

Notes to the consolidated annual financial statements – continued

for the year ended 31 March 2017

38 Directors' interest and prescribed officers	Beneficial		Non-beneficial	
	Direct	Indirect	Direct	Indirect
Group and company				
Number of shares				
Directors' shareholding				
2017				
<i>Executive</i>				
SN Maseko	52 520	–	–	–
DJ Fredericks	48 711	267	–	–
	101 231	267	–	–
<i>Non-executive</i>				
JA Mabuza	26 000	–	–	–
F Petersen-Lurie	–	–	–	–
I Kgaboesele	12 000	–	–	–
KW Mzondeki	267	–	–	–
	38 267	–	–	–

There has been no change in the above since 31 March 2017 to the date of approval of consolidated annual financial statements.

2016

Executive

SN Maseko	52 520	–	–	–
Deon Fredericks	9 607	267	–	–
	62 127	267	–	–
<i>Non-executive</i>				
JA Mabuza	26 000	–	–	–
F Petersen-Lurie	–	–	–	400
I Kgaboesele	12 000	–	–	–
KW Mzondeki	267	–	–	–
	38 267	–	–	400

38 Directors' interest and prescribed officers – continued	Fees	Remuneration	Performance bonus	Fringe and other benefits*	Total
	R	R	R	R	R
Group and company					
2017					
Emoluments per director:					
<i>Non-executive</i>	4 311 834	5 495 701	-	-	9 807 535
N Kapila	362 500	505 404	-	-	867 904
JA Mabuza	273 000	1 249 992	-	-	1 522 992
KW Mzondeki	396 225	366 000	-	-	762 225
SL Botha	300 900	366 000	-	-	666 900
KT Kweyama	260 000	366 000	-	-	626 000
F Petersen-Lurie	450 284	366 000	-	-	816 284
LL Von Zeuner	548 725	366 000	-	-	914 725
GW Dempster	362 500	366 000	-	-	728 500
T Dinga	326 725	366 000	-	-	692 725
RG Tomlinson	336 225	366 000	-	-	702 225
RN Njeke (RN Ntshingila) ¹	107 500	217 704	-	-	325 204
H Toure ²	207 500	228 601	-	-	436 101
I Kgaboesele*	379 750	366 000	-	-	745 750
<i>Executive that held office during 31 March 2017</i>	-	12 691 200	13 179 664	23 994	25 894 858
SN Maseko (CEO)		7 441 200	8 813 911	11 997	16 267 108
DJ Fredericks (CFO)		5 250 000	4 365 753	11 997	9 627 750
Total emoluments - paid by Telkom	4 311 834	18 186 901	13 179 664	23 994	35 702 393
2016					
Emoluments per director:					
<i>Non-executive</i>	3 846 888	5 283 318	-	-	9 130 206
N Kapila	295 500	493 486	-	-	788 986
I Kgaboesele*	491 970	357 042	-	-	849 012
GW Dempster	295 500	357 042	-	-	652 542
T Dinga	315 250	357 042	-	-	672 292
RG Tomlinson	290 250	357 042	-	-	647 292
RN Ntshingila	106 500	357 042	-	-	463 542
JA Mabuza	262 190	1 219 412	-	-	1 481 602
KW Mzondeki	363 475	357 042	-	-	720 517
SL Botha	298 500	357 042	-	-	655 542
KT Kweyama	227 500	357 042	-	-	584 542
F Petersen-Lurie	410 278	357 042	-	-	767 320
LL Von Zeuner	489 975	357 042	-	-	847 017
<i>Executive that held office during 31 March 2016</i>	-	12 691 200	9 829 862	1 446 432	23 967 494
SN Maseko (CEO)	-	7 441 200	6 127 846	941 683	14 510 729
DJ Fredericks (CFO)	-	5 250 000	3 702 016	504 749	9 456 765
Total emoluments - paid by Telkom	3 846 888	17 974 518	9 829 862	1 446 432	33 097 700

Refer to remuneration report for appointments and resignations.

Included in fringe and other benefits is motor car insurance for SN Maseko of R11 997 (2016: R11 997), DJ Fredericks, motor car insurance of R11 997 (2016: R11 997).

S Maseko was granted 262 755 shares (2016: 338 923) and the total IFRS 2 expense of R3 371 563 (2016: R4 392 442). DJ Fredericks was granted 69 043 shares (2016: 241 905) and the total IFRS 2 expense of R885 931 (2016: R3 135 089).

¹ resigned on 3 November 2016

² appointed 16 October 2016

* paid to Sphere Holdings (Pty) Limited

Notes to the consolidated annual financial statements – continued

for the year ended 31 March 2017

38 Directors' interest and prescribed officers – continued	Remuneration *	Incentive bonus	Fringe and other benefits**	Total	Pension -TRF13%***
Notes	R	R	R	R	R
Emoluments per prescribed officer:					
Group and company					
2017					
BC Armstrong	5 001 345	4 249 353	11 997	9 262 695	319 086
AN Samuels	4 500 000	4 433 738	11 997	8 945 735	339 300
LM de Villiers	3 288 448	2 681 058	11 997	5 981 503	447 229
IM Russell	4 153 353	4 103 244	11 997	8 268 594	323 961
NM Lekota ¹	266 667	179 207	–	445 874	28 000
A Vitai	5 830 000	5 777 314	11 997	11 619 311	–
J Henning ²	1 900 000	594 660	96 371	2 591 031	172 841
I Mophatlane	5 804 827	5 341 562	519 909	11 666 298	246 371
T Seopa	3 460 184	–	–	3 460 184	260 898
Total emoluments - granted by Telkom	34 204 824	27 360 136	6 76 265	62 241 225	2 137 686

¹ appointed 1 March 2017

² resigned on 30 November 2016

2016

MA Altman	1	1 197 396	347 857	272 522	1 817 775	124 529
BC Armstrong		5 001 345	3 340 323	481 830	8 823 498	455 122
TE Msubo	1	1 383 071	–	317 475	1 700 546	107 880
GJ Rasethaba	1	1 192 156	692 669	274 338	2 159 163	89 888
AN Samuels		4 291 667	3 489 288	350 649	8 131 604	524 667
V Scarcella	1	1 430 000	1 011 458	329 038	2 770 496	111 540
LM de Villiers		3 288 448	2 051 514	321 557	5 661 519	447 229
IM Russell		4 153 353	3 000 011	402 977	7 556 341	323 961
IC Coetzee		1 039 819	625 000	738 597	2 403 416	78 402
A Vitai	2	2 650 000	1 911 922	11 997	4 573 919	–
J Henning	2	1 295 455	1 091 071	11 997	2 398 523	–
Total emoluments - granted by Telkom		26 922 710	17 561 113	3 512 977	47 996 800	2 263 218

	Number of shares	IFRS 2 expense R
2017		
Share allocation per prescribed officer:		
BC Armstrong	65 773	2 874 287
AN Samuels	59 179	1 991 962
LM de Villiers	43 246	2 917 017
IM Russell	54 621	2 543 963
NM Lekota	–	–
A Vitai	76 670	2 963 749
J Henning	17 491	1 097 241
I Mophatlane	255 384	4 920 868
T Seopa	147 804	2 195 988
	720 168	21 505 075

38 Directors' interest and prescribed officers

– continued

	Number of shares	IFRS 2 expense R
2016		
Share allocation per prescribed officer:		
MA Altman	76 735	994 486
BC Armstrong	133 270	1 727 179
TE Msubo	88 635	1 148 710
GJ Rasethaba	76 399	990 131
AN Samuels	96 060	1 244 938
V Scarcella	91 915	1 191 218
LM de Villiers	87 808	1 137 992
IM Russell	110 903	1 437 303
IC Coetzee	32 323	418 906
A Vitai	58 929	763 720
J Henning	13 443	174 221
	866 420	11 228 804

The group has identified Exco members as prescribed officers because they exercise general executive control over the business.

* Remuneration has been apportioned based on the period served as prescribed officers. Comparative information has been provided for members identified as prescribed officers.

** Fringe and other benefits include motor car insurance, retention agreements, sign-on bonuses, flexible allowance, acting allowances, leave gratuity and voluntary severance packages/voluntary early retirement packages benefits.

*** The pension contribution is a company contribution.

¹ Ceased 31 August 2015.

² Appointed to executive committee 16 October 2015.

39 Related parties

	Group		Company	
	2017 Rm	2016 Rm	2017 Rm	2016 Rm
Details of material transactions and balances with related parties not disclosed separately in the consolidated annual financial statements were as follows:				
With shareholders:				
Government of South Africa*				
<i>Related party balances</i>				
Finance lease receivable	180	272	180	272
Trade receivables	692	562	692	562
Provision for doubtful debt	(147)	(67)	(147)	(67)
<i>Related party transactions</i>				
Revenue	(3 927)	(3 700)	(3 927)	(3 700)
Individually significant revenue**	(1 376)	(1 282)	(1 376)	(1 282)
Department of Correctional Services	(85)	(78)	(85)	(78)
Department of Justice	(107)	(104)	(107)	(104)
South African National Defence Force	(70)	(66)	(70)	(66)
South African Police Services	(586)	(577)	(586)	(577)
S.I.T.A. (Pty) Ltd	(214)	(201)	(214)	(201)
Ekurhuleni Metropolitan Council	(77)	(57)	(77)	(57)
Department of Internal Affairs	(52)	(53)	(52)	(53)
Eastern Cape Department of Health***	(52)	(49)	(52)	(49)
Dept of Agriculture	(54)	(33)	(54)	(33)
Province of KZN Health Service***	(79)	(64)	(79)	(64)
Collectively significant revenue**	(2 551)	(2 418)	(2 551)	(2 418)

* Comparatives are restated due to the change in the top ten entities.

** The nature of the individually and collectively significant revenue consists mostly of data revenue.

*** Individually significant from the current year.