REMUNERATION REPORT

SECTION 1: LETTER FROM THE REMUNERATION AND NOMINATION COMMITTEE CHAIRS AND BACKGROUND STATEMENT

Dear Shareholders

The Remuneration and nominations committee (RNC) is tasked by the board to independently approve and oversee the implementation of a remuneration policy that will support the achievement of the Group's strategy and grow stakeholder value on a sustainable basis. The policy seeks to enable the attraction and retention of skilled resources and results in rewards that are aligned with shareholder interests.

The committee has adopted a formal charter, supporting the board to ensure that reward practices and procedures exist that will attract and retain talented employees, executive directors and top management to successfully lead the Group into the future through appropriate remuneration and incentive packages.

The committee and the chair's performance is assessed annually. In June 2019 this took the form of a self-assessment questionnaire whilst in June 2018, Omnia appointed the Institute of Directors in Southern Africa (IoDSA) to facilitate an independent board appraisal. Each of the evaluations confirms that the board's composition of both long-serving and new directors has the potential to serve Omnia well. The long-term tenure and independence of directors have been the subject of increased scrutiny.

Overall the committee was assessed as effective

Given the nature of its responsibilities, it is important to ensure that RNC members have specific skills and expertise in human resources and remuneration, including the right depth of experience and independence to ensure the functioning of the committee. The composition and independence of RNC are critical.

In the year, there were various changes to the board, which are described in more detail in the governance section. Some of these changes impacted the membership of RNC. From 25 June 2019 Mr Havenstein retired as chair and Ms Thoko Mokgosi-Mwantembe was appointed as chair of RNC. She brings valuable technical and management skills as well as experience from various industries. We look forward to the new leadership and the wealth of knowledge she will bring to the committee.

The Group has fully complied with the FY2019 remuneration policy without any deviation. The application of discretion by the RNC to pay no bonuses, despite the STI policy permitting some payments due to the achievement of non-financial conditions, was contained in the FY2019 policy and the contractual arrangements with management.

The RNC is satisfied that the implemented remuneration policy achieved its stated objectives for FY2019

In terms of the JSE Listings Requirements, shareholders are required to cast a non-binding advisory vote on the remuneration policy and implementation as presented in this report. Voting results on Omnia's remuneration policy at the FY2018, FY2017 and FY2016 AGMs were as follows:

Remuneration policy	Votes for	Votes against	Votes abstained
20 September 2018	74.86%	25.14%	0.05%
29 September 2017	63.73%	36.27%	0.06%
22 September 2016	78.88%	21.12%	2.41%

Implementation report	Votes for	Votes against	Votes abstained
20 September 2016	75.98%	24.02%	0.05%

As shareholders representing more than 25% of the issued shares voted against the remuneration policy presented in the FY2018 IAR, and in line with the requirements of King IV, management undertook to engage with these shareholders and to review the policy. A SENS statement was published on 20 September 2018 with the results of the AGM, inviting shareholders to engage with the company secretary. The board chair and the remuneration committee chair had meetings with institutional shareholders with significant shareholdings during July 2019 to discuss the proposed approach for FY2020.

The main themes from this feedback and our response are tabulated below.

SHAREHOLDER FEEDBACK

SHORT TERM INCENTIVES

SHAREHOLDER FEEDBACK		OMNIA'S RESPONSE
Too much focus on income statement and cash flow and not enough on balance sheet measures.	BALANCE SHEET	The company is comfortable that the EBITDA and cash flow targets reflect short-term balance sheet health. Cash flow is critical as part of the "stabilise and Fix" strategy of FY2020.
EBITDA as an STI target is a concern - it encourages investments at any cost to boost EBITDA.	EBITDA TARGETS	EBITDA targets will be adjusted accordingly to reflect any acquisitions or divestments.
A preference was expressed for some relativity in HEPS growth targets.	HEPS TARGETS	There are no direct comparators for the Company, but using appropriate sectoral and country GDP and CPI measures provides a degree of relativity.
Concern that targets won't be stretched and will be realigned given poor recent performance results.	STRETCH TARGETS	Thresholds are based on a significant improvement from current levels and achieving acceptable long run profitability, returns and healthy gearing in line with market guidance provided and corporate finance best practice. These represent a significant stretch from current levels.
Regular non-payment of STIs could result in a loss of key skills and talent	STI's	Retention awards for key talent will be considered while balancing this cost against identified retention risks.

LONG TERM INCENTIVES

SHAREHOLDER FEEDBACK		OMNIA'S RESPONSE
No new shares or treasury shares should be issued in settlement of the new share plan.	SHARE PLAN	Shares will be purchased in the market to settle awards under the new share plan.
The issuing of new share awards will be premature.	SHARE ISSUE	The company will only consider initial grants under the new share plan when the board is comfortable that the financial position and the share price has stabilised.
Although provided for, the cost of the Sakhile settlement obligations is a concern.	SAKHILE	This is being considered, along with shareholders' and employees' requirements; this conclusion will be disclosed once an optimal approach has been determined.
The exclusion of capital expenditure for growth from the Cumulative Free Cash Flow LTI metric.	CAPITAL EXPENDITURE	Best market practice is to persist with this approach, albeit at the risk of being penalised for performing growth projects. This must be balanced with a commensurate increase in both EBITDA and future cash flow targets that provide returns in excess of cost of capital.

OTHER MATTERS

SHAREHOLDER FEEDBACK		OMNIA'S RESPONSE
Investors supported the new minimum shareholding targets, but would like levels to be higher.	SHAREHOLDING TARGETS	This is an initial step, to be reviewed. It is in line with current South African market norms (outside the Financial Services sectors).

IMPACT OF BUSINESS PERFORMANCE ON FY2019 REMUNERATION

As reflected in this integrated annual report, Omnia delivered a disappointing financial performance for the year, although this was offset by an improvement in key operational and sustainability metrics.

With this background:

- ✕ The committee applied its discretion and decided that no bonuses should be paid for FY2019
- ✕ Executive increases are below inflation, except where an incumbent's pay is below the median
- ✕ None of the management share plans are likely to be paying out in current circumstances

THE CHANGES IN FY2019 AND THE FOCUS AREAS FOR FY2020

As a result of feedback received in the prior year, an ongoing review of our remuneration policy and the most recent engagements, the changes that we implemented in FY2019 and the focus areas for FY2020 are as follows:

RNC FOCUS AREAS

FY2019

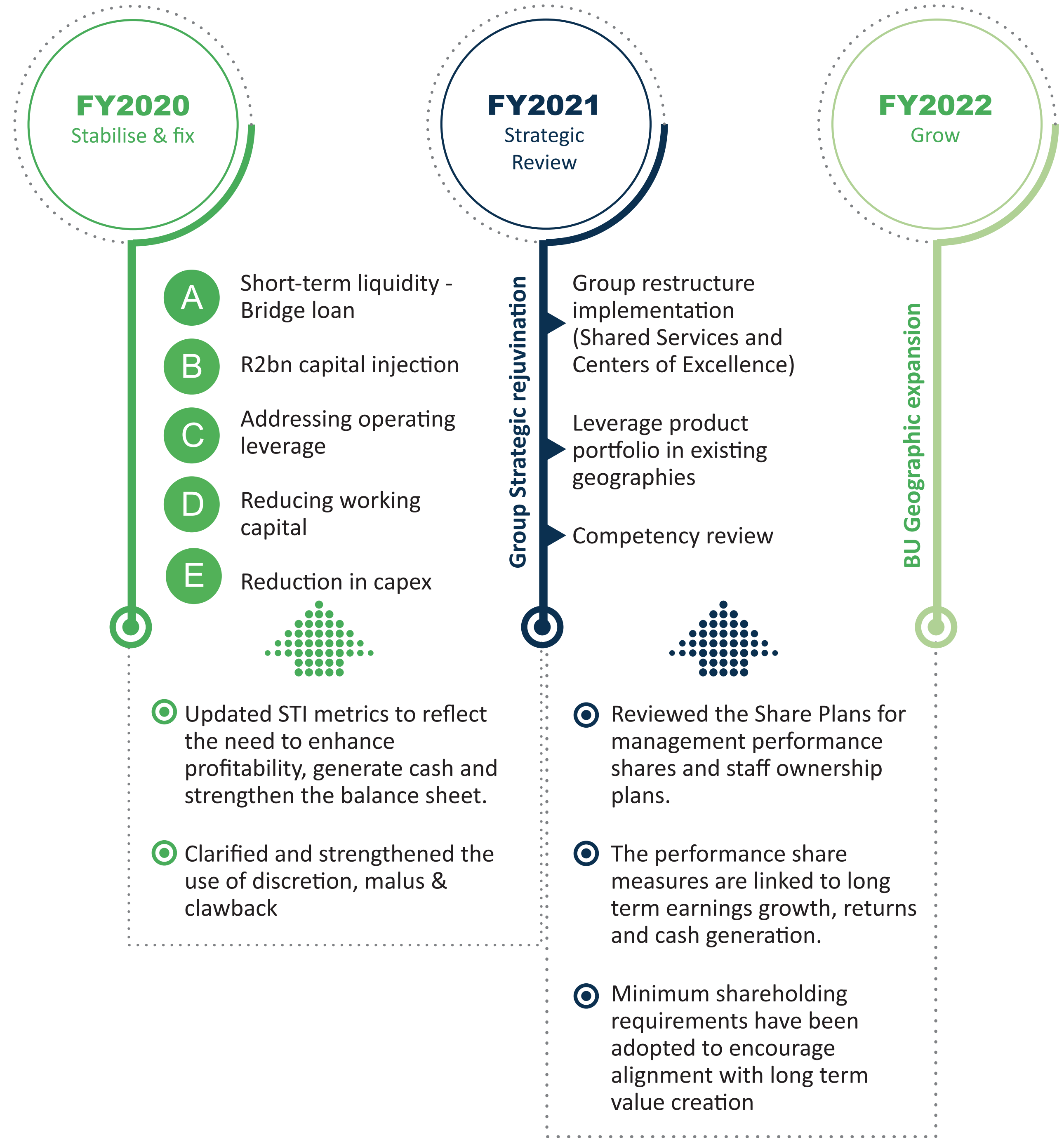
- Committee's charter and extended scope aligned to King IV good corporate governance principles
- Remuneration policy reviewed and STI scheme updated
- Two independent non-executive directors appointed
- Group finance director appointed

FY2020

- Performance management system
- Succession planning for key roles
- Enhancing HR capabilities
- STI performance measures further refined
- Review of management and staff ownership share plans
- Malus and clawback policy further refined
- The introduction of minimum shareholding requirements

REMUNERATION REPORT CONTINUED

The diagram below indicates how some of these changes and enhancements are intended to support our short-term and longer term business strategy:



USE OF INDEPENDENT ADVISORS

During the year, Omnia utilised the services of Bowman Gilfillan to advise on a review of the remuneration policy for FY2020 including the design of a new share plan. The services of Deloitte (Agriculture division), PwC (Mining and Group) and 21st Century Pay Solutions (executives) were also utilised to benchmark employees' remuneration packages to ensure alignment to market rates. The committee is satisfied that the independent advisors engaged during the year provided independent, unbiased advice and remained objective throughout the engagement process and that all decisions taken based on the input received were recommended by management and approved by the committee.

Ralph Havenstein
Outgoing RNC chair

Thoko Mokgosi-Mwantembe

Thoko Mokgosi-Mwantembe
Incoming RNC chair

SECTION 2: OMNIA'S REMUNERATION PHILOSOPHY AND POLICY

REMUNERATION PHILOSOPHY

Omnia's remuneration philosophy defines how its remuneration practices seek to be fair, responsible, transparent and compliant with legislative requirements within all the jurisdictions in which the Group operates. Furthermore, it seeks to encourage and reward long-term sustainable performance that is aligned to the Group's strategy as well as ensure the achievement of the desired culture across the Group. The key elements of the remuneration strategy and policy are listed in this section.

GUIDING PRINCIPLES

Omnia's strategy, vision, business model, culture, targets and objectives have been defined. The Group's strategy has been developed by exco and management and approved by the board. Management is responsible for delivering against this mandate and managing the business on a day-to-day basis to achieve the stated objectives. Overall, this feeds into the evaluation of performance against a set of broadly pre-determined metrics that forms part of the remuneration cycle. All employee-related processes from recruitment to monitoring performance against agreed metrics have been accordingly aligned. Our remuneration philosophy is driven by the following guiding principles and remuneration is designed in such a way as to:

Foster alignment with Omnia's vision, strategic objectives and shareholder interest	Ensure that the remuneration of executive management is fair and responsible in the context of overall employee remuneration	Drive long-term sustainable performance incorporating critical financial and non-financial drivers
Manage risk and liability and be fiscally responsible	Promote an ethical culture and responsible corporate citizenship	Promote responsible business practices incorporating health and safety; environment and governance principles
Fair remuneration that is externally competitive and internally equitable	Motivate and reward the right behavior and performance of employees and executives	Provide competitive rewards to attract, motivate and retain highly skilled executives and employees vital to the success of the organisation

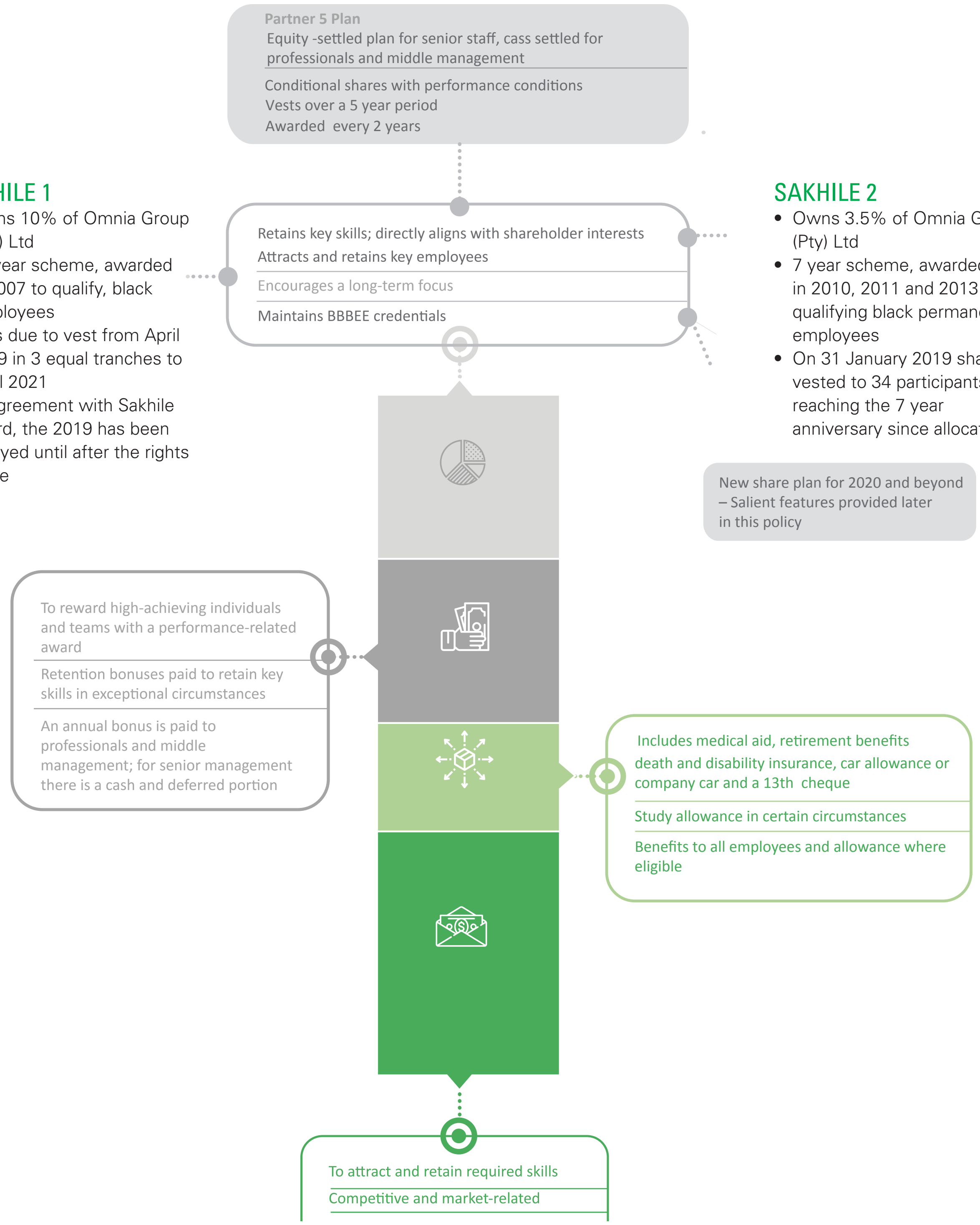
REMUNERATION ELEMENTS

SAKHILE 1

- Owns 10% of Omnia Group (Pty) Ltd
- 12 year scheme, awarded in 2007 to qualify, black employees
- Was due to vest from April 2019 in 3 equal tranches to April 2021
- In agreement with Sakhile board, the 2019 has been delayed until after the rights issue

SAKHILE 2

- Owns 3.5% of Omnia Group (Pty) Ltd
- 7 year scheme, awarded in 2010, 2011 and 2013 to qualifying black permanent employees
- On 31 January 2019 shares vested to 34 participants reaching the 7 year anniversary since allocation



Omnia's remuneration policy is available online at **www.omnia.co.za**

Refer to note 26 to the annual financial statements for further disclosure regarding the various share incentive schemes

Fair and responsible pay

Omnia is committed to gender equality, and the attention is to pay men and women equally for equivalent roles. Job positions are benchmarked to the market and industry and paid accordingly.

The role of benchmarking

Market competitiveness and best practice remain fundamental elements of Omnia's reward strategy. Annual reviews of Omnia's remuneration practices, policies and processes are conducted to ensure that it is in line with best practice. Also, peer group comparisons using public information and customised surveys conducted by leading consulting groups, are also undertaken on an annual basis. These reports enable Omnia to benchmark its remuneration practices, which include guaranteed pay, short-term and long-term variable incentives for executive and senior managers in the Group as well as the non-executive directors.

According to the annual surveys, Omnia's guaranteed packages for senior managers are aligned with levels below the median of the comparator organisations that participated in the survey. In terms of total remuneration, Omnia aligns with levels close to the upper quartile of the comparator group. This is in line with the Group's policy of a lower guaranteed portion and higher short-term incentives if justified by meeting the relevant performance criteria.

SHORT-TERM INCENTIVES

The scheme is designed to incentivise Group, divisional, inter-divisional and individual performance and is payable in cash at the end of June each year. The Group's STI targets and weightings are determined annually by the RNC and are after that approved by the board. The divisional targets are based on the Group targets and are agreed with Exco and divisional management.

STI performance measures	FY2019		FY2020	
Key performance area	**Measure**	**Weight**	**Measure**	**Weight**
Financial metrics	**Headline earning growth** **Return on invested capital**	**40%** **10%**	EBITDA Cash flow[1]	40% 30%
Operational metrics	**Net working capital as % of revenue** **Cash opex savings against budget**	**5%** **10%**		
Sustainability metrics	**Recordable case rate (RCR)** **Fire, explosions and release (FER)** **BBBEE** **Improvement in the culture score** **Improvement in employee engagement**	**6%** **5%** **3%** **3%** **3%**	Diversity and inclusion Safety multipliers as below*[2]	10%
Strategic initiatives	**Strategic initiatives**	**15%**	Strategic initiatives	20%
		100%		100%

[1] Divisional targets are based on return on net controlled assests.
[2] X safety multiplier (90% – 105%)

The targets and actual achievement for FY2019 are disclosed in the Remuneration Implementation Report. The thresholds for the FY2020 financial measures are closely aligned. The EBITDA targets will be adjusted to reflect any acquisitions or divestments.

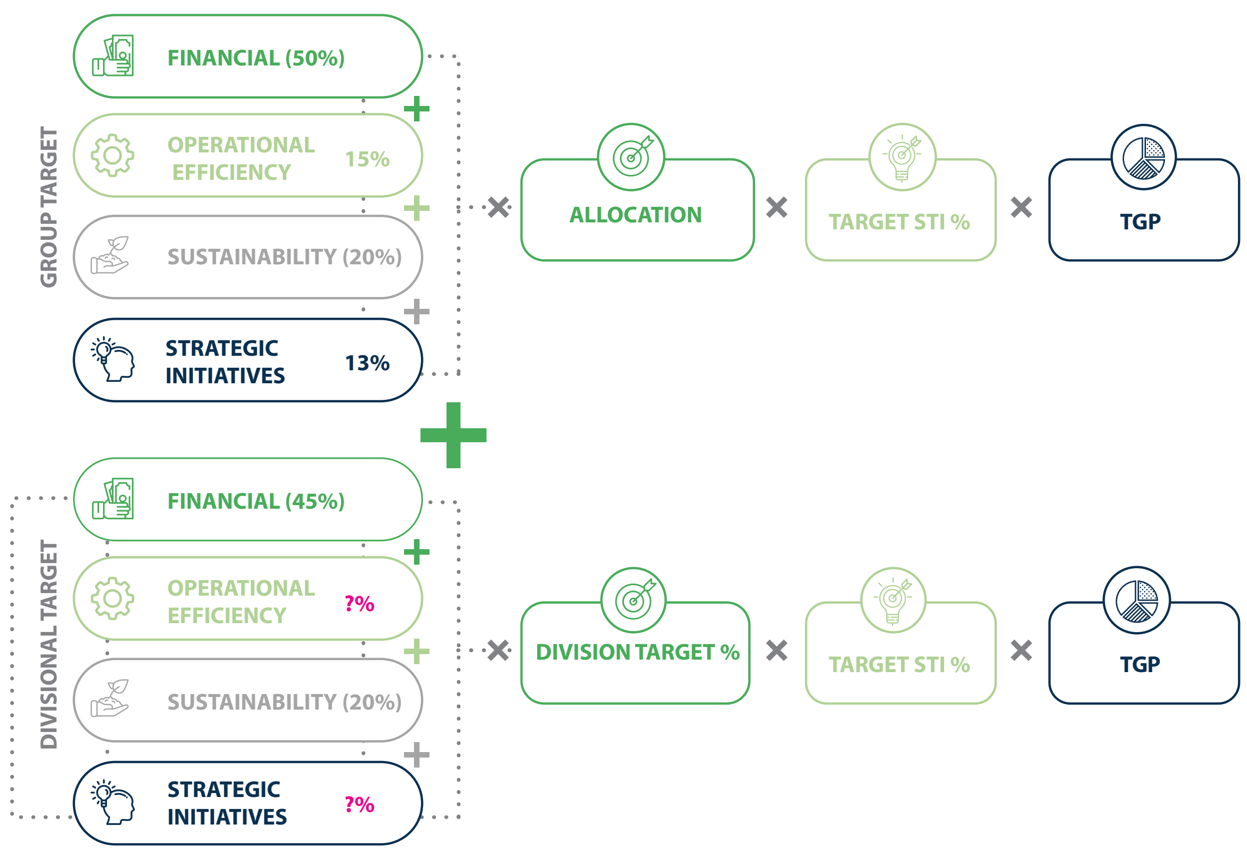
STI bonus percentages and weighting allocations

The table below reflects the STI bonus allocations per employee level if the threshold, on-target and stretch targets are met, as well as the weighting between Group and Divisional measures. This policy was in place for the FY2019 year and has not been changed for the FY2020 year, although the performance measures have been updated.

Group vs Divisional weighting	On-target	Stretch
Group MD	100%	200%
Group FD	100%	200%
Group corporate executives	60%	120%
Divisional MDs	75%	150%
Divisional Management	50%	100%

Group vs Divisional weighting	Group	Division
Group MD, FD and corporate executives	100%	0%
Divisional MDs	60%	40%
Divisional Management	40%	60%

STI FORMULA FOR FY2019



The STI formula for FY2020 will be similar but the measures and weightings for the company performance modifier will be updated in line with the new STI measures.

Acknowledgement of personal performance

Total remuneration (TGP plus variable) is benchmarked continuously and for individuals with exceptional personal performance, a benchmark closer to the 75th percentile is utilised. STIs are not awarded to individuals with poor performance.

Use of discretion in respect of STI awards

The RMC is permitted to apply its discretion to reduce any short-term incentives payments, having due regard to the balance between fairness to employees and other stakeholder interests, and will apply this discretion in the case that any of the financial measures are materially below the threshold, as well as in the case of unacceptable safety outcomes, particularly in the case of fatalities or outcomes significantly below the thresholds for the year, and major environmental incidents, or events causing significant harm to the reputation of Omnia.

REMUNERATION REPORT CONTINUED

LONG-TERM INCENTIVES

Historical management share awards: The "Partner 5" plan

The main elements of the Partner 5 plan are summarised in the graphic depicting the remuneration elements. The status of the three tranches comprising this plan, vesting over five year periods, and awarded every two years are summarised below:

- Tranche 1, covering the period 1 April 2014 to 31 March 2019, which didn't vest
- Tranche 2, covering the period 1 April 2016 to 31 March 2021, which is unlikely to vest
- Tranche 3, covering the period 1 April 2018 to 31 March 2023, was not awarded

Performance targets for the Partner 5 awards

		Targets per vesting %			
Measure	**Weighting**	Threshold – 25%	Target – 100%	Stretch – 125%	Maximum – >125%
		Tranche 1			
EPS	80%	4% compound real growth	8% compound real growth	12% compound real growth	>12% compound real growth
ROE (including FCTR in equity)	20%	7% average real return	11% average real return	15% average real return	>15% average real return
		Tranche 2			
EPS	80%	3% compound real growth	6% compound real growth	10% compound real growth	>10% compound real growth
ROE (including FCTR in equity)	20%	7% average real return	11% average real return	15% average real return	>15% average real return

Long-term share incentives and ownership plan for FY2020

The remuneration committee has reviewed the current long-term incentives and ownership plan structures and has determined that a new plan should be adopted to reflect local and global developments in share plan practices.

The objectives of the new plan are to simplify the plans and provide improved alignment with shareholder objectives, while ensuring pay for performance for executives and management and clear, effective ownership awards to the rest of our staff.

The RNC has reviewed the share plan policy, and a new plan to provide for performance awards to management and ownership awards for staff will be implemented when the financial position of the Group and the share price have stabilised.

The new plan is intended to operate as follows:

- The plan is based on regular annual awards of conditional or forfeitable shares, which vest after three years and must be held for a further two years
- The following types of awards can be made based on the same fundamental instrument:
  - Performance share awards – to executives and management
  - Ownership awards – to workers and supervisory staff, to comprise a new generation Employee Stock Ownership Plan (ESOP)
  - Sign-on awards, to compensate employees for amounts forfeited when leaving the previous employer
  - Deferred bonus awards, to use in the case of bonus deferrals of STIs
  - Retention awards – the key talent below the executive committee level
- Shares to settle the awards will be procured in the market
- The provisions for termination of employment, change of control and corporate transactions are in line with best practice and the King IV guidelines

Performance targets for the new performance share awards

Measure	Weighting	
HEPS growth	40%	The threshold for the first year will reflect a credible recovery from the current levels, after that targets will be based on growth at a premium to CPI + GDP
Return on capital	30%	A premium to the Weighted Average Cost of Capital (WACC)
Cumulative free cash flow	30%	Based on the three-year cash flow forecast

Award policy for the new performance share awards

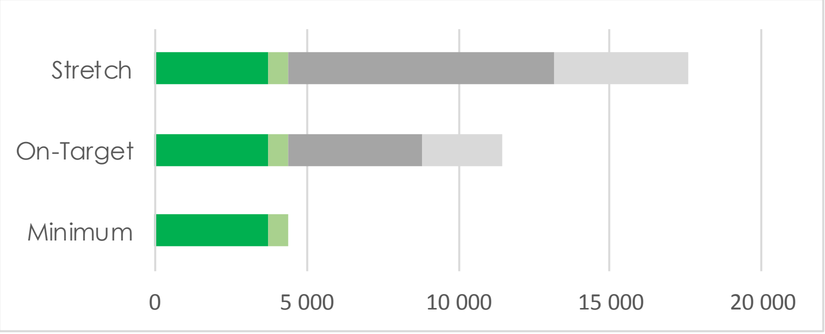
Awards will only be made when the financial position of the Group and the share price have stabilised and awards may need to be reduced to meet the constraint of not awarding more than 1% of the issued shares in any year. The award policy will be based on market benchmarks of at-grant, annualised, on-target values.

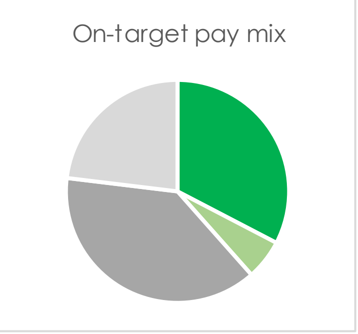
REMUNERATION SCENARIOS AT DIFFERENT PERFORMANCE LEVELS

The graphs below depict the pay mix of the Group MD and FD and the average for the prescribed officers in line with the FY2020 remuneration policy. The graphs represent outcomes of the STI and LTI at below threshold performance.

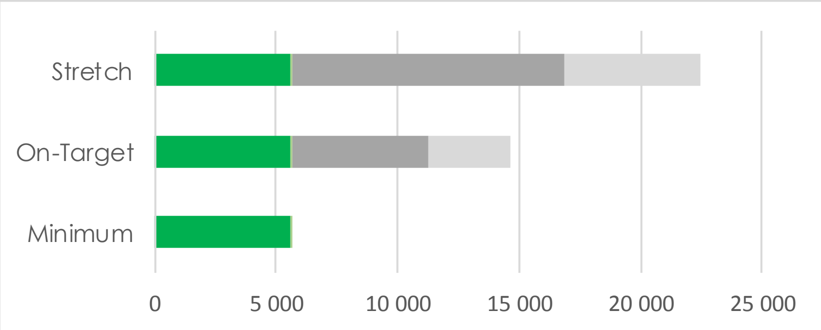
Adriaan de Lange						
(R'000)	**Minimum**		**On-target**		**Stretch**	
• Salary	3 731		3 731		3 731	
• Retirement savings and benefits	665		665		665	
Guaranteed pay	4 396	100%	4 396	100%	4 396	100%
• Short-term incentives	–	–	4 396	100%	8 791	200%
• Long-term incentives*	–	–	2 637	60%	4 396	100%
Total remuneration	4 396		11 428		17 582	

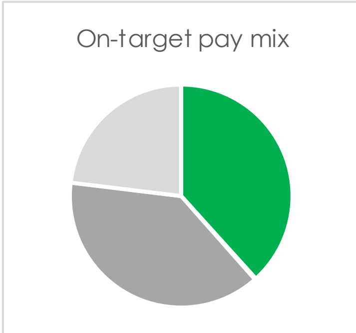
*Long-term incentives will only be made if the financial position and the share price stablise and the awards may be reduced to meet the 1% annual award constraint.



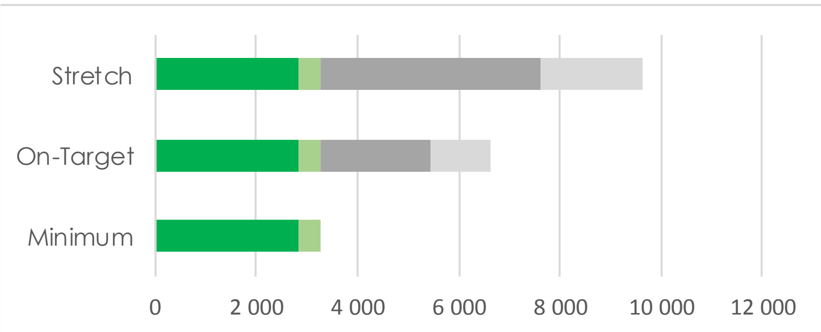


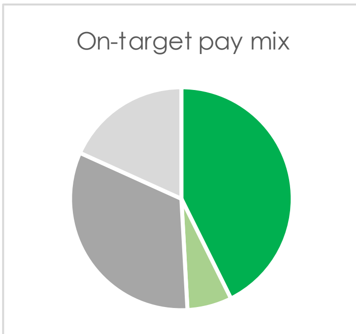
Seelan T Gobalsamy						
(R'000)	**Minimum**		**On-target**		**Stretch**	
• Salary	5 596		5 596		5 596	
• Retirement savings and benefits	25		25		25	
Guaranteed pay	5 621	100%	5 621	100%	5 621	100%
• Short-term incentives	–	–	5 621	100%	11 241	200%
• Long-term incentives*	–	–	3 372	60%	5 621	100%
Total remuneration	5 621		14 613		22 482	





Average for the prescribed officers						
(R'000)	**Minimum**		**On-target**		**Stretch**	
• Salary	2 836		2 836		2 836	
• Retirement savings and benefits	430		430		430	
Guaranteed pay	3 266	100%	3 266	100%	3 266	100%
• Short-term incentives	–	–	2 170	66%	4 339	133%
• Long-term incentives*	–	–	1 213	37%	2 022	62%
Total remuneration	3 266		6 649		9 628	





**The long term incentives will only be made if the financial position and the share price stablise, and the awards may be reduced to meet the 1% annual award contraint.*

- Assuming all metrics achieved at the applicable category (maximum, stretch, on target, threshold and below threshold)
- The LTI values are based on the at-grant, on-target values for the regular annual awards based on the new share plan award, when implemented

Malus and clawback

The RNC may determine that any cash bonus, vested shares, or their equivalent value in cash, that have vested or been settled within a three-year period, be returned to the Group or may determine that any unvested award or part of an award may not vest in the event that any of the following matters is discovered:

- A material misstatement of the Group's results which may have caused the over-allocation of cash bonus or shares in as part of the long-term incentive plan
- Where there is an error in the calculation of any performance condition used in the calculation of the performance conditions which may have resulted in an incorrect payment or award
- Material regulatory breaches, especially in the case of events affecting the environment and communities
- Unacceptable safety outcomes, especially in the case of fatalities, or where safety outcomes are significantly below the thresholds for the year and management is deemed responsible for this outcome
- Gross misconduct or behaviour bringing the company into disrepute

Minimum shareholding requirement

A minimum shareholding requirement has been adopted by the Group with effect from FY2020. The policy requires that the executive directors of the company build up their personal shareholding of vested, unhedged shares in the company to the following target levels over a specified period.

- 2 x guaranteed pay for the group managing director
- 1 x guaranteed pay for executive directors

Current executive directors will be required to build up the target shareholding over the next five years, by 31 July 2024. Executive directors that are appointed in the future will be required to build up the target shareholding over the five years following their date of appointment. Shares can be sourced from pledge and holding of shares from short-term and long-term incentives that are about to be paid or vest, and from own resources.

Contracts and restraints of trade

Executives have permanent contracts of employment. The notice periods applicable are:

Role	Notice period	Restraint of trade
Group managing director	Six calendar months	Three years
Group finance director	Six calendar months	One year
Prescribed officers	Three calendar months	Vary between one to three years

Typically, the restraints of trade restrict incumbents from competitive activities in the manufacture, marketing, distribution and sale of fertilizer, explosive materials and chemicals and any other products manufactured, marketed or sold by the Group. Termination payments are in line with contractual obligations, prevailing law and the share plan.

NON-EXECUTIVE DIRECTOR FEES

Chair

The chair's fee of R1 200 000 (excluding VAT) (previously R1 800 00) is proposed for the period 1 October 2019 until 30 September 2019 in the notice of meeting of the AGM on 27 September 2019 for approval by shareholders.

The chair of the board receives a combination of a fixed annual fee as well as variable hourly rate fee for ad hoc services completed. The fixed fee covers attendance to board and sub-committee meetings and is based on a minimum attendance to meetings, failing which a proportionate deduction will be applicable.

The variable fee is designed to compensate the chair for his involvement throughout the Group on non-board specific related work and his contribution to the successful development and growth of the Group. Ad hoc services may include:

- Attending divisional board meetings
- Represents the board at Omnia's investment committee where investment opportunities and large capital projects are discussed
- Site visits as required, to gain an understanding of newly acquired or developed businesses or production plants constructed
- Engaging with Group executives on strategic and board matters
- Attending the Group's annual business and budget planning presentation sessions
- Engaging with stakeholders where appropriate and requested

The other non-executive directors review the chair's fee on an annual basis for a proposal to shareholders at the AGM, for approval. In reviewing the annual fee, due cognisance is given not only to comparative public information on the remuneration of chairs.

Other non-executive directors

Other non-executive directors (NEDs) are remunerated according to their scope of responsibility and contribution to the Group's operating and financial performance, considering industry norms as well as the external market and benchmarks. Consequently, fees are set at levels to attract and retain high-calibre and professional directors to ensure that the board has the necessary skills required to execute on its mandate. NEDs do not receive short-term incentives, nor do they participate in LTI plans.

NEDs are paid a fixed annual fee in respect of their board membership, as well as supplementary fees for committee membership and an additional committee fee for the formally scheduled board and committee meetings that do not form part of the annual calendar of meetings. Actual fees and the fee structure are reviewed annually.

Proposed non-executive directors' fees for the forthcoming year

Activity	Number of meetings	Current fee	Proposed fee
Main board	6 – 8	R398 000 per annum	R398 000 per annum
Main board related ad hoc meetings	n/a	R2 849 per hour	R2 849 per hour
Subsidiary board meetings attended by invitation	n/a	R21 200 per meeting	R21 200 per meeting
Subsidiary board and committee-related ad hoc meetings	n/a	R2 240 per hour	R2 240 per hour
Remuneration and nomination committee	4	R102 000 per annum	R102 000 per annum
Remuneration and nomination committee chair	4	R178 000 per annum	R178 000 per annum
Social, ethics and risk committee	3	R79 000 per annum	R79 000 per annum
Social, ethics and risk committee chair	3	R138 000 per annum	R138 000 per annum
Audit committee	5	R175 000 per annum	R175 000 per annum
Audit committee chair	5	R307 000 per annum	R307 000 per annum

Annual fees are based on a minimum attendance to meetings, failing which a proportionate deduction will be applicable. There will be no increase in the directors' fees in the next year. All fees exclude VAT.

During the year, the RNC reviewed surveys from independent third parties: Institute of Directors Southern Africa and PwC and also conducted a review of nine other listed entities to determine whether the non-executive director fees presented to shareholders for approval were in line with market trends, allowing the Group to attract and retain the necessary skills and expertise and was satisfied that the fees were in line.

SECTION 3: IMPLEMENTATION REPORT

This section discloses the implementation of the remuneration policy by providing details of the remuneration paid to executives and non-executive directors for the financial year ended 31 March 2019.

GUARANTEED PAY ADJUSTMENTS

Taking into consideration the prevailing market conditions, affordability, shareholders' expectations and performance, an average increase of 6% to guaranteed remuneration packages of executives and management were made during FY2019.

Executive directors	FY2019 R	FY2018 R	% increase/ (decrease)
Adriaan de Lange[1]	**3 882 000**	3 191 000	22[2]
Wayne Koonin	**5 382 000**	5 239 000	3
Seelan Gobalsamy[3]	**2 690 000**	–	–

[1] Appointed as Group managing director from 1 June 2017
[2] FY2019 guaranteed package as Group managing director for a period of 12 months (FY2018: 10 months)
[3] Appointed as Group finance director from 1 March 2019 and includes R2.2 million sign on bonus.

The substantial increase in the Group MD's remuneration in FY2019 reflects the portion of the year in the role (10 months in FY2018 compared to 12 months in FY2019), the conservative level of remuneration applied on appointment compared to the median benchmark and an increase above inflation due to his growing experience in the role.

Wayne Koonin resigned as Group finance director on 28 February 2019 and Seelan Gobalsamy was appointed in his place from 1 March 2019. The remuneration impacts for Wayne and Seelan were as follows:

- Wayne Koonin received the standard payments as per policies currently in place:
  - All benefits received terminated as at 28 February including retirement fund and medical aid membership
  - All vacation leave due was paid out
  - No bonuses were paid
  - He received an exit package of R8 367 557 included in "other" which consited of notice pay, leave pay termination benefits.
  - He exercised all vested shares prior to his last day of work. All unvested shares lapsed, as per the rules of the scheme
- Seelan Gobalsamy was appointed on the following terms:
  - Basic annual salary of R5 595 972
  - Medical aid cover and retirement benefit membership of R75 510
  - Sign-on bonus of R2 200 000
  - R219 996 allowances, including travel allowance

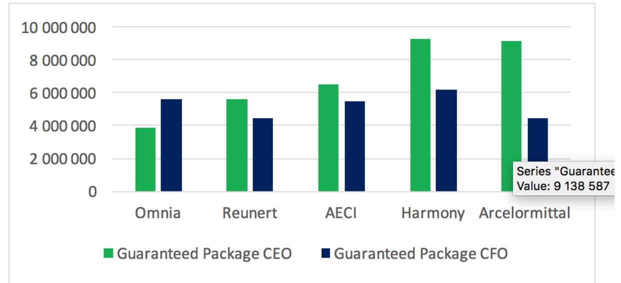
The guaranteed pay adjustments in FY2020 for the executive directors and prescribed officers are tabulated alongside. Mr de Lange and Mr de Villier's increases in FY2020 are above inflation because his guaranteed package is still significantly below the market median of R6.1 million for the MD role.

R'000	FY2019	FY2020	FY2020 increase
Executive directors			
Adriaan de Lange	**3 882**	4 396	13%
Seelan Gobalsamy	**490**	5 621	[1]
Wayne Koonin	**5 382**	–	n/a
Prescribed officers			
Jacques de Villiers	**2 325**	2 617	13%
Funani Mojono	**4 279**	4 454	4%
Joe Keenan	**5 760**	5 992	4%
Jan Vermaak	**2 678**	2 851	6%
Michelle Nana	**1 998**	2 076	4%
Khabo Ramoupi	**2 630**	–	[2]
Anusha Teeruth	**2 061**	–	[3]
Total	**31 485**	27 942	

[1] FY2019 included salary from 1 March 2019 and FY2020 salary for full 12 months
[2] Resigned 10 May 2019
[3] Resigned 30 April 2019

Benchmarking of total guaranteed package

Executive remuneration is benchmarked annually against a peer group. In the year, 21st Century Pay Solutions, an independent firm, conducted a review of the executive director's guaranteed packages based on survey data. The graph below summarises how Omnia's executive directors' guaranteed packages compare to its publicly disclosed comparators.



Unionised staff, general staff, management and executive average salary increases

Higher earning employees receive lower increases than lower-level employees, to assist in lowering the gap between the different levels. This has been the practice for the past few years. Illustrated below are the average percentage increases awarded during FY2018 and FY2019 to executives, management, general staff and unionised staff.

FY2019 average salary increases
(%)

FY2018 average salary increases
(%)

The RNC is satisfied that appropriate salary adjustments were implemented to place Omnia's remuneration levels in line with the market, following best practice and its remuneration philosophy.

STI PERFORMANCE OUTCOMES FOR FY2019

The table below shows that although all the financial targets were missed, there was some achievement of non-financial performance conditions.

FY2019 STI TARGETS AND ACHIEVEMENT

Measure	Weight	Target	Actual	Score	Weight score
Headline earnings growth	40%	R878m	Missed	–	–
Return on investment capital	10%	12.26%^	Missed	–	–
Net working capital as % of revenue	5%	18.5%	Missed	–	–
Cash opex savings against budget	10%	2%	Missed	–	–
Recordable case rate (RCR)	6%	0.41	0.36	200%	12%
Fire, explosion and releases (FER)	5%	1	0.94	100%	5%
BBBEE	3%	Level 3	Level 3	100%	3%
Improvement in the culture score	3%	Improvement	Missed	–	–
Improvement in employee engagement	3%	Improvement	Missed	–	–
Strategic initiatives	15%	Improvement	15%	60%	9%
	100%	162%	145%		29%

The RNC exercised its discretion and reduced all STI payments to zero.

PARTNER 5 PERFORMANCE OUTCOMES FOR FY2019

No shares vested in FY2019 for Tranche 1 and 138 834 shares awarded were forfeited. Similar to Tranche 1, Omnia is unlikely to achieve the set LTI targets for Tranche 2.

EXECUTIVE REMUNERATION

The table below summarises Omnia's executive director and prescribed officer remuneration for FY2019. It comprises an overview of the pay elements available to the executive management team for the 12 months ended 31 March 2019.

	Total guaranteed pay								
R'000	Salary/ Remuneration	Retirement funding	Medical aid	Car allowance	Other*	Bonus accrual^	LTI reflected^^	Total FY2019	Total FY2018
Executive directors									
Adriaan de Lange	3 244	292	40	306	–	–	–	**3 882**	8 948
Seelan Gobalsamy[1]	466	–	6	18	2 200	–	–	**2 690**	–
Wayne Koonin[2]	5 059	–	73	250	8 368	–	–	**13 750**	9 939
Rod Humphris[3]	–	–	–	–	–	–	–	**–**	3 603
Prescribed officers									
Jacques de Villiers	1 815	163	78	269	–	–	–	**2 325**	4 735
Funani Mojono[4]	3 739	277	38	225	–	–	–	**4 279**	–
Joe Keenan	5 729	–	31	–	–	–	–	**5 760**	9 515
Jan Vermaak	2 158	194	74	252	–	–	–	**2 678**	8 387
Michelle Nana[5]	1 613	139	28	218	225	–	–	**2 223**	–
Khabo Ramoupi[6]	2 161	194	36	239	–	–	–	**2 630**	3 795
Anusha Teeruth[7]	1 618	146	2	295	–	–	–	**2 061**	9 612
Celeste Appollis[8]	–	–	–	–	–	–	–	**–**	7 981
Martin Kearns[9]	–	–	–	–	–	–	–	**–**	4 190
Total	27 602	1 405	406	2 072	10 793	–	–	**42 278**	70 705

[1] *Appointed as Group finance director on 1 March 2019*
[2] *Resigned 28 February 2019*
[3] *Retired as Group managing director on 31 May 2017 and appointed as non-executive chair from 1 June 2017. Retired as chair effective 6 June 2019 but remains as non-executive director*
[4] *Appointed 1 August 2018*
[5] *Appointed 1 July 2018*
[6] *Resigned 10 May 2019*
[7] *Resigned 30 April 2019*
[8] *Resigned 30 November 2017*
[9] *Retired 1 August 2018*
* *Termination and sign on benefits*
^ *Bonus accrual (short-term incentive): Although performance against targets for FY2019 merited an STI payment, due to the non-financial performance, no bonuses were paid for the year due to the poor financial performance and the upcoming rights offer*
^^ *Disclosure of value of LTIs where their performance period ends during the financial year and option type plans, including Sakhile schemes, the value at year-end of amounts that vest within 12 months of year-end*

PARTNER 5 TRANCHE 1 – NUMBER OF AWARDS AND VALUE

Name	Number of awards at 1 Apr 2018	Year granted/ awarded	Awarded	Cancelled	Number of awards at 31 Mar 2019	Earliest date of vesting of outstanding awards[1]	Market value at grant date	Notional value of outstanding awards at 31 Mar 2019[2]
Executive directors								
Rod Humphris[3]	23 834	2014	–	(23 834)	–	Sep 2019	10 131	–
Adriaan de Lange[4]	35 000	2014 and 2018	–	(35 000)	–	Sep 2019	6 447	–
Wayne Koonin[5]	30 000	2014	–	(30 000)	–	–	5 526	–
Subtotal	88 834		–	(88 834)			22 104	–
Prescribed officers								
Martin Kearns[6]	10 000	2014	–	(10 000)	–	Sep 2019	1 842	–
Jan Vermaak	30 000	2014	–	(30 000)	–	Sep 2019	5 526	–
Jacques de Villiers	10 000	2018	–	(10 000)	–	Sep 2019	1 842	–
Subtotal	50 000		–	(50 000)			9 210	–
Total	138 834		–	(138 834)	–		31 314	–

[1] *At the expiry of the five-year plan ("the Incentive Period"), the Allocated Trust Units will mature after which the Matured Trust Units of each participant will be increased or decreased in accordance with achievements of the EPS and ROE targets to determine the total Adjusted Matured Units that have been earned. Distribution must take place five months after the end of the five-year plan*
[2] *Notional value of awards assumed at 100% of target met, pre-tax. Tranche 1 is based on Omnia Holdings share price of R184.20*
[3] *Rod Humphris retired with effect from 31 May 2017 as Group managing director, his shares were proportioned up to date of retirement as per rules of the scheme, approved by the circular to the shareholders*
[4] *Adriaan de Lange was appointed as Group managing director from 1 June 2017*
[5] *Resigned as Group finance director from 28 February 2019*
[6] *Retired 1 August 2018*

REMUNERATION REPORT **CONTINUED**

PARTNER 5 TRANCHE 2 – NUMBER OF AWARDS AND VALUE								
Name	**Number of awards at 1 Apr 2018**	**Year granted/ awarded**	**Awarded**	**Retired/ cancelled**	**Number of awards at 31 Mar 2019**	**Earliest date of vesting of outstanding awards[15]**	**Market value at grant date**	**Notional value of outstanding awards at 31 Mar 2019**
Executive directors								
Rod Humphris[7]	12 134	2016		(12 134)	–	Sep 2021	5 388	–
Adriaan de Lange[8]	45 000	2018		(45 000)	–	Sep 2021	4 662	–
Wayne Koonin[9]	40 000	2016		(40 000)	–	–	4 144	–
Subtotal	97 134						14 194	–
Prescribed officers								
Martin Kearns[19]	20 000	2016		(20 000)	–	Sep 2021	2 072	
Joe Keenan	21 000	2016		(21 000)	–	Sep 2021	2 176	
Jan Vermaak	28 000	2016		(28 000)	–	Sep 2021	2 901	
Jacques de Villiers	22 000	2018		(22 000)	–	Sep 2021	2 279	
Khabo Ramoupi[20]	7 013	2017		(7 013)	–	Sep 2021	727	
Anusha Teeruth[21]	17 150	2018		(17 150)	–	Sep 2021	1 777	
Subtotal	115 163			(115 163)	–		11 932	
Total	168 013			(168 013)	–		26 126	

6 *Notional value of awards assumed at 100% of target met, pre-tax. Tranche 2 is based on Omnia Holdings share price of R103.61*
7 *Rod Humphris retired with effect from 31 May 2017 as Group managing director, his shares were proportioned up to date of retirement as per rules of the scheme, approved by the circular to the shareholders*
8 *Adriaan de Lange was appointed as Group managing director from 1 June 2017*
9 *Resigned as Group finance director from 28 February 2019*
19 *Retired 1 August 2018*
20 *Resigned 6 May 2019*
21 *Resigned 30 April 2019*

SAKHILE 2 SHARE SCHEME

Sakhile 2 is a time-based share scheme for all South African black management and skilled black talent. The allocations criteria were based on the position, benchmark and performance of the individual at the time of the allocation and participation in Sakhile 2 was proposed by divisional management, reviewed by the Group MD and Group human resources director and approved by the RNC.

Sakhile 2 is a rolling seven-year share scheme from the date of allocation of shares. The last allocation of shares to qualifying participants was issued in January 2016. The scheme is equity-settled in terms of which the Sakhile 2 shares are converted into Omnia Holdings Limited shares.

SAKHILE 2 SHAREHOLDING							
	Shares at 31 Mar 2018	**Issue date**	**Exercised during the year**	**Exercised – OHL shares issued**	**Shares at 31 Mar 2019**	**Vesting date**	**Value at 31 Mar 2019**
Prescribed officers							
Khabo Ramoupi	1 528	1 000 – May 2013 528 – Jan 2016	–	–	**1 528**	1 000 in 2020 528 in 2023	–
Anusha Teeruth	260	160 – Dec 2011 100 – Dec 2012	(160)	–^	**100**	160 in 2018 100 in 2019	–

^ *Omnia Holdings share not allocated yet as on 31 March 2019*

SAKHILE 1 SHARE SCHEME

As part of the Group's Broad-Based Black Economic Empowerment (BBBEE) initiative, a separate legal entity, Sakhile Initiative Limited (SIL), was incorporated in 2007 to serve as a vehicle to implement an employee share-incentive scheme – Sakhile 1 - for the permanent Group employees based in South Africa. Sakhile 1 is a 12-year initiative and holds 10% of Omnia Group (Pty) Ltd. In 2019, 1790 current employees and 793 exited employees are holding 58% of the shares in SIL, with the remainder being held by Omnia Group Investment Limited (OGIL).

The initiative was due to vest its first trance on 1 April 2019, with a further two tranches vesting over the next two years. Due to Omnia being in a closed period and hence unable to issue Omnia shares, the Sakhile board agreed that this year's pay-out is delayed to October 2019. Participants were informed thereof at the Annual General Meeting (AGM) held on 29 May 2019.

DIRECTORS' INTEREST IN SHARES IN OMNIA

The table below summarises directors' interest in shares in Omnia Holdings Limited

	31 March 2019				**31 March 2018**			
	Total	**Direct beneficial**	**Indirect beneficial**	**Indirect non-beneficial**	**Total**	**Direct beneficial**	**Indirect beneficial**	**Indirect non-beneficial**
FD Butler	**6 500**	**6 500**	**–**	**–**	6 500	6 500	–	–
RB Humphris	**957 810**	**853 428**	**44 575**	**7 616**	1 041 133	988 942	44 575	7 616
A Havenstein	**785**	**785**	**–**	**–**	785	785	–	–
AJ de Lange	**2 150**	**2 150**	**–**	**–**	2 150	2 150	–	–
Total	**915 054**	**862 863**	**44 575**	**7 616**	1 050 568	998 377	44 575	7 616

There has been no change in directors' shareholdings between 31 March 2019 and the date of approval of the Group annual financial statements.

NON-EXECUTIVE DIRECTORS' FEES

The table below summarises the directors' fees paid, based on the approved rates as per the AGM of 20 September 2018 for the period 1 October 2018 to 30 September 2019 as well as the fees for the prior period.

R'000	**FY2019**	**FY2018**
Rod Humphris	**2 593**	2 458
Nick Binedell	**391**	430
Ronald Bowen	**581**	591
Frank Butler	**684**	624
Tina Eboka	**577**	389
Ralph Havenstein	**764**	634
Sizwe Mncwango	**344**	314
Linda de Beer	**1 014**	251
Seelan Gobalsamy[1]	**531**	–
Thoko Mokgosi-Mwanetembe[2]	**381**	–
Wim Plaizier[3]	**77**	–
Neville Crosse[4]	**–**	492
Dr Willie Marais[5]	**–**	304
Daisy Naidoo[6]	**–**	503
Hester Hickey[7]	**–**	521
Total	**7 937**	7 511

1 *Appointed 10 September 2018. Appointed executive director (Group finance director) 1 March 2019*
2 *Appointed 1 June 2018*
3 *Appointed 11 February 2019*
4 *Retired as non-executive chair from 31 May 2017*
5 *Retired as non-executive director from 12 March 2018*
6 *Resigned as non-executive director from 30 January 2018*
7 *Retired as non-executive director from 30 November 2017*