Remuneration Report

This report sets out our Remuneration Policy and Implementation Report for executive directors (EDs) and non-executive directors' (NEDs) remuneration for the 2021 financial year and is presented in three parts:

i) Part 1: The background statement which provides context to our Remuneration Policy and performance;
ii) Part 2: An overview of the forward looking Remuneration Policy applicable in the 2022 financial year; and
iii) Part 3: The Implementation Report which sets out in detail how the existing policy was implemented during the year under review, including disclosure on payments made to EDs and NEDs during the year ended 30 June 2021.

Part 1: Background statement

Remgro's remuneration philosophy is guided by its business strategy, namely a long-term approach to deliver value in a sustainable manner.

Due to the nature of the business, the remuneration framework, on an organisation-wide basis, provides for fixed remuneration (i.e. salary and benefits) and a long-term share plan, which only renders value if the stretching performance conditions (where applicable) and the employment condition are met. As an investment holding company, the Remuneration and Nomination Committee (the committee) views increased market capitalisation, sustainable growth in the share price and above-average dividend yield as critical metrics to deliver value to shareholders over time. In line with this approach Remgro does not pay short-term incentives (i.e. cash bonuses) and believes that management's decision-making should be long-term focused. It is aligned with the philosophy that they should be rewarded where value creation is demonstrated, without excessive risk taking in the short term. This two-tier approach makes the Remgro Remuneration Policy focused and avoids unnecessary layers of complexity. Our remuneration philosophy and policy are further detailed in Part 2 of this report.

Context and key decisions taken

Remgro has a diversified portfolio of investments across industries, which include healthcare, consumer products, financial services, infrastructure, industrial, and media interests. During the 2020 financial year, the Company successfully unbundled its investment in RMB Holdings Limited (RMH) by way of a dividend *in specie* (RMH Unbundling). The continued impact of the RMH Unbundling on Remgro's long-term incentive (LTI) structures and the measures taken in response thereto are discussed in more detail in Part 3 of this report.

The weak domestic macroenvironment, characterised by low economic growth, continued high levels of unemployment and rand volatility persisted during the financial year. The ongoing effects of Covid-19 further continued to impact on the Remgro share price and the local lockdown regulations at different levels continued to affect the majority of Remgro's investee companies' operations and earnings. It also resulted in the Company not meeting the performance conditions as attached to the 2018 awards, which will result in none of the performance-linked 2018 LTI awards vesting over the vesting periods ending in December 2021, 2022 and 2023.

Mainly because of macroeconomic conditions outside of the control of management, the LTI plans have not yielded any or very little value to participants in the last number of years. Due to the continued impact of Covid-19 on the global and local economy and on the operations of specific investee companies (i.e. ban on selling of liquor and significant reduction in non-Covid-19-related hospitalisation), it seems unlikely that any of the current "in-flight" SAR awards will yield the value from these plans as was the expectation prior to the outbreak of the pandemic.

The committee deliberated extensively on the impact of the Covid-19 pandemic, the RMH Unbundling and the macroeconomic conditions on all elements of remuneration during the year and a summary of these decisions and the other main actions and deliberations are provided below, with more detail set out in Part 3 of this report.

Total guaranteed package (TGP)

In order to mitigate against the impact of Covid-19 on the remuneration of employees, and in line with Remgro's philosophy on fair and responsible remuneration, the following decision was taken with regards to increases:

- No salary increases were proposed and approved for members of the Management Board and management level employees for the 2021 financial year.
- Non-management employees received cost-of-living-related salary adjustments of between 4.5% and 5.0% for the 2021 financial year.

Long-term incentive (LTI) plans

Remgro continued to review the short, medium and long-term impact of recent corporate activities, particularly the RMH Unbundling and the Covid-19 pandemic on reward principles and practices to enable our ability to attract, retain and motivate all employees. Remgro issued a cautionary announcement in November 2019 with regards to the RMH Unbundling which resulted in the Company entering an extended cautionary period. The 2018 Rules of the Remgro Equity Settled Conditional Share Plan (CSP) and Remgro Share Appreciation Rights Plan (SAR Plan) regard prohibited periods (which include cautionary periods) as a restriction which prevented the Company from granting new awards (the 2019 annual award) to participants and participants from exercising their awards.

During the year under review, the following actions were taken:

- Granting of LTI awards

  It was decided to award both the 2019 annual award as well as the 2020 annual award together during December of 2020. In line with our policy, both the 2019 and 2020 annual awards for executive directors, other members of the Management Board (prescribed officers) and identified investment executives were made up of 50% SARs and 50% CSPs, the vesting of which is subject to the performance condition and the employment condition. The awards made to all other participants to the CSP continued to be retention awards, the vesting of which is subject to the employment condition.

- Evaluation of impact on 2012 SAR awards

  The committee carefully balanced the prolonged impact of the prohibited periods as well as Covid-19 on the 2012 awards and loss of value to employees with the significant value realised for our shareholders in terms of the RMH Unbundling and decided on the following approach:

  – The committee, in line with the SAR Plan rules, extended the exercise period of the 2012 awards (which would have expired on 30 November 2020) to 30 November 2023 for all affected participants in order to allow for the potential recovery of value.

  – The committee approved a special award of CSPs to all participants affected by the RMH Unbundling in respect of their 2012 awards. The value of this award is comparable to what the vested value of the SARs were for the 30-day period prior to the 19 November 2019 SENS announcement which brought on the prohibited period. The CSP award will vest in two equal tranches on the first and second anniversaries of the award date, after which it will be subject to a post-vesting holding lock up until 30 November 2023; and

  – It is important to note that the participants will not qualify for both the 2012 SAR award and special CSP award and will have to elect which award he or she wants to obtain the benefit from (i.e. if the participant elects to exercise the SAR, the special CSP will be forfeited).

- Evaluation of impact on 2013 – 2015 SAR awards

  Covid-19's ongoing impact has resulted in the 2013 – 2015 awards being negatively impacted. The committee, in line with the SAR Plan rules, carefully considered the impact on all participants and decided to extend the expiry period for these awards as follows:

Award date	Original expiry date	Extension period	Revised expiry date
2013	2020	36 months	November 2023
2014	2021	24 months	
2015	2022	12 months	

- 2018 awards

  The 2018 award was left unadjusted, and neither the performance conditions nor the exercise period was adjusted.

These actions are set out in more detail in Part 3 of this report.

Environmental, Social and Governance (ESG)

Workplace, economic, social and environmental sustainability practices have always been part of Remgro's core values. During the year under review, Remgro embarked on an ESG journey, the aim of which is to develop a strong ESG strategy and framework for implementation across the business and the businesses of investee companies. During this journey, key areas of focus will be established, together with measurable and stretching targets which will be incorporated into the remuneration framework.

In order to incentivise and motivate management in driving this journey, qualitative ESG measures have been incorporated into the LTI which measures detailed milestones to be achieved by specified dates. Once measurable and stretching quantitative measures have been identified, these measures will be incorporated into the LTI scorecard and communicated to shareholders.

This journey will remain a key focus area for the foreseeable future.

Performance conditions

Although the ESG journey is still in its infancy and a priority focus area for the upcoming year, the committee felt it was prudent to relook at the LTI performance conditions and include qualitative ESG milestones in the LTI in order to drive this journey. These qualitative measures make up 100% of the ESG measure for the 2019 and 2020 awards and will focus on governance and risk as well as strategic investment decisions and portfolio impact.

The performance conditions for the LTI awards are as follows:

Performance measures	Weight
INAV	**55%**
Free cash flow	**25%**
ESG	**20%**

More details are provided in Parts 2 and 3 of this report.

Non-executive directors' (NED) fees

With consideration to the impact of Covid-19, the RMH Unbundling as well as the decision not to grant increases to the Management Board and other managers, the committee approved not to increase the NED fees for the 2021 financial year. During the year under review, it became clear that extensive work was being undertaken on a both a subcommittee and *ad hoc* committee level in both addressing the unique challenges which the Company faced as well as in driving the execution of the Company's business strategy. In light hereof, it is proposed that the Board member fee remains as it is for 2022, but that the subcommittee fees be increased by 8%. Given the low base of the current *ad hoc* committee fee and the critical work performed by the *ad hoc* committees and the Investment Committee in particular, it is proposed that the *ad hoc* committee fee be increased from R25 000 to R30 000 and that, going forward, members of the Investment Committee will receive an *ad hoc* fee for meetings attended.

Malus and Clawback Policy

The committee implemented a formal Malus and Clawback Policy during the year. More details on this policy are set out in Part 2 below.

Voting results and shareholder engagement

At the Annual General Meeting (AGM) held on 30 November 2020, Remgro's Remuneration Policy received a favourable vote by ordinary shareholders of 88.7% and the Remuneration Implementation Report received a favourable vote by ordinary shareholders of 92.9%.

The committee remains committed to ongoing engagement with shareholders and welcomes any comment they may wish to provide.

Future areas of focus

During the 2022 financial year the committee will focus on the following forward looking considerations:

- To develop a Company ESG strategy, and to align the remuneration strategy with the ESG strategy with a focus on the incorporation of quantitative ESG performance measures within the variable remuneration design.
- In line with our philosophy of remunerating fairly and responsibly, continue to identify and address any discrepancies.
- To continue to ensure that our internal human resources and remuneration policies support transformation across the business.

During the 2021 financial year, the committee has engaged external remuneration consultant PricewaterhouseCoopers Inc. (PwC) as well as management and the Board in conducting their duties and responsibilities.

The committee considered the advice, opinions and services received by PwC during the 2021 financial year. The committee is satisfied and regards PwC as being wholly objective and independent.

The committee is of the view that during the 2021 financial year, Remgro's Remuneration Policy achieved its stated objectives. At the 2021 AGM Remgro will put its Remuneration Policy and Remuneration Implementation Report to two separate non-binding advisory shareholder votes (see Ordinary Resolutions Numbers 15 and 16 in the Notice to shareholders on page 159) and the committee looks forward to a positive outcome in this regard.

Part 2: Remuneration Policy

The Remuneration Policy provides an overview of Remgro's remuneration principles for the organisation as a whole and applies to all permanent employees. The information provided in this policy has been approved by the Board on recommendation by the committee. This Remuneration Policy will be put to a non-binding advisory vote by shareholders at the next AGM on 25 November 2021.

Governance

The committee is appointed by the Board with delegated powers and the functioning of this dedicated Board committee is well established within Remgro's mode of operation. In essence it is the committee's role to ensure fair and responsible remuneration across the Company, by way of policy making and implementation, and that the disclosure of remuneration is accurate, complete and transparent. Ultimate responsibility remains with the Board.

The committee is governed by a mandate, reviewed and approved by the Board annually, that incorporates best practice governance recommendations and serves to assist members of this committee in the execution of their role and responsibilities.

The committee consists of four non-executive directors, three of whom are independent. The members of the committee for the year under review were:

- Mr J P Rupert (chairman);
- Mr P K Harris (independent non-executive director) – retired from the committee on 30 November 2020;
- Ms S E N De Bruyn (lead independent non-executive director) – appointed to the committee on 30 November 2020;
- Mr P J Moleketi (independent non-executive director); and
- Mr F Robertson (independent non-executive director).

The Board acknowledges the recommended practice in King IV that the Chairman of the Board should not be the chairman of this committee but given the following reasons, this arrangement is deemed appropriate:

- The necessity to align the Company's remuneration approach with corporate strategy;
- The Chairman receives no emoluments or fees from Remgro thus there are no conflicts with regard to the approval of non-executive director fees;
- The Chairman is a significant shareholder in the business hence it is not regarded as unreasonable for him to chair this committee; and
- In terms of committee composition, the majority of the committee remains independent non-executive directors.

The committee formally met twice during the year and had numerous informal interactions in preparation for the formal meetings. The details on the attendance of the formal meetings are set out in the Corporate Governance Report on page 74.

The mandate set out in the terms of reference of the committee includes the following:

In respect of its nomination function –

- Assist the Board with the process of identifying suitable candidates for appointment as directors;
- Ensure the establishment of a formal and transparent process for the appointment of directors;
- Oversee the development of a formal induction programme for new directors;
- Evaluate the performance of the Board; and
- Ensure that succession plans for the Board, Chief Executive Officer (CEO) and other Management Board members are developed and implemented.

In respect of its remuneration function –

- Oversee the establishment of an organisation-wide Remuneration Policy that promotes positive outcomes across the economic, social and environmental context in which Remgro operates;
- Promote an ethical culture and responsible corporate citizenship in the context of remuneration;
- Oversee the fair, responsible and transparent setting and administering of remuneration of all employees;
- Advise on the fees of non-executive directors, for approval by shareholders at the AGM;
- Ensure that remuneration meets Remgro's needs and strategic objectives and is administered in accordance with the shareholder-approved plan rules;
- Oversee the preparation and recommendation to the Board of the Remuneration Report to be included in the Integrated Annual Report; and
- Ensure that the Remuneration Policy and Remuneration Implementation Report are put to two separate non-binding advisory votes by shareholders at the AGM.

Fair and responsible remuneration across the Company

The delivery of Remgro's strategy is dependent on the values, talent and skills of all employees across the Company and Remgro therefore views employees as critical assets. Remgro committed to the principle of rewarding all employees across the Company in a manner which is fair and responsible and strives to create an environment which is inclusive. This commitment is entrenched in the remuneration policy.

The TGP of all employees is positioned around the 75th percentile of the market which takes into account that the Company does not have an short-term incentive plan (STI) in place. All employees are furthermore eligible to receive LTI awards and not only executives. Lower-level employees typically receive higher percentage increases than other employees.

Further ongoing actions taken in this regard include:

- Assessment of remuneration conditions between employees at the same level in accordance with the principle of "equal pay for work of equal value" to identify and address any unjustifiable remuneration disparities.
- Investing in its people initiatives, which include: talent management; development opportunities for all employees; various training courses as per identified needs and an employee value proposition aligned to the corporate values and culture.
- Fair and responsible remuneration practices remain a key focus area for the committee in the 2022 financial year.

Components of remuneration

Remgro has two components of remuneration, namely fixed remuneration (which includes benefits) and LTI in the form of its old Remgro Equity Settled Share Appreciation Right Scheme (SAR Scheme), current SAR Plan and CSP. Remgro does not pay short-term incentives and believes that management's decision-making should be long-term focused and aligned with the philosophy that they should be rewarded where long-term value creation is demonstrated, without excessive risk taking in the short term.

The same remuneration principles and components apply to all employees of Remgro. The remuneration policies, principles and practices of investee companies are governed through remuneration committee structures in these organisations.

The details of the components are outlined on the following page:

Fixed remuneration

Purpose

To provide competitive fixed remuneration that will attract and retain appropriate talent. Reflects an individual's responsibilities, experience and role.

What does this contain?

Referred to as TGP, includes components such as cash salary, travel allowance and the Company's contributions towards retirement funding and the medical scheme. All guaranteed benefits are funded from the TGP.

Retirement funding contributions range between 18.5% and 27.5% of pensionable emolument and the key features of the retirement fund are as follows:

- Retirement savings component with member investment options and a trustee default option;
- Insured flexible death, disability and funeral benefits; and
- Preservation options when exiting the fund.

Membership to a medical scheme is compulsory for all employees and contributions are funded from their TGP. All employees are eligible for membership of the in-house medical scheme, Remedi, and the scheme provides three different options for members to choose from annually. These options aim to accommodate the different healthcare needs and affordability of the diverse membership of the scheme.

Under specific circumstances Remgro also offers employees post-employment medical benefits. All details in this regard are disclosed in the Annual Financial Statements that is published on the Company's website at www.remgro.com.

Only employees who are required to regularly travel for business purposes receive travel allowances, which is funded from their TGP.

How is the TGP benchmarked?

Guaranteed packages for all employees are benchmarked against the upper quartile of the market for comparable companies utilising independent salary surveys.

Remgro currently makes use of the Mercer Top Executive survey for the Management Board members and senior executives. For the rest of the organisation the REMchannel national survey is used.

The services of an independent remuneration consultancy are contracted for this purpose. The TGP is positioned competitively to the market to ensure that the right talent is attracted and retained. It further supports the remuneration approach of no short-term cash bonuses and discourages excessive risk taking which may be driven by leveraged cash bonuses.

Annual review process

The committee conducts an annual review of the TGP for executives and approves the increase percentage for employees below executive level.

Adjustments to the TGP depends upon the employee's level of responsibility and his/her overall performance.

The CEO, who attends all committee meetings by invitation, may propose increases to the TGP, excluding his own, during such review meetings.

Variable remuneration

Share Appreciation Rights Plan	Conditional Share Plan

Purpose

Ensures alignment between personal wealth creation and corporate strategy and supports long-term employee retention.

How does it work?

Share Appreciation Rights Plan	Conditional Share Plan
This is an equity settled plan whereby selected employees are awarded rights to receive shares equal to the long-term growth in the Remgro share price and market capitalisation of the Company. These rights are awarded free of charge. The ultimate vesting of shares will be subject to prospective performance conditions for selected participants as well as an employment condition. The participants will only become shareholders in Remgro with shareholder rights, including dividend and voting rights, on the settlement date.	This is an equity settled plan under which all employees may be granted an award consisting of the conditional right to receive Remgro shares at a future point in time. These conditional shares are awarded free of charge. The ultimate vesting of shares will be subject to prospective performance conditions for selected participants as well as an employment condition. The participants will only become shareholders in Remgro with shareholder rights, including dividend and voting rights, on the settlement date, which will be shortly after the vesting date.

Who qualifies to participate?

Share Appreciation Rights Plan	Conditional Share Plan
The SAR Plan is currently used to incentivise executive directors and employees at senior executive level only.	All permanent employees of the Company may participate in the CSP.

Determination of value/allocation

The committee makes annual awards in terms of the SAR Plan and the CSP to participants, based on a multiple of TGP. The set annual multiples are determined by reference to a participant's job grade, role, the need to attract and/or retain key talent and the value added by the participant for Remgro and shareholders. The face value award multiples are as follows:

CEO	3.00 x TGP
Executive directors and prescribed officers	2.25 x TGP
Other employees	10% – 85% of TGP (different multiples based on the participant's job grade, role and performance conditions (if applicable))

For executive directors, other members of the Management Board (prescribed officers) and identified investment executives these multiples are equally divided between the SAR Plan awards and CSP awards (i.e. 50% SAR Plan and 50% CSP). These awards are subject to stretching financial Company performance conditions, ESG measures as well as individual performance conditions which focus on governance and risk including strategic investment decisions and portfolio impact.

For all other participants, 100% of the award is under the CSP. The vesting of these awards is subject to continued employment only.

These multiples are within current market parameters.

In addition, the rules of the CSP allow for *ad hoc* awards to be made to participants in exceptional circumstances as determined by the committee.

Refer to the Remuneration Implementation Report on page 100 for previous SARs and CSPs awarded.

Dividend equivalents

Share Appreciation Rights Plan	Conditional Share Plan
Not applicable.	Participants will be eligible to receive dividend equivalents on vested shares at the end of the vesting period of the award. The dividend equivalent will be rolled up over the vesting period and delivered as additional shares on the vesting date.

Variable remuneration (continued)

Share Appreciation Rights Plan	Conditional Share Plan

Vesting and exercise/settlement

Share Appreciation Rights Plan

Participants in the SAR Plan are remunerated with Remgro shares to the value of the appreciation of their rights to a specific number of Remgro ordinary shares.

The earliest intervals at which the SARs vest and are exercisable are as follows:

- One-third after the third anniversary of the grant date;
- An additional third after the fourth anniversary of the grant date; and
- The remainder after the fifth anniversary of the grant date.

All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.

Vesting is conditional on fulfilment of the employment period and achievement of performance conditions (where applicable).

Conditional Share Plan

Awards under the CSP will vest as follows:

- One-third after the third anniversary of the grant date;
- An additional third after the fourth anniversary of the grant date; and
- The remainder after the fifth anniversary of the grant date.

Vesting is conditional on fulfilment of the employment period and achievement of performance conditions (where applicable).

Performance conditions

The SAR Plan has an embedded performance hurdle whereby participants will only benefit if there is long-term share price appreciation and thus value creation for Remgro shareholders.

The committee approved the below performance conditions for the 2021 SAR and CSP awards to be made in December 2021. Although the ESG journey is still in its infancy and a priority focus area for the upcoming year, the committee felt it was prudent to include qualitative ESG milestones in the LTI in order to drive this journey. These qualitative measures make up 30% of the ESG measure and have been set for the first year of the performance period. Following the work to be done on ESG, quantitative measures, which will make up the remaining 70% of the ESG measure, will be determined and included for the second and third years of the performance period and will be communicated to shareholders in due course.

SAR Plan awards, together with CSP awards are subject to the following prospective financial and non-financial performance conditions:

Financial

Performance measure	Weight	Threshold (vesting 30%)*	On-target (vesting 50%)*	Stretch (vesting 100%)*
INAV	55%	Year one INAV plus CPI over three financial years	Year one INAV plus the 3 – 5 year SA Longbond rate over three financial years	Year one INAV plus the 3 – 5 year SA Longbond rate plus 5% over three financial years
Free cash flow	25%	Year one FCF plus CPI over three financial years	n/a	Year one FCF plus CPI plus 1.25% over three financial years

* *For performance between these points linear vesting will apply.*

Variable remuneration (continued)

Share Appreciation Rights Plan | **Conditional Share Plan**

Performance conditions

Non-financial – ESG

Performance measure	Weight	Threshold (vesting 30%)	On-target (vesting 50%)	Stretch (vesting 100%)
ESG	20%	The following needs to be achieved by June 2022: • Identify and engage with external expertise to develop a strategic ESG framework and to establish, amongst others, what environmental areas Remgro will focus on (i.e. water, carbon footprint, plastic, etc.), prepare an ESG footprint of Remgro's investee companies, establish measurable targets and stretching goals and identify how to communicate our ESG intent to the market. • To develop an ESG investment business case framework to be used when considering new investments. This would aim to articulate any possible industries/activities Remgro would not invest into and provide possible investments with a framework of what they would need to comply with either before investing or within a certain timeframe after investing. • Ready to present specific ESG targets and base line measures for selected targets and threshold and stretch performance hurdles for each target at the November 2022 Remgro Remuneration and Nomination Committee meeting.	Based on quantitative targets which will be set once the qualitative milestones have been implemented. To the extent that the quantitative targets cannot be set, a target outcome cannot be obtained.	Based on quantitative targets which will be set once the qualitative milestones have been implemented. To the extent that the quantitative targets cannot be set, a stretch outcome cannot be obtained.

In addition, the vesting of awards can be modified based on the extent to which the participant meets personal and Group non-financial performance conditions. Note that the achievement of these non-financial performance conditions can only reduce the result of the financial performance conditions. Awards will only vest if the participant remains in service of the Remgro Group.

These performance conditions will apply to executive directors and other members of the Management Board (prescribed officers) in respect of SAR Plan awards and to executive directors, other members of the Management Board (prescribed officers) and identified investment executives in respect of CSP awards.

All other participants to the CSP will be allocated retention awards and will have to be in the service of the Remgro Group upon vesting.

Variable remuneration (continued)

Share Appreciation Rights Plan | Conditional Share Plan

Early termination of employment

Participants may either be classified as "bad leavers" or "good leavers" and the following applies:

- *Bad leavers*
  Participants will forfeit all unvested awards.
- *Good leavers*
  A *pro rata* portion of the participant's unvested award(s) shall early vest on the date of termination of employment to the extent to which the committee determines that the performance conditions (if any) have been met. The portion of the shares that will vest will reflect the number of complete months served from the award date to the date of termination of employment, over the total number of months in the vesting period.

In addition, the rules of the SAR and the CSP allow for early vesting of awards on the date of termination of employment in exceptional circumstances as determined by the committee.

Change of control

In the event of a change of control of the Company occurring before the vesting date of any award, a portion of the award held by a participant will vest as soon as reasonably practicable thereafter. The portion of the award which shall vest will be determined based on the number of months served from the award date to the change of control date, over the total number of months in the vesting period and the extent to which the performance condition(s), if applicable, have been met. Any awards which do not vest will, subject to the discretion of the committee, remain subject to the terms of the relevant award letter.

Variation in share capital

Participants shall continue to participate in the SAR Plan and the CSP in the event of a variation in the Company's share capital. The committee may make such adjustment to the award or take such other action to place participants in no worse position than they were prior to the happening of the relevant event and to provide that the fair value of the award immediately after the event is materially the same as the fair value of the award immediately before the event.

Dilution limits

Individual basis
No award will be made to a single participant if at the time of or as a result of the granting of such award, the aggregate number of Remgro ordinary shares in respect of which any unexercised SAR Plan awards or CSP awards granted to the participant, shall exceed 5 290 000 Remgro ordinary shares, being approximately 1% of issued ordinary shares.

Overall basis
Similarly, no award will be made if at the time of or as a result of the granting of such award, the aggregate number of Remgro ordinary shares in respect of which any unexercised SAR Plan awards may be exercised or CSP awards, shall exceed 26 450 000 Remgro ordinary shares, being approximately 5% of issued ordinary shares.

Settlement considerations

If it is assumed that all of the participants to the SAR Plan exercise all options awarded to them on 1 July 2021, Remgro will have to deliver 224 161 shares in order to settle its obligations. This calculation is based on Remgro's closing share price on 30 June 2021 of R114.60. A 10% increase or decrease in the Remgro share price will require the number of shares to be delivered to be 334 324 shares and 120 583 shares, respectively.

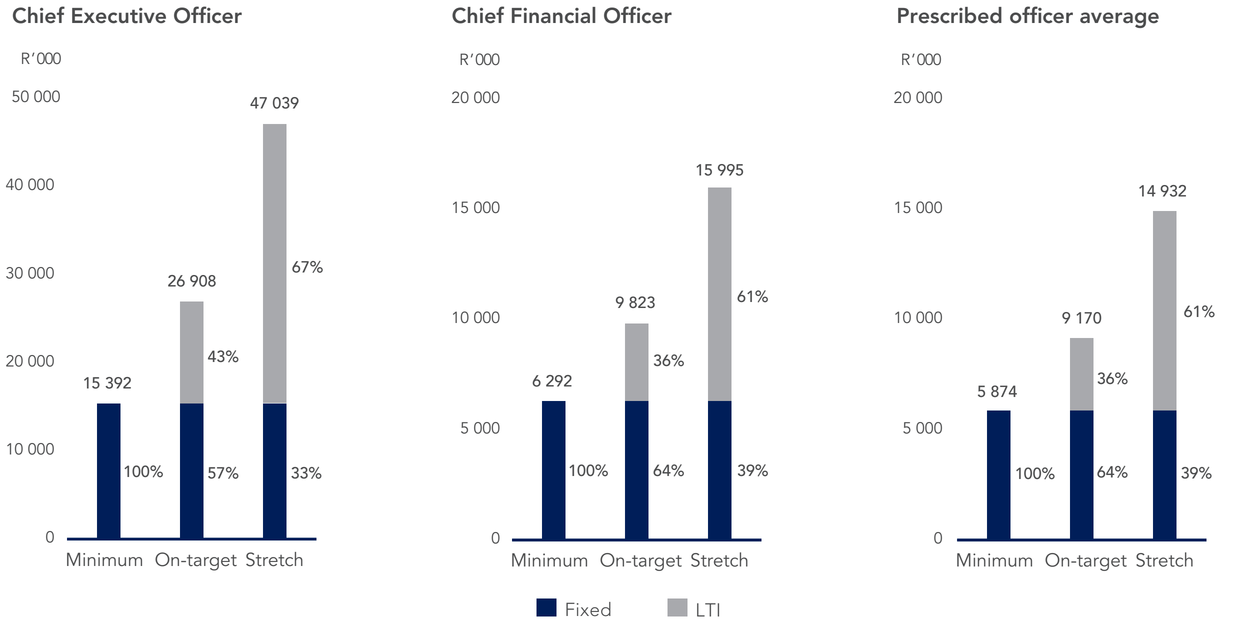
If it is assumed that all awards made under the CSP vest on 1 July 2021 in full, Remgro will have to deliver 2 412 538 shares in order to settle its obligations.

On 30 June 2021 Remgro held sufficient treasury shares to settle its obligations to deliver shares to LTI participants.

Scenarios of possible total remuneration outcomes

The following illustrations depict the pay mix and the possible remuneration outcomes for the CEO, Chief Financial Officer and the prescribed officer average at minimum, on-target and stretch levels.

Element	Minimum	On-target	Stretch
TGP	TGP for 2022		
LTI	Nil	The number of instruments granted in the 2021 financial year (in respect of the 2020 award) that will vest if target performance (50%) is achieved, multiplied by the fair value (on grant date).	The number of instruments granted in the 2021 financial year (in respect of the 2020 award) that will vest if full performance (100%) is achieved, multiplied by the face value (on grant date).



Malus and Clawback Policy

The Malus and Clawback Policy applies from 1 July 2021 to all new LTI awards.

The committee, in its discretion, may, in terms of the Malus and Clawback Policy, apply Malus and/or Clawback mechanisms to the LTI awards where a trigger event as provided for in the policy has occurred. Malus is applied to reduce awards where the trigger event is discovered before vesting or settlement of an award, whereas Clawback is used to recoup all or a portion of settled awards where a trigger event is discovered within three years post-vesting or settlement.

Trigger events include but are not limited to circumstances where any one or more of the following events have occurred:

- It has been discovered that participating employee(s) has committed any act of fraud or dishonesty, in the scope and course of his employment or directorship, or otherwise involving a member of the Group or its affairs and which has or is likely to have an effect on the financial results or financial statements of any member of the Group or on any other measurable under the short-term and long-term incentive;
- It has been discovered that participating employee(s), were involved in the falsification or misrepresentation of financial/management information, financial results or financial statements of any member of the Company;
- Any information that was used by the Board in order to determine or calculate a payment, award, benefit, allocation or grant or the vesting or settlement thereof was erroneous, inaccurate or misleading as a result of fraudulent or dishonest actions or circumstances that are directly attributable to any participating employee, or as a result of actions or circumstances that could have been avoided through reasonable care on the part of any participating employee;
- Any information emerges that was not known to or considered at the time of making a decision regarding the payment, award, benefit, allocation or grant or the vesting or settlement thereof which, in the opinion of the Board, would have affected the Board's decision and such information was not known to or considered at such time as a result of fraudulent or dishonest actions or circumstances that are directly attributable to any participating employee or as a result of actions or circumstances that could have been avoided through reasonable care on the part of any participating employee;

- Any member of the Group has:
  - Been subject to regulatory investigation as a result of a breach of any laws, rules or codes of conduct applicable to it or the standards reasonably expected of it; or
  - Suffered in the opinion of the Board, considerable reputational, in either case as a result of fraudulent or dishonest actions or circumstances that are directly attributable to participating employees or as a result of actions or circumstances that could have been avoided by the reasonable actions of participating employees.

Executive employment contracts

Executive directors and members of the Management Board do not have fixed-term contracts, but are employed in terms of the Company's standard contract of employment applicable to all employees. The notice period for termination of service is one calendar month and the normal retirement age is 63. Executive directors and members of the Management Board also do not have exceptional benefits associated with the termination of their services. Upon termination of employment, any payments made to employees will be as required in terms of legislation, and the consequences in respect of unexercised SARs and/or unvested CSP awards will be governed by the rules of the SAR Plan (or previous SAR Scheme) and CSP based on the reasons for the termination of employment.

Non-executive directors' remuneration

Independent non-executive directors

Independent non-executive directors do not have any employment contracts, do not receive any benefits associated with permanent employment and do not participate in the Company's LTI plans.

Furthermore, they are categorised as independent on the basis that the Board concludes that they have no interest, position, association or relationship which, judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making in the best interest of the Company.

The independence of independent non-executive directors is reviewed annually and the independence of non-executive directors, who have served on the Board for more than nine years, is subject to a rigorous review by the Board. The Board, led by the Lead Independent Director, considered the independence of the independent non-executive directors, and is satisfied with their independence, including the independence of Messrs F Robertson (appointed 28 March 2001), M Morobe (appointed 18 June 2007), N P Mageza (appointed 4 November 2009) and P J Moleketi (appointed 4 November 2009) who each has served on the Remgro Board for more than nine years. Based on an evaluation of the aforementioned directors, there is no evidence of any circumstances or relationships that will impair their judgement, and the Board is satisfied that their independence is in no way affected by their length of service.

Independent non-executive directors are paid a fixed annual Board fee. Committee fees are also determined on a fixed annual basis. The fee structure is reviewed annually on 1 July, based on independent market benchmarks for non-executive directors' fees, taking into account the nature and size of Remgro's operations. Remgro utilises the Mercer NED survey to benchmark the remuneration levels of non-executive director fees. The trends identified in this survey are then validated through a focused secondary survey among a selected group of companies. Non-executive director fees are approved by shareholders at the Company's AGM by special resolution prior to payment. Remgro also pays for all travelling and accommodation expenses reasonably and properly incurred in order to attend meetings.

Non-independent non-executive directors

Messrs J P Rupert, A E Rupert, P J Neethling and J Malherbe are regarded as non-independent non-executive directors.

The Chairman, Messrs A E Rupert and P J Neethling receive no emoluments or fees from Remgro, whilst Mr J Malherbe receives the approved annual Board and committee fees paid to independent non-executive directors.

As in the case of independent non-executive directors, these directors do not participate in the Company's LTI plans.

Although benchmarking data has indicated the NED fees to be below the market median, no increases were made to NED fees for the 2020/21 period as part of the efforts to combat the impact of Covid-19. During the year under review, it became clear that extensive work was being undertaken on a both a subcommittee and *ad hoc* committee level in both addressing the unique challenges which the Company faced as well as in driving the execution of the Company's business strategy. In light hereof, it is proposed that the Board member fee remain as it is, but that the subcommittee fees be increased by 8%. Given the critical work performed by *ad hoc* committees and the Investment Committee in particular, it is proposed that the *ad hoc* committee fee be increased from R25 000 to R30 000 and that, going forward, members of the Investment Committee will receive an *ad hoc* fee for meetings attended.

The proposed fee structure payable to non-executive directors for the year ending 30 June 2021 is presented in the table below. Also see Special Resolution Number 1 in the Notice to shareholders on page 159.

Type of fee (Rand)	**Current fee for the year ended 30 June 2021**	Proposed fee for the year ending 30 June 2022	*% Change*
Board member	**390 000**	390 000	*0%*
Chairman of the Audit and Risk Committee	**297 000**	320 760	*8%*
Member of the Audit and Risk Committee	**147 500**	159 300	*8%*
Member of the Remuneration and Nomination Committee	**65 500**	70 740	*8%*
Chairman of the Social and Ethics Committee	**120 000**	129 600	*8%*
Member of the Social and Ethics Committee	**65 500**	70 740	*8%*
Meeting fee for *ad hoc* Committees (i.e. Investment, Valuation, etc. committees)	**25 000**	30 000	*20%*

Fees are excluding VAT.

Shareholder engagement and non-binding advisory vote

The Remuneration Policy and Remuneration Implementation Report are respectively tabled for separate non-binding advisory votes by the shareholders at each AGM.

The committee will engage with shareholders in the event of a 25% or more dissenting vote on either or both the Remuneration Policy or Remuneration Implementation Report. In that event, the Company will, in its voting results announcement provide for (1) an invitation to dissenting shareholders to engage with the Company, and (2) the manner and timing of such engagement. In this regard the Company intends to (1) invite the dissenting shareholders to provide the Company with their written submissions as to why they voted against the Remuneration Policy or Remuneration Implementation Report, (2) address the legitimate and reasonable objections of dissenting shareholders, and (3) report back to the dissenting shareholders. If appropriate and practical, the Company may engage with dissenting shareholders either individually or collectively at meetings called for that purpose. Other methods of shareholder engagement may include conference calls, emails and investor roadshows.

Part 3: Remuneration Implementation Report

The Remuneration Implementation Report provides details on how Remgro implemented its Remuneration Policy during the 2021 financial year. (The information on pages 103 to 110 was audited). This Remuneration Implementation Report will be put to a non-binding advisory vote by shareholders at the next AGM on 25 November 2021.

Fixed remuneration review

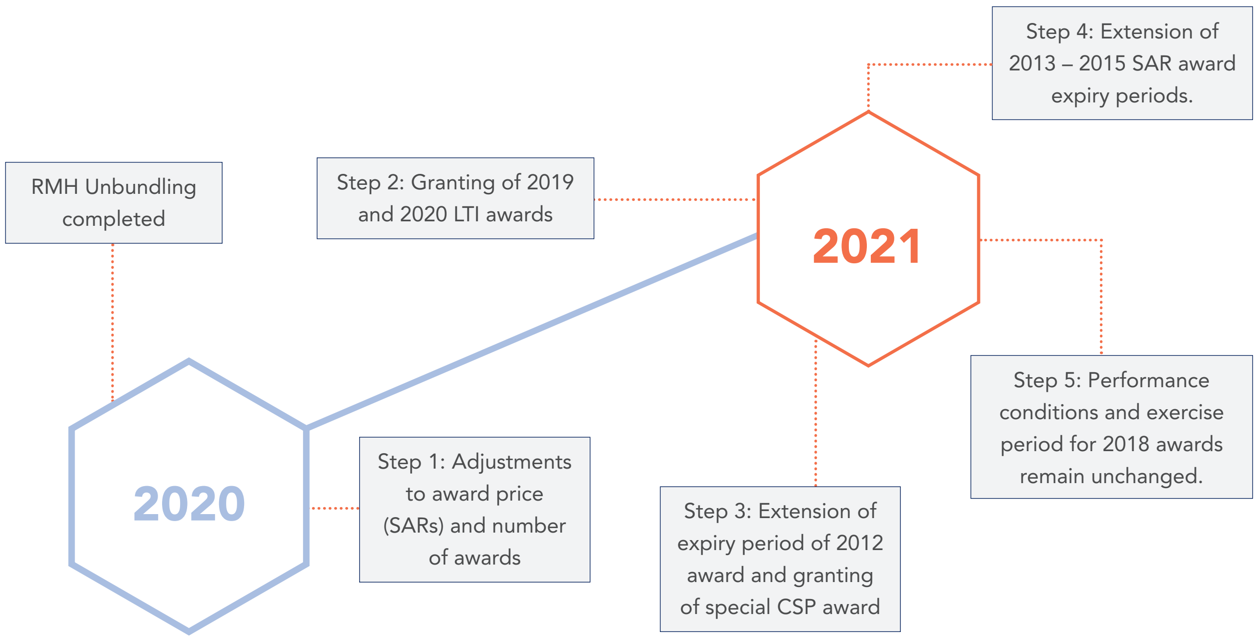
Executive directors and other members of the Management Board and management level employees received no salary increase for the 2021 financial year. In order to safeguard the interests of our more vulnerable employees, non-management level employees received a cost-of-living adjustment of between 4.5% and 5.0%.

Short-term incentives outcome

Remgro's Remuneration Policy does not provide for any short-term incentives, therefore no outcomes are reported in terms of this.

Long-term incentives outcome

As noted in Part 1 of the report, the committee deliberated extensively on the impact of the RMH Unbundling and Covid-19 on the LTI and ways, if any, in which these impacts could be mitigated. An overview of the key decisions and steps taken are set out below:



Impact of the RMH Unbundling

The 2020 report detailed the significant impact of the RMH Unbundling and set out the adjustments which were made to in-flight awards as a result thereof. During the year under review, the committee considered the ongoing impact of the RMH Unbundling on the Company's long-term incentives.

Remgro issued a cautionary announcement in November 2019 with regards to the RMH Unbundling which resulted in the Company entering an extended cautionary period. The 2018 Rules of the Remgro Equity Settled Conditional Share Plan (CSP) and Remgro Share Appreciation Rights Plan (SAR Plan) regard prohibited periods (which include cautionary periods) as a restriction which prevented the Company from granting new awards to employees and employees from exercising their awards.

LTI awards made during the year

As a result of the prohibited periods (which included closed periods), the Company was prevented from granting the planned annual awards in December 2019. While the restrictions were lifted in April 2020, it was noted in the 2020 report that the Company decided to postpone the granting of the 2019 awards further due to the uncertainties of the impact of Covid-19 on investee companies and Remgro as a whole.

Following deliberations, it was decided to award both the 2019 annual award as well as the 2020 annual award together during December of 2020. In line with our policy, both the 2019 and 2020 annual awards for executive directors, other members of the Management Board (prescribed officers) and identified investment executives were made up of 50% SARs and 50% CSPs, the vesting of which is subject to the performance conditions and the employment condition as well as individual performance conditions. The awards made to all other participants to the CSP continued to be retention awards, the vesting of which is subject to the employment condition.

Although the award was made in 2020, it was decided that the vesting period for the 2019 award will be adjusted so that the award will vest as if the award had been made in 2019. Vesting for the 2019 award will therefore occur in equal tranches on the second, third and fourth anniversaries from the award date, whereas the 2020 award will vest on the third, fourth and fifth anniversaries from the award date.

The committee approved the below updated performance conditions for the 2019 and 2020 awards. Although the ESG journey is still in its infancy and a priority focus area for the upcoming year, the committee felt it was prudent to include qualitative ESG milestones in the LTI in order to drive this journey. These qualitative measures make up 100% of the ESG measure for the 2019 and 2020 awards and will focus on governance and risk as well as strategic investment decisions and portfolio impact.

Financial

Performance measure	Weight	Threshold (vesting 30%)	On-target (vesting 50%)	Stretch (vesting 100%)
INAV	55%	Year one INAV plus CPI over three financial years	Year one INAV plus the 3 – 5 year SA Longbond rate over three financial years	Year one INAV plus the 3 – 5 year SA Longbond rate plus 5% over three financial years
Free cash flow	25%	Year one FCF plus CPI over three financial years	n/a	Year one FCF plus CPI plus 1.25% over three financial years

Non-financial – ESG

Performance measure	Weight	Threshold (vesting 30%)	On-target (vesting 50%)	Stretch (vesting 100%)
ESG	20%	The following needs to be achieved by December 2021: • Amend all committee and Board mandates to include ESG focus. • Establish an operational ESG committee (subcommittee of the Management Board) to provide direction and oversight with regards to the ESG strategy. • Establish a strategic ESG committee (subcommittee of the Remgro Board) to provide strategic direction and overall oversight of the Remgro Group ESG strategy and activities. • Develop and approve mandates and terms of references for these committees to ensure they operate efficiently and to enable the Remgro ESG focus.	The following needs to be achieved by 30 June 2022: • Identify and engage with external expertise to develop a strategic ESG framework to establish, among others, what environmental areas Remgro will focus on (i.e. water, carbon footprint, plastic, etc.), prepare an ESG footprint of Remgro's investee companies, establish measurable targets and stretching goals and identify how to communicate our ESG intent to the market. • To develop an ESG investment business case framework to be used when considering new investments. This would aim to articulate any possible industries/activities Remgro would not invest into and provide possible investments with a framework of what they would need to comply with either before investing or within a certain timeframe after investing. • Ready to present specific ESG targets and, base line measures for selected targets and threshold and stretch performance hurdles for each target at the November 2022 Remgro Remuneration and Nomination Committee meeting.	The following needs to be achieved by 31 December 2022: • Influence Portfolio impact at subsidiary level through ensuring key subsidiary companies to have ESG targets and KPI's for LTI and/or STI plans at executive level. • Stretch can only be achieved if KPI's at threshold and target were achieved.

Decisions taken in respect of 2012 awards

As noted in our 2020 report, a number of employees across the Company were impacted in respect of their vested 2012 awards under the SAR Plan which were due to expire during the prohibited period and could not be exercised. This position was exacerbated by the impact of Covid-19 on the Company's share price following the end of the prohibited period which resulted in the 2012 awards becoming under water.

The committee carefully balanced the prolonged impact of the prohibited periods as well as Covid-19 on the 2012 awards and loss of value to employees with the significant value realised for our shareholders in terms of the RMH Unbundling and decided on the following approach:

- The committee, in line with the SAR Plan rules, extended the exercise period of the 2012 awards to November 2023 in order to allow for the potential recovery of value;
- The committee decided to award a special award of CSPs to all employees affected by the RMH Unbundling in respect of their 2012 awards. The value of this award is comparable to what the vested value of the SARs were for the 30-day period prior to the 19 November 2019 SENS announcement which brought on the prohibited period. The CSP award will vest in two equal tranches on the first and second anniversaries of the award date, after which it will be subject to a post-vesting holding lock up until 30 November 2023; and
- Employees will receive either the CSPs or the 2012 SARs on the final expiry date in November 2023, but not both. Should the employee therefore choose to exercise his SARs, the CSP award will lapse.

Impact of Covid-19

Extension of expiry periods of the 2013 – 2015 awards

Covid-19's ongoing impact has resulted in the 2013 – 2015 awards being negatively impacted. The SAR Plan rules allow for the committee to extend the expiry period of the SARs where it deems necessary to do so. The committee, in line with the SAR Plan rules, carefully considered the impact on the participants and decided to extend the expiry period for these awards as follows in order to provide the opportunity for the recovery of value lost as a result of Covid-19:

Award date	Original expiry date	Extension period	Revised expiry date
2013	2020	36 months	November 2023
2014	2021	24 months	
2015	2022	12 months	

Long-term incentive outcomes

The committee carefully considered both the impact of the RMH Unbundling as well as Covid-19 on the performance conditions attached to the 2018 award. Although the plan rules provide for the substitution of performance conditions in instances where unforeseen circumstances resulted in the original performance conditions no longer being appropriate, the committee, in balancing the interests of management with the interests of shareholders, decided not to make any adjustments to the performance conditions or the vesting periods of these awards. No performance based LTIs vested during the 2021 financial year.

Performance measure	Weight	Threshold (30% vesting)	Stretch (100% vesting)	Actual performance	Actual vesting (% of CSPs)	Actual vesting (% of SARs)
INAV (Rand per share)	**50%**	**228.35**	**235.49**	**177.33**	**0%**	**0%**
Free cash flow (Cents per share)*	**50%**	**1 442.92**	**1 457.87**	**1 024.85**	**0%**	**0%**
Total LTI vesting					**0%**	**0%**

* *Cumulative over three years.*

Long-term incentives summary

The tables below provide information on a director and prescribed officer basis of SARs granted and accepted during the year and the indicative value of SARs not yet exercised (outstanding SARs). It also illustrates the cash value of SARs exercised during the year.

Share appreciation rights (SARs)

Directors

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2020	Adjusted offer price[3] (Rand)	SARs accepted/ (exercised or expired) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2021[5]	Fair value of SARs as at 30 June 2021[6] (R'000)
Executive											
J J Durand	**29-Nov-12[7]**	**147.25**	**271 258**	**10 763**	271 258	**94.22**				**271 258**	**7 408**
	04-Dec-13[7]	**191.70**	**93 128**	**5 064**	93 128	**127.40**				**93 128**	**1 374**
	26-Nov-14[7]	**253.53**	**108 468**	**7 442**	108 468	**164.57**				**108 468**	**938**
	24-Nov-15[7]	**272.00**	**192 676**	**15 591**	192 676	**170.38**				**192 676**	**1 553**
	01-Dec-16	**209.11**	**150 872**	**10 554**	150 872	**125.95**				**150 872**	**2 267**
	14-Dec-17	**206.35**	**132 309**	**9 705**	132 309	**118.86**				**132 309**	**2 468**
	05-Dec-18	**205.07**	**87 135**	**5 436**	87 135	**112.38**				**87 135**	**–**
	05-Dec-20[8]	**93.82**	**235 427**	**6 111**	–	**93.82**	**235 427**			**235 427**	**5 603**
	05-Dec-20	**93.82**	**235 454**	**6 631**	–	**93.82**	**235 454**			**235 454**	**5 842**
M Lubbe	**29-Nov-12[7]**	**147.25**	**13 961**	**554**	13 961	**94.22**				**13 961**	**381**
	04-Dec-13[7]	**191.70**	**7 444**	**405**	7 444	**127.40**				**7 444**	**110**
	26-Nov-14[7]	**253.53**	**4 011**	**275**	4 011	**164.57**				**4 011**	**35**
	24-Nov-15[7]	**272.00**	**8 036**	**650**	8 036	**170.38**				**8 036**	**65**
	01-Dec-16	**209.11**	**65 632**	**4 591**	65 632	**125.95**				**65 632**	**986**
	14-Dec-17	**206.35**	**15 481**	**1 136**	15 481	**118.86**				**15 481**	**289**
	05-Dec-18	**205.07**	**14 648**	**914**	14 648	**112.38**				**14 648**	**–**
	05-Dec-20[8]	**93.82**	**39 078**	**1 014**	–	**93.82**	**39 078**			**39 078**	**930**
	05-Dec-20	**93.82**	**46 448**	**1 308**	–	**93.82**	**46 448**			**46 448**	**1 153**
N J Williams	**29-Nov-12[7]**	**147.25**	**81 901**	**3 250**	81 901	**94.22**				**81 901**	**2 237**
	04-Dec-13[7]	**191.70**	**22 221**	**1 208**	22 221	**127.40**				**22 221**	**328**
	26-Nov-14[7]	**253.53**	**16 430**	**1 127**	16 430	**164.57**				**16 430**	**142**
	24-Nov-15[7]	**272.00**	**27 492**	**2 225**	27 492	**170.38**				**27 492**	**222**
	01-Dec-16	**209.11**	**98 716**	**6 905**	98 716	**125.95**				**98 716**	**1 483**
	14-Dec-17	**206.35**	**55 677**	**4 084**	55 677	**118.86**				**55 677**	**1 038**
	05-Dec-18	**205.07**	**28 465**	**1 776**	28 465	**112.38**				**28 465**	**–**
	05-Dec-20[8]	**93.82**	**72 103**	**1 871**	–	**93.82**	**72 103**			**72 103**	**1 716**
	05-Dec-20	**93.82**	**72 124**	**2 031**	–	**93.82**	**72 124**			**72 124**	**1 790**
Total					1 495 961		**700 634**		**–**	**2 196 595**	**40 358**

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions.*

(4) *This refers to the increase in value of the SARs of the indicated participants from the offer date to the date of exercise.*

(5) *SARs offered from December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met.*

(6) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage of the 2018 awards and onwards is considered to be the on-target performance level of 60%. It is also estimated that the performance conditions of the 2018 award will not be met.*

(7) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise his 2012 SAR award, the special CSP award will lapse. Refer to page 102 for more context.*

(8) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. Refer to page 100 for more context.*

Long-term incentives summary (continued)

Share appreciation rights (SARs) (continued)

Directors (continued)

Participant	Offer date[(1)]	Offer price[(2)] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2019	Adjusted offer price[(3)] (Rand)	SARs accepted/ (exercised or expired) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[(4)] (R'000)	Balance of SARs accepted as at 30 June 2020[(5)]	Fair value of SARs as at 30 June 2020[(6)] (R'000)
Executive											
J J Durand	29-Nov-12[(7)]	147.25	271 258	10 763	271 258	94.22				271 258	3 439
	04-Dec-13	191.70	93 128	5 064	93 128	127.40				93 128	262
	26-Nov-14	253.53	108 468	7 442	108 468	164.57				108 468	463
	24-Nov-15	272.00	192 676	15 591	192 676	170.38				192 676	888
	01-Dec-16	209.11	150 872	10 554	150 872	125.95				150 872	2 076
	14-Dec-17	206.35	132 309	9 705	132 309	118.86				132 309	2 290
	05-Dec-18	205.07	87 135	5 436	87 135	112.38				87 135	1 851
M Lubbe	29-Nov-12[(7)]	147.25	13 961	554	13 961	94.22				13 961	177
	04-Dec-13	191.70	7 444	405	7 444	127.40				7 444	21
	26-Nov-14	253.53	4 011	275	4 011	164.57				4 011	17
	24-Nov-15	272.00	8 036	650	8 036	170.38				8 036	37
	01-Dec-16	209.11	65 632	4 591	65 632	125.95				65 632	903
	14-Dec-17	206.35	15 481	1 136	15 481	118.86				15 481	268
	05-Dec-18	205.07	14 648	914	14 648	112.38				14 648	311
N J Williams	29-Nov-12[(7)]	147.25	81 901	3 250	81 901	94.22				81 901	1 038
	04-Dec-13	191.70	22 221	1 208	22 221	127.40				22 221	63
	26-Nov-14	253.53	16 430	1 127	16 430	164.57				16 430	70
	24-Nov-15	272.00	27 492	2 225	27 492	170.38				27 492	127
	01-Dec-16	209.11	98 716	6 905	98 716	125.95				98 716	1 358
	14-Dec-17	206.35	55 677	4 084	55 677	118.86				55 677	964
	05-Dec-18	205.07	28 465	1 776	28 465	112.38				28 465	605
Total					1 495 961		–		–	1 495 961	17 228

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions. During the 2020 financial year offer prices were reduced by between R47.82 and R92.69 (depending on the offer date) as a result of the RMH Unbundling.*

(4) *This refers to the increase in value of the SARs of the indicated participants from the offer date to the date of exercise.*

(5) *SARs offered from December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met.*

(6) *Fair value was calculated using the standard binomial pricing model.*

(7) *The expiry dates of these awards were extended because of restrictions under prohibited periods. Refer to page 102 for more context.*

Prescribed officers

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2020	Adjusted offer price[3] (Rand)	SARs accepted/ (exercised or expired) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2021[5]	Fair value of SARs as at 30 June 2021[6] (R'000)
P R Louw	29-Nov-12[7]	147.25	22 646	899	22 646	94.22				22 646	618
	04-Dec-13[7]	191.70	12 944	704	12 944	127.40				12 944	191
	26-Nov-14[7]	253.53	5 952	408	5 952	164.57				5 952	51
	24-Nov-15[7]	272.00	9 497	768	9 497	170.38				9 497	77
	01-Dec-16	209.11	91 120	6 374	91 120	125.95				91 120	1 369
	14-Dec-17	206.35	20 301	1 489	20 301	118.86				20 301	379
	05-Dec-18	205.07	17 881	1 116	17 881	112.38				17 881	–
	05-Dec-20[8]	93.82	46 428	1 205	–	93.82	46 428			46 428	1 105
	05-Dec-20	93.82	46 448	1 308	–	93.82	46 448			46 448	1 153
P J Uys	02-Apr-13[7]	183.15	218 400	10 519	218 400	121.67				218 400	3 868
	04-Dec-13[7]	191.70	3 325	181	3 325	127.40				3 325	49
	26-Nov-14[7]	253.53	14 774	1 014	14 774	164.57				14 774	128
	24-Nov-15[7]	272.00	11 533	933	11 533	170.38				11 533	93
	01-Dec-16	209.11	91 463	6 398	91 463	125.95				91 463	1 374
	14-Dec-17	206.35	85 936	6 303	85 936	118.86				85 936	1 603
	05-Dec-18	205.07	35 822	2 235	35 822	112.38				35 822	–
	05-Dec-20[8]	93.82	88 088	2 286	–	93.82	88 088			88 088	2 096
	05-Dec-20	93.82	88 108	2 481	–	93.82	88 108			88 108	2 186
Total					641 594		269 072		–	910 666	16 340

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions.*

(4) *This refers to the increase in value of the SARs of the indicated participants from the offer date to the date of exercise.*

(5) *SARs offered from December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met.*

(6) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage of the 2018 awards and onwards is considered to be the on-target performance level of 60%. It is also estimated that the performance conditions of the 2018 award will not be met.*

(7) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, the special CSP award will lapse. Refer to page 102 for more context.*

(8) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. Refer to page 100 for more context.*

Long-term incentives summary (continued)

Share appreciation rights (SARs) (continued)

Prescribed officers (continued)

Participant	Offer date[(2)]	Offer price[(3)] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2019	Adjusted offer price[(4)] (Rand)	SARs expired during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[(5)] (R'000)	Balance of SARs accepted as at 30 June 2020[(6)]	Fair value of SARs as at 30 June 2020[(7)] (R'000)
P R Louw	29-Nov-12[(8)]	147.25	22 646	899	22 646	94.22				22 646	287
	04-Dec-13	191.70	12 944	704	12 944	127.40				12 944	36
	26-Nov-14	253.53	5 952	408	5 952	164.57				5 952	25
	24-Nov-15	272.00	9 497	768	9 497	170.38				9 497	44
	01-Dec-16	209.11	91 120	6 374	91 120	125.95				91 120	1 254
	14-Dec-17	206.35	20 301	1 489	20 301	118.86				20 301	351
	05-Dec-18	205.07	17 881	1 116	17 881	112.38				17 881	380
R S M Ndlovu[(1)]	04-Dec-13[(8)]	191.70	375	20	375	185.07	(375)			–	–
	26-Nov-14	253.53	1 080	74	1 080	245.53	(1 080)			–	–
	24-Nov-15	272.00	10 699	866	10 699	262.77	(10 699)			–	–
	01-Dec-16	209.11	15 605	1 092	15 605	209.11	(15 605)			–	–
	14-Dec-17	206.35	10 267	753	10 267	206.35	(10 267)			–	–
	05-Dec-18	205.07	15 665	977	15 665	205.07	(15 665)			–	–
P J Uys	02-Apr-13[(8)]	183.15	218 400	10 519	218 400	121.67				218 400	796
	04-Dec-13	191.70	3 325	181	3 325	127.40				3 325	9
	26-Nov-14	253.53	14 774	1 014	14 774	164.57				14 774	63
	24-Nov-15	272.00	11 533	933	11 533	170.38				11 533	53
	01-Dec-16	209.11	91 463	6 398	91 463	125.95				91 463	1 258
	14-Dec-17	206.35	85 936	6 303	85 936	118.86				85 936	1 488
	05-Dec-18	205.07	35 822	2 235	35 822	112.38				35 822	761
Total					695 285		(53 691)		–	641 594	6 805

(1) *Mr R S M Ndlovu resigned on 30 November 2019 and forfeited all SARs.*

(2) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after grant date, upon which date unexercised SARs lapse.*

(3) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from December 2018 onwards is the five-day VWAP on offer date.*

(4) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions. During the 2020 financial year offer prices were reduced by between R47.82 and R92.69 (depending on the offer date) as a result of the RMH Unbundling. The offer prices of Mr R S M Ndlovu's SARs were not adjusted due to his resignation.*

(5) *This refers to the increase in value of the SARs of the indicated participants from the offer date to the date of exercise.*

(6) *SARs offered from December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met.*

(7) *Fair value was calculated using the standard binomial pricing model.*

(8) *The expiry dates of these awards were extended because of restrictions under prohibited periods. Refer to page 102 for more context.*

The tables below provide information on a director and prescribed officer basis of CSPs granted and accepted during the year. It also illustrates the cash value of CSPs vested during the year.

Conditional Share Plan shares (CSPs)

Directors

Participant	Offer date[1]	Offer price[2] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2020	CSPs accepted/ (exercised or expired) during the year	Share price on vesting date[3] (Rand)	Cash value of CSPs vesting in year[4] (R'000)	Balance of CSPs accepted as at 30 June 2021[5, 6]	Fair value of CSPs as at 30 June 2021[7] (R'000)
Executive										
J J Durand	**05-Dec-18**	**205.07**	**120 107**	**15 933**	120 107				**120 107**	**–**
	05-Dec-20[8]	**93.82**	**235 427**	**20 366**	–	**235 427**			**235 427**	**15 000**
	05-Dec-20	**93.82**	**235 454**	**19 655**	–	**235 454**			**235 454**	**14 520**
	05-Dec-20[9]	**93.82**	**95 672**	**8 728**	–	**95 672**			**95 672**	**10 666**
M Lubbe	**05-Dec-18**	**205.07**	**20 191**	**2 678**	20 191				**20 191**	**–**
	05-Dec-20[8]	**93.82**	**39 078**	**3 380**	–	**39 078**			**39 078**	**2 490**
	05-Dec-20	**93.82**	**46 448**	**3 877**	–	**46 448**			**46 448**	**2 846**
	05-Dec-20[9]	**93.82**	**4 924**	**449**	–	**4 924**			**4 924**	**549**
N J Williams	**05-Dec-18**	**205.07**	**39 237**	**5 205**	39 237				**39 237**	**–**
	05-Dec-20[8]	**93.82**	**72 103**	**6 237**	–	**72 103**			**72 103**	**4 594**
	05-Dec-20	**93.82**	**72 124**	**6 021**	–	**72 124**			**72 124**	**4 448**
	05-Dec-20[9]	**93.82**	**28 887**	**2 635**	–	**28 887**			**28 887**	**3 220**
Total					179 535	**830 117**		**–**	**1 009 652**	**58 351**

(1) Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.
(2) Offer price of CSPs granted is the five-day VWAP on offer date.
(3) Five-day VWAP of Remgro on vesting date.
(4) This refers to the total value of the CSPs on vesting.
(5) CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met.
(6) Dividend equivalents will be accumulated and delivered in shares upon vesting.
(7) Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage is considered to be the on-target performance level of 60%. The special award of CSPs (refer below) does not have performance conditions. It is also estimated that the performance conditions of the 2018 award will not be met.
(8) These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.
(9) As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse. Refer to page 102 for more context.

Participant	Offer date[1]	Offer price[2] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2019	Additional CSPs with RMH Unbundling[3]	Share price on vesting date[4] (Rand)	Cash value of CSPs vesting in year[5] (R'000)	Balance of CSPs accepted as at 30 June 2020[6, 7]	Fair value of CSPs as at 30 June 2020[8] (R'000)
Executive										
J J Durand	05-Dec-18	205.07	87 135	15 933	87 135	32 972			120 107	2 551
M Lubbe	05-Dec-18	205.07	14 648	2 678	14 648	5 543			20 191	429
N J Williams	05-Dec-18	205.07	28 465	5 205	28 465	10 772			39 237	834
Total					130 248	49 287		–	179 535	3 814

(1) Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.
(2) Offer price of CSPs granted is the five-day VWAP on offer date.
(3) As a result of the RMH Unbundling, additional CSPs, being a factor of 0.3784 of the CSPs held, were allocated during the 2020 financial year.
(4) Five-day VWAP of Remgro on vesting date.
(5) This refers to the total value of the CSPs on vesting.
(6) CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met.
(7) Dividend equivalents will be accumulated and delivered in shares upon vesting.
(8) Fair value was calculated using the standard binomial pricing model.

Long-term incentives summary (continued)

Conditional Share Plan shares (CSPs) (continued)

Prescribed officers

Participant	**Offer date[(1)]**	**Offer price[(2)] (Rand)**	**Number of CSPs offered and accepted**	**Fair value of CSPs on offer date (R'000)**	Balance of CSPs accepted as at 30 June 2020	**CSPs accepted/ (exercised or expired) during the year**	**Share price on vesting date[(3)] (Rand)**	**Cash value of CSPs vesting in year[(4)] (R'000)**	**Balance of CSPs accepted as at 30 June 2021[(5, 6)]**	**Fair value of CSPs as at 30 June 2021[(7)] (R'000)**
P R Louw	**05-Dec-18**	**205.07**	**24 648**	**3 270**	24 648				**24 648**	**–**
	05-Dec-20[(8)]	**93.82**	**46 428**	**4 016**	–	**46 428**			**46 428**	**2 958**
	05-Dec-20	**93.82**	**46 448**	**3 877**	–	**46 448**			**46 448**	**2 864**
	05-Dec-20[(9)]	**93.82**	**7 988**	**729**	–	**7 988**			**7 988**	**891**
P J Uys	**05-Dec-18**	**205.07**	**49 378**	**6 550**	49 378				**49 378**	**–**
	05-Dec-20[(8)]	**93.82**	**88 088**	**7 620**	–	**88 088**			**88 088**	**5 612**
	05-Dec-20	**93.82**	**88 108**	**7 355**	–	**88 108**			**88 108**	**5 434**
Total					74 026	**277 060**		**–**	**351 086**	**17 759**

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *Five-day VWAP of Remgro on vesting date.*
(4) *This refers to the total value of the CSPs on vesting date.*
(5) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met.*
(6) *Dividend equivalents will be accumulated and delivered in shares upon vesting.*
(7) *Fair value was calculated using the standard binomial pricing model. The estimated vesting percentage is considered to be the on-target performance level of 60%. The special award of CSPs (refer below) does not have performance conditions. It is also estimated that the performance conditions of the 2018 award will not be met.*
(8) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(9) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse. Refer to page 102 for more context.*

Participant	Offer date[(2)]	Offer price[(3)] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2019	Additional CSPs with RMH Unbundling[(4)] and (forfeited)	Share price on vesting date[(5)] (Rand)	Cash value of CSPs vesting in year[(6)] (R'000)	Balance of CSPs accepted as at 30 June 2020[(7, 8)]	Fair value of CSPs as at 30 June 2020[(9)] (R'000)
P R Louw	05-Dec-18	205.07	17 881	3 270	17 881	6 767			24 648	524
R S M Ndlovu[(1)]	05-Dec-18	205.07	15 665	2 864	15 665	(15 665)			–	–
P J Uys	05-Dec-18	205.07	35 822	6 550	35 822	13 556			49 378	1 049
Total					69 368	4 658		–	74 026	1 573

(1) *Mr R S M Ndlovu resigned on 30 November 2019 and forfeited all CSPs.*
(2) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(3) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(4) *As a result of the RMH Unbundling, additional CSPs, being a factor of 0.3784 of the CSPs held, were allocated during the 2020 financial year.*
(5) *Five-day VWAP of Remgro on vesting date.*
(6) *This refers to the total value of the CSPs on vesting date.*
(7) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met.*
(8) *Dividend equivalents will be accumulated and delivered in shares upon vesting.*
(9) *Fair value was calculated using the standard binomial pricing model.*

Total remuneration (single figure)

The tables below provide information on the single figure remuneration for executive directors and prescribed officers, which comprises a fixed annual amount, as well as the value of the shares vesting 12 months after year-end.

Executive directors

R'000	Fees	Salaries	Retirement fund	Other benefits[1]	Fixed remune-ration[2]	LTI[3]	Total
30 June 2021							
J J Durand	**390**	**11 596**	**2 377**	**441**	**14 804**	**–**	**14 804**
M Lubbe	**390**	**2 327**	**535**	**412**	**3 664**	**–**	**3 664**
N J Williams	**390**	**4 309**	**932**	**404**	**6 035**	**–**	**6 035**
Total	**1 170**	**18 232**	**3 844**	**1 257**	**24 503**	**–**	**24 503**
30 June 2020							
J J Durand	390	10 751	2 194	398	13 733	–	13 733
M Lubbe	390	1 834	435	410	3 069	–	3 069
N J Williams	390	3 975	857	403	5 625	–	5 625
Total	1 170	16 560	3 486	1 211	22 427	–	22 427

(1) *Benefits include medical scheme contributions, vehicle benefits and UIF contributions.*
(2) *Salary reduction of 30% due to Covid-19 during April, May and June 2020 for all executive directors reflected in the 30 June 2020 amounts.*
(3) *LTI figure includes SARs and CSPs awards that vest and become exercisable in the next 12 months.*

Prescribed officers

R'000	Salaries	Retirement fund	Other benefits[2]	Fixed remune-ration[3]	LTI[4]	Total
30 June 2021						
P R Louw	**2 912**	**578**	**412**	**3 902**	**–**	**3 902**
P J Uys	**5 828**	**1 156**	**384**	**7 368**	**–**	**7 368**
Total	**8 740**	**1 734**	**796**	**11 270**	**–**	**11 270**
30 June 2020						
P R Louw	2 688	529	410	3 627	–	3 627
R S M Ndlovu[1]	1 169	211	167	1 547	–	1 547
P J Uys	5 366	1 064	389	6 819	–	6 819
Total	9 223	1 804	966	11 993	–	11 993

(1) *Mr R S M Ndlovu resigned on 30 November 2019.*
(2) *Benefits include medical scheme contributions, vehicle benefits and UIF contributions.*
(3) *Salary reduction of 30% due to Covid-19 during April, May and June 2020 for all prescribed officers reflected in the 30 June 2020 amounts.*
(4) *LTI figure includes SARs and CSPs awards that vest and become exercisable in the next 12 months.*
(5) *Messrs P R Louw and P J Uys are members of the Management Board and the Social and Ethics Committee.*

Non-executive directors' fees

The actual fees paid to non-executive directors are disclosed below (on an individual basis).

R'000	**Fee for the year ended 30 June 2021**	Fee for the year ended 30 June 2020
Non-executive (independent)		
S E N De Bruyn[(1)]	**791**	753
G T Ferreira[(2)]	**–**	228
P K Harris[(3)]	**227**	456
N P Mageza[(4)]	**678**	603
P J Moleketi[(5)]	**678**	576
M Morobe	**510**	510
G G Nieuwoudt[(6)]	**390**	228
K M S Rantloane[(7)]	**228**	–
F Robertson	**603**	603
Subtotal	**4 105**	3 957
Non-executive (non-independent)		
E de la H Hertzog[(2)]	**–**	195
J Malherbe	**390**	390
P J Neethling[(6, 8)]	**–**	–
A E Rupert[(8)]	**–**	–
J P Rupert[(8)]	**–**	–
Subtotal	**390**	585
Total	**4 495**	4 542

(1) *Ms S E N De Bruyn was appointed as a member of the Remuneration and Nomination Committee with effect from 30 November 2020.*
(2) *Mr G T Ferreira and Dr E de la H Hertzog retired on 28 November 2019.*
(3) *Mr P K Harris retired as independent non-executive director with effect from 30 November 2020.*
(4) *During the year under review Mr N P Mageza also received R746 000 (2020: R704 000) as director's fees from RCL Foods Limited, a subsidiary of Remgro Limited. Mr Mageza also attended three Mandatory Audit Firm Rotation (MAFR) meetings.*
(5) *Mr P J Moleketi was appointed as a member of the Remuneration and Nomination Committee with effect from 28 November 2019. Mr Moleketi also attended three MAFR meetings.*
(6) *Messrs G G Nieuwoudt and P J Neethling were appointed as non-executive directors with effect from 28 November 2019.*
(7) *Mr K M S Rantloane was appointed as an independent non-executive director and member of the Investment Committee with effect from 30 November 2020.*
(8) *Messrs A E Rupert, J P Rupert and P J Neethling receive no emoluments.*

Johann Rupert
Chairman of the Remuneration and Nomination Committee

Stellenbosch
21 September 2021