IMPLATS
EXCELLENCE IN PGMs

Creating a better future

Notice to shareholders 2021

PART ONE: BACKGROUND STATEMENT AND MESSAGE FROM THE SOCIAL, TRANSFORMATION AND REMUNERATION COMMITTEE CHAIR

DEAR SHAREHOLDERS

It gives me great pleasure to present the Implats Group remuneration report for the 2021 financial year. Like last year, this has been a year largely overshadowed by the Covid-19 pandemic which continues to affect operations and the way of work. While there may have been an expectation when we started the financial year that the pandemic may have eased by the end of the year, it has remained with us and has exacted a heavy burden in terms of lives lost and livelihoods affected. Successive waves of infection continue to claim lives, despite significant progress in vaccine rollout programmes. We are proud to have been the first company in the South African mining industry to be entrusted with Covid-19 vaccination responsibilities in May 2021, and continue to provide awareness, treatment and vaccination facilities to our employees, their families and the surrounding communities. The vaccination drive at all of our operations has been hugely successful, with some of our operations reaching employee vaccination rates of more than 80%.

As in previous years and in line with best practice, we again present this report in three parts.

Part one:	The background statement on our approach to remuneration and governance
Part two:	Our remuneration philosophy and policy
Part three:	The implementation report which details how our policy has been applied in the past year.

Parts two and three will be the subject of a non-binding advisory shareholder vote at our AGM to be held on 26 October 2021. The outcome of these shareholder votes over the past three years has been very pleasing, and we believe is indicative of the positive changes that have been made over this period in response to feedback and input from our shareholders. Table 1 reflects the voting outcomes since 2017.

Table 1

	FY2020	FY2019	FY2018	FY2017
Remuneration policy	93.52%	89.36%	94.27%	56.40%
Implementation report	95.27%	90.60%	78.65%	58.96%

We continued the proactive engagement with our shareholders to ensure that our key remuneration decisions are guided by and aligned with the requirements of this key constituency. We made significant changes to our remuneration policy over the past three years, and as table 1 indicates, these were positively received by shareholders. While we will always focus on ensuring our reward policy and practices are fit for purpose, no significant changes are being proposed this year. Changes will, however, always be considered in the context of our assessment of prevailing trends and input from our shareholders.

The following changes have now been incorporated into our Executive Incentive Scheme policy for FY2022:

- The introduction of an ESG measure to our bonus parameters, and
- The implementation of a fatality modifier to moderate bonus outcomes in the event of fatalities.

Both these changes are more fully explained in part two which deals with our remuneration policy.

I have again had the pleasure of chairing the social, transformation and remuneration committee (STR), a sub-committee of the Implats board, for the past year. There have been some changes to the membership of the committee following last year's retirement of Dr Mandla Gantsho as a non-executive director and chairman of the board, and the appointment of Advocate Thandi Orleyn as the new board chairman. The committee has been supplemented by the addition of two new permanent members and now consists of the following six non-executive directors:

Table 2

Name	Status	Attendance
Ms Mpho Nkeli (Chairperson)	Independent non-executive	5/5
Ms Babalwa Ngonyama	Independent non-executive	5/5
Mr Preston Speckmann	Independent non-executive	4/5
Adv Thandi Orleyn (appointed 14/10/2020)	Independent non-executive	3/3
Ms Boitumelo Koshane	Non-executive	2/2
Mr Alistair Macfarlane	Independent non-executive	2/2

In addition to the non-executive directors, the CEO, the CFO and the Group executive: people, are permanent invitees to the STR committee meetings but who do not participate in discussions relating to their own remuneration. Dr Mark Bussin from 21st Century Consultants was appointed as the independent remuneration adviser and is also a permanent invitee to committee meetings. The PwC remuneration team are often consulted on remuneration policy and governance matters and, where appropriate and required, may be invited to attend committee meetings. It is important to note that PwC was replaced as the Group's auditors in 2020, so there is no potential conflict of interest.

The responsibility of the committee is to ensure that executive remuneration is aligned with the execution of the Group's strategy to deliver long-term sustainable growth in shareholder returns.

The committee's terms of reference in relation to remuneration, in line with its delegated authority from the board, stipulates that its primary functions are to:

- Assist the board in designing and maintaining a remuneration policy for executive directors and senior executives that will promote the achievement of strategic objectives and encourage individual performance
- Ensure that the mix of fixed and variable pay in cash, shares and other elements, meet the Group's strategic objectives
- Review and monitor the Group's incentive schemes to ensure continued contribution to shareholder value creation
- Determine any criteria necessary to measure the performance of the Group executive committee (Exco) in discharging their functions, duties and responsibilities
- Review the outcomes of the implementation of the remuneration policy to determine if objectives were achieved
- Oversee the preparation of the remuneration report (as contained in the integrated annual report) to ensure that it is clear, concise, and transparent
- Ensure that the remuneration policy is put to a non-binding advisory vote by shareholders, and to engage with shareholders and other stakeholders on the Group's remuneration philosophy.

While the above functions are focused specifically on Group-wide remuneration issues, the committee also plays a key role in driving initiatives aligned with employee engagement, talent management, succession planning, transformation, gender mainstreaming, diversity and inclusion and middle and senior management development. The implementation of programmes aligned with these key employee initiatives will ensure the sustainability of the organisation into the future. Covid-19 has taught us that the only constant in life is change, and the organisations that will thrive and prosper are those who are "change-agile".

We have successfully rolled out middle and senior management development programmes in partnership with Duke Corporate Education. Talent management and succession planning initiatives were implemented at executive and senior management level and are being cascaded to middle and junior management levels.

During the year under review, the committee undertook the following tasks:

- **Executive management remuneration**
  - (a) Reviewed total executive remuneration against external benchmarks
  - (b) Approved the individual remuneration for Exco members
  - (c) Reviewed and considered executive director remuneration best practices to ensure our current practices remain progressive and relevant.

- **Non-executive director (NED) remuneration**
  - (a) Reviewed and benchmarked the NED fees for onward approval by the board and shareholders.

- **Group-wide remuneration matters**
  - (a) Reviewed the Group-wide remuneration policy and approved the adoption of new policies
  - (b) Considered the principles of fair and responsible pay which includes consideration of race and gender pay gaps, as well as the internal wage gap
  - (c) Approved a circa R250 million special Covid-19 relief fund for distribution to employees within the bargaining unit at our South African operations including contractor employees
  - (d) Adopted a change in the long-term incentive (LTI) vesting multiples
  - (e) Revised the bonus parameters for the Executive Incentive Scheme
  - (f) Approved a R1.129 billion once-off discretionary profit share bonus award for our bargaining unit employees in FY2022.

- **Performance – relating to past performance cycle**
  - (a) Assessed STI outcomes and executive and senior management bonus awards
  - (b) Assessed performance conditions for LTI awards
  - (c) Reviewed CEO's individual performance against agreed targets.

- **Performance – relating to forthcoming performance cycle**
  - (a) Approved the bonus parameters for FY2022
  - (b) Approved the corporate performance targets for the performance share plan
  - (c) Approved the quarterly and annual bonus share and performance share awards in terms of the Implats LTI plan
  - (d) Set the individual performance targets for the CEO for FY2022.

- **Compliance**
  - (a) Reviewed and approved the committee's annual work plan
  - (b) Reviewed and approved the remuneration report
  - (c) Reviewed and recommended the committee's terms of reference.

- **Future focus areas**

  Focus issues in FY2022 and beyond will include:
  - (a) Understanding the continued impact of Covid-19 on target setting for STI and LTI outcomes
  - (b) Analysing race and gender differentials in our pay and implementing sustainable remedial actions
  - (c) Implementing a fair pay policy
  - (d) Embarking on shareholder roadshows to ensure continued engagement and alignment
  - (e) Ensuring that target setting for our STI and LTI programmes delivers the appropriate outcomes and rewards employees fairly, giving due consideration to the impact of commodity prices on the Group's financial performance given the cyclical nature of our business and Implats' share price movement relative to its peers.

FAIRNESS IN OUR REMUNERATION PRACTICES

One of the committee's key mandates is to ensure that fair and responsible remuneration practices are applied across the Group, not only at executive level. We must ensure that all our employees receive a fair living wage and that our employment policies and practices provide dignified employment. The Implats minimum wage for permanent full-time employees remains significantly higher than the prescribed national minimum wage, and wage settlements for our bargaining unit employees exceed inflation.

PwC is engaged annually to conduct a remuneration review, which includes a race and gender pay analysis, and in its report published in January 2021 our Gini coefficient of 0.267 (2020 = 0.266) compared favourably with the Mining and National Circle specific coefficients of 0.417 and 0.437, respectively.

* *The Gini coefficient is a statistic that shows the distribution of income among a nation's residents and can be used to analyse and measure the degree of income inequality within a company. It ranges from 0 – 1, where 0 represents total equality (ie income is distributed equally), and 1 represents extreme inequality (ie all income is concentrated in the hands of a few individuals). Therefore, the closer the number is to 1, the higher the levels of inequality.*

In addition to the Gini coefficient, PwC calculated the Palma ratio for Implats, which compares the total remuneration of the top 10% earners of the Company compared to the total remuneration of the bottom 40% earners. The Palma ratio for Impala Platinum is 1.082 (2019 = 1.074), which compares favourably with the Mining Circle ratio of 1.993 and the National Circle ratio of 2.245.

* *The Palma ratio was designed to serve as a metric that is oversensitive to changes in the distribution at the extremes (ie cross funding between top and bottom earners), rather than in the relatively inert middle. Based on research conducted by José Gabriel Palma it was observed that in most countries, the middle class (which is defined as the population set in the 40th to 90th percentiles), take in around half of the total income of the entire population. Therefore, the Palma ratio provides a ratio of the total remuneration of the top 10% earners of a company compared to the total remuneration of the bottom 40% earners of the company, eliminating the impact of middle-class earners making up around half of the population. The slight regression in both the Gini coefficient and Palma ratio can be ascribed to share awards which vested and the increase in our share price.*

Determining the Gini coefficient and Palma ratio allows us to understand the impact of proposed changes to our remuneration policy to ensure that any decisions taken do not negatively impact our internal wage gap. We are intensifying our approach to fair pay in the years ahead and these indicators should reflect improvements to our internal pay ratios.

PwC's remuneration review also reflected race and gender pay differentials, which are currently the subject of further detailed analysis. As a committee we are committed to eliminating unjustifiable pay differentials and will mandate management to address this as speedily as possible. The initial high-level view indicates that males still earn more than females, and that whites earn more than other race groups. The fair pay policy which we will introduce in this financial year will provide appropriate guidelines to address this.

Despite the headwinds created by Covid-19, our Group again posted a robust set of results. For the year under review, the Impala Rustenburg operation delivered its best performance of the past five years, Zimplats had another good year and Impala Canada, the latest addition to the Group, delivered an outstanding set of results. While favourable commodity prices and rand-dollar exchange rates played a role, this performance was driven by solid leadership and operational management. These results contributed to delivering free cash flow of R38.3 billion (FY2020: R14.3 billion) which significantly exceeded the budgeted figure of R25.4 billion. We believe that the organisation is well-placed to continue delivering positive results in a sustainable way.

Table 3 below provides an indication of the Group's progress since 2019:

Table 3

Indicator	Unit	**FY2021**	FY2020	FY2019	FY2021/ FY2020 change	FY2020/ FY2019 change
Headline earnings	Rm	**36 359**	16 383	3 283	122%	399%
HEPS	CPS	**4 635**	2 075	423	123%	391%
Free cash flow	Rm	**38 304**	14 395	7 685	166%	87%
Dividend proposed	CPS	**2 200**	525	–	319%	–
Dividend paid (cash flow)	Rm	**11 041**	973	–	1 035%	–

No dividends declared in FY2019.

I am sure you will agree that the FY2021 results are outstanding, and the trajectory over the past three years is extremely positive. While there was some help from favourable commodity prices, key management initiatives and excellent strategic decision making played a considerable role in achieving this level of performance and progress.

I believe that this remuneration report provides a detailed view of our remuneration policies and its application as it relates to the executive committee. As shareholders, you will be requested to endorse our remuneration policy and its implementation at the AGM in October. I look forward to your continued support as we continue to build this organisation.

Mpho Nkeli
Chairperson STR committee

September 2021

PART TWO: REMUNERATION PHILOSOPHY AND POLICY

Shareholders are requested to vote on the following remuneration policy by means of a non-binding advisory resolution. The policy as it applies to all our employees is summarised below, followed by an in-depth overview of the policy for executive management and our non-executive directors.

LINKING REMUNERATION TO OUR STRATEGY

We continue to focus on the alignment of the Group's strategic objectives with the remuneration policy and ensuring that the CEO and Exco team's performance is evaluated in terms of these objectives. Their earning capacity must therefore be aligned with delivery of these strategic objectives.

The six strategic pillars of the Company for FY2021 are defined in diagram 1:

Diagram 1

Strategic objectives for FY2021

Responsible corporate stewardship	Operational excellence in PGMs	Organisational effectiveness	Optimal capital structure	Competitive portfolio of mineral and processing assets	Market development and value chain optimisation
We develop, protect and strengthen our licence to operate through industry-leading ESG performance	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	We place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver	We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework	We seek to leverage and enhance our diverse resource base by growing our operational exposure to shallow, mechanisable orebodies	We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand

These strategic objectives are then converted into strategic key performance areas (KPAs), which are cascaded into the Implats balanced scorecard (BSC) and the CEO's personal scorecard.

The CEO's key deliverables for FY2021 were agreed with the chairman of the board as reflected in table 4 below and make up his BSC for the year.

CEO'S FY2021 BSC
Table 4

KPA	KPI	Weighting
Operational sustainability	FY2021 business plans to include specific programmes that focus on ensuring long-term viability of Impala Rustenburg, Impala Canada and Marula (operational flexibility, infrastructure integrity and optimal life-of-mine plans)	25%
Strategy	Refine Group strategy in response to changes in long-term market demand and ensure the execution thereof is supported by the capital allocation framework and incorporates ESG targets and plans, to deliver the Group's long-term vision	25%
Leadership	Strengthen leadership capacity and capability through the identification and development of potential successors for the CEO and Exco roles, which is underpinned by a culture of transformation, exposure, empowerment and accountability	25%
Stakeholder engagement	Engage the chairman, board of directors, investors, employees, the regulator and organised labour on the evolution of the Implats Group strategy to ensure all stakeholders understand the Implats strategy and the current state of the business in a manner that promotes a culture of participation, involvement, transparency and trust	25%
Total		**100%**

The CEO's scorecard is cascaded down to the Exco members, who in turn cascade their goals and objectives to their direct reports. This pattern continues through the organisation and ensures that all employees are aligned with the key strategic objectives that have been set by the board. The chairman assesses the performance of the CEO bi-annually and decides on the final performance score at the end of the financial year. While the financial measures are easily quantifiable and measurable, some of the non-financial KPIs require some interpretation and understanding of the context in which we operate. Our licence to operate and culture and performance KPIs are as critical to the Company's success and sustainability as the financial and production KPIs.

The appraisal of the CEO's performance and the STI award related to his performance for FY2021 is reflected in part three of the remuneration report.

KEY STRATEGIC PILLARS FOR FY2022

The Group executive team and the board robustly debated the strategic direction of the Company for FY2022 and beyond. Following a comprehensive review of the PGM market and the factors affecting demand for our products, consensus was reached on the following key strategic pillars, which will underpin our strategy for FY2022.

Diagram 2

Responsible stewardship

We aspire to become an industry leader in ESG, producing metals that sustain livelihoods beyond mining and create a better future

Operational excellence

We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery

Organisational effectiveness

We place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver

Optimal capital structure

We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework

Competitive asset portfolio

We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies

Future focus

We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand

These strategic pillars then inform the CEO's deliverables for the year which are further cascaded to the rest of the Group executive team and to management. The CEO's BSC for FY2022 is reflected in table 5:

Table 5

CEO – Mr Nico Muller

BALANCED SCORECARD 1 JULY 2021 – 30 JUNE 2022

KPA	Goal	Weighting
ESG	Integrate renewable energy sources into the business.	20%
Strategy	Optimise and grow our current PGM asset base and progress incubation of new high-value business opportunities while increasing market intelligence of future-facing high-value commodities.	50%
Leadership	Develop internal capacity, capability and culture to realise our strategic ambitions.	20%
Stakeholder engagement	Establish and maintain sound relationships with key stakeholders.	10%
Total		**100%**

REMUNERATION PHILOSOPHY

Table 6

Remuneration strategy

The principle of performance-based remuneration is one of the cornerstones of the remuneration strategy. It is further underpinned by sound remuneration management and governance principles, which are promoted across Implats to ensure the consistent application of the remuneration strategy and the remuneration policy.

Functions of the policy	Key remuneration principles
The Implats remuneration policy is the governance framework which guides the decisions that we make regarding the reward and benefits that we offer our employees. The remuneration policy addresses remuneration on a Company-wide basis and is one of the key components of the HR strategy, both of which fully support the overall business strategy. Our remuneration philosophy aims to: • Ensure that the Company’s remuneration policy and practices encourage, reinforce, and direct our employees’ efforts in delivering our strategy to create sustainable long-term value for our stakeholders in a manner that is both fair and responsible • Attract, retain motivated, and incentivise high-calibre individuals who have the skills, ambition, and talent to establishing a high-performance culture that delivers on its promises to all stakeholders • Motivate and reinforce individual, team and business performance to ensure the achievement of desired outcomes in the short, medium, and long term.	The Implats’ remuneration policy is based fundamentally on the following key principles: • Remuneration practices are aligned to the overall business strategy, objectives, and values of the Group • Adherence to principles of good corporate governance, as depicted in “best practice” and regulatory frameworks (eg King IV) • Remuneration policy ensures that executive remuneration is fair and responsible in the context of overall Company remuneration • Align the long-term interests of our executives and shareholders by ensuring remuneration outcomes are transparent and are aligned to the value we create in the short, medium, and long term and are aligned to market practice • The risks associated with performance metrics and levels of performance for each metric are considered when designing incentive schemes and personal performance scorecards • Salaried employees are rewarded on a total remuneration basis, which includes fixed, variable, short and long-term (where appropriate) remuneration as well as intangible rewards in line with market best practice • Remuneration is benchmarked against the appropriate target markets depending on the location of the operation, the nature of the work and the level in the organisation • The fixed (guaranteed) component of the reward structure includes a base salary, pension and benefits that are set within an appropriate band above and below the appropriate market median • Total remuneration (base salary, pension, benefits, and incentives) is targeted at the median for on-target performance and at the upper quartile for superior performance of the relevant peer group • Incentives used for retention are clearly distinguished from those used to reward performance • Performance levels are set using a sliding scale to avoid an "all or nothing" result. Thresholds are applied below which there is no reward and caps are applied at the stretch level of performance and capped at 200% • Continuously build confidence and trust in our reward outcomes through high quality reward governance, engagement on our disclosure with shareholders, and internal transparency and effective communication • Aims to deliver fair and responsible remuneration through regular review of pay-gap metrics and appropriate decisions that impact our most junior employees. This includes a rigorous approach on addressing differentials in reward that cannot be defendable, considering diversity.

Principles underpinning our remuneration philosophy

Remuneration that is fair and responsible and disclosed in a transparent manner.

Elements of remuneration

Table 7

In the table below we disclose the elements of remuneration and our policy objectives, eligibility levels and how this supports our strategic objectives.

Element: Guaranteed package (GP) – includes basic salary and employee benefits	**Eligibility: All employees**
Policy objectives	**Strategic intent**
• The key objective is to reward executives and employees fairly and consistently according to their role and their individual contribution to the Company's performance	• Competitive GP to attract and retain high-calibre executives and employees, based on expertise, track record and experience
• To achieve external equity and competitive remuneration, Implats uses surveys of peer-group deep level mining companies	• To benchmark our guaranteed packages with peers that are similar in revenue, market capitalisation, number of employees and mining methods
• The benchmark for guaranteed pay is the market median of the relevant peer group	• Market benchmarking is used to assist in determining pay ranges for executives and employees to ensure the Company can attract and retain the best talent

Element: Benefits – included in GP standard benefits with flexible options	**Eligibility: All employees, except where specified differently**
Policy objectives	**Strategic intent**
• The key objective is to provide benefits in addition to cash remuneration based on the needs of our executives and employees	• To ensure external competitiveness and advance employee wellness, engagement and effectiveness
Medical aid	
• Implats provides healthcare assistance through providing a flat rate contribution subsidy for the principal member and dependants	• To ensure our employees have access to decent and affordable healthcare benefits
Retirement	
Implats policy is to provide, where appropriate, additional elements of compensation as listed below: • Participation in a retirement scheme. In most instances, the Company and the employee contribute towards retirement savings • Life insurance is provided as a fixed amount or a multiple of salary • Disability insurance, which comprises an amount to replace partially lost compensation during a period of medical incapacity or disability, is provided to all employees and executives as part of the retirement funds	• Benefits are managed to ensure affordability for employees and the Company

Element: included in GP standard benefits with flexible options	**Eligibility: All employees, except where specified differently**
Policy objectives	**Strategic intent**
Car and travel allowances	**Eligibility: D-band and above**
• To provide business travel benefits as part of the GP	• A monthly travel benefit is provided up to 30% of monthly salary
Leave	
• To offer attractive vacation leave benefits – compulsory and leave that can be encashed	• To ensure that our employees take sufficient time-off work to rest and spend time with their families

Element: Executive Incentive Scheme (EIS). This is the annual short-term incentive (STI) scheme	**Eligibility: All D-band and above employees, except for D-band employees participating in production bonus schemes**
Policy objectives	**Strategic intent**
• The key objective is to create a high-performance culture by rewarding individuals and teams for achieving and/or exceeding the Company's objectives. These objectives include financial and non-financial measures	• To encourage and reward executives and employees for short-term (12 months or less) performance
• Operational objectives for each shaft are measured against the operational plans approved by the board and include safety, production costs and free cash flow. The corporate strategy and operational objectives in terms of the annual business plans form the basis of the Group objectives	• To drive improved performance at Group, operational and individual level
• The threshold, target and stretch levels of performance are set relative to the budget and operational plans. The on-target annual incentive for different levels is set relative to the comparator market as a percentage of the TGP of eligible employees	• To differentiate performance-based pay in a defendable, transparent manner and attract and retain high performers
• Incentives are not paid for performance below threshold and incentives paid at stretch performance are capped to limit the liability of the Company. The incentive scenarios are modelled to ensure affordability while offering a meaningful reward	• To ensure behaviours that are aligned to annual operational business plans are rewarded appropriately

Element: Medium-term incentive (MTI) in the form of bonus shares. The MTI links the STI and the LTI	**Eligibility: Middle management and above**
Policy objectives	**Strategic intent**
• The medium-term incentive is linked to the EIS whereby a portion of the cash bonus is awarded in the form of bonus shares and the bonus shares vest in equal parts after 12 and 24 months of award	• The objective of the medium-term incentive is to support the delivery of the annual business plans over multiple years and to incentivise management for the consistent delivery thereof

Element: Long-term Incentives (LTI) with the delivery mechanism being "The Implats 2018 Share Plan" and "LTI Phantom Plan 2020"	**Eligibility: Middle management and above. Different instruments are offered to different levels of staff**
Policy objectives	**Strategic intent**
• The key objective of the long-term incentive is to attract, motivate, retain and reward senior employees who can influence the medium to long-term performance and strategic direction of the Group. The instruments below are used to achieve these objectives:	• The intent is to encourage and reward long-term performance and value creation that aligns with shareholders (long-term view is 36 months) • To retain high performers • To encourage ownership and engagement to sustainably improve Company performance
(a) Bonus shares	**Eligibility: D-band and above employees**
• Encourage senior and key employees to identify closely with the objectives of Implats and shareholders over the medium term	• Bonus shares (categorised as the MTI) – to encourage ownership and engagement to improve performance at all levels of management over multi-years – linking short-term performance to medium and long-term business drivers (vesting after 12 and 24 months)
(b) Performance shares	**Eligibility: E-band employees and Exco**
• Align senior and key employees' interests with the continuing growth of the Company and delivery of sustainable value to its shareholders	• Performance shares – Only offered to executives to encourage and reward long-term performance that aligns with shareholders (vesting after 36 months, subject to the attainment of defined corporate performance targets)
(c) Matching shares	**Eligibility: Exco**
• Incentivise participants of the scheme to build-up the required MSR targets over six years	• Matching shares – Only offered to executives in recognition of meeting MSR requirements. One matching share is awarded for three shares deferred to the MSR
(d) Restricted shares	**Eligibility: Exco**
• Encourage executives to retain Implats shares and build up an Implats share portfolio to create ownership	• Allows participants to defer the vesting of performance shares, annual STI or bonus share awards into restricted shares to meet the MSR

HOW WE LINK PAY TO PERFORMANCE

Implats remuneration philosophy aims to attract, retain, and engage high-calibre individuals who have the skills, ambition, and talent to establish a high-performance culture that delivers on its promises to all stakeholders. This is achieved through the right mix of guaranteed and performance-based remuneration (variable pay), which provides for differentiation between high, average and low performers. The pay mix of guaranteed and variable remuneration differs according to the level of the employee to reflect the employee's ability to influence the outcome of the Company's performance – the more senior the employee, the higher the proportion of variable pay in his/her total remuneration package.

Below we illustrate the pay mix as a percentage of guaranteed pay (GP) (100%).

Figure 1

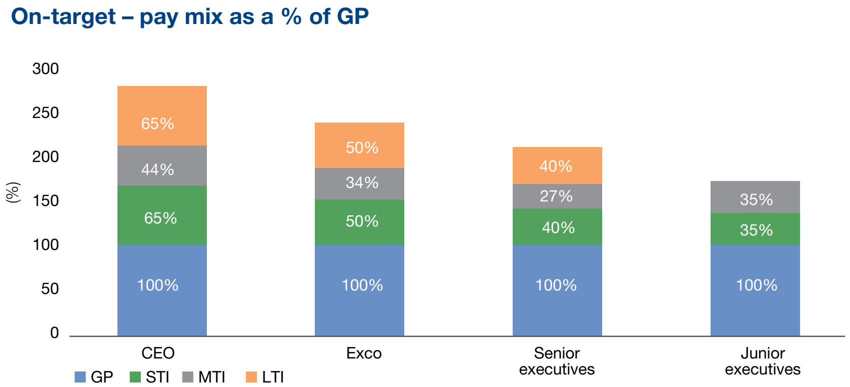
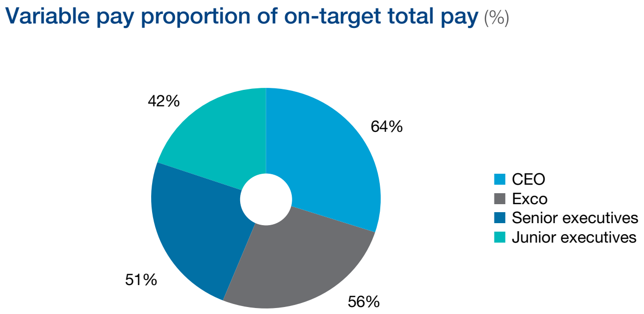


Figure 2 below illustrates that the CEO's proportion of variable pay is 64% of his total on-target remuneration, for the Exco team this is 56% and 51% for the senior executives which is aligned with the philosophy of performance-based pay.

Figure 2



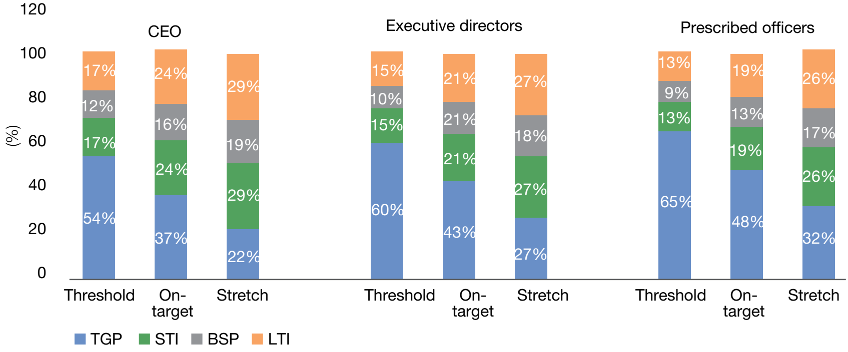
The impact of variable pay with three elements at executive level is that a higher proportion of their total pay is linked to performance.

Executive committee pay design and total pay potential at various levels of performance

Below we illustrate the potential earnings of CEO, executive directors and prescribed officers at threshold, on-target and stretch performance for 2021.

Figure 3

Pay design as a % of total pay at different levels of performance



The actual value of total earning potential at threshold, on-target, and stretch performance for the CEO, executive directors and prescribed officers is reflected on figures 4, 5 and 6 below. The current TGP is used for the CEO, but the average TGP is used for executive directors and prescribed officers. At performance below threshold level, no variable remuneration would be earned.

Figure 4

CEO total earnings potential

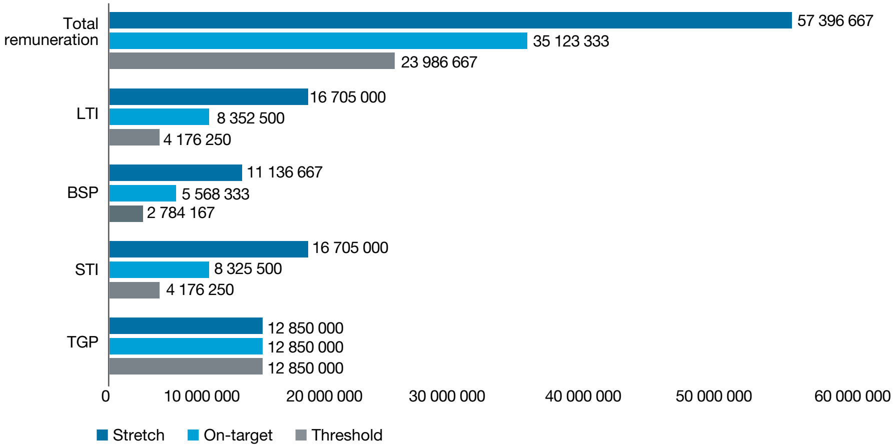


Figure 5

Executive directors total earnings potential

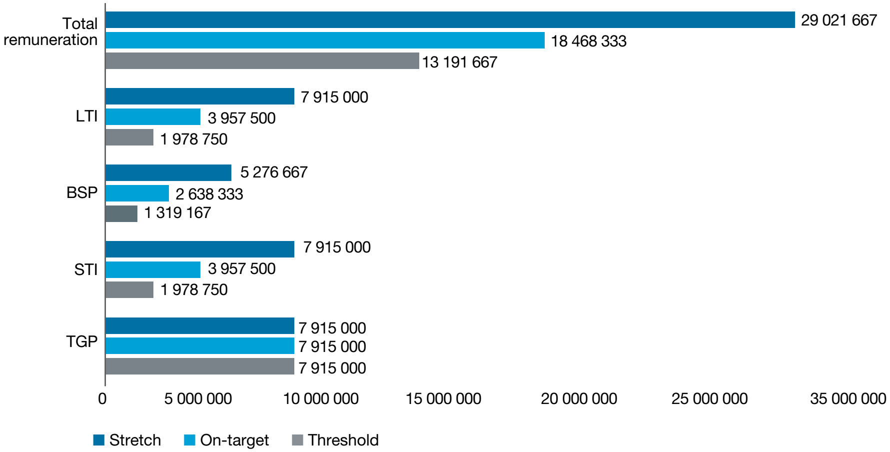
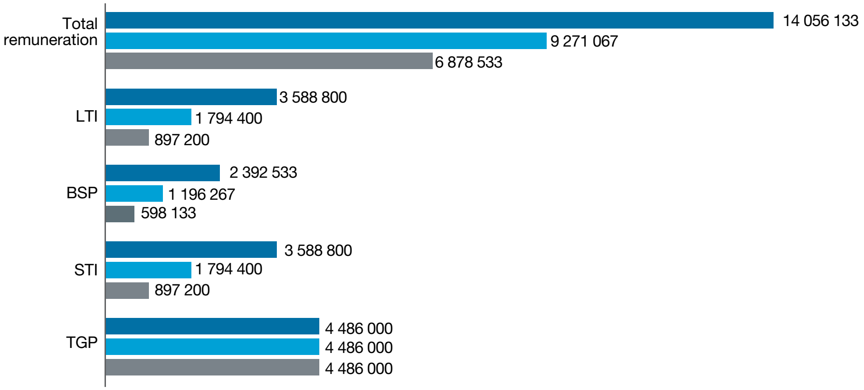


Figure 6

Prescribed officers total earnings potential



Unpacking the key elements of pay in further detail

Guaranteed pay Aims to attract, retain motivated, and reward high-calibre individuals who have the skills, ambition, and talent to establish a high-performance culture that delivers on its promises to all stakeholders	• The guaranteed package (GP) structure consists of a basic salary plus benefits set within an appropriate band above and below the appropriate market median • Market positioning is reviewed during the annual pay review to ensure that outliers, either above or below the target-market-position ranges, are addressed, taking performance, budget and approved mandates into account • We benchmark our salaries using information provided by RemChannel and other market surveys that are available in the jurisdictions within which we operate. Where possible, positions in the organisation are matched to comparable positions in the RemChannel database, in both the National Circle and Mining Circle • Job matches are determined based on both qualitative and quantitative factors, ie job details/descriptions and the applicable grading of the role. Where specific position matches are not possible, job family matches are used as a proxy • In addition to using data from the RemChannel market survey, we also subscribe to the Mercer Global Mining Executive survey as well as other niche market surveys that are available from time to time • We acknowledge that retention of key critical skills, especially in the levels below the Group Exco and their direct reports, remains a challenge. We are paying much closer attention to the levels of pay to this critical layer of management and will ensure that these employees are paid in line with the market to mitigate the potential loss of skills. Employees who are top performers and are paid below the desired market position will be adjusted over time.

Short-term incentives
Rewards sustainable performance achieved within risk appetite

Bonus formula

The Executive Incentive Scheme operates based on an additive formula.

GP x STI on-target percentage x [(organisational score x weighting) + (personal score x weighing)]

The detailed calculation of the CEO’s FY2021 bonus award is reflected in part three of the report.

On-target STI percentages

The on-target percentages for employees up to junior executives are as follows:

Table 8

	CEO	Exco	Senior executives	Junior executives
STI on-target percentages	65%	50%	40%	35%

Short-term incentives
Rewards sustainable performance achieved within risk appetite

Bonus formula

Mix between measures used

Organisational, divisional and individual performance is considered when determining bonuses. For the executive directors, the organisational element is based on performance against Group objectives. For the Group executive team and senior management, the organisational element is based on a combination of Group, operational and business unit objectives, as illustrated in the table below.

Table 9

	Organisational objectives			
	Group %	Business %	Operational %	Personal objectives %
CEO	70	–	–	30
Corporate executives	70	–	–	30
Business executives	20	50	–	30
General managers	–	20	50	30

Note: The same approach was used to cascade the weightings through the rest of the Group executive team and their teams.

Organisational objectives for FY2021

The four Group STI measures for FY2021 and their respective weightings and corresponding operational scores are reflected in table 10.

Table 10

	Measure	Weight	Threshold	Target (100%)	Stretch (200%)
Safety	Ensuring the safety and wellbeing of our workforce	20%	5.50	4.95	4.40
PGE ounces	The productive measure of our operations	40%	2 537	2 694	2 850
Cost per PGE ounce	The financial measure of our operations	25%	18 727	17 799	16 871
Free cash flow	The profitability measure for our operations	15%	19 614	22 515	25 415

Targets for these four elements are set for the Group and each of the operating units and approved by the STR committee on an annual basis. Performance against these targets is measured and audited by our external auditors before the committee reviews and approves the STI awards. The committee has discretion to adjust the Group or operating unit's incentive awards, either up or down, based on factors that are regarded as material to the operations. The committee has decided not to apply any moderation of operational performance for FY2021. The details of Group and operational performance are disclosed in part three.

Short-term incentives
Rewards sustainable performance achieved within risk appetite

Bonus formula

Personal objectives

The final individual personal performance score, determined after assessing the employee's performance against his/her balanced scorecard, is converted to a percentage using the following table:

Table 11

	Personal score
5.0	200%
4.0	150%
3.0	100%
2.5	50%
< 2.5	0%

The on-target incentive (rand) is the sum of guaranteed package multiplied by the on-target percentage for the STI as per the pay mix, after taking business performance into account. The on-target incentive (rand) for each person is then multiplied by the bonus percentage on the table above to compute the final incentive pay-out.

STI changes for 2022 and beyond

REMUNERATION POLICY CHANGES FOR 2022 AND BEYOND

For FY2021 there were no significant changes in approach compared to FY2020. However, following engagements with shareholders and the increased prominence of ESG considerations in variable pay structures, the committee has reviewed the performance measures for the annual executive bonus for FY2022. Some of the key considerations in making these changes are to further entrench pay-for-performance, to facilitate sustainable business performance, to enhance long-term stakeholder value creation and to ensure that Implats reward practices continue to be market related. The STR committee approved the following changes for implementation in 2022 and beyond:

ESG performance metrics

There has been a general shift towards including environmental, social and governance (ESG) measures into variable pay structures. The committee understands the importance of incorporating these measures but believes this needs to be properly researched and understood to ensure that these measures are robust and drive the correct behaviour. As a first step, the committee has approved the inclusion of Implats performance on the Dow Jones Sustainability Index (DJSI) as an STI parameter. The inclusion of the DJSI is an acknowledgement of the importance of sustainability to the Group strategy.

The DJSI provides benchmarks for investors who recognise that sustainable business practices are critical to generating long-term value. The indices track the performance of companies in terms of economic, environmental, governance and social criteria across 61 different industries. We believe that our participation in the DJSI will lead to a significant improvement in our corporate sustainability practices. Rather than focusing on one specific ESG outcome, the DJSI will allow us to assess how we perform against multiple criteria, which include corporate governance; risk and crisis management; climate strategy; mineral waste management; social impacts on communities and code of business conduct. This assessment will also allow us to refine our ESG strategy to ensure alignment with the strategic direction of the Company.

The inclusion of the DJSI as the ESG measure will adjust the weightings of the Executive Incentive Scheme parameters as follows:

Table 12

Bonus parameter	Revised weighting	Current weighting
Safety	15%	20%
ESG – DJSI	10%	0%
Production	35%	40%
Unit costs	25%	25%
Free cash flow	15%	15%

STI changes for 2022 and beyond

REMUNERATION POLICY CHANGES FOR 2022 AND BEYOND continued

Introduction of a fatality modifier

Our journey to zero harm underpins all the work that we do to ensure that safety and the preservation of lives remains a strategic business imperative. Our focus, thinking, and behaviour is directed towards safe production to ensure that every employee returns home safely at the end of each day. This focus is bearing fruit as our safety performance and behaviour has transformed and improved across our business over this past year. Several of our shareholders have, however, raised concerns about the fact that a fatality does not have any adverse impact on management and executive bonus awards and recommended that management considers including a fatality modifier to the safety component of the bonus scheme.

The committee has considered the recommendation and approved the introduction of a fatality modifier into the EIS bonus calculation from FY2022. The fatality modifier would apply in the event of the deterioration of the fatality frequency rate (FFR) by using the three-year average and comparing the FFR for the financial year to ascertain whether there has been an improvement or regression and then to apply the modifier. We believe that the application of the FFR instead of a formulaic penalty based on actual fatalities removes much of the emotional, moral, and ethical burden of assigning a value to a human life. The FFR is directly affected by fatalities, and ongoing improvement of the rate requires a reduction in fatalities and a constant focus on safety. The modifier will not only be applied negatively but an upward adjustment of the calculated bonus will also be considered. Deterioration of the FFR will result in a reduction of the safety (LTIFR) score; but improvements to the FFR will result in an increase to the safety (LTIFR) score.

Table 13

FFR modifier

Change in FFR	Impact on safety (LTIFR) score
1% to 9.99% deterioration	10% reduction
10% to 19.99% deterioration	20% reduction
20% to 29.99% deterioration	30% reduction
>30% deterioration	40% reduction
1 to 9.99% improvement	10% increase
10% to 19.99% improvement	20% increase
20 to 29.99% improvement	30% increase
>30% improvement	40% increase

Long-term incentive
Align shareholder and executive interests over the long term through short, medium and long-term achievement of corporate performance targets.

Implats 2018 Share Plan – instruments and performance measures

The Implats Limited 2018 Share Plan (the 2018 plan) contains the following four equity instruments:

(i) Performance shares
(ii) Bonus shares
(iii) Restricted shares linked to the minimum shareholding requirement policy
(iv) Matching shares linked to the minimum shareholding requirement policy.

Performance shares

Performance shares are awarded as conditional rights to shares. The performance shares only apply to senior executives, have a three-year vesting period and vesting is subject to corporate performance targets. Participants are not entitled to any voting rights or dividends prior to settlement, which will occur after the vesting date. The corporate performance targets are reviewed and approved by the STR committee and may change from one award to the next. The two corporate performance targets that were approved for the last award in October 2020 were relative total shareholder return (50%) and return on capital employed (50%).

Performance vesting targets for 2021

Table 14

		Vesting percentages (linear vesting applies between each level)				
Performance condition	**Weighting**	**Detail**	**Below threshold (0%)**	**Threshold (50%)**	**Target (100%)**	**Stretch (200%)**
Relative total shareholder return	50%	An index for the peer group below will be calculated and used for the vesting of the performance shares. The index will be the average of the peer group's TSR over the three-year period. The peer group for this measure is: • Anglo American Platinum • Northam • Sibanye-Stillwater • ARM • RB Platinum	Below index	Index	Index + 2%	Index +10%

Performance vesting targets for 2021

			Vesting percentages (linear vesting applies between each level)			
Performance condition	Weighting	Detail	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (200%)
Return on capital employed (ROCE)	50%	ROCE is a profitability ratio that measures how efficiently a company can generate profits from its capital employed by comparing EBIT (earnings before interest and tax) to capital employed (total assets less current liabilities) The weighted average cost of capital (WACC) for Implats is 15.67% and will be used as the threshold level of performance for this metric	Below 15.67%	Index	17.47%	19.27%

Phantom share plan

The committee agreed to amend the vesting percentages for the PSP awards granted in October 2020. For PSP awards up to this date, performance at target would have resulted in 50% of the award vesting; and performance at stretch would have resulted in 100% of the award vesting. As per the table above, the amended vesting percentages now mean that performance at target results in 100% of the award vesting, and for performance at stretch 200% of the award will vest.

A detailed benchmarking exercise was the key driver for this change. The exercise indicated that the award multiples for performance shares among our peers were significantly higher than our award multiples and, in addition the vesting multiples also exceeded ours. While our award multiples are 40% of TGP for senior executives, 50% for executive directors and 65% for the CEO, the award multiples for our peers ranged from 44% to 200% of salary, often with a performance rating modifier. As a standard, vesting at target performance was 100% for most of our peers, while for our participants this was limited to 50%, with 100% vesting only being achieved at stretch performance. The committee thus supported the proposal to amend the vesting percentages as indicated above.

Implats Long-Term Incentive Phantom Share Plan 2020

In August 2020 the STR committee approved the Implats phantom share plan rules. The Implats Long-Term Incentive Phantom Share Plan 2020 mirrors the LTIP 2018 instruments and performance measures. The plan was introduced to provide specifically employees at Zimplats and Impala Canada with the opportunity of participating through the mechanism of notional shares in the long-term success of the Company and to ensure alignment between our employees (across the Group) interest and shareholders' interest.

Bonus share awards to change for 2022 and beyond

Bonus shares

Bonus shares are awarded under the LTI but are viewed as a medium-term incentive. All management level employees (D band and up) are eligible for an award of bonus shares on an annual basis. A bonus share award will be made based on an employee's annual cash bonus, which is calculated with reference to:

- **Actual business performance** for the financial year ending preceding the award date. Group and operational objectives that focus on safety, production cost and free cash flow are measured against the business plans as approved by the board.
- **Actual individual performance** for the financial year ending preceding the award date. Personal objectives, which are embodied in the balanced scorecard system, are developed every year for each employee based on key performance areas and are approved at the beginning of the year by the board for the CEO, and the CEO approves the performance objectives for his direct reports.

Performance against these objectives is reviewed by the committee at the end of the year.

The bonus shares vest over a 12-month and 24-month period from the award date in equal parts, with the only requirement being continued employment. The bonus shares (forfeitable shares) are registered in the name of the employee on award, from which time the employee has all shareholder rights, subject to forfeiture and disposal restrictions.

Mix between instruments and allocation levels

The at-grant allocation percentages between performance shares and bonus shares for employees up to junior executives are as follows

Table 15

At grant expected value	CEO	Exco	Senior executives	Junior executives
Performance shares as a percentage of TGP	65% (60% of total LTI allocation)	50% (60% of total LTI allocation)	40% (60% of total LTI allocation)	
Bonus shares as a percentage of TGP	44% (40% of total LTI allocation)	34% (40% of total LTI allocation)	27% (40% of total LTI allocation)	35% (100% of total LTI allocation)

Historic share plan LTIP 2012

The Company at present has the outstanding long-term incentive awards linked to the 2012 Implats Long-Term Incentive Plan which was discontinued in 2018 and was replaced by the 2018 LTIP in November 2018. The last annual and quarterly issue of awards under the 2012 LTIP occurred respectively in November 2017 and September 2018, so the final annual vesting of these awards occurred in November 2020. And the final quarterly vesting will occur in September 2021.

The instruments linked to this plan were the following and were awarded on a quarterly and annual basis:

Conditional share plan 1 (CSP 1): Awarded to D band employees. Vesting occurred three years after the award date and were only subject to continued employment.

Conditional share plan 2 (CSP 2): Awarded to D and E band employees. Vesting of these awards occurred three years after the award date and were subject to continued employment and the achievement of corporate performance targets.

Share appreciation rights (SARs): Only awarded to E band employees. Vesting of these awards were subject to continued employment and achievement of corporate performance targets. As SARs participants have a further three years after vesting to exercise their rights, we will still have a number of these still available for participants to exercise and the last tranche will expire if not exercised in September 2024.

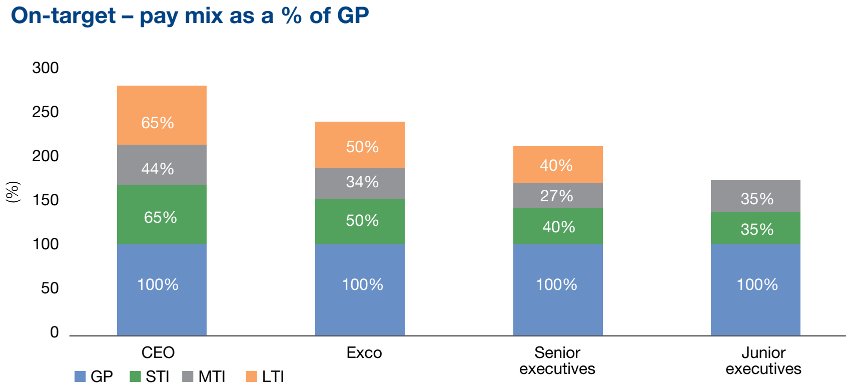
Sign on awards	**Sign-on awards** In exceptional cases for certain business critical appointments Implats may offer sign-on awards (short term or long term) to new members of executive management and key employees, specifically in instances where the new employee is losing out on share or bonus awards from their previous company. The long-term incentive awards are ordinarily subject to a three-year vesting period. The long-term incentive award will be subject to forfeiture should the employee resign or be dismissed by Implats during the vesting period (in accordance with the rules of the LTIP). Any cash sign-on awards will be subject to claw back and these employees will be required to repay such awards should they leave within a specified period, as documented in their employment contracts. The Group CEO has discretion to determine sign-on awards for levels below the executive team. For the CEO and his direct reports, the STR committee must approve the awards.
Retention awards	**Retention payments** In exceptional circumstances, management has the discretion to make retention payments in the form of cash or equity-based payments to executives and key employees below the Group executive team. Any retention payments to the Group executive team must be approved by the STR committee. Implats reserves the right to make the retention payment subject to vesting periods and performance and/or continued employment provisions as well as pre-vesting forfeiture where appropriate.
NED fees	**Non-executive directors** The role of the board and the non-executive director (NED) has become more prominent in recent times, especially following some of the failures and scandals within the corporate and state-owned enterprise environments. Members of the board have a critical role to play in ensuring that appropriate levels of governance and control are maintained in the organisation. The fee structures of the board and committee members therefore must ensure appropriate retention of the right mix of skills and competencies to ensure that the board operates optimally. Fee structures for the board are reviewed annually, and this follows a market comparison of NED fees of peer group companies, which includes other mining companies and companies with a similar market cap to Implats. The fee structure of the NEDs is the following: • The chairman of the board receives an annual all-inclusive fee • Other members of the board receive: – An annual fee as a board member – An annual fee as a sub-committee member – An annual fee as chairman of a sub-committee – A fee per meeting for additional *ad hoc* meetings during the year.
Executive directors and Exco contracts	**Executive contractual arrangements** No fixed term employment contracts are in place for executive directors. The periods of notice applying to executive directors is six months on either side in the case of the CEO and three months on either side in the case of the CFO. The senior management members appointed to Exco are required to serve a three-months' notice period. All other managers are on a one-month notice period. Members of Exco are entitled to a lump sum of one times their annual guaranteed package, should there be a change of control of the Company and as a result the executive's employment is terminated through retrenchment or constructive dismissal (excluding performance issues) within a period of 24 months from the date of the effective change of control.

Malus and clawback policy	All awards (cash payments, share awards short-term, medium and long-term incentive pay-outs) are subject to malus and clawback provisions which may be applied as follows: **Malus:** The committee may, on (or at any time before) the vesting date of an award or payment date of a cash payment, reduce the quantum of the award or cash payment in whole or in part (including to nil) after the occurrence of an actual risk event (trigger event) which, in the judgement of the committee has arisen during the vesting period/applicable financial period. **Clawback:** Clawback may be applied to any awards which have vested or payments that have been made to the employees as identified by the committee, in terms of the relevant plan rules or applicable policy.
MSR policy	**Minimum shareholding requirement policy** The Company has introduced a minimum shareholding requirement (MSR) policy for the Implats Limited Group Exco and for other persons otherwise designated by the STR committee, with effect from 1 January 2019. Group Exco members are required to hold a percentage of their annual salary in Implats Limited shares. The required shareholding requirement is the following: CEO: 300% of Annual TGP (up from 100% in FY2019) Other Group Exco members: 100% of Annual TGP (up from 50% in FY2019) The designated executives will be given six (6) years to accumulate the required shareholding but are expected to meet annual targets set by the committee to be awarded matching shares as explained below. In response to feedback from shareholders and in line with best practice, the committee introduced the following two measures in the 2018 plan to facilitate attainment of the minimum shareholding requirement: (i) Restricted shares, which allow executives to defer the vesting of performance shares, annual STI or bonus share awards into restricted shares to meet the MSR; and (ii) Matching shares for executives who comply with the required terms of the MSR. These will be awarded based on one share for every three shares held as an incentive for meeting the requirements on an annual basis. Matching shares awarded during the year are disclosed in part three. The committee will review the quantum of the matching share award at the November 2021 meeting to ensure the total remuneration earning potential remains market related and may consider capping the matching share award to an appropriate level.

PART THREE: REMUNERATION IMPLEMENTATION REPORT

As indicated in part two above, the pay mix for the CEO and other executives for FY2021 is as follows:

Figure 7



Guaranteed pay

Salary adjustments for all management employees, including the Group executive team, are effective on 1 October each year. These salary adjustments are based on current CPI, market benchmarking and performance. The Group executive team is made up of a combination of well-experienced executives and some relatively recently appointed and less-experienced members. This situation tends to lead to a situation where there is a significant differential in pay between the more-experienced and less-experienced Exco members. While there is an argument that this differential is justifiable, the committee is of the view that these differentials should be limited and should not lead to a perception that the differentials are caused by race or gender.

The salary of the CFO, Ms Meroonisha Kerber, was adjusted to acknowledge her significant contribution and improve alignment to the market. Ms Kerber was appointed as the Group CFO on 1 August 2018. As this was her first appointment as a Group CFO, her package was positioned at the lower end of the pay scale for Group CFOs, to allow her time to grow into the role. Over the past three years she has proven her ability from a technical, strategic and people-management perspective, and has been granted special out-of-cycle increases in order to align her more fairly with market benchmarks. She was granted a 17.70% increase on 1 March 2020, and a 17.64% increase effective 1 June 2021. Ms Kerber's guaranteed remuneration package effective 1 June 2021 is R8.0 million.

All other Group Exco members received increases aligned with the management increase percentage of 5% on 1 October 2020.

SHORT-TERM INCENTIVES

All Group Exco members participate in the Executive Incentive Scheme (EIS) short-term incentive plan.

As outlined in part two, the EIS is structured around a combination of Group, operational and individual performance. The on-target bonus award is based on a percentage of total guaranteed package as set out in table 16 below.

Table 16

Component	CEO	Executive directors	Senior executives	Executives
Level	NG	25	25, 24, 23	22, 21
STI as a % of GP	65%	50%	40%	35%

It is important to note that the above table applies to executives based in South Africa. For our Zimplats and Impala Canada operations, the following percentages apply:

Table 17

Name	Position	On-target bonus
Alex Mhembere	CEO: Zimplats	56% of salary
Tim Hill	CEO: Impala Canada	100% of salary

While the weighting of personal performance is always 30%, the Group, operational and business unit objectives are weighted as follows:

Table 18

	Organisational objectives			
Employee category	Group	Business	Operational	Personal objectives
CEO	70	–	–	30
Corporate executives	70	–	–	30
Business executives	20	50	–	30
General managers	–	20	50	30

The STR committee approved the FY2021 EIS performance targets at a special meeting in October 2020. These targets are normally approved in the June meeting, but due to the impact of Covid-19 on FY2019 performance, more time was allowed to determine appropriate and defensible operational targets. In a break with the approach of previous years and due largely to the impact of the pandemic on business operations, business plan budget was set as the stretch performance objective, with threshold and target being calculated from that point. The final performance objectives for Group were approved as follows, and the achieved outcomes for each parameter are reflected:

Table 19

FY2021 Group performance

					FY2021			
					Threshold	Target	Maximum	
Description	**Unit**	**Weight**	**Budget**	**Actual**	**0%**	**100%**	**200%**	**Bonus % achieved**
GROUP		**100%**				**Performance rating**		**181**
Safety LTIFR	**per million**	**20%**	**4.40**	**4.92**	**5.50**	**4.95**	**4.40**	**105**
Mine-to-market 6E ounces in concentrate	**000oz**	**40%**	**2 850**	**2 934**	**2 537**	**2 694**	**2 850**	**200**
Unit costs (W/C and SIB)	**R/pt oz**	**25%**	**16 871**	**16 837**	**18 727**	**17 799**	**16 871**	**200**
Free cash flow	**Rm**	**15%**	**25 415**	**38 304**	**19 614**	**22 515**	**25 415**	**200**

The Group and individual operations delivered strong performances for FY2021. The impact of Covid-19 was still felt by the operations, but business processes were adapted to ensure that these factors were incorporated as “business as usual" matters which limited their negative impact on performance. Achievement across all parameters exceeded target performance, with production, unit costs and free cash flow exceeding the stretch measure (which is, however, capped at 200% as per the rules of the EIS). The final achievement of 181% compares to the scores for FY2019 and FY2020 of 120% and 74% (moderated to 90%), respectively.

As outlined in part two of this report, Group and operational performance contribute a maximum of 70% to the bonus calculation for participants in the EIS. The remaining 30% is dependent on individual performance.

Personal measures

A robust performance management process has been implemented for all management employees which includes all Paterson D-band and above employees. Each management employee is required to have a personal balanced scorecard (BSC) against which their performance for the year is measured. A performance scale of 1 to 5 is used for each goal that has been defined in the scorecard and then a weighted average score is determined based on the outcomes for each factor. A performance score of 3 is an indicator of on-target level of performance and equates to a rating of 100% whereas a performance score of 5 represents exceptional performance and contributes 200% towards the EIS calculation.

The CEO's scorecard for FY2021 is reflected in part two above, and the assessment of the CEO's performance against the targets agreed to in his BSC are reflected below:

Table 20

Goal plan FY21

N Muller

1 July 2020 – 30 June 2021

KPA	KPI	Weighting	Self assess-ment	Weighted rating	Chairman rating	Weighted rating
Operational sustainability	FY2021 business plans to include specific programmes that focus on ensuring long-term viability of Impala Rustenburg, Impala Canada and Marula (operational flexibility, infrastructure integrity and optimal life-of-mine plans)	25%	5	1.25	5	1.25
Strategy	Refine Group strategy in response to changes in long-term market demand and ensure the execution thereof is supported by the capital allocation framework and incorporates ESG targets and plans, to deliver the Group's long-term vision	25%	5	1.25	5	1.25
Leadership	Strengthen leadership capacity and capability through the identification and development of potential successors for the CEO and Exco roles which is underpinned by a culture of transformation, exposure, empowerment and accountability	25%	4	1.00	4	1.00
Stakeholder engagement	Engage the chairman, board of directors, investors, employees, the regulator and organised labour on the evolution of the Implats Group strategy to ensure all stakeholders understand the Implats strategy and the current state of the business in a manner that promotes a culture of participation, involvement, transparency and trust	25%	4.5	1.13	4.5	1.13
Total		100%		4.6		4.6

The CEO's FY2021 annual performance bonus is determined by assessing the performance against Group objectives (weighted at 70%) and his personal performance as measured by his BSC (weighted at 30%). His individual performance was assessed and rated by the board chairman, and ratified by the board, as 4.6 on the 5-point scale (4.4 for FY2020), which is 180% of the on-target award for the individual portion. The CEO's EIS bonus calculation for FY2021 is thus based on the following achieved scores:

Table 21

Component	Score	Weighted score	Weighted rating
Corporate performance (70%)	181%	70% x 181%	126.76
Individual performance (30%)	180%	30% x 180%	54.00
Total			180.76%

The CEO's bonus award is calculated as follows:

TGP:	R12 850 000
STI as % of TGP:	65%
On-target bonus:	65% x R12 850 000 = R8 352 500
Bonus awarded:	R8 352 500 x 180.76% = R15 098 283 (FY2020 = R9 151 350)

On-target and actual bonus pay-outs for executives:

Table 22

Financial year	On-target awards Rm	Actual STI awards Rm	Pay-out as % of on-target
2017	R65.1	R31.5	48.4%
2018	R72.0	R43.0	59.7%
2019	R117.4	R128.0	109.0%
2020	R136.9	R139.3	101.8%
2021	R173.5	R242.5	139.7%

LONG-TERM INCENTIVES

Share awards vesting during FY2021

The last bulk vesting of awards under the 2012 Implats Share Plan vested in November 2020. These awards were a combination of CSP 1, CSP 2 and SARs instruments. The CSP 2 and SARs awards were subject to the following corporate performance targets:

Table 23

Instrument	Performance condition	Vesting % if achieved	Outcome	% vesting
CSP 2	Return on equity	50.0%	Exceeds target by >10%	100%
CSP 2	Relative TSR	50.0%	Exceeds peer group average by >10%	100%
SARs	Absolute TSR	100%	Exceeds CPI by >2%	100%

The outcome of the assessment was that 100% of the CSP 2 awards and the SARs awards would vest to the participants.

The first and second tranches of the bonus share plan awards made in October 2019 and November 2018 also vested in 2020. The bonus share plan is one of the instruments under the 2018 Implats LTIP which replaced the 2012 Implats Share Plan. Bonus share plan awards vest after 12 and 24 months of the award in equal parts, subject only to continued employment (ie there are no corporate performance targets).

Share awards made during FY2021

Bonus share plan awards

Executives received bonus share plan (BSP) awards on 1 October 2020. These awards are based on the quantum of the annual bonus awarded to the executive, and as per the previous two years the BSP award was based on two-thirds of the annual bonus (ie R2 share award for every R3 bonus earned). BSP awards vest after 12 and 24 months in equal parts and are only subject to continued employment. Details of the BSP awards made to the executives are disclosed in the LTI tables below.

Performance share plan awards

Performance share plan (PSP) awards are made to executives from level 23 and up. These awards are made annually on 1 October and are based on a percentage of total guaranteed package as detailed in part two. PSP awards vest after three years, subject to an assessment of the extent to which the performance conditions reflected below have been achieved. The committee approved a change to the vesting table of PSP awards with effect from the award made in October 2020, where 100% of the award would vest at target, and 200% would vest at stretch performance. The corporate performance targets for these awards would remain as relative total shareholder return (50%) and return on capital employed (50%).

The corporate performance targets and vesting percentages for these awards are:

Table 24

			Vesting percentages (linear vesting applies between each level)			
Performance condition	**Weighting**	**Detail**	**Below threshold (0%)**	**Threshold (50%)**	**Target (100%)**	**Stretch (200%)**
Relative total shareholder return	50%	An index (Index) for the peer group below will be calculated and used for the vesting of the performance shares as described in the table below. The index will be the average of the peer group's TSR over the three-year period. The peer group for this measure is: • Anglo American Platinum • Northam • Sibanye-Stillwater • ARM • RB Platinum	Below index	Index	Index + 2%	Index + 10%

			Vesting percentages (linear vesting applies between each level)			
Performance condition	**Weighting**	**Detail**	**Below threshold (0%)**	**Threshold (50%)**	**Target (100%)**	**Stretch (200%)**
Return on capital employed (ROCE)	50%	ROCE is a profitability ratio that measures how efficiently a company can generate profits from its capital employed by comparing EBIT (earnings before interest and tax) to capital employed (total assets less current liabilities). The weighted average cost of capital (WACC) for Implats is 15.67% and will be used as the threshold level of performance for this metric.	Below 15.67%	15.67%	17.47%	19.27%

Matching share awards

Matching share awards are made to those members of the Group executive who have met the progressive minimum shareholding requirement as at 31 December 2020. The minimum shareholding requirement (MSR) policy was implemented on 1 January 2019 with the requirement that Group Exco members build up their minimum shareholding over a period of six years at the rate of 1/6th per annum. Members were required to have built up one-third (2/6ths) by 31 December 2020. Matching share awards were confirmed for the members as reflected on table 25 below:

Table 25

			Matching shares			
Exco member	**Minimum MSR level required (year 2 target)**	**Number of shares in MSR**	**Opening balance**	**Awarded March 2021**	**Closing balance**	**R value at 30 June 2021**[1]
Nico Muller	63 645	269 422	14 181	3 138	17 319	R4 078 451
Alex Mhembere	16 890	26 829	–	6 894	6 894	R1 623 468
Gerhard Potgieter	15 936	109 854	4 204	2 104	6 308	R1 485 471
Lee-Ann Samuel	10 731	47 392	2 441	1 939	4 380	R1 031 446
Sifiso Sibiya	7 017	10 760	1 190	1 674	2 864	R674 443
Kirthanya Pillay	6 604	6 790	–	2 263	2 263	R532 914
Mark Munroe	12 878	18 126	–	5 256	5 256	R1 237 735
Johan Theron	9 890	31 520	7 328	–	7 328	R1 725 671
Jon Andrews	9 021	41 089	6 753	–	6 753	R1 590 264
Velile Nhlapo	7 578	12 081	–	3 093	3 093	R728 371
Meroonisha Kerber	11 227	10 500	–	–	–	–

Notes:

[1] *Rand value calculated using the closing Implats share price on 30 June 2021.*

Special awards vested

Mark Munroe, the CEO of Impala Rustenburg was granted a special retention award in March 2019 which vested on 31 December 2020. The value of the award at grant was R2 000 000 and on vesting was valued at R4 792 186.

Special awards granted

A special retention share award was approved for the CFO, Ms Meroonisha Kerber and awarded on 8 June 2021. 32 560 restricted shares valued at R8 million were awarded to her, with 50% vesting on 31 December 2022 and the remaining 50% vesting on 31 December 2023.

EMPLOYEE SHARE OWNERSHIP TRUSTS

Two employee share ownership trusts (ESOTs) have been established for our employees. The Impala ESOT was set up in December 2014 and shares in dividends declared by Impala, which consists of Impala Rustenburg and the Refineries in Springs. No dividends had been declared by Impala prior to FY2021 and thus beneficiaries have not received any payouts. We can confirm that the first dividend has been declared by Impala, so the first distribution to beneficiaries will be paid-out in September 2021. The board of trustees has been constituted and will manage the business of the ESOT. The Impala ESOT distributes dividends declared to its beneficiaries.

A similar structure has been set up for our employees at Marula. This trust was established in February 2021 and is likely to pay out its first distribution in September 2021. The Marula ESOT distributes a portion of the free cash flow generated by Marula to its beneficiaries.

EARNINGS OF EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS:

Table 26 below reflects the total remuneration earned and paid to the executive directors and prescribed officers during the 2021 financial year.

Table 26

(R'000)	Financial year	Basic salary	Retirement and medical benefits	Other[1] benefits	Bonus	Retention awards[4]	LTI vested[3]	LTI awarded[2]	Total remuneration
Executive directors									
NJ Muller	**2021**	**11 102**	**1 623**	**–**	**15 098**	**–**	**65 437**	**15 245**	**108 505**
	2020	10 556	1 618	–	9 151	–	26 569	14 938	62 832
M Kerber	**2021**	**5 966**	**759**	**–**	**6 236**	**–**	**–**	**13 682**	**26 643**
	2020	5 090	651	–	3 424	–	–	4 783	13 948
LN Samuel	**2021**	**5 694**	**717**	**20**	**5 875**	**–**	**13 538**	**6 073**	**31 917**
	2020	5 447	704	–	3 502	–	1 712	5 889	17 254

[1] *Other benefits include travel reimbursements, leave encashments and special allowances.*

[2] *LTI awarded includes the following:*

- *Bonus share plan awards made on 1 October 2020 at a VWAP of R146.85.*
- *Performance share plan awards made on 1 October 2020 at a VWAP of R146.85.*
- *The Special Share award to M Kerber made on 8 June 2020.*

[3] *LTI vested refers to the vesting of SARs, CSP and BSP awards which are detailed in table 28, as well as the special share award to M Munroe which vested on 31 December 2020.*

[4] *Tim Hill is CEO of Impala Canada.*

[5] *The retention award to Tim Hill was issued on his appointment as CEO of Impala Canada.*

(R'000)	Financial year	Basic salary	Retirement and medical benefits	Other[1] benefits	Bonus	Retention awards[4]	LTI vested[3]	LTI awarded[2]	Total remuneration
Prescribed officers									
A Mhembere	**2021**	**630**	**106**	**–**	**580**	**–**	**3 384**	**778**	**5 479**
(US dollars US$'000)	2020	599	90	58	449	–	68	915	2 179
Tim Hill	**2021**	**559**	**17**	**13**	**1 034**	**562**	**133**	**437**	**2 755**
(Canadian dollars C$'000)	2020								
GS Potgieter	**2021**	**9 088**	**252**	**5**	**8 530**	**–**	**32 612**	**8 540**	**59 027**
	2020	8 917	251	16	4 994	–	5 952	8 469	28 599
M Munroe	**2021**	**6 807**	**876**	**–**	**6 824**	**–**	**37 040**	**8 085**	**59 633**
	2020	6 347	818		4 290	2 000	964	6 996	21 415
J Andrews	**2021**	**4 774**	**561**	**–**	**3 937**	**–**	**12 854**	**3 756**	**25 882**
	2020	4 573	547	101	2 394	–	4 920	3 882	16 417
J Theron	**2021**	**5 405**	**478**	**36**	**4 245**	**–**	**20 337**	**4 010**	**34 511**
	2020	5 213	461	23	2 463	–	2 877	4 191	15 228
K Pillay	**2021**	**3 480**	**446**	**–**	**2 868**	**–**	**3 122**	**3 267**	**13 183**
	2020	3 182	409	–	1 645	–	52	2 700	7 988
S Sibiya	**2021**	**3 563**	**300**	**102**	**2 197**	**–**	**6 085**	**3 258**	**15 505**
	2020	3 114	360	156	1 704	–	1 660	2 400	9 394
V Nhlapo	**2021**	**4 034**	**239**	**67**	**2 988**	**–**	**14 245**	**3 035**	**24 608**
	2020	3 853	246	544	1 799	–	616	3 254	10 312
TT Llale	**2021**	**2 507**	**243**	**59**	**2 034**	**–**	**6 530**	**1 907**	**13 280**
(Company secretary)	2020	2 334	283	57	1 145	–	689	1 888	6 396

[1] *Other benefits include travel reimbursements, leave encashments and special allowances.*

[2] *LTI awarded includes the following:*

- *Bonus share plan awards made on 1 October 2020 at a VWAP of R146.85.*
- *Performance share plan awards made on 1 October 2020 at a VWAP of R146.85.*

[3] *LTI vested refers to the vesting of SARs, CSP and BSP awards which are detailed in table 28.*

[4] *Tim Hill is CEO of Impala Canada.*

[5] *The retention award to Tim Hill was issued on his appointment as CEO of Impala Canada.*

Single figure remuneration table for executive directors and prescribed officers

In line with the recommendations of King IV, we present overleaf the single figure remuneration details for the executive directors and prescribed officers. Our remuneration consultants, PwC, assisted with the drafting of this table in line with their knowledge and interpretation of the relevant laws and practice in drafting single figure remuneration tables.

Table 27

(R'000)	Financial year	Basic salary	Retirement and medical benefits	Other benefits[1]	Short-term incentive[2]	Meduim-term incentive[3]	Long-term incentive reflected[4, 5]	Total remuneration
Executive directors								
NJ Muller	**2021**	**11 102**	**1 623**	**–**	**15 098**	**10 066**	**57 598**	**95 487**
	2020	10 556	1 618	–	9 151	6 101	64 664	92 090
M Kerber	**2021**	**5 966**	**759**	**–**	**6 236**	**4 158**	**30 784**	**47 903**
	2020	5 090	651	–	3 424	2 283	–	11 448
L N Samuel	**2021**	**5 694**	**717**	**20**	**5 875**	**3 917**	**23 316**	**39 538**
	2020	5 447	704	–	3 502	2 334	13 808	25 795
Prescribed officers								
A Mhembere (US dollars US$'000)	**2021**	**630**	**106**	**–**	**580**	**408**	**2 417**	**4 141**
	2020	599	90	58	449	299	1 432	2 927
Tim Hill (Canadian dollars C$'000)	**2021**	**559**	**17**	**13**	**1 034**	**692**	**–**	**2 315**
	2020	–	–	–	–	–	–	–
GS Potgieter	**2021**	**9 088**	**252**	**5**	**8 530**	**5 687**	**34 051**	**57 613**
	2020	8 917	251	16	4 994	3 329	15 314	32 821
M Munroe	**2021**	**6 347**	**818**	**–**	**6 824**	**4 549**	**26 967**	**45 505**
	2020	6 347	818	–	4 290	2 860	17 835	32 150
J Andrews	**2021**	**4 774**	**561**	**101**	**3 937**	**2 625**	**15 200**	**27 197**
	2020	4 573	547	101	2 394	1 596	9 434	18 645
J Theron	**2021**	**5 405**	**478**	**36**	**4 245**	**2 830**	**16 493**	**29 487**
	2020	5 213	461	23	2 463	1 642	10 181	19 982
V Nhlapo	**2021**	**4 034**	**239**	**67**	**2 987**	**1 991**	**13 716**	**23 034**
	2020	3 853	246	544	1 799	1 199	9 584	17 226
K Pillay	**2021**	**3 480**	**446**	**–**	**2 868**	**1 912**	**10 581**	**19 287**
	2020	3 182	409	–	1 645	1 097	4 665	10 998
S Sibiya	**2021**	**3 563**	**300**	**102**	**2 197**	**1 465**	**9 662**	**17 289**
	2020	3 114	360	156	1 704	1 136	3 566	10 036
TT Llale (Company secretary)	**2021**	**2 507**	**243**	**59**	**2 034**	**1 356**	**7 700**	**13 899**
	2020	2 334	283	57	1 145	763	3 428	8 011

Notes to the single figure report:

[1] *Other benefits include travel reimbursements and leave encashments and special allowances.*

[2] *The STI amount included relates to the STI accrued for the financial year and not the STI paid during the financial year.*

[3] *The MTI relates to the bonus shares granted in relation to the STI accrued during the financial year.*

[4] *The FY2021 LTI reflected includes:*

- *The historical SAR awards that are due to vest on 30 September 2021 at 100%. The SARs were valued at the five-day VWAP of R240.70 at year-end less the strike price of R17.92.*
- *The PSP awards that are due to vest on 20 November 2021 a five-day VWAP of R240.70.*
- *The matching shares awarded during the financial year at the allocation price of R252.26.*

[5] *The FY2020 LTI reflected includes:*

- *The historical SAR awards that vested on 20 November 2020 at 100%. The SARs were valued at the five-day VWAP of R116.20 at year-end less the strike price of R36.75.*
- *The historical SAR awards that are due to vest on 6 March 2021 at an estimated vesting of 100%. The SARs were valued at the five-day VWAP of R116.20 at year-end less the strike price of R29.27.*
- *The historical SAR awards that are due to vest on 17 May 2021 at an estimated vesting of 100%. The SARs were valued at the five-day VWAP of R116.20 at year-end less the strike price of R80.97.*
- *The historical CSP awards that vested on 20 November 2020 at 100%. The CSPs were valued at the five-day year-end VWAP of R116.20.*
- *The historical CSP awards that are due to vest on 6 March 2021 at an estimated vesting of 100%. The CSPs were valued at the five-day year-end VWAP of R116.20.*
- *The matching shares awarded during the financial year at the allocation price of R130.44.*

Table 28
Details of share awards held by executive directors and prescribed officers

The following table reflects the status of shares and unvested awards held by executive directors and prescribed officers during the year ended 30 June 2021:

Name	Balance at 1 July 2020	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year#	Date exercised	Deferred to MSR	Date deferred	Balance at 30 June 2021	Estimated closing Fair value on 30 June 2021	First vesting date
Executive directors											
N Muller											
LTIP SAR	485 700				485 700	1 Mar 21					
LTIP CSP	208 480				889	2 Dec 20					
					207 591	23 Nov 20					
LTIP BSP	114 322						42 542	20 Nov 20	77 435	R18 235 168	
		41 545	1 Oct 20				35 890	1 Oct 20	35 890		1 Oct 21
									20 773		1 Oct 21
									20 772		1 Oct 22
LTIP PSP	319 389								376 267	R88 607 116	
		56 878	1 Oct 20						236 004		20 Nov 21
									83 385		1 Oct 22
									56 878		1 Oct 23
Matching shares	14181	3 138	3 Mar 21						17 319	R4 078 451	31 Dec 24
M Kerber											
LTIP SAR	34 211								34 211	R7 443 287	20 Sep 21
LTIP CSP	20 095								20 095	R4 732 172	20 Sep 21
LTIP BSP	21 000						10 500	1 Oct 20	26 045	R6 133 337	
		15 545	1 Oct 20						10 500		1 Oct 21
									7 773		1 Oct 21
									7 772		1 Oct 22
LTIP PSP	104 814								127 967	R30 134 949	
		23 153	1 Oct 20						76 136		20 Nov 21
									28 678		1 Oct 22
									23 153		1 Oct 23
RSP		32 560	2 Jun 21						32 560	R7 667 554	31 Dec 22
LN Samuel											
LTIP SAR	87 444				87 444						
LTIP CSP	56 301				33 781	23 Nov 20	22 520	23 Nov 20			
LTIP BSP	43 951				14 421	2 Oct 20			30 319	R7 139 821	
		15 897	1 Oct 20						14 422		1 Oct 21
							15 108	23 Nov 20	7 949		1 Oct 21
									7 948		1 Oct 22
LTIP PSP	127 167								149 298	R35 158 186	
		22 131	1 Oct 20						94 834		20 Nov 21
									32 333		1 Oct 22
									22 131		1 Oct 23
Matching shares	2 441	1 939	3 Mar 21						4 380	R1 031 446	31 Dec 24

For associated gains, refer pages 60 and 61.

Name	Balance at 1 July 2020	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year#	Date exercised	Deferred to MSR	Date deferred	**Balance at 30 June 2021**	Estimated closing Fair value on 30 June 2021	First vesting date
Company secretary											
TT Llale											
Share appreciation scheme	7 556			1 224	6 332	26 Feb 21					
LTIP SAR	16 004										
					1 038	10 Nov 20					
					14 966	23 Nov 20					
LTIP CSP	19 272				19 272	23 Nov 20					
LTIP BSP	12 379				4 297	2 Oct 20			**9 495**	R2 235 978	
		5 197	1 Oct 20		3 784	23 Nov 20			**4 298**		1 Oct 21
									2 599		1 Oct 21
									2 598		1 Oct 22
LTIP PSP	43 001								**50 791**	R11 960 773	
		7 790	1 Oct 20						**31 990**		20 Nov 21
									11 011		1 Oct 22
									7 790		1 Oct 23
Directors											
J Andrews											
Share appreciation scheme	37 558			19 260	1 298	17 Mar 21					
LTIP SAR	76 753				17 374	22 Dec 20					
					3 937	21 Sep 20					
					55 442	2 Mar 21					
LTIP CSP	35 696				35 696	23 Nov 20					
LTIP BSP	26 379				9 398	2 Oct 20			**20 266**	R4 772 440	
		10 868	1 Oct 20		7 583	23 Nov 20			**9 398**		1 Oct 21
									5 434		1 Oct 21
									5 434		1 Oct 22
LTIP PSP	84 678								**99 387**	R23 404 645	
		14 709	1 Oct 20						**63 148**		20 Nov 21
									21 530		1 Oct 22
									14 709		1 Oct 23
Matching shares	6 753								**6 753**	R1 590 264	31 Dec 24

For associated gains, refer pages 60 and 61.

Name	Balance at 1 July 2020	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year[#]	Date exercised	Deferred to MSR	Date deferred	Balance at 30 June 2021	Estimated closing Fair value on 30 June 2021	First vesting date
Directors											
M Munroe											
LTIP SAR	90 770				90 770	8 Mar 21					
LTIP CSP	54 353				54 353	8 Mar 21					
LTIP BSP	43 097				5 104	23 Nov 20	3 403	23 Nov 20	**36 769**	R8 658 732	
		19 474	1 Oct 20		10 377	1 Oct 20	6 918	1 Oct 20	**17 295**		1 Oct 21
									9 737		1 Oct 21
									9 737		1 Oct 22
LTIP PSP	175 830				23 415	31 Dec 20	7 805	31 Dec 20	**171 168**	R40 308 352	
		26 558	1 Oct 20						**106 526**		20 Nov 21
									38 084		1 Oct 22
									26 558		1 Oct 23
Matching shares		5 256	3 Mar 21						**5 256**	R1 237 735	31 Dec 24
Directors											
K Pillay											
LTIP SAR	42 394								**42 394**	R6 550 721	5 Jun 21
LTIP CSP	27 294				27 294	7 Jun 21					
LTIP BSP	13 114								**13 792**	R3 247 878	
		7 468	1 Oct 20				6 324	1 Oct 20	**6 324**		1 Oct 21
							466	23 Nov 20	**3 734**		1 Oct 21
									3 734		1 Oct 22
LTIP PSP	56 981								**67 876**	R15 984 119	
		10 895	1 Oct 20						**41 587**		20 Nov 21
									15 394		1 Oct 22
									10 895		1 Oct 23
Matching shares		2 263	3 Mar 21						**2 263**	R532 914	31 Dec 24
GS Potgieter											
Share appreciation scheme	98 878			93 783					**5 095**	R324 704	10 Nov 11
LTIP SAR	168 517				95 716	4 Mar 21					
					72 801	17 Sep 20					
LTIP CSP	61 627						61 627	1 Oct 20			
LTIP BSP	66 466				14 434	2 Oct 20	6 186	1 Oct 20	**43 291**	R10 194 598	
		22 670	1 Oct 20				25 225	1 Oct 20	**20 621**		1 Oct 21
									11 335		1 Oct 21
									11 335		1 Oct 22
LTIP PSP	183 790								**215 659**	R50 785 538	
		31 869	1 Oct 20						**137 060**		20 Nov 21
									46 730		1 Oct 22
									31 869		1 Oct 23
Matching shares	4 204	2 104	3 Mar 21						**6 308**	R1 485 471	31 Dec 24

[#] *For associated gains, refer pages 60 and 61.*

Name	Balance at 1 July 2020	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year#	Date exercised	Deferred to MSR	Date deferred	**Balance at 30 June 2021**	Estimated closing Fair value on 30 June 2021	First vesting date
S Sibiya											
Share appreciation scheme	10 349			1 383	8 966	5 Mar 21					
LTIP SAR	14 888				14 888	23 Nov 20					
LTIP CSP	19 171				13 171	23 Nov 20	6 000	23 Nov 20			
LTIP BSP	15 573				4 699	2 Oct 20			**12 437**	R2 928 789	
		7 737	1 Oct 20		6174	23 Nov 20			**4 700**		1 Oct 21
									3 869		1 Oct 21
									3 868		1 Oct 22
LTIP PSP	53 917								**65 493**	R15 422 947	
		11 576	1 Oct 20						**38 388**		20 Nov 21
									15 529		1 Oct 22
									11 576		1 Oct 23
Matching shares	1 190	1 674	3 Mar 21						**2 864**	R674 443	31 Dec 24
Directors **A Mhembere**											
LTIP SAR	262 573				55 338	3 Mar 21			**145 452**	R28 907 130	21 Nov 20
					51 883	3 Mar 21					
					9 900	3 Nov 20					
LTIP CSP	93 653				93 653	23 Nov 20					
LTIP BSP	121 213				22 279	23 Nov 20	26 829	23 Nov 20	**53 058**	R12 494 628	
		30 779	1 Oct 20		49 826	1 Oct 20			**22 279**		1 Oct 21
									15 390		1 Oct 21
									15 389		1 Oct 22
LTIP PSP	309 128			116 457					**231 683**	R54 559 030	
		39 012	1 Oct 20						**147 404**		20 Nov 21
									45 267		1 Oct 22
									39 012		1 Oct 23
Matching shares		6 894	3 Mar 21						**6 894**		31 Dec 24
Directors **J Theron**											
Share appreciation scheme	40 087			19 236	20 851	26 Feb 21					
LTIP SAR	59 798				59 798	3 Mar 21					
LTIP CSP	38 501				38 501	23 Nov 20					
LTIP BSP	28 542				10 086	2 Oct 20			**21 267**	R5 008 166	
		11 180	1 Oct 20		8 369	23 Nov 20			**10 087**		1 Oct 21
									5 590		1 Oct 21
									5 590		1 Oct 22
LTIP PSP	91 884								**108 009**	R25 435 039	
		16 125	1 Oct 21						**68 522**		20 Nov 21
									23 362		1 Oct 22
									16 125		1 Oct 23
Matching shares	7 328								**7 328**	R1 725 671	31 Dec 24

\# *For associated gains, refer pages 60 and 61.*

Name	Balance at 1 July 2020	Allocated during the year	Date of allocation	Forfeited during the year	Exercised during the year#	Date exercised	Deferred to MSR	Date deferred	Balance at 30 June 2021	Estimated closing Fair value on 30 June 2021	First vesting date
V Nhlapo											
LTIP SAR	62 129				46 597	23 Nov 20	15 532	23 Nov 20			
LTIP CSP	40 002				40 002	21 Nov 20					
LTIP BSP	20 906	8 168	1 Oct 20		13 170	23 Nov 20			**15 904**	R3 745 233	
									7 736		1 Oct 21
									4 084		1 Oct 21
									4 084		1 Oct 22
LTIP PSP	72 066	12 503	1 Oct 20						**84 569**	R19 915 154	
									53 743		20 Nov 21
									18 323		1 Oct 22
									12 503		1 Oct 23
Matching shares		3 093	3 Mar 21						**3 093**	R728 371	31 Dec 24

For associated gains, refer pages 60 and 61.

Notes:

[1] *Assumptions used for calculation of estimated closing fair value on 30 June 2021:*
- *Share price used is closing Implats share price on 30 June 2021 of R235.49.*
- *Bonus shares have no performance conditions attached so are valued at 100% vesting.*
- *Performance Shares (PSP) have performance conditions attached so a Target vesting assumption of 100% is applied.*

[2] *For associated gains refer table 26 on page 60.*

NON-EXECUTIVE DIRECTORS' REMUNERATION

Non-executive directors fees in aggregate for FY2021 are reflected in table 29 below:

Table 29

(R'000)	Implats board	Impala board	Lead independent director	Audit and risk committee	Health, safety and environment committee	Nominations, governance and ethics committee	Social, transformation and remuneration committee	Strategy and investment committee	*Ad hoc* meetings	Total
MSV Gantsho	898									898
NDB Orleyn	2 039									2 039
PW Davey	600	345		218	90	180		180	100	1 713
D Earp	600			460				180	83	1 323
BT Koshane	600				90		90		21	801
AS Macfarlane	600				363		90		21	1 074
FS Mufamadi	600					180			59	839
B Ngonyama			1 800							1 800
MEK Nkeli	600				180		363		100	1 243
R Havenstein	300			109	90				21	520
PE Speckmann	600			218			180		81	1 079
ZB Swanepoel	600	345			180			360	62	1 547

For FY2022 the board is recommending an inflation-linked adjustment of 5.50% to the NED fees with effect from 1 July 2021. A formal proposal in this regard will be tabled for approval at the AGM. The current and proposed fees for FY2022 are shown on the table below:

Table 30

Implats board fees	**Effective 1 July 2021 R**	Total increase %	Effective 1 July 2020 R
Chairman of the board	**2 954 000**	5.50%	2 800 000
Lead independent director	**1 899 000**	5.50%	1 800 000
Non-executive director	**633 000**	5.50%	600 000
Audit and risk committee chairperson	**485 300**	5.50%	460 000
Audit and risk committee member	**230 000**	5.50%	218 000
STR committee chairperson	**382 965**	5.50%	363 000
STR committee member	**189 900**	5.50%	180 000
Nominations, governance and ethics committee member	**189 900**	5.50%	180 000
HSE committee chairperson	**382 965**	5.50%	363 000
HSE committee member	**189 900**	5.50%	180 000
Strategy and investment committee chairperson	**382 965**	5.50%	363 000
Strategy and investment committee member	**189 900**	5.50%	180 000
Ad hoc fees per additional board or committee meeting	**21 944**	5.50%	20 800
Chairperson of meeting will be paid twice the *ad hoc* fee			
Average annual NED fee:			
Fee as board member	**633 000**		600 000
Fee as committee chair	**382 965**		363 000
Fee as committee member	**189 900**		180 000
	1 205 865	5.50%	1 143 000