NORTHAM
PLATINUM LIMITED

Protecting our people and our company whilst maintaining our growth strategy

Remuneration report
30 June 2020

smart platinum mining

Contents

The social, ethics, human resources and transformation committee* (the committee or SEHR&T committee) is pleased to present its remuneration report for the financial year ended 30 June 2020. The remuneration report sets out the activities of the committee and the outcomes of the application of the remuneration policy during the reporting year. It also details the main elements of the remuneration policy that will apply in F2021. This report is prepared in alignment with the requirements of the King IV Report on Corporate Governance for South Africa, 2016 (King IV™) and the relevant practice notes.

*For the committee composition, charter and attendance register, refer to the social, ethics, human resources and transformation committee report in our Corporate governance report on Northam's website www.northam.co.za

Part 1: Message from the chairperson of the committee (Background statement)

Dear shareholder,

As the chairperson of the committee, I am pleased to present the Northam Platinum Limited (Northam) remuneration report for the financial year ended 30 June 2020.

As members of this committee, it is our responsibility to provide independent oversight of Northam's fixed and variable remuneration policies and practices. This includes ensuring that these policies and practices are appropriate to attract, motivate and retain the best talent at all levels of our organisation and that these policies and practices provide the right incentives to ensure the delivery of Northam's strategic objectives over the short, medium and long-term. Variable remuneration, in particular, must be based on clear measures and stretched targets, which, if met, will not only enhance shareholder value, but will ultimately result in value creation for all stakeholders.

We are furthermore committed to ensuring that executive remuneration is fair, responsible and appropriate in the context of general market conditions, company performance, industry pay levels, the economic outlook and overall employee remuneration.

> In light of the COVID-19 pandemic, executive directors have foregone a salary increase this year, whilst non-executive directors have donated their fee increases to our two community trusts.

Factors affecting Northam's remuneration

Internal factors

Retaining talent and succession planning	**Our response** We invest in experienced talent and leverage these individuals' experience to upskill new talent, thereby facilitating transfer of knowledge and succession planning. We have clear talent retention and development strategies in place. Through fixed and variable remuneration, the Northam Group (group) aims to attract, retain, incentivise and reward talent at all levels, particularly those employees with scarce or critical skills.
Variable salary is dependent upon performance measured against identified key performance indicators (KPIs). Performance needs to be measured for the current year and new KPIs need to be identified for the coming year	**Our response** See KPIs considered from page 17. See Part 2: Overview of the main provisions of the remuneration policy.

External factors

Income inequality in South Africa	**Our response** We ensure that lowest paid employees are remunerated well in excess of the minimum wage. We structure annual salary adjustments such that our lowest paid employees receive the highest percentage increases. We benchmark group remuneration policies and practices against listed peers.
Gender pay gap	**Our response** We are committed to gender equality and equal pay for equal work.

To assist and support our employees, Northam paid our people throughout the lockdown.

Message from the chairperson of the committee – continued

Remuneration changes

There were no material changes to the remuneration policy during the year under review.

Key focus areas and decisions taken during the year under review:

Remuneration policy implementation

- Provided oversight of the implementation of the group's remuneration policy. The committee considered the remuneration of not only executive management, but all levels of employees – ensuring that employees are remunerated fairly for their individual contributions to the group's overall performance
- Reviewed and approved the basic remuneration package ranges for all employees graded Paterson* D band and above
- Reviewed and approved the mandate provided to management with regards to the wage negotiations at the Booysendal Platinum Proprietary Limited operations with the representative union, the Association of Mineworkers and Construction Union (AMCU). These negotiations were concluded and the settlement was effective from 1 July 2019. It assures employees of increases to all major components of remuneration over the next five years. The agreement is in line with industry settlements and takes into consideration the reality of inflationary pressures faced by our employees
- Monitored the implementation of the malus and clawback policy approved in June 2019. The malus and clawback policy was implemented to keep up with emerging corporate governance best practice. This policy will adjust (malus) or recover (clawback) unvested "at risk" remuneration where there is reasonable evidence that an executive director has materially contributed to, or been materially responsible for, the need for the restatement of financial results for reasons including the following:
  - Personally acting fraudulently or dishonestly or in a manner that adversely affects the reputation of the group or which is characterised as gross misconduct;
  - Directing an employee, contractor or advisor to act fraudulently or dishonestly, or to undertake other misconduct;
  - Breaching fiduciary duties/ obligations through error, omission or negligence; and
  - Receiving a long-term incentive (LTI) award because of an error in the calculation of a performance measure.
- Reviewed the group remuneration report for board approval

* See employee bands on p7

Benchmarking

- Benchmarked both executive and non-executive directors' remuneration against a comparative group of companies in the South African mining industry

Succession planning

- Ensured that proper succession planning is in place, particularly at senior management level

Performance measures

- Determined the performance measures used and relative weightings, including the targets and performance against the set targets, for the short-term incentive (STI) and LTI as defined above performance incentives
- Assessed group risks considered in setting KPIs for STIs and LTIs, which included:
  - Growth project execution and the development of new operations;
  - Health and safety performance; and
  - Operational performance.
- Reviewed the share incentive plan (SIP) performance targets, which include safety, production, unit cash costs and absolute shareholder return metrics.

Executive management

- Reviewed and approved salaries for the executive directors, PA Dunne and AH Coetzee.
- The chief executive officer and chief financial officer propose that executive directors receive no salary increase for the coming financial year, due to the significant financial uncertainty relating to the disruption caused by the COVID-19 pandemic

Consultants used during the year under review

- The group's auditors, Ernst & Young Incorporated, have not provided advice to the committee. However, at the request of the committee, they conducted certain verification procedures on performance and retention shares granted and vested.
- PricewaterhouseCoopers performed the independent benchmarking exercise of the executive and non-executive directors' remuneration against comparative companies in South Africa.

  In terms of paragraph 33(d) of Principle 14 of King IV, the committee is satisfied that the consultants were independent and objective.

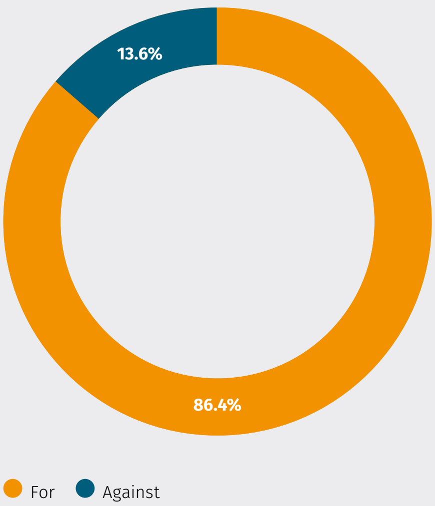
Refer to the Corporate governance report with regard to the independence consideration of the group's auditors.

Focus areas for F2021

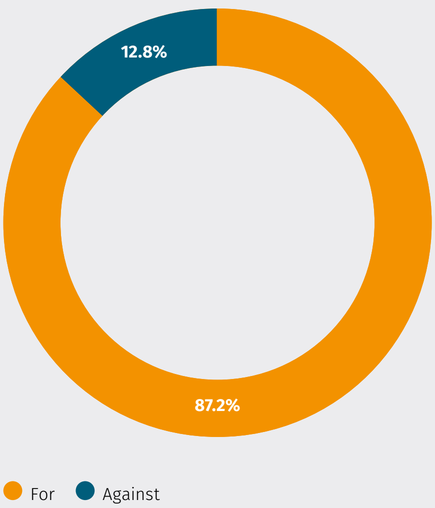
- Continue to assess the key performance indicators underpinning management's remuneration, in order to ensure that value is created for all stakeholders
- Ensure a process of continuous improvement in our remuneration policy and implementation through an iterative process of engagement with relevant stakeholders
- There are no other proposed remuneration policy changes for the current financial year. However, the committee has the discretion to, in consultation with the board, change both the formulae and targets of any of the variable remuneration elements

2019 voting outcome

Policy



Implementation



Message from the chairperson of the committee – continued

Shareholder engagement and voting

Management has direct interaction with the major institutional shareholders at least twice a year, where any issues or concerns regarding remuneration matters can be raised and discussed.

The F2019 remuneration policy and the implementation report were tabled for separate non-binding advisory votes by shareholders at the annual general meeting (AGM) held on Thursday, 7 November 2019. A total of 86.5% of issued shares were voted.

In the event that 25% or more of the votes cast are opposed to either part 2 or part 3 of this report, the board and the committee will take measures to engage proactively with shareholders and ascertain the reasons for their dissenting votes. Legitimate and reasonable objections and concerns raised will be appropriately addressed. This may include amending the remuneration policy and/or adjusting remuneration governance and/or processes.

Conclusion

The committee is satisfied that the F2020 remuneration policy achieved its stated objectives for the year and that the committee has considered and discharged its responsibilities in line with its terms of reference, statutory responsibilities and the King IV™ recommended practices during the year under review.

We continuously aim to improve our remuneration practices and, accordingly, we welcome any comments that shareholders may have on our report or any concerns regarding the remuneration policy or its implementation. We look forward to receiving your support on the resolutions for both the remuneration policy and implementation report at our shareholders' AGM on 27 November 2020.

On behalf of the committee,

TE Kgosi
Chairperson

Johannesburg
18 August 2020

Part 2: Overview of the main provisions of the remuneration policy

The remuneration policy will be put forward for a non-binding advisory vote at our shareholders' AGM on 27 November 2020.

This policy is designed to support the group's strategic goals, aligning the interests of employees and executives with those of shareholders and all other stakeholders.

It is not intended to be a "one-size-fits-all" set of rules and procedures, but rather to serve as the basis for a flexible approach to the variable and changing needs of a dynamic and competitive mining employment environment.

Guiding remuneration principles

Attract and motivate talent
Attract, motivate and retain core skills, such as artisans, engineers and management.

Fair and responsible reward
Offer remuneration packages that are competitive, fair and reasonable in all respects for all employees, regardless of job title and grading.

Conduct regular reviews of working conditions, salaries and wages throughout the group, including benchmarking total guaranteed packages (fixed salaries) against the rest of the mining sector.

Regulatory alignment
Ensure compliance with all statutory and regulatory requirements and commitment to applying best practice guidelines in all aspects of remuneration and benefits.

Reward for substantial performance
Link executive remuneration to the group's performance, with appropriate performance targets designed to facilitate the achievement of the strategic goals and objectives of the group.

Alignment of interests
Provide an appropriate mix of short-term vs long-term and fixed vs variable remuneration.

Align remuneration with the interests of stakeholders and in particular shareholders.

Measuring performance

Our remuneration policy is focused on the following performance elements:

- Safety
- Production
- Unit cash costs

Variable remuneration, which includes short and long-term incentives, is based on these elements, thereby facilitating the achievement of our strategic goals, and ultimately the creation of shareholder value.

See page 9 for executive variable remuneration.

Employee bands

The group remuneration structure employs the Paterson system. This grades roles according to the number and types of decisions an employee is required to make and is widely used in the mining and manufacturing industries.

Paterson band	Types of decision	Organisational level
A	defined	unskilled employees
B	automatic	semi-skilled employees
C	routine	skilled employees
D	interpretive	middle management
E	programming	senior management
F	policy-making	top management

Governance over remuneration

The board

Review and approve remuneration of the chief executive officer (CEO) and chief financial officer (CFO).

Annually review, together with management and the SEHR&T committee, the succession plans for senior management, across all operations.

SEHR&T committee

Provide oversight of the implementation of the company's remuneration policy, including reviewing the remuneration of management.

Recommend and propose changes to non-executive directors' fees for shareholders' approval.

Shareholders and other stakeholders

Provide feedback on executive remuneration and the governance thereof during periodic engagements with management. This feedback is reviewed and discussed by the SEHR&T committee. Any concerns or issues are followed up and rectified as and when required.

Remuneration elements at a glance

	Fixed		Variable
	Annual salary	**Medium-term incentive (MTI)**	**Short-term incentive (STI)**
Who	All employees other than unionised employees*	All employees grade Paterson D upper band and above	All employees
Format	Basic rate of pay (BRP) including a 12.5%* pension contribution benefit, which is referred to as the total guaranteed package (TGP)	Retention payment equal to 20% of the annual BRP accumulated monthly over 12 months and paid two years after the accumulated year	Annual bonus based on operational performance targets within the control of management
What	Cash	Cash	Cash
When	Monthly	Granted annually, vesting after two years	Biannually for employees graded Paterson D upper band and above, based on targets set by the committee Quarterly for all other employees, based on set production and safety targets
How Measures, weightings and payouts	Market rate, individual performance, internal pay equity, experience and critical skills See page 10 for further details	No performance element associated with the retention bonus On retirement or retrenchment, all accumulated bonuses are payable to employees on a proportional basis, according to the number of months in service, in line with the same percentages as the SIP rules Any employee who is discharged or resigns before the MTI bonus becomes payable, forfeits the total amount accumulated	Targets set per operation by the committee and board. These include safety performance, linear metres achieved, square metres mined, total tonnes milled, metal produced and unit cash costs. Corporate office (including executive directors) and group services bonuses are based on the combined performance of the operating mines If less than 90% of a target is achieved, no bonus is paid. From 90% achievement, 5% of the guaranteed salary is paid, with a maximum of 125% of the guaranteed salary paid for an achievement of 110% or more of target Refer to Part 3 for details of the STI formula on page 16
Why	Competitive levels of fixed remuneration attract and retain talent	To attract and retain core skills	To retain and motivate employees
Proposed changes for F2021	None	None	None

*Unionised employees' pension contributions is 13.95% in line with agreements with unions.

Variable

Variable long-term incentive (LTI) awarded under the share incentive plan (SIP)		Lock-in and incentive mechanism (LIM) relating to Zambezi Platinum (RF) Limited		
25% retention shares	**75% performance shares**	**Long-term BEE transaction incentive (BIP)**	**Short-term BEE transaction cash incentive bonus (CIBB)**	
All employees grade Paterson D lower band and above		CEO, CCO, CG, EHR, GMs at Booysendal and Zondereinde		Who
Annual retention shares with no performance targets	Annual performance shares with both operational and market performance targets	Aggregate of 5 million Northam shares conditionally awarded through the creation and awarding of 5 million BEE conditional shares under the SIP	Participants will receive up to 30% of their cost to company remuneration, excluding performance bonuses, subject to the fulfilment of the CIBB performance conditions	Format
Northam share price used to determine cash payout		Upon vesting, BEE conditional shares may be settled through cash or shares at the election of the committee	Cash	What
Granted annually, vesting after three years		Vesting in May 2025	Annually	When
Award subject to employees remaining in service for the duration of the three-year vesting period	Targets set per operation by the committee and board. These include safety performance, linear metres achieved, square metres mined, total tonnes milled, metal produced and unit cash costs. Corporate office (including executive directors) and group services bonuses based on the combined performance of operating mines Maximum award largely depends on the operational performance of the group. If targets are met, the award can be up to 135% of BRP. If performance targets are not met, no performance shares will vest Refer to Part 3 for details of the LTI formula on page 18	Vesting subject to Zambezi Platinum (RF) Limited fully settling the preference share liability together with all tax liabilities. Current Northam strike price required using prevailing prime rate = R202.02 per share Subsequent to year end the prime interest rate changed and the strike price required changed to R199.28 per share See page 11 for further details	Participants will receive: ▪ 15% of BRP if the 60-day volume weighted average price (VWAP) of shares at the condition date is equal to or greater than the redemption amount per preference share at year end. Representing a strike price of R69.79 per share at year end ▪ Additional 15% of BRP if the total value of the shares held by Zambezi at the condition date (using the 60-day VWAP) is sufficient to fully settle the redemption amount and Zambezi's tax liabilities arising from the settlement of the redemption amount at year end. Representing a strike price of R88.13 per share at year end See page 22 for further details	How Measures, weightings and payouts
Creates alignment between management and shareholder interests by linking long-term remuneration to operational KPIs and the share price A malus and clawback provision has been implemented in June 2019 for executive directors		Retention of key individuals in the group. Aligns participants' long-term interests with those of shareholders	Retention tool that financially penalises recipients who leave the group	Why
None		None		Proposed changes for F2021

Overview of the main provisions of the remuneration policy – continued

Fixed remuneration detail:

Non-union-affiliated employees

BRP – guaranteed salary	Allowances and benefits
Executive directors (executives) and members of management are employed in terms of their contracts of employment and the remuneration, benefit schemes and practices applicable to their job grades.	Executive directors and all employees on a Paterson E level and above receive death and disability cover insurance, with specific conditions attached.
Employment contracts are concluded on a permanent basis as a general principle (i.e. for an indefinite period), except where fixed-term or short-term temporary contracts are required for specific projects.	
Guaranteed salaries are reviewed annually, with annual increases effective on 1 July of every year, except on promotion of individuals, in which case they may be implemented during the year.	
Annual increases are based on group performance, affordability and individual performance. They also take account of general inflation.	
Non-union-affiliated employees have job profiles which stipulate the key performance areas of their positions, which serve as the basis for performance assessment and measurement of performance-linked salary increases and bonuses.	

Union-affiliated employees

Guaranteed salary	Allowances and benefits
For union-affiliated employees, guaranteed salary levels depend on the outcome of wage negotiations with the representative union.	Various allowances and benefits are paid to union-affiliated employees, depending upon their position.
Refer to our annual integrated report 2020 for details of the wage agreements disclosed as part of the sustainability framework section.	Specific consideration is given to lower paid workers.

No provision is made for special retirement benefits for group employees other than the standard benefits in terms of the group's recognised retirement funds, with the exception of certain employees who were in service with the group on 31 December 1998. In respect of these employees, a contribution is made to a post-retirement provident fund, to cover post-retirement healthcare.

These contributions cease when the employee leaves the service of the group. All components of the group's remuneration system are subject to regular internal and external audits, as well as routine monitoring by the South African Revenue Service.

The social, ethics, human resources and transformation committee is satisfied that the group is compliant with all applicable remuneration regulations.

LIM detail

The implementation of the Zambezi Platinum (RF) Limited (Zambezi) BEE transaction resulted in a number of significant benefits for the group, including compliance with the required empowerment criteria in terms of the Mineral Petroleum Resources Development Act and the Mining Charter at that time, as well as a significant injection of cash to fund both acquisitions and organic growth.

However, the guarantee provided by Northam to the holders of the preference shares issued by Zambezi may result in dilution for Northam shareholders at the end of the 10-year lock-in period. This would erode shareholder value.

A number of our shareholders expressed concern regarding this dilution risk, and recommended that the group appropriately incentivise management to mitigate the specific risks associated with the guarantee.

In response, Northam shareholders approved a modification to the rules of the SIP. Of the 95.1% of shares that voted at the 2016 AGM, 77.7% approved the LIM at the time.

The LIM appropriately addresses both the long and short-term concerns of shareholders by incentivising management to consistently maintain the Northam share price above the related preference share liability over the 10-year lock-in period.

The LIM aligns the interests of management with those of the Northam shareholders and comprises a long and short-term element as is explained below.

BIP

The BIP addresses the long-term incentivisation and retention of its participants by aligning their interests with those of Northam shareholders through equity participation. It forms part of the SIP and will reward management for the successful delivery and implementation of the group's BEE transaction.

Participation in the BIP is limited to key members of the current and future executive management team.

In terms of the BIP, an aggregate of a maximum of 5 million BEE conditional shares can be awarded. The following number of shares has been awarded to date to the individuals listed below:

Management position	Number of shares 2020	Number of shares 2019
CEO	1 500 000	1 500 000
Chief commercial officer	500 000	500 000
Chief geologist	500 000	500 000
Executive human resources	500 000	500 000
General manager Booysendal	200 000	200 000
General manager Zondereinde	200 000	200 000
Total number of shares issued	**3 400 000**	**3 400 000**

The aggregate number of shares issued represents less than 1% of the total issued share capital of the group, and may be settled in cash or shares at the election of the SEHR&T committee or the committee responsible for administering the SIP at that time.

Vesting

Vesting will be subject to the satisfaction of the performance condition that Zambezi:

- fully settles the preference share liability; and
- fully settles all tax liabilities or makes adequate provision for all its tax liabilities arising from settlement of the redemption amount.

This is on the basis that no guarantee liability will arise and no member of the group will be required to give any direct or indirect financial assistance for the purpose of, or in connection with, the settlement of the redemption amount.

In the event that the share price is not sufficient to fully settle the preference share liability, together with all the taxes at the redemption date, these shares will not vest and no value will accrue to the participants.

In the event that the preference shares are redeemed before the expected redemption date (17 May 2025) and if the performance conditions are satisfied at that time, the shares will vest pro rata according to the number of years of the performance period from commencement date, being 18 May 2015 that has been completed at that time.

In the event that Northam undergoes a change of control, all the shares that have not vested will vest in full at that time, irrespective of whether or not the performance conditions have been met.

CIBB

The CIBB comprises an incentive and a retention mechanism in the short to medium-term, and further aligns management's interests with those of Northam's shareholders.

Participants in the CIBB will include the participants of the aforementioned BIP and may include, from time to time, other employees of the group deemed to be critical to the group's operations and strategy. Participants in the CIBB, other than BIP participants, must be recommended for participation in the scheme by management, subject to approval by the committee.

Payment under the CIBB will be made annually, subject to the fulfilment of the CIBB performance conditions, as set out below, on the 31st trading day following the publication of the company's financial results for each financial year (condition date).

Overview of the main provisions of the remuneration policy – continued

Participants will receive, on an annual basis, 15% of their cost to company remuneration, excluding performance bonuses, if the value of a share (calculated as the 60-day volume weighted average price (VWAP)) at the condition date is equal to or greater than the redemption amount per preference share.

Furthermore, participants will receive, on an annual basis, an additional 15% of their cost to company remuneration, excluding performance bonuses, if the aggregate value of the shares held by Zambezi at the condition date (using the 60-day VWAP) is sufficient to, in addition, fully settle the redemption amount and fully settle or make adequate provision for all of Zambezi's tax liabilities arising from settlement of the redemption amount. This is on the basis that no guarantee liability will arise and no member of the group will be required to give any direct or indirect financial assistance for the purposes of or in connection with the settlement of the redemption amount.

This will effectively incentivise the achievement of the CIBB performance conditions on an annual basis.

To avoid any doubt, no CIBB payment will be made unless the CIBB performance conditions are achieved in the respective year.

In the event that a CIBB recipient leaves the employ of the group within 12 months of receiving a CIBB (restraint period) for reason of a fault termination, that person will be required to repay to the company, before the deduction of PAYE, the pro rata amount of the CIBB received (calculated according to the number of months remaining in the restraint period) (CIBB refund penalty). The CIBB refund penalty will dissuade CIBB participants from leaving the employ of the group by financially penalising them if they leave. Therefore, the CIBB acts as a robust employee retention mechanism.

The CIBB will be terminated upon the settlement or lapse of the BIP.

During the year under review, it was the first time since the inception of the LIM incentives that a payment was made to senior management or executive directors.

Payments in terms of the CIBB are subject to the fulfilment of the CIBB performance conditions, which is determined as of the 31st trading day following the publication of the company's financial results for each financial year (for the current financial year, the financial statements were released on 23 August 2019, and 31 trading days following publication was 8 October 2019). The 60-day VWAP for the Northam shares amounted to R74.78 per share, the Zambezi preference share liability amounted to R72.21 per preference share and the Zambezi preference share liability including taxes amounted to R91.56 per share.

It was therefore the first time in which the Northam share price was in excess of the preference share liability and the Zambezi transaction was in the money. Participants therefore received 15% of their BRP with certain retention conditions attached to the payments made.

Refer to Part 3 of this report for details on the payments made with regards to the above.

Employee participation schemes

Toro Employee Empowerment Trust

The Toro Employee Empowerment Trust is an employee profit scheme at the Zondereinde mine for eligible employees (Paterson C band and below). A total of 4% of after tax profits of the Zondereinde mine is contributed to the Toro Employee Empowerment Trust. Eligible employees receive payment at the end of each five-year cycle; the first and second payments were made in 2013 and 2018 respectively.

Contributions to the Toro Employee Empowerment Trust will be made for the life of mine, and a minimum cycle payout of R15 000 per eligible employee has been guaranteed by the company, with the next payment due in 2023.

BEE shareholding in Northam Platinum Limited (Northam)

Eligible Northam employees (Paterson C band and below) own 3% of the issued share capital of Northam via the shareholding in Zambezi.

This is in addition to the 4% share of Zondereinde's after tax profits contributed to the Toro Employee Empowerment Trust.

External appointments and directorships

Executive directors are not permitted to hold external directorships or office without the approval of the chairman of the board.

The CEO and CFO currently hold no other listed company directorships, apart from Zambezi, Northam's BEE shareholder.

Service contracts of executive directors

Name	Notice period
PA Dunne (CEO)	12 months
AH Coetzee (CFO)	6 months

Change of control and termination conditions

Remuneration policy component	Change of control (as defined in the Companies Act, No. 71 of 2008 and the Companies Regulations and any amendments thereto)	Fault termination (resignation and dismissal)	No-fault termination
Total guaranteed package (TGP) – includes the BRP and 12.5% pension contributions	Lump sum compensating payment equal to twice the then TGP	All amounts due and payable with regard to the employee's total cost package will be paid to them	All amounts due and payable with regard to the employee's total cost package will be paid to them
STI – annual bonus	The average of the short-term incentive bonuses paid by the group during the previous two years (ie two years of STI bonuses paid divided by two)	No amount will be paid to an employee on a fault termination	Generally, no payment is made with regard to STI (annual bonuses), but the committee may review this on a case-by-case basis
STI – CIBB	No further amounts will be paid to an employee and the CIBB refund will not be applicable	No amount will be paid to an employee on a fault termination. Pro-rata repayment of CIBB will be imposed	No amount will be paid to an employee on a no-fault termination
MTI	All accumulated amounts will become payable to employees	No amount will be paid to an employee on a fault termination	Generally, no payment is made with regard to MTI, but the committee may review this on a case-by-case basis
LTI – SIP retention shares	Full vesting	No amount will be paid to an employee on a fault termination	Full vesting
LTI – SIP performance shares	Full vesting, irrespective of whether or not the performance conditions have been met	No amount will be paid to an employee on a fault termination	Full vesting, irrespective of whether or not the performance conditions have been met
LTI – SIP BIP shares (BEE conditional shares)	Full vesting, irrespective of whether or not the BIP performance condition has been met	No amount will be paid to an employee on a fault termination	Vesting in terms of the rules of the SIP BIP at a percentage of the original number of SIP BIP shares awarded The BIP award retained in these instances will remain subject to the performance conditions and will only vest and be settled on the vesting date, which is May 2025, together with BIP awards held by other participants

Overview of the main provisions of the remuneration policy – continued

Below is an illustrative total reward composition for executive directors for the F2021 year for the following:

- Minimum guaranteed payment
- At threshold
- Maximum payment

These illustrative examples are based on the single figure basis as prescribed in King IV™.

Guaranteed payment – at a minimum

BRP plus 12.5% pension contribution, classified as the total guaranteed package (TGP)

	BRP R000	Benefits and allowance R000	STI performance bonus R000	MTI retention bonus R000	LTI reflected R000	STI CIBB R000	Total R000
PA Dunne (CEO)	8 290	1 036	–	1 658	1 617	–	12 601
AH Coetzee (CFO)	3 905	488	–	781	762	–	5 936

Guaranteed payment – at threshold

BRP plus 12.5% pension contribution, classified as the total guaranteed package (TGP)

	BRP R000	Benefits and allowance R000	STI performance bonus R000	MTI retention bonus R000	LTI reflected R000	STI CIBB R000	Total R000
PA Dunne (CEO)	8 290	1 036	8 290	1 658	6 466	1 244	26 984
AH Coetzee (CFO)	3 905	488	3 905	781	3 046	586	12 711

Guaranteed payment – maximum payment

BRP plus 12.5% pension contribution, classified as the total guaranteed package (TGP)

	BRP R000	Benefits and allowance R000	STI performance bonus R000	MTI retention bonus R000	LTI reflected R000	STI CIBB R000	Total R000
PA Dunne (CEO)	8 290	1 036	10 363	1 658	8 730	2 487	32 564
AH Coetzee (CFO)	3 905	488	4 881	781	4 112	1 172	15 339

The CEO and CFO received no annual salary increases for the coming financial year, F2021, due to the significant financial uncertainty relating to the COVID-19 pandemic.

Non-executive directors' remuneration

Non-executive directors are appointed in terms of the company's Memorandum of Incorporation (MOI) and confirmed at the first AGM of shareholders after their appointment, and as and when the directors retire by rotation and are deemed to be eligible for re-appointment.

Non-executive directors are paid on a quarterly basis, based on fees as approved by the shareholders at the AGM.

Fees paid relate to the directors' roles and committee membership. A fee applies for any additional meetings over and above the set number of meetings. Fees are reviewed annually by the committee.

Consideration is given to industry remuneration levels of non-executive directors, in addition to the need to retain the experience and expertise that the current non-executive directors contribute to the Northam board.

During the F2020 year, a full benchmarking exercise was performed to compare the non-executive directors' remuneration with that of other non-executives in the mining industry. Due to the financial uncertainty created as a result of the COVID-19 pandemic, the results of the benchmarking will only be addressed in future years.

Shareholders are referred to the notice of AGM for details of the proposed non-executive directors' fees for F2021, which will be submitted for approval by shareholders at the AGM on 27 November 2020.

It is proposed that the annual remuneration payable to:

(i) non-executive directors be increased for the F2021 year by an average of 4.0% (F2020: 7%); and

(ii) the chairman of the board be increased for the F2021 year by 4.0% (F2020: 8%).

Pursuant to such increase, all non-executive directors, including the chairman of the board, have undertaken to donate the fees received by them in F2021 in excess of the fees approved for the F2020 period to the Northam Booysendal Community Trust and the Northam Zondereinde Community Trust.

Non-executive directors do not participate in any other company benefits, whether short, medium or long-term and they are not employees of the company.

Non-executive directors' fees paid during F2020 are disclosed in Part 3: Implementation of the remuneration policy for the current financial year ended 30 June 2020.

Non-executive directors will donate their F2021 increases to Northam's community trusts.

Part 3: Implementation of the remuneration policy for the current financial year ended 30 June 2020

The implementation report will be put forward for a non-binding advisory vote at the shareholders' AGM on 27 November 2020.

The executive directors' remuneration for the year ended 30 June 2020 on a single figure basis (income statement impact) and as recommended by King IV™ is as follows:

Guaranteed payment – at a minimum
BRP plus 12.5% pension contribution classified as the total guaranteed package (TGP)

	BRP R000	Benefits and allowance[1] R000	STI performance bonus[2] R000	MTI retention bonus[3] R000	LTI reflected R000	STI CIBB R000	Total 30 June 2020 R000	30 June 2019 R000
PA Dunne (CEO)	8 290	1 036	4 452	1 658	15 059	1 245	31 740	23 825
AH Coetzee (CFO)	3 905	488	2 097	781	3 607	586	11 464	7 697

[1] Mainly consists of pension contributions calculated at 12.5% of basic salary
[2] STI performance bonus, based on F2020 performance against set targets, of which only a part was paid during F2020
[3] MTI retention bonus representing 20% of the basic salary accrued during the current year, only paid out after two years if the employee is still in service

For actual remuneration paid (cash) in terms of the Companies Act 71 of 2008 as amended, please refer to the directors' report included in the annual financial statements, available at www.northam.co.za.

STI performance bonus (F2020)

The short-term bonus scheme is based on a weighted combination of KPIs with stretched targets, which are largely under the control of management. By offering bonuses, the committee intends to incentivise management in areas that they are within their control.

The targets set are a weighted combination of safety performance, linear metres achieved, square metres mined, total tonnes milled, metal produced and unit cash costs. A personal performance rating is also incorporated. The personal performance rating incorporates transformation targets as per the Mining Charter.

The following key performance targets have been set for the STI bonus scheme for the current and next financial year:

Zondereinde	Unit	F2021 % weighting	F2020 % weighting	F2020 Achievement actual vs target %	F2020 Weighted score %[1]
Safety	LTIIR	30	30	117.6	37.3
Linear metres (development metres)	m	15	15	92.9	3.5
Square metres	m^2	10	10	75.2	0.8
Tonnes milled	t	10	10	77.8	2.3
Equivalent refined metal from own operations	Pt oz	15	15	77.8	6.2
Cash cost per equivalent refined Pt oz	R/Pt oz	15	15	77.7	5.0
Personal performance	Rating	5	5	100.0	5.0
		100	100		60.1

Booysendal	Unit	F2021 % weighting	F2020 % weighting	F2020 Achievement actual vs target %	F2020 Weighted score %[1]
Safety	LTIIR	20	20	55.0	9.9
Linear metres (development metres)	m	15	15	96.0	9.0
Square metres	m^2	25	25	92.0	12.8
Tonnes milled	t	15	15	91.0	7.2
Equivalent refined metal from own operations	Pt oz	10	10	86.0	3.9
Cash cost per equivalent refined Pt oz	R/Pt oz	10	10	76.0	1.9
Personal performance	Rating	5	5	100.0	5.0
		100	100		49.7

Eland	Unit	F2021 % weighting	F2020 % weighting	F2020 Achievement actual vs target %	F2020 Weighted score %[1]
Safety	LTIIR	20	20	76.0	0.7
Tailings storage facility: Chrome recovery at 8%	%	–	15	73.0	0.0
Tailings storage facility: PGM recovery at 15%	%	–	15	233.0	14.5
Linear metres (development metres – barrel development)	m	40	20	109.0	16.7
Total metals in concentrate produced from own operations	4E oz	15	5	357.0	6.2
Absolute cash costs including capital and operational costs	R	–	20	61.6	0.0
Cash cost per 4E oz in concentrate produced	R/oz	20	–	–	–
Personal performance	Rating	5	5	100.0	5.0
		100	100		43.1

[1] The weighted score is based on a sliding scale dependent upon achievement against the target.

Implementation of the remuneration policy for the current financial year ended 30 June 2020 – continued

STI performance bonus (F2020)

The STI calculation for corporate office and group service staff (including executive directors) is based on a weighted score between Zondereinde 40%; (F2020: 45%), Booysendal 40%; (F2020: 45%) and Eland 20%; (F2020: 10%).

The annual STI bonuses accrued as a percentage of the basic salary (BRP) to executive directors were as follows for 30 June 2020:

	STI performance bonus R000	BRP R000	STI performance bonus as a percentage of BRP %
PA Dunne (CEO)	4 452	8 290	53.7
AH Coetzee (CFO)	2 097	3 905	53.7

STI performance bonuses paid is linked to company performance only, to ensure that the employees focus their efforts on creating shareholder value.

MTI retention bonus (F2020)

The medium-term incentive retention bonus has a vesting period of two years and is offered annually. On joining, the first retention bonus paid to an employee is after two years' service and is calculated pro rata, depending upon which month of the year the employee joined the group.

The annual MTI retention bonuses accrued to executive directors were as follows for the year ending 30 June 2020:

	MTI retention bonus R000	BRP R000	MTI retention bonus as a percentage of BRP %
PA Dunne (CEO)	1 658	8 290	20.0
AH Coetzee (CFO)	781	3 905	20.0

The MTI retention bonus paid, as disclosed in the directors' report included in the annual financial statements, relates to the BRP of the executives awarded during the F2018 year.

LTI awards

The LTI reflected as part of the single figure remuneration has been calculated as follows:

- The F2017 SIP performance share awards, with a performance period ending on 8 November 2019, has been calculated by taking the VWAP at 8 November 2019 (R97.73) multiplied by the actual vesting percentage (107.62%). Therefore, the LTI calculated for performance shares are the actual number of performance shares vested in November 2019 multiplied by the 30-day VWAP at the vesting date
- The F2020 SIP retention share awards granted during the year have been calculated as the number of retention shares multiplied by the 30-day VWAP as at 31 October 2019 (R93.84)

PA Dunne

	Award year	Number of awards	Value per award	% Vesting	LTI reflected R000
SIP: Performance shares	F2017	127 200	R97.73	107.62%	13 379
SIP: Retention shares	F2020	17 900	R93.84	100.0%	1 680
Total					**15 059**

AH Coetzee

	Award year	Number of awards	Value per award	% Vesting	LTI reflected R000
SIP: Performance shares	F2017	27 100	R97.73	107.62%	2 850
SIP: Retention shares	F2020	8 065	R93.84	100.0%	757
Total					**3 607**

The LTI annual share awards for the financial year ended 30 June 2020, and the performance outcomes for the F2017 share awards (which performance period ended on 8 November 2019), are set out on the following pages.

Performance and retention shares awarded in November 2019 (F2020), which will vest on 31 October 2022:

	Performance awards	Retention awards	Total awards	Value on award date[1]	% of BRP
	Number of shares	Number of shares	Number of shares	R000	%
PA Dunne (CEO)	53 700	17 900	71 600	6 719	81.0%
AH Coetzee (CFO)[1]	24 215	8 065	32 280	3 029	77.6%

[1] 30-day VWAP as at 31 October 2019 (including that date) multiplied by the number of shares awarded, determined as R93.84 per share

The following performance criteria and targets have been approved to apply to the November 2019 awards, for the three-year rolling period F2020, F2021 and F2022:

Zondereinde

Factor	Target/criteria	% weighting
Safety (LTIIR)	An improvement of 10% on the previous financial year's safety record, which will be measured in F2022 compared to F2021	30%
Equivalent refined metal from own operations (4E oz)	Achieving the budgeted equivalent refined production over the three-year vesting period ending F2022	30%
Cash cost per equivalent refined 4E oz (R/oz)	Achieving the budgeted cash cost over the three-year vesting period ending F2022	20%
Absolute total shareholder returns (group)	Exceeding the weighted average cost of capital determined as 17.2%	10%
Relative shareholder returns (group)	Exceeding the platinum index return of the JSE on an absolute basis	10%
		100%

Booysendal

Factor	Target/criteria	% weighting
Safety (LTIIR)	An improvement of 10% on the previous financial year's safety record, which will be measured in F2022 compared to F2021	25%
Metals in concentrate produced (4E oz)	Achieving the budgeted concentrate production over the three-year vesting period ending F2022	35%
Cash cost per 4E in concentrate produced (R/oz)	Achieving the budgeted cash cost over the three-year vesting period ending F2022	20%
Absolute total shareholder returns (group)	Exceeding the weighted average cost of capital determined as 17.2%	10%
Relative shareholder returns (group)	Exceeding the platinum index return of the JSE on an absolute basis	10%
		100%

Implementation of the remuneration policy for the current financial year ended 30 June 2020 – continued

Eland

Factor	Target/criteria	% weighting
Safety (LTIIR)	An improvement of 10% on the previous financial year's safety record, which will be measured in F2022 compared to F2021	25%
Development	Target development metres achieved over the three-year vesting period ending F2022	30%
Absolute cash costs including capital cost	Achieving the budgeted cash and capital cost over the three-year vesting period ending F2022	25%
Absolute total shareholder returns (group)	Exceeding the weighted average cost of capital determined as 17.2%	10%
Relative shareholder returns (group)	Exceeding the platinum index return of the JSE on an absolute basis	10%
		100%

Exceeding the proposed performance criteria and targets requires considerable effort and will have a direct impact on the group's profitability.

Corporate office and group service staff (including executive directors) will be measured based on a 40% allocation relating to Zondereinde and Booysendal respectively and a 20% allocation from Eland.

The measurement of performance criteria will be calculated at the end of each three-year financial rolling period over which the shares vest, by applying the achievement percentages below in respect of the individual criteria against the performance shares awarded:

Achievement	% shares to vest
Achieve an aggregate score of less than 90%	Nil
Achieve between 90% and 100% of target	100%
Achieve between 100% and 105%	125%
Achieve in excess of 105%	135%

An achievement of less than 90% of the target results in no shares being allocated (vested) at all.

LTI awards granted November 2016 vested on 8 November 2019 (F2020)

The performance conditions used to determine performance conditions with regard to the LTI awards granted in November 2016 were as follows:

		Zondereinde	Booysendal
Factor	Target/criteria	% weighting	% weighting
Safety LTIIR	An improvement of 10% on the previous financial year's safety record	30%	25%
Estimated recoverable metals 4E	Achieving the budgeted metal production	30%	35%
Unit cash costs	Achieving the budgeted unit cost	20%	20%
Absolute total shareholder returns (group)	Weighted average cost of capital (17.0%) plus 1.0%	10%	10%
Relative total shareholder returns (group)	Exceeding the platinum index return of the JSE on an absolute basis	10%	10%
		100%	100%

Performance LTI payments are linked to the company's performance as well as share price performance, to ensure that employees focus their efforts on creating value for shareholders.

Zondereinde	% weighting	F2017 % achievement	F2018 % achievement	F2019 % achievement	% Total	% Vesting	% Weighted vesting
Safety LTIIR	30%			90%	90%	100%	30.0%
Fatal impact	25% deduction from the safety allocation due to 1 fatality during F2019						(7.5%)
Production	30%	93%	104%	101%	99%	100%	30%
Unit cash costs	20%	95%	97%	98%	97%	100%	20%
Absolute total shareholder returns (group)	10%				119%	135%	13.5%
Relative total shareholder returns (group)	10%				>105%	135%	13.5%
	100%						99.5%

Booysendal	% weighting	F2017 % achievement	F2018 % achievement	F2019 % achievement	% Total	% Vesting	% Weighted vesting
Safety LTIIR	25%			155%	155%	135%	33.75%
Production	35%	108%	84%	93%	94%	100%	35%
Unit cash costs	20%	103%	90%	95%	96%	100%	20%
Absolute total shareholder returns (group)	10%				119%	135%	13.5%
Relative total shareholder returns (group)	10%				>105%	135%	13.5%
	100%						115.75%

In the previous year a fatal injury penalty, which has an impact on the safety portion of participants' performance shares allocated, was instituted. This is to be applied as follows going forward:

Number of fatalities	% impact on safety shares
1 (one)	25% less safety shares
2 (two)	50% less safety shares
3 (three) or more	No safety shares

Corporate office and group service staff (including executive directors) share 50/50 in the weighted score of Zondereinde and Booysendal and therefore achieved an allocation of 107.63%.

The following amounts were paid out to executive directors relating to the November 2016 performance and retention shares that vested in November 2019:

	Performance awards	Performance awards %	Performance awards	Retention awards	Total awards	Value of payment[1]
	Number of shares	Performance shares vesting	Total number of shares	Number of shares	Number of shares	R000
PA Dunne	127 200	107.63%	136 899	42 900	179 799	17 571
AH Coetzee	27 100	107.63%	29 166	9 200	38 366	3 749

[1] VWAP on 8 November 2019, the last trading day preceding the day of the three-year anniversary of the award, multiplied by the number of shares awarded, determined as R97.73 per share

Implementation of the remuneration policy for the current financial year ended 30 June 2020 – continued

Lock-in and incentive mechanism (LIM) – short-term annual incentive (CIBB)

The requirements for the short-term annual incentive relating to the BEE transaction was met for the first time in F2019, due to the increase in the Northam share price.

Payments in terms of the CIBB are subject to the fulfilment of the CIBB performance conditions, as set out below, as of the 31st trading day following the publication of the company's financial results for each financial year. (For the current financial year, the financial statements were released on 23 August 2019 and 31 trading days following publication was 8 October 2019.)

Below is a summary of the results of the CIBB calculation/measurement for the current year, as at the condition date, being 8 October 2019:

Achievement	Condition date 8 October 2019 R per share
60-day volume weighted average price (VWAP)	R74.48
Preference share liability (per share)	R72.21
Preference share liability including the tax liability (per share)	R91.56

From the above, it is evident that the 60-day VWAP as at the condition date is sufficient to cover the preference share liability; however, it is not sufficient to cover the preference share liability including the tax liability.

Participants of the CIBB will therefore be entitled to 15% of their BRP.

The CIBB accrued as a percentage of the basic salary (BRP) to executive directors were as follows for 30 June 2020:

	CIBB bonus R000	BRP R000	CIBB as a percentage of BRP %
PA Dunne (CEO)	1 245	8 290	15.0%
AH Coetzee (CFO)	586	3 905	15.0%

Comprehensive table of LTI – outstanding and unvested awards

In line with the requirements of King IV™, an analysis of all long-term incentives held as at 30 June 2020 are set out below:

	Award year	Vesting date	Opening number of shares	Number of shares granted during the year	Number of shares forfeited during the year	Number of shares vested/ exercised during the year	Closing number of shares	Value of receipts	Value of MTI/ estimate closing fair value
			1 July 2019				30 June 2020	R000	R000
PA Dunne									
MTI retention bonus	F2019	June 2021							1 542
MTI retention bonus	F2020	June 2022							1 658
LTI retention shares	F2017	Nov 2019	42 900	–	–	(42 900)	–	4 192	-
LTI retention shares	F2018	Nov 2020	46 200	–	–	–	46 200	–	4 997
LTI retention shares	F2019	Nov 2021	46 100	–	–	–	46 100	–	4 987
LTI retention shares	F2020	Nov 2022	–	17 900	–	–	17 900	–	1 936
LTI performance shares	F2017	Nov 2019	127 200	–	–	(127 200)	–	13 379	-
LTI performance shares	F2018	Nov 2020	137 000	–	–	–	137 000	–	14 819
LTI performance shares	F2019	Nov 2021	138 400	–	–	–	138 400	–	14 971
LTI performance shares	F2020	Nov 2022	–	53 700	–	–	53 700	–	5 809
LIM shares	F2017	May 2025	1 500 000	–	–	–	1 500 000	–	174 300
Total			**2 037 800**	**71 600**	**–**	**(170 100)**	**1 939 300**	**17 571**	**225 019**

	Award year	Vesting date	Opening number of shares	Number of shares granted during the year	Number of shares forfeited during the year	Number of shares vested/ exercised during the year	Closing number of shares	Value of receipts	Value of MTI/ estimate closing fair value
AH Coetzee									
MTI retention bonus	F2019	June 2021							496
MTI retention bonus	F2020	June 2022							781
LTI retention shares	F2017	Nov 2019	9 200	–	–	(9 200)	–	899	-
LTI retention shares	F2018	Nov 2020	10 400	–	–	–	10 400	–	1 125
LTI retention shares	F2019	Nov 2021	19 800	–	–	–	19 800	–	2 142
LTI retention shares	F2020	Nov 2022	–	8 065	–	–	8 065	–	872
LTI performance shares	F2017	Nov 2019	27 100	–	–	(27 100)	–	2 850	-
LTI performance shares	F2018	Nov 2020	30 900	–	–	–	30 900	–	3 342
LTI performance shares	F2019	Nov 2021	59 300	–	–	–	59 300	–	6 414
LTI performance shares	F2020	Nov 2022	–	24 215	–	–	24 215	–	2 619
Total			**156 700**	**32 280**	**–**	**(36 300)**	**152 680**	**3 749**	**17 791**

Implementation of the remuneration policy for the current financial year ended 30 June 2020 – continued

In line with the requirements of King IV™, an analysis of all long-term incentives held as at 30 June 2019 are set out below:

	Award year	Vesting date	Opening number of shares	Number of shares granted during the year	Number of shares forfeited during the year	Number of shares vested/ exercised during the year	Closing number of shares	Value of receipts	Value of MTI/ estimate closing fair value
			1 July 2019				30 June 2020	R000	R000
PA Dunne									
MTI retention bonus	F2018	June 2020							1 422
MTI retention bonus	F2019	June 2021							1 542
LTI retention shares	F2016	Nov 2018	48 700	–	–	(48 700)	–	1 998	–
LTI retention shares	F2017	Nov 2019	42 900	–	–	–	42 900	–	2 455
LTI retention shares	F2018	Nov 2020	46 200	–	–	–	46 200	–	2 644
LTI retention shares	F2019	Nov 2021	–	46 100	–	–	46 100	–	2 638
LTI performance shares	F2016	Nov 2018	144 500	–	(34 413)	(110 087)	–	4 517	–
LTI performance shares	F2017	Nov 2019	127 200	–	–	–	127 200	–	7 278
LTI performance shares	F2018	Nov 2020	137 000	–	–	–	137 000	–	7 839
LTI performance shares	F2019	Nov 2021	–	138 400	–	–	138 400	–	7 919
LIM shares	F2017	May 2025	1 500 000	–	–	–	1 500 000	–	88 500
Total			**2 046 500**	**184 500**	**(34 413)**	**(158 787)**	**2 037 800**	**6 515**	**122 237**
AH Coetzee									
MTI retention bonus	F2018	June 2020							409
MTI retention bonus	F2019	June 2021							4 96
LTI retention shares	F2016	Nov 2018	13 900	–	–	(13 900)	–	570	-
LTI retention shares	F2017	Nov 2019	9 200	–	–	–	9 200	–	526
LTI retention shares	F2018	Nov 2020	10 400	–	–	–	10 400	–	595
LTI retention shares	F2019	Nov 2021	–	19 800	–	–	19 800	–	1 133
LTI performance shares	F2016	Nov 2018	41 200	–	(9 812)	(31 388)	–	1 288	-
LTI performance shares	F2017	Nov 2019	27 100	–	–	–	27 100	–	1 551
LTI performance shares	F2018	Nov 2020	30 900	–	–	–	30 900	–	1 768
LTI performance shares	F2019	Nov 2021	–	59 300	–	–	59 300	–	3 393
Total			**132 700**	**79 100**	**(9 812)**	**(45 288)**	**156 700**	**1 858**	**9 871**

- Calculation of the value of the MTI and estimated closing fair value (using the closing share price value)
- The MTI is calculated using the annual BRP for a particular year multiplied by 20% and only paid two years subsequent to the date when it accrues, with no performance conditions attached
- The estimated fair value of the LTI retention shares is determined using 100% of the number of retention shares outstanding multiplied by the 30-day VWAP of the share price at year-end, which amounted to R108.17 per share (F2019: R57.22 per share)
- If the LTI performance shares vest within the next 12 months, an estimation is made of the percentage at which the performance shares will vest multiplied by the 30-day VWAP closing share price. If the LTI performance share vest after a period of 12 months, the full number of performance shares will be multiplied by the 30-day VWAP closing share price
- The fair value of the LIM shares is calculated using the closing share price at year-end multiplied by the full value of the number of BIP shares outstanding. The mechanics of these 10-year BEE transaction incentive BIP shares are fully explained on p 11 of this report
- The performance conditions for these shares is based on an all-or-nothing contingency, with the Northam share price reaching a specific target price per share in May 2025. This would save Northam shareholders dilution of value, hence the incentive for management to perform by growing Northam's business and thus its share price. In five years (May 2025), a once-off payout can only be made if the share price of Northam is then at an estimated target price of at least R202.02 (that is, 10 years after the inception of the BEE transaction). Below that share price there will be no payment due, hence these shares had no value on the award date. The BIP was approved by shareholders in 2016. The closing share price of Northam at 30 June 2020 was R116.20 per share (F2019: R59.00 per share).

Non-executive directors' fees

Below is an analysis of non-executive fees in respect of board and board committee services for the 2020 financial year.

	Board R000	Audit and risk committee R000	Health, safety and environmental committee R000	Investment committee R000	Social, ethics, human resources and transformation committee R000	Nomination committee R000	Ad hoc fees R000	Total R000
KB Mosehla	470	–	–	94	–	54	–	618
R Havenstein	400	–	152	94	–	89	13	748
DH Brown	352	170	–	129	–	–	–	651
CK Chabedi	352	–	115	94	115	–	–	676
HH Hickey	352	216	–	–	–	–	–	568
NY Jekwa[1]	352	170	76	–	115	–	–	713
MH Jonas	352	–	–	–	–	–	–	352
TE Kgosi	352	–	–	–	154	54	146	706
TI Mvusi	352	–	–	–	–	–	–	352
JJ Nel[2]	352	170	–	62	–	–	–	584
JG Smithies	352	–	115	–	–	–	–	467
Total	**4 038**	**726**	**458**	**473**	**384**	**197**	**159**	**6 435**

1 Dr NY Jekwa was appointed as a member of the health, safety and environmental committee with effect from 1 November 2019
2 Mr JJ Nel was appointed as a member of the investment committee with effect from 1 November 2019

Remuneration payable in terms of non-executive directors' fees will be in proportion to the period during which the office of the non-executive director or such director's relevant role on the board or a committee thereof, has been held during the financial year.

In terms of section 66(8) and (9) of the Companies Act, remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by the shareholders and if not prohibited in the company's MOI. The MOI does not prohibit the payment of such remuneration.

Accordingly, at the forthcoming AGM, shareholders will be requested to consider a special resolution that provides for the increase in the non-executive directors' fees for the year ending 30 June 2021, as set out in the notice of AGM.

Shareholder engagement

We value our continued engagement with all of our various stakeholders and we endeavour to maintain our relationships in order to continue to receive constructive feedback and input.

The remuneration report was approved by the board of directors of Northam Platinum Limited on 18 August 2020.

On behalf of the committee,

TE Kgosi
Chairperson

Johannesburg
18 August 2020

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