31 May 2010 | 97,49 | 20,00 | 74 289 | | | | | 74 289 | | |
| | 31 May 2011 | 90,42 | 17,50 | 87 397 | | | | | 87 397 | 87 397 | |
| | 29 May 2012 | 110,21 | 21,73 | 93 530 | | | | | 93 530 | 93 530 | |
| | 29 May 2013 | 126,85 | 24,30 | | | | 104 578 | | 104 578 | 104 578 | |
| | | | | 493 129 | 62 082 | 104 578 | 62 082 | 597 707 | 285 505 | | |

Long Term Incentive Plan 2005

| Name of executive director | Expiring three years from | Issue price Rand | Fair value Rand | Number of conditional awards at 31 March 2013 | Conditional awards granted | Conditional awards settled | Conditional awards lapsed | Number of conditional awards at 31 March 2014 | Performance condition and time constrained |
|----------------------------|---------------------------|------------------|-----------------|---|----------------------------|----------------------------|---------------------------|---|--|
| | | | | | | | | | |
| M H Munro | 31 May 2010 | 97,49 | 46,55 | 9 345 | | 1 402 | 7 943 | | |
| | 31 May 2011 | 90,42 | 40,54 | 11 384 | | | | 11 384 | 11 384 |
| | 29 May 2012 | 110,21 | 47,69 | 12 696 | | | | 12 696 | 12 696 |
| | 29 May 2013 | 126,85 | 49,22 | | 15 709 | | | 15 709 | 15 709 |
| | | | | 33 425 | 15 709 | 1 402 | 7 943 | 39 789 | 39 789 |
| P H Staude | 31 May 2010 | 97,49 | 46,55 | 29 475 | | 4 421 | 25 054 | | |
| | 31 May 2011 | 90,42 | 40,54 | 34 829 | | | | 34 829 | 34 829 |
| | 29 May 2012 | 110,21 | 47,69 | 39 355 | | | | 39 355 | 39 355 |
| | 29 May 2013 | 126,85 | 49,22 | | 47 660 | | | 47 660 | 47 660 |
| | | | | 103 659 | 47 660 | 4 421 | 25 054 | 121 844 | 121 844 |

REMUNERATION REPORT CONTINUED

EMPLOYEE SHARE INCENTIVE SCHEMES continued

Interest of directors of the company in share-based instruments continued

Deferred Bonus Plan 2005

| Name of executive director | Expiring three years from | Issue price Rand | Fair value Rand | Number of conditional awards at 31 March 2013 | Conditional awards granted | Conditional awards delivered | Number of conditional awards at 31 March 2014 | Conditional awards time constrained |
|----------------------------|---------------------------|------------------|-----------------|---|----------------------------|------------------------------|---|-------------------------------------|
| M H Munro | 1 June 2010 | 100,40 | 81,18 | 979 | | 979 | | |
| | 30 May 2011 | 93,35 | 71,30 | 3 492 | | | 3 492 | 3 492 |
| | 30 May 2012 | 111,11 | 87,31 | 5 493 | | | 5 493 | 5 493 |
| | 29 May 2013 | 126,85 | 100,49 | | 4 821 | | 4 821 | 4 821 |
| | | | | 9 964 | 4 821 | 979 | 13 806 | 13 806 |
| P H Staude | 1 June 2010 | 100,40 | 81,18 | 3 272 | | 3 272 | | |
| | 30 May 2011 | 93,35 | 71,30 | 10 856 | | | 10 856 | 10 856 |
| | 30 May 2012 | 111,11 | 87,31 | 17 090 | | | 17 090 | 17 090 |
| | 29 May 2013 | 126,85 | 100,49 | | 14 720 | | 14 720 | 14 720 |
| | | | | 31 218 | 14 720 | 3 272 | 42 666 | 42 666 |

The deferred bonus shares were purchased by the participating employees on 31 May 2013 in respect of the 2013 award. (2012 award purchased 30 May 2012 and the 2011 award purchased 30 May 2011).

The share awards were made and exercised at various times and the average share price for the period was R121,32 (2013: R130,03).

 The gains made by directors are reflected on page 71 of the Remuneration Report.



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