



Nampak
packaging excellence

**Remuneration
Report 2021**

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Remuneration report

Nampak produces a remuneration report which is compliant with the requirements of King IV™. As such the following sections have been included in this report:

SECTION 1

A report from the chairman of the nominations and remuneration committee (the committee) that sets out the context for remuneration consideration and decisions as well as an outline of the material issues considered during the year.

SECTION 2

The remuneration policy and framework to be tabled at the AGM for a non-binding advisory vote by shareholders.

SECTION 3

The implementation of the remuneration policy to be tabled at the AGM for a separate non-binding advisory vote by shareholders.

SECTION 1: Report from the chairman

Nampak's remuneration policy is designed to facilitate delivery of the group's turnaround strategy in the medium term and to secure a sustainable basis for future consistent and equitable value for stakeholders over the longer term. The relevance of the combined short- and long-term variable pay structures are reviewed for appropriateness annually to ensure that there is sufficient alignment between potential earnings of executive directors and group executives and value creation for shareholders during the turnaround strategy phase. This report provides details of our remuneration policy and framework as it relates to our employees, group executives, executive directors and non-executive directors. It also includes our implementation report for executive directors, group executives and non-executive directors.

Shareholder engagement

At the AGM in February 2021, we received the required number of votes in favour of the remuneration policy and the implementation report after a series of consultations with various shareholders to obtain feedback on the remuneration report and their view of the remuneration practices.

While the remuneration policy was supported by shareholders, the Minimum Shareholding Requirement (MSR) target levels were queried and suggestions made to modify certain aspects of the new Executive Incentive plan (EIP), which included the one-year performance period, the quantum of the EIP and some of the metrics. Concern was raised around the decline in productivity per employee over the past few years.

The MSR target policy was introduced for the first time this year. The executive directors and group executive directors have five years commencing 1 October 2020 to build their personal holdings in Nampak shares to achieve the required holding targets. The target levels were benchmarked against local companies and are considered fair and reasonable.

The committee determined that the EIP introduced in 2021, with a one-year performance period, to drive Nampak's turnaround remains appropriate for 2022 and will continue largely unchanged with some amendments to the quantum and balance scorecard metrics to address shareholder concerns and maintain focus on the key strategic drivers for 2022.

Shareholders favoured the inclusion of ESG measures in the balanced scorecard. Safety, as a metric in its own right, and transformation, as a discount factor applied to the on-target incentive, were included as measures in 2021 and will remain as key strategic imperatives for 2022. Environmental measures relating to energy and water usage will be introduced as operational targets for 2022.

Shareholders requested clearer disclosure of achievement against the targets and the correlation of performance to the incentive payments. Absolute targets have not been disclosed due to commercial sensitivity.

The company has partnered with Labour to establish and implement a productivity initiative with the objective of making a positive contribution to the sustainability of Nampak as a business and to secure continued employment and to increase active focus on measures linked to employee productivity.

Overview of the year

In general, trading conditions improved during the year as the COVID-19 restrictions were eased in South Africa and across the rest of Africa but still remain below anticipated levels.

Ongoing negotiations with our lenders resulted in the deadline to reduce debt by at least R1 billion being deferred and agreement by the banks which allows for the repayment to come from cash generated through normal business activities.

We are pleased with the group's significant progress in reducing operating costs, the continued consolidation of operations and simplification of product offerings, which have already started to deliver sustainable value.

We are encouraged that most of the targets that were set to underpin the turnaround strategies for the group were achieved during the year, despite trading not rebounding to pre-COVID-19 levels. Details of the achievements against targets are set out on page 13.

It is also pleasing to note that the market capitalisation is almost four times what it was at the commencement of the financial year.

Agreement was reached through the Nampak Enterprise Bargaining Forum (NEBF) on the wage increase for the year 1 July 2021 to 31 June 2022, avoiding strike action.

The 2021 year was a period of stabilisation within the group executive structure. It saw the inclusion of corporate finance representation in the group executive and the resignation of the Group Executive: Rigids, which brought about the consolidation of the paper and plastics businesses under one lead.

Activities undertaken in 2021

The committee attended to all activities set out in its charter and the annual committee work plan during the year.

📄 [The committee charter is available on the website at \[www.nampak.com/Content/Documents/About/remuneration-committee-charter.pdf\]\(http://www.nampak.com/Content/Documents/About/remuneration-committee-charter.pdf\).](http://www.nampak.com/Content/Documents/About/remuneration-committee-charter.pdf)

Achievement of objectives

In light of the impact of COVID-19 on business performance during 2020, no annual increases were granted to the executive directors, group executives and non-bargaining unit employees during the 2021 financial year.

After engagement at the NEBF structures regarding the impacts of COVID-19 on the business performance, labour agreed to a wage stand still for the period 1 July 2020 to 30 June 2021. Settlement was reached for the July 2021 annual review at 5% of market wage rates for similar job levels in the same industry, which resulted in a fixed increase amount per job level and an overall increase to the wage bill of below inflation.

The executive directors and group executives largely achieved the performance criteria that were set at commencement of the financial year in respect of the EIP and details of these can be seen on page 13.

Due to the share trading restrictions imposed as a result of the extended prohibited period during the 2019 financial year, the awards and allocations under the Performance Share Plan (PSP) and Share Appreciation Plan (SAP) were delayed to September 2019. The performance period for the PSP awards remained 1 October 2018 to 30 September 2021, with 1st release date in December 2022. A portion of the award will be available for release in December 2022 as a result of the achievement against the RONA target. The HEPS and TSR conditions were not achieved. Vesting of the SAP awards will be determined at the end of the three-year performance period on 30 September 2022.

The actual earnings reported under section three of this document on pages 12 to 29 reflect the levels of achievement against the performance targets for the executive directors and group executives.

Decisions taken during 2021

The committee:

- › implemented the EIP with effect 1 October 2020, following the support received on the policy at the AGM;
- › approved the rules of the management STI 2021 plan for the performance period 1 October 2020 to 30 September 2021;
- › implemented the MSR policy and the Malus and Clawback policy with effect 1 October 2020;
- › approved the inclusion of a Group Executive: Corporate Finance position to the group executive;
- › approved the settlement of the LTI awards under the Deferred Bonus Plan for nominated participants;
- › approved the guaranteed packages for executive directors and group executives;
- › approved the annual cash incentive and settlement of the deferred incentive under the EIP for the 2021 financial year for executive directors and group executives after considering achievement against the balanced scorecard measures and plan rules;
- › reviewed the fee recommendations for non-executive directors and committee fees, excluding the fees for the nominations and remuneration committee before submission to the board for consideration.

Changes for 2022

The incentive structures will be reviewed and the appropriateness of the EIP evaluated for continuance into 2023.

The productivity initiative committed to by the company and Labour will be established and implemented.

In respect of non-executive director fees for 2022, the board recommended that the current fee structure of a base fee and fees for meeting attendance remain in place for 2022 and that the fees for board participation be increased by 4.5%. Fees in respect of sub-committee participation will remain the same as in 2021.

In conclusion, it is pleasing to be able to report a positive outcome for the 2021 financial year.



CD Raphiri
Chairman of the nominations
and remuneration committee

Bryanston
3 December 2021

SECTION 2: Remuneration policy

The remuneration policy is approved by the Board and forms part of the overall remuneration philosophy. In line with King IV™, we set out below the detailed forward-looking remuneration policy applicable to the executive management and on a high-level, for other employees.

Following the variable pay changes introduced during 2020, the remuneration policy remains largely unchanged from the previous period.

Remuneration governance

In line with best market practice, our committee is appointed by the Board and has delegated authority, in accordance with the committee charter, to establish and administer a remuneration strategy and to review and make decisions regarding our remuneration policies and the implementation thereof to ensure alignment with the principles of fair, transparent and responsible remuneration and legislative and regulatory requirements. The remuneration strategy includes remuneration at all levels, including executive management.

The committee reviews the remuneration strategies in light of the overall remuneration philosophy and oversees organisation-wide areas of remuneration including areas where management would ordinarily have discretion. The committee provides feedback to the board annually on how the remuneration policy objectives are being achieved.

Details of the committee composition, meetings, attendance, mandate and focus has been included in the integrated report on page 59.

In addition to committee members, the CEO and Group executive: Human Capital were invited to attend meetings as and when required by the committee. Invitees were not present when their own remuneration was discussed and did not participate in any voting.

The chairperson of the committee attends the AGM to respond to questions from shareholders within the committee's areas of responsibility.

The committee is satisfied that the remuneration policy is fair, transparent and responsible in that it is reviewed and approved annually. The committee is satisfied that it has executed its duties over the reporting period, according to its terms of reference, relevant legislation, regulations and in accordance with governance standards.

Fair and responsible remuneration

The committee's stance is that "fair" remuneration is impartial and free from discrimination. It is also free from self-interest, prejudice, or favouritism. It is rational, and not based on an irrational or emotional basis. "Fair" does not mean "the same" and remuneration levels will differ according to a number of factors, such as productivity, performance, skill, experience, risk and complexity, degree of challenge, level of responsibility of decision-making and consequence and impact on the organisation. Equal contributions to performance should however be rewarded equally. The company's policy on fair and responsible remuneration can be summarised as follows:

Responsible pay	Fair pay
All variable pay is subject to the achievement of stretching performance conditions, carefully calibrated and selected by the committee ensuring a close alignment with shareholder value creation	Employees are remunerated in accordance with the determined pay scales for the relevant job level aligned to the market
The link between pay and performance is publicly disclosed by the company in its remuneration report	Our organisation commits to eliminating any existing unfair discrimination/unjustified differentiation within our remuneration dispensation and preventing future practices of discrimination/differentiation
The committee and, ultimately, the board reviews and approves the remuneration of executive directors, group executives and senior management ensuring independence and transparency	Horizontal fairness is applied and employees performing the same or similar job requirements at the same or similar level of performance in the organisation receive the same or similar remuneration
Although remuneration is benchmarked, affordability is a key consideration in any pay adjustments. Variable pay is subject to reduction (malus) and recoupment (clawback)	Vertical fairness is applied by assessing the pay ratio between the CEO and the pay levels of employees below executive level
Remuneration includes provisions for retirement funding, insured benefits and optional medical cover	Pay is well administered with employees paid accurately on time and in a way that is convenient

Remuneration framework

The remuneration components offered at Nampak include guaranteed pay and variable pay. Variable pay for managerial levels includes a short-term incentive while executive directors and group executives participate in the Executive Incentive Plan (EIP) comprising of an annual cash incentive and a deferred incentive delivered as forfeitable shares.

Overview

	Guaranteed pay		Variable pay		
	Basic salary	Benefits	STI	EIP	
				Annual incentive	Deferred incentive
Description	Cash pay and benefits		An annual short-term incentive plan	The total variable pay offering uses a combined performance scorecard and is partly delivered in cash (Annual Incentive) and partly deferred into shares (Deferred Incentive) vesting over a future period, subject to a future vesting modifier	
Eligibility	All employees	All employees	Managerial level employees	CEO, CFO and other group executives	
Period of delivery	Monthly payments		Annual payment	Annual payment	Vesting over future vesting periods, coupled with holding periods in compliance with the minimum shareholding requirement

Remuneration report continued

In order to grow the performance culture, most divisions now include active engagements on productivity and saving improvements at the shop floor with a view to extending productivity related pay at shop floor levels.

The components

Basic salary and benefits

	Basic salary	Benefits
Remuneration principles	Designed to attract and retain executives and employees with appropriate competence and experience levels and diversity of skills and views to deliver sustainable profitability for the benefit of all stakeholders.	There is a trade-off between receiving compulsory benefits and voluntary benefits from an employee value proposition. The company understands the importance of saving for retirement from an early age and therefore continues to provide the benefit.
Description	<p>Managerial employees receive guaranteed packages, while other employees receive basic salaries, shift allowances, overtime and benefits on a build-up basis.</p> <p>Market-related guaranteed packages or cash salaries tailored to the role of the employee. Influenced by market conditions, company performance, internal equity and individual performance.</p>	<p>Employees in all jurisdictions have access to retirement funding and insured benefit arrangements in line with local regulations. Expatriate employees in certain countries receive remuneration for retirement funding and insured benefits where local options are not appropriate.</p> <p>Employees have voluntary access to medical aid or similar arrangements.</p> <p>Employees have access to EAP counselling.</p>
Eligibility	All employees	All employees
External surveys	The Deloitte SA Executive Guide. The Deloitte National Remuneration Guide. REMchannel®	Various professional advisers and administrators recognised in their respective jurisdictions.
Competitiveness of offer	<p>Benchmarked using survey data from external advisers, annually and for new appointments.</p> <p>Target level for guaranteed packages for executive directors and group executives is clustered around the median.</p> <p>Target level for guaranteed packages and basic salaries of the levels below executive directors and group executives is clustered around the median for competent levels of performance. Entry to top performance ranges between 80% to 120% of the median.</p> <p>Top performers, those employees key to future succession and for positions where we have scarce skill risks would be positioned higher in the range.</p> <p>Levels of pay and benefits for shop floor employees are higher than the agreed sector wage levels and engagement to review this position has commenced with Labour. New appointments are made at rates which are aligned to the industry sector levels.</p>	<p>Compulsory levels of retirement savings and life and disability cover are set using published survey data.</p> <p>Optional medical aid membership.</p> <p>Car allowance or company car linked to requirements for business travel</p> <p>Flexibility within guaranteed package governed by income tax regulation.</p>
Performance metrics	Individual performance, contribution and future growth potential are considered.	Not applicable
Performance period	Annual review	Not applicable
Governance requirement	Set out in contracts of employment.	Set out in group policies

Variable pay

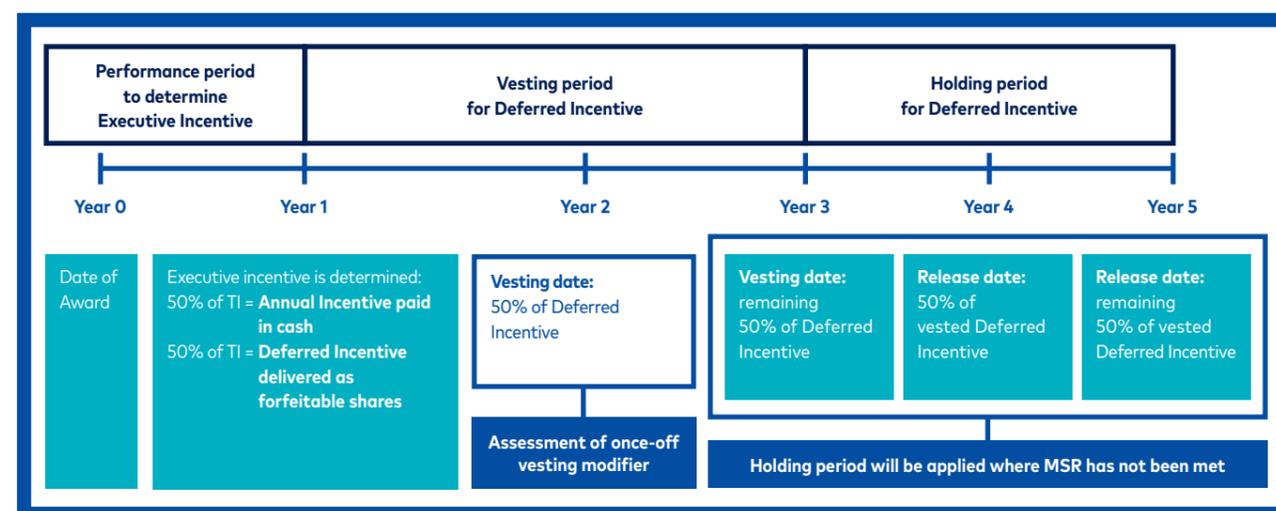
Short-term incentive plan

Details of the short-term incentive plan (STI) are set out below:

Participants	Managerial staff, excluding executives who participate in the EIP
Review period	The STI component of the remuneration structure is reviewed annually to ensure appropriateness.
Calculation of the STI	<p>The STI is calculated in accordance with the following formula: $STI = \text{Total Guaranteed Pay} \times \text{on-target percentage} \times \text{percentage achievement against targets}$.</p> <p>Achievement against targets is weighted 40% to individual performance and 60% against group/divisional financial targets.</p>
On-target percentage	<p>The quantum of the incentive is set with reference to guaranteed pay. STIs for on-target performance are capped at levels ranging between 7.5% and 65% of guaranteed package per annum.</p> <p>There is potential for senior management to earn an additional capped amount where stretch financial targets are achieved.</p>
Scorecard	The STI uses a combination of individual performance and divisional financial performance targets. Emphasis is placed on delivering against strategic imperatives covering all aspects that underpin sustainable profitability and ethical governance. The STI drives transformation through the application of a discount factor for the non-achievement of employment equity targets.
Performance period	<p>Achievement against targets is assessed over a one-year performance period, aligned to the financial year.</p> <p>Specific milestone-based goals could be measured at milestone dates.</p>
Delivery of the STI	The STI is paid through payroll in December, after authorisation by the committee.
Termination of employment	<p>Participants are required to be in the employ of the company at the end of the performance period for the STI to be payable.</p> <p>In the case of retirement, death or permanent disability during the performance period a pro rata payment will be considered, subject to approval by the committee. Payment will be December.</p>
Malus and clawback	The STI will be subject to malus and clawback (further details are included on page 10).

Executive incentive plan

The Executive Incentive Plan (EIP) represents the total variable pay opportunity for the CEO, CFO and other group executives and is aligned with the turnaround strategy. The operation of the EIP is illustrated below:



Remuneration report continued

Details regarding the EIP are set out below:

Participants	Permanent employees are eligible to participate however the EIP is primarily used for the CEO, CFO and other executives that are critical in the execution of our turnaround strategy.
Calculation of Executive Incentive (cash and deferred portions)	The EIP represents all variable pay elements and is calculated in accordance with the following formula: Executive Incentive = Total Guaranteed Pay x On-target Percentage x Balanced Scorecard Modifier.
Combined on-target percentage	Given that the EIP comprises the combined short-and long-term variable pay offering for the participants, after benchmarking performed by PwC, the following allocation levels will be applied in 2022 to each participant's total guaranteed pay (TGP) to determine the executive incentive: CEO: 190% (2021: 215%) CFO: 170% (2021: 191%) Group executives: 155% (2021: 174%)
Balanced Scorecard Modifier	The balanced scorecard for the 2022 financial year which will form the basis of determining the Balanced Scorecard Modifier, has been set out below, aligning the performance measures to the strategy. The Balanced Scorecard Modifier will be determined based on the outcomes of the Balanced Scorecard. Threshold and on-target levels are set for all performance measures. Stretch performance of up to 150% of the on-target percentage may be attained through the achievement of stretch targets.
Performance period	Achievement against the Balanced Scorecard will be assessed over a one-year performance period. Specific milestone-based goals could be measured at milestone dates. The deferred portion is subject to share price fluctuations over the deferral period.
Delivery of the executive incentive	<ul style="list-style-type: none"> › 50% of the Executive Incentive will be paid in cash annually after the expiry of the performance period, i.e. year one (this is referred to as the annual incentive) › The remaining 50% will automatically be deferred and delivered in the form of Nampak shares, vesting over future period (this is referred to as the deferred incentive). The deferred incentive will be structured as forfeitable shares, meaning participants will be the owners of the shares, but the shares will be subject to forfeiture (until vesting) and disposal restrictions (until the expiry of the holding period, where applied) <p>The payment of the annual incentive and settlement of the deferred incentive will be subject to the satisfaction of a free cash flow condition. In the event that the free cash flow condition is not met at the time of intended payment or settlement, payment and settlement will be deferred until the condition is met.</p>
Vesting period for the deferred incentive	Vesting will occur in equal tranches in year two and three respectively.
Holding period	Each tranche of the deferred incentive that vests will be subjected to a post vesting holding period, if the executive has not achieved the applicable minimum shareholding requirement at the date of vesting. The duration of the holding period will be the shorter of meeting the minimum shareholding requirements and a period of two years.
Settlement of deferred incentive	The delivery of shares will be through a market purchase of shares and there will be no dilutionary impact on shareholders. The settlement will be subject to the satisfaction of a free cash flow condition.
Vesting modifier	A once-off downwards vesting modifier may be applied, at the discretion of the committee, at the first vesting date (year 2) where an erosion of value of the earnings of the core business has occurred which can be attributed to the performance of the group executives.

Termination of employment	<p>The provisions relating to the termination of employment create a distinction between fault terminations and no-fault terminations.</p> <p>Fault Fault terminations will forfeit the annual incentive if they terminate their service before the end of the performance period i.e. year one. Where fault termination occurs after the performance period, a portion of the deferred incentive will be forfeited, depending on whether such termination takes place during the first vesting period i.e. until the end of year two (100% of deferred incentive forfeited) or second vesting period i.e. until the end of year three (50% of deferred incentive forfeited). There will be no forfeitures for fault terminations which occur after the end of the second vesting period but during a holding period, however they will remain subject to the holding period until expiry thereof.</p> <p>No-fault No fault terminations will forfeit the annual and deferred incentive if they terminate their services within the first six months of the performance period. No-fault terminations during the second six months of the performance period will receive the annual incentive but the deferred incentive will be forfeited in full. Where no-fault termination occurs after the performance period i.e. after the end of year one, the annual incentive will be paid in full, and a portion of the deferred incentive will vest, depending on whether such termination takes place during the first vesting period (50% of deferred incentive will vest) or second vesting period (100% of deferred incentive will vest). Where no-fault terminations occur after the end of the second vesting period but during the holding period, the vested shares will be released on the date of termination.</p>
Change of control	<p>In the event of a Change of Control, where the EIP is terminated, unless the committee determines otherwise, the provisions listed under no-fault termination will apply.</p> <p>Where the change of control is pursuant to a transaction, and the EIP continues, with the participants' rights being accommodated on a fair and reasonable basis, the provisions listed under no-fault termination will not apply unless the participant's employment is terminated for whatever reason, other than a fault termination, within 12 months following the change of control date, in which case the EIP will be settled as per the no-fault termination provisions.</p>
Malus and clawback	The EIP will be subject to malus and clawback (further details are included on page 10).

Balanced scorecard

The balanced scorecard for 2022 is set out in the table below. Absolute targets have not been disclosed due to commercial sensitivity.

Measures	Alignment to strategy			
	Reduce risk	Simplify	Optimise	Innovate
	Strengthen capital structure	Simplification	Optimisation	Innovation and growth
Profitability measures				
EBITDA for banking covenant purposes	✓	✓	✓	✓
HEPS	✓	✓	✓	✓
Funding measures				
Covenant ratio compliance	✓			
Debt reduction – aligned to lender agreements	✓	✓	✓	
Operational/functional measures				
Capital structure optimisation	✓	✓		
Divisional/functional initiatives		✓	✓	✓
Improve operational efficiency and reduce spoilage		✓	✓	✓
ESG measures				
Safety metrics		✓	✓	
Environmental metrics		✓	✓	

Strategic imperative linked to employment equity targets.

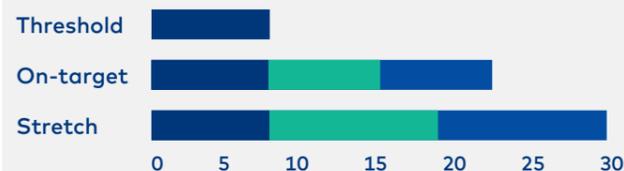
The total incentive earned up to on-target achievement may be subject to a discount of up to 7.5%.

Remuneration report continued

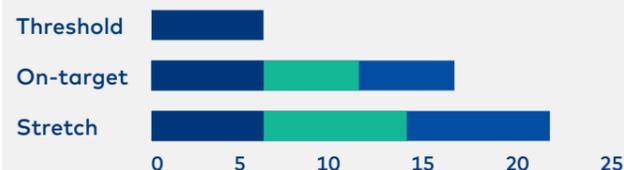
Pay for performance and remuneration mix

The mix of guaranteed pay and total variable pay, split into the annual cash incentive and the deferred incentive delivered as forfeitable shares under the new EIP, is depicted under various performance scenarios below.

Chief executive officer (Rm)



Chief financial officer (Rm)



Group executives (Rm)



Key

■ GP
■ EIP - cash incentive
■ EIP - forfeitable shares

Contractual terms and payments on termination of employment

The CEO, CFO and group executives have indefinite service contracts with notice periods of three months.

The service contracts do not contain any other provisions relating to payments due on termination of employment, for whatsoever reason, or following a change of control of the company. In the event of a change of control, share allocations will be dealt with in terms of the rules of the relevant share plans.

The executive directors and group executives have no entitlement to a restraint of trade payment and are not entitled to any sign-on payments, guaranteed bonuses or any other payments or allowances such as buy-outs, *ex gratia* payments.

In the event of redundancy, executive directors and group executives are entitled to receive payment in terms of the Nampak redundancy policy, in addition to notice pay. Redundancy pay is calculated based on length of service and age and varies between two weeks and four weeks for every completed year of service. The payment is calculated using 75% of guaranteed package. The maximum entitlement is capped at 60 weeks.

Certain long-service executives are entitled to a retirement gratuity from a legacy policy which was capped at R500 000. This policy was closed to appointments after December 2013.

Minimum shareholding requirement policy

The EIP is designed to facilitate executive ownership of Nampak shares. To formalise the holding of Nampak shares by executives, a formal minimum shareholding requirement policy has been developed, in terms of which executives will be required to build personal holdings in Nampak shares to a minimum threshold level. Executives have five years from date of introduction of the policy (1 October 2020) or appointment into an affected role to achieve the required holdings. Unencumbered shares acquired by own funds as well as vested shares acquired under the EIP or any previous Nampak long-term incentive plan will count towards the executive's shareholding based on the cost at acquisition.

The current minimum shareholding requirements are:

- › CEO: 200% of TGP
- › Other executive directors: 150% of TGP
- › Group executives: 100% of TGP

Malus and clawback policy

In line with market practice, the incentive remuneration will be subject to malus and clawback, in the event of a trigger event occurring. The provisions are formalised in a Malus and Clawback Policy. The trigger events include but are not limited to:

- › a material misstatement of the financial results resulting in an adjustment in the audited consolidated accounts of the company or the audited accounts of any member of the group;

- › the fact that any information used to determine the quantum of an incentive was based on error, or inaccurate or misleading information;
- › action or conduct of a participant which, in the reasonable opinion of the board, amounts to serious misconduct or gross negligence;
- › events or behaviour of a participant, or the existence of events attributable to a participant, which led to the censure of the company or a member of the group, by a regulatory authority or have had a significant detrimental impact on the reputation of the company.

Malus (pre-payment/pre-vesting)

Unpaid or unvested incentive remuneration will be subject to malus provisions. This means the incentive remuneration may be reduced or forfeited if a trigger event arises.

Clawback (post-payment/post-vesting)

Incentive remuneration will also be subjected to clawback if a trigger event arises as described above. Where a trigger event has occurred, the repayment of the pre-tax cash value of the paid or settled incentive remuneration will become due. To the extent a holding period is applicable to the deferred shares under the EIP, the shares would be subject to forfeiture. Incentive remuneration is subject to Clawback for a three-year period post payment or vesting date, as applicable.

Non-executive directors remuneration

The non-executive directors do not have contracts of employment with the company and are appointed by rotation in terms of our memorandum of incorporation.

The committee recommends the non-executive fee structures annually after obtaining benchmarks from the Deloitte non-executive director report. Comparisons are made against the median for companies comparable in size to Nampak, and the benchmark used to recommend non-executive director remuneration to shareholders is the JSE top 100 listed companies as it remains relevant to attract and retain the correct calibre of director during the turnaround phase. Total policy fees are calculated using the number of scheduled meetings for the year. Actual fees paid may differ due to unplanned additional meetings, owing to the current variability and business requirements.

Consideration is given to any changes in the level of complexity of the roles as well as meeting requirements in the business when assessing the fee recommendations. These recommendations are then considered by the committee, excluding recommendations of their own fees, and the board, before being submitted to shareholders for approval by way of a special resolution in terms of the Companies Act requirements.

The company's non-executive directors are paid based on their role and policy is applied using the following principles:

- › Non-executive directors' fees are paid for board membership and committee participation.
- › The fees are paid every two months, in arrears.
- › Non-executive directors do not receive incentive bonus payments, nor do they participate in any of the executive share plans.
- › Fees disclosed are exclusive of value-added tax (VAT).
- › Non-executive directors are reimbursed for travel expenses, where necessary.

Fees in respect of the 2021 year consisted of a base fee and a fee based on meeting attendance. Differentiated fees were set for sub-committee chairpersons and sub-committee members.

After considering recommendations from management and the committee, the board has proposed that the current fee structure of a base fee and fees for meeting attendance remain in place for 2022 and that the fees for board participation be increased by 4.5%. Fees in respect of sub-committee participation will remain the same as in 2021. The chairman fee remains a single fee.

👁️ [The proposed fees for 2022 are set out on page 88 of the integrated report.](#)

Non-binding advisory shareholder votes

Shareholders are encouraged to provide feedback and contributions regarding their position on the various voting requirements. We therefore invite shareholders wishing to engage with the chairman of the nominations and remuneration committee to do so via email at corporategovernance@nampak.com

Nampak will table this year's remuneration policy together with the implementation report for two separate non-binding advisory votes by the shareholders at the 2022 AGM, in line with best practice, King IV™ and the JSE Listings Requirements. Should a dissenting vote of 25% or more be received for either the remuneration policy or the implementation report, or both, we will include an outline of the process and timing of our proposed engagement with shareholders to resolve unsatisfactory results in the SENS announcement of the voting results of the AGM. The committee will respond and provide feedback on shareholders' queries and/or concerns. Following this engagement, the committee may amend aspects of the remuneration policy.

Remuneration report continued

SECTION 3: Implementation report

The implementation report details the outcomes of executing the remuneration policy for executive directors and group executives in the 2021 financial year. The remuneration committee has applied the King IV™ recommendation that companies must disclose a single figure of earnings received and receivable for the reporting period.

AGM voting results

The results of voting at the 2021 and 2020 annual general meetings are indicated in the table below:

Percentage vote in favour	Required percentage	Feb 2021	Feb 2020
Remuneration policy and framework	75% non-binding	89.56	98.64
Implementation report	75% non-binding	89.52	96.19
Non-executive directors' fees and committee membership fees	75% binding	97.14	98.59

Deviations from policy

The remuneration committee monitored the implementation of the remuneration policy and confirmed that there were no deviations from policy to report.

Contractual terms and payments on termination of employment

There were no deviations from policy implementation to the contractual terms of executives whose employment terminated during the year.

Fair and responsible remuneration

The average annual increase percentage applied to guaranteed packages for the executive directors and senior executives relative to the change in remuneration for other staff groupings in South Africa, where most employees are located, are set out below:

Grouping	Average increase (%)	
	2021	2020
Executive directors (1 October 2020)	0	4.1
Senior executives (1 October 2020)	0	4.1
Managers and supervisors (1 January 2021)	0	3.8
Bargaining unit employees (1 July 2021)	5 ¹	0 ²

1 The increase percentage is applied to market wage rates for similar job levels in the same industry, which resulted in a fixed increase amount per job level.

2 After engagement at the NEBF structures regarding the impacts of COVID-19 on the business performance, labour agreed to a wage stand still for the period 1 July 2020 to 30 June 2021

The averages tabled above do not include guaranteed package movements for promotions or market alignment adjustments.

In line with the company's approach to fair and responsible remuneration, it aimed to realise:

- › total levels of executive remuneration that are not excessive in comparison to market benchmarks for the role and complexity;
- › other staff are paid competitively against benchmarks and are managed where practical within the overall budget mandate; and
- › performance, contribution and compa-ratio to market benchmarks are considered when determining annual increases for non-bargaining unit employees.

In countries outside of South Africa, general staff also received increases in a range around local country inflation. Increase mandates were set in consultation with the CEO after considering prevailing economic conditions, market increase trends and inflation rates.

In the fair pay analysis conducted by PwC during the year, the company compared favourably on all measures against the South Africa all industries comparator group.

EIP performance assessment

The committee's assessment of performance against targets set in the balanced scorecard for the 2021 EIP is included below:

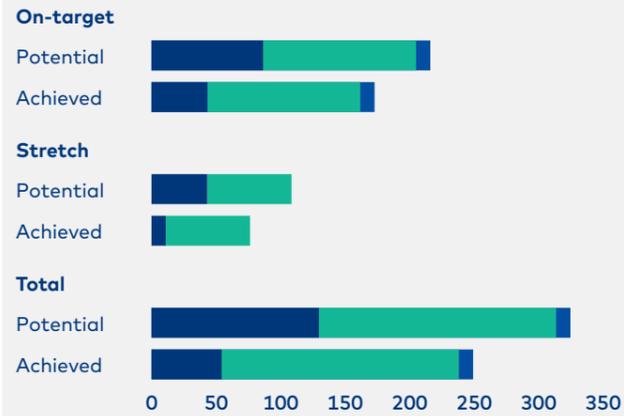
Measures	Alignment to strategy				Achievement against performance targets
	Reduce risk	Strengthen capital structure	Simplification	Optimisation	
Covenant compliance measures					
Meet revised covenant ratios – extends into stretch performance	✓				Achieved
Raise R1 billion cash through sale of assets	✓	✓	✓		Not achieved
Meet lender governance conditions and milestones	✓				Achieved
Financial performance improvement actions					
Group EBITDA – extends into stretch performance	✓	✓	✓	✓	Exceeded
Divisional EBITDA	✓	✓	✓	✓	Achievement ranges between 0% and 100%
Restructure and simplify cost base		✓	✓		Achievement ranges between 53% and 100%
Reduce cost of employment		✓	✓		Achieved
Develop new business				✓	Achieved
Operational performance targets					
Improve operational efficiency and reduce spoilage			✓		Achievement ranges between 32% and 48%
Group: Safety LTIFR tolerance level			✓		Achieved
Divisional: Safety LTIFR tolerance level			✓		Achievement ranges between 0% and 100%
Strategic imperative linked to employment equity targets. Any incentive earned up to on-target achievement may be subject to a discount of up to 7.5%.					Targets achieved. No discount applied

The total executive incentive as determined under the EIP for the performance period ending 30 September 2021 was calculated based on the outcomes of the balanced scorecard per participant.

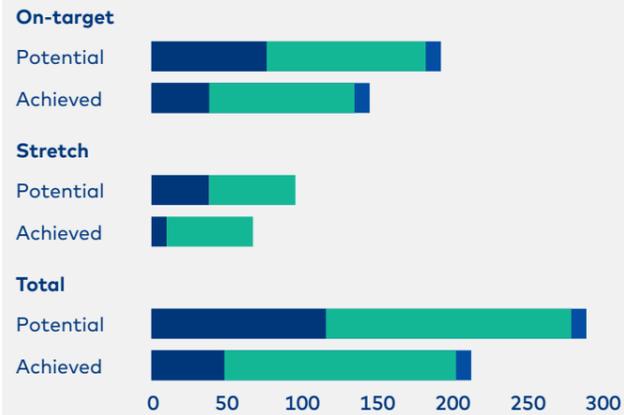
The on-target, stretch and total incentive achieved against the potential is depicted below as a percentage of total guaranteed package. 50% is delivered as an annual cash incentive and 50% as forfeitable shares.

Remuneration report continued

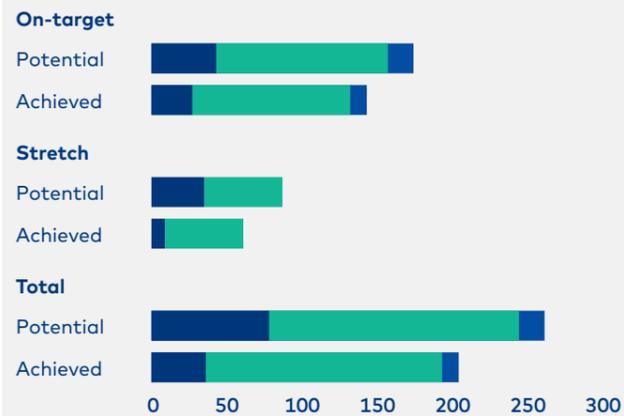
Chief executive officer (%TGP)



Chief financial officer (%TGP)



Group executives (%TGP)



Key

-  Covenant compliance
-  Financial performance
-  Operational performance

Deferred bonus plan

Shares purchased under the Deferred Bonus Plan (DBP) during the financial year, in December 2020, based on the STI payments for the 2020 performance period are reflected in the table that follows.

Participants will receive conditional matching awards in December 2023 provided the participant remains in the employ of the company for the period. Awards will be based on the number of bonus shares held at vesting date. Awards are valued at face value at purchase date. These awards are in terms of the legacy variable pay structures.

Rand	Number of awards	Value	% of guaranteed package
Executive directors			
EE Smuts	222 927	576 745	8
Group executives			
H Nel	19 327	50 000	1

There were no allocations under the PSP during the financial year as the full variable pay offering is awarded under the EIP.

Historical LTI performance assessment

The three-year performance period for the September 2019 PSP awards ended on 30 September 2021, with the first release in December 2022 due to the delayed award date. The performance conditions were:

- › 40% based on improvement in headline earnings per share (HEPS) for continuing operations, vesting on a straight-line basis between threshold of cumulative CPI + 3% and target of cumulative CPI + 15%.
- › 30% based on improvement in TSR on an absolute basis, vesting on a straight-line basis between threshold of cumulative CPI + 3% and target of cumulative CPI + 15%.
- › 30% based on return on net assets (RONA) targets with vesting of 60% for a RONA of 11.5%, 70% for 12%, 80% for 12.5%, 90% for 13% and 100% for 13.5%.

The HEPS and TSR conditions were tested and were not achieved. The RONA of 12.8% for the current financial year resulted in an achievement of 80% on this measure. Overall 24% of the award will become available for release in December 2022.

The performance conditions for the September 2019 SAP awards will be assessed at the end of the performance period on 30 September 2022.

The single total figure of remuneration

Remuneration 2021

The following table sets out the total remuneration received and receivable by executive directors and group executives:

Rand	Basic salary	Company contribution to retirement	Guaranteed package ¹	Value of other benefits ²	Termination	Executive incentive plan ³		Historic LTI ⁴	Total single figure remuneration
						Annual incentive (cash)	Deferred incentive (equity)		
Executive directors									
EE Smuts	7 293 765	56 235	7 350 000	12 292	—	9 086 438	9 086 438	688 008	26 223 176
GR Fullerton	5 641 964	44 768	5 686 732	9 785	—	6 146 791	6 146 791	270 375	18 260 474
Total	12 935 729	101 003	13 036 732	22 077	—	15 233 229	15 233 229	958 383	44 483 650
Group executive									
C Burmeister	2 981 802	74 611	3 056 413	5 179	—	2 820 753	2 820 753	111 263	8 814 361
CB Farndell ⁵	1 964 670	142 361	2 107 031	3 577	260 068	—	—	—	2 370 676
LD Kidd	3 187 246	80 625	3 267 871	5 596	—	3 784 665	3 784 665	69 065	10 911 862
SB McGill ⁶	3 090 770	23 830	3 114 600	5 209	—	3 116 157	3 116 157	45 113	9 397 236
H Nel	3 500 216	27 476	3 527 692	5 994	—	3 997 379	3 997 379	94 765	11 623 209
Q Swart	2 809 843	22 188	2 832 031	79 850	—	2 818 435	2 818 435	40 078	8 588 829
IH van Lochem	3 054 298	23 834	3 078 132	5 210	—	3 116 758	3 116 758	69 065	9 385 923
Total	20 588 845	394 925	20 983 770	110 615	260 068	19 654 147	19 654 147	429 349	61 092 096

¹ Guaranteed packages are reflected net of the remaining 3 months salary sacrifice deduction, where applicable.

² Other benefits refer to group personal accident cover. Included in other benefits for Q Swart is a pay adjustment for assuming responsibility for the plastics business.

³ The incentive disclosed under executive incentive plan (EIP) is based on the performance period ended 30 September 2021. In terms of the plan 50% of the determined amount will be paid in cash as an annual incentive, payable in December 2021, subject to the satisfaction of a free cash flow condition. The remaining 50% will be delivered as forfeitable shares subject to forfeiture and disposal restrictions. The shares will be purchased on the open market post closed period. The full incentive value is disclosed in the table above, however, the deferred incentive will only be recognised in the directors and prescribed officers' remuneration note in the financial statements on vesting.

⁴ Historical LTI disclosed includes the award of matching shares under the DBP in December 2020, based on STI payments for the 2020 performance period, valued at market value at purchase date and the September 2019 PSP awards, to the extent that the performance conditions were satisfied. PSP awards were valued at the 30-day VWAP at year-end.

⁵ CB Farndell resigned with effect 30 June 2021. Termination pay comprises leave pay of R260 068.

⁶ SB McGill was appointed to the group executive with effect 1 October 2020.

Remuneration report continued

Remuneration 2020

The following table sets out the total remuneration received and receivable by executive directors and group executives:

Rand	Basic salary	Company contribution to retirement	Guaranteed package	Value of other benefits ¹	Termination	STI ²	LTI ³	Total single figure remuneration
Executive directors								
EE Smuts ⁴	6 497 351	48 279	6 545 630	16 203	—	2 097 254	1 415 700	10 074 787
GR Fullerton	5 532 226	44 794	5 577 020	15 121	—	1 781 844	—	7 373 985
Total	12 029 577	93 073	12 122 650	31 324	—	3 879 098	1 415 700	17 448 772
Resigned during the year								
AM de Ruyter ⁵	2 195 488	18 027	2 213 515	5 649	244 492	—	—	2 463 656
Total	14 225 065	111 100	14 336 165	36 973	244 492	3 879 098	1 415 700	19 912 428
Group executives								
C Burmeister	2 953 245	76 310	3 029 555	8 003	—	779 594	521 390	4 338 542
CB Farndell ⁷	1 470 859	107 527	1 578 386	4 141	—	690 452	—	2 272 979
LD Kidd	3 133 125	82 461	3 215 586	8 648	—	1 120 592	—	4 344 826
RG Morris ⁶	3 182 735	25 262	3 207 997	8 812	5 487 318	1 111 638	—	9 815 765
H Nel ⁸	2 279 543	15 944	2 295 487	5 281	—	1 035 707	—	3 336 475
Q Swart ⁷	1 565 619	12 766	1 578 385	4 198	—	926 885	—	2 509 468
IH van Lochem	3 029 574	23 847	3 053 421	8 050	—	1 109 790	150 000	4 321 261
Total	17 614 700	344 117	17 958 817	47 133	5 487 318	6 774 658	671 390	30 939 316

1 Other benefits refer to group personal accident cover.

2 STI disclosed is based on performance during the 2020 financial year, but actual STI payments will be made in December 2020.

3 LTI disclosed is the award of matching shares under the DBP in December 2019. Values are calculated using market value at purchase date. The performance conditions aligned to the PSP were not achieved. None of the December 2017 awards will vest.

4 EE Smuts was appointed CEO with effect from 6 January 2020.

5 AM de Ruyter resigned with effect from 5 January 2020. Termination pay comprises leave pay of R244 492.

6 RG Morris was retrenched with effect from 31 July 2020. Termination pay comprises leave pay of R566 641, notice pay of R990 250, severance pay of R3 430 427 and executive retirement gratuity of R500 000.

7 CB Farndell and Q Swart were appointed to the group executive committee with effect 1 March 2020.

8 H Nel was appointed to the group executive committee with effect 1 February 2020.

Historical LTI share dilution

The level of share dilution of the legacy share plans is within the parameters set by the committee and approved by shareholders. Details of the number of new shares that can be issued or treasury shares that can be utilised under these historical plans are set out below, together with the current allocations.

Number of shares	Maximum number that can be used	Number of shares actually used
SAP	4 400 000	1 411 518
PSP	22 600 000	4 712 815
DBP	5 000 000	680 816
Total number of shares under plans	32 000 000	6 805 149
Total number of issued ordinary shares	690 474 523	690 474 523
Dilution (%)	4.6	1.0

Neither the maximum dilution of 4.6% (2020: 4.6%) nor the actual dilution of 1.0% (2020: 1.4%) exceeded the 5% limit placed on the total number of shares utilised for the share plans. It should be noted that due to the application of performance vesting criteria on the performance share plan and share appreciation plan, the real dilution will be lower than the maximum indicated above.

There is also a limit on the number of shares which can be allocated and remain unvested to any one individual under the three share plans.

The limit, also approved by shareholders, is 2 200 000 shares and has not been exceeded.

Minimum shareholding requirement (MSR) compliance

The company's MSR policy has been in operation for one year. Executives are expected to comply with the policy by 30 September 2025 (or such later date if they are appointed after 1 October 2020) and can build the minimum shareholding up by purchasing shares in their personal capacity or by retaining vested shares from long-term incentives. As we move closer to the compliance target date, adherence to the policy will be included in future implementation reports.

Share disclosure tables

Disclosure on the quantum and value of awards outstanding at the beginning of the reporting period, as well as new awards made during the reporting period are indicated in the tables that follow.

Explanatory notes to the share disclosure tables

- The estimated fair value represents the indicative fair value of the instrument on 30 September. For awards within 12 months of release following the year-end, the indicative fair value was calculated based on the 30 day VWAP, taking into accounting vesting probability. An indicative valuation was performed for awards more than 12 months from release following year-end. The 30 day VWAP as at 30 September 2020 was R0.76 and at 30 September 2021 was R3.09.
- CB Farndell resigned with effect 30 June 2021.
- SB McGill was appointed to the group executive with effect 1 October 2020. The number of outstanding awards held on appointment date has been reflected as the opening balance.
- The release of the final tranche of the 2013 PSP awards and the delivery of the matching awards due under the 2015 DBP should have occurred in December 2018. The release was delayed by the suspension of any share trading during the prohibited period and occurred in December 2019.

Remuneration report continued

EE Smuts

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Share appreciation plan	14.12.2016	14.12.2019			17.20	43 101	—	(43 101)	—	—	—	—
Performance share plan ⁴	03.12.2013	03.12.2016	03.12.2017	03.12.2018	37.81	5 135	—	—	(5 135)	—	35 182	—
	15.12.2016	15.12.2019	15.12.2020	15.12.2021	17.20	150 724	—	(150 724)	—	—	—	—
	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	283 000	—	—	—	283 000	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	150 274	—	—	—	150 274	—	121 722
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	—	275 975	—	—	275 975	—	96 591
	03.03.2020	01.12.2022	01.12.2023	01.12.2024	2.99	—	581 525	—	—	581 525	—	75 598
Deferred bonus plan ⁴	15.12.2015	15.12.2018			23.57	5 942	—	—	(5 942)	—	40 712	—
	19.12.2016	19.12.2019			17.27	13 448	—	—	(13 448)	—	92 139	—
	15.12.2017	15.12.2020			15.16	42 714	—	—	—	42 714	—	32 463
	13.12.2019	01.12.2022			5.63	—	251 412	—	—	251 412	—	253 926
Totals											168 033	580 300

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	283 000	—	(283 000)	—	—	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	150 274	—	—	—	150 274	—	111 263
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	275 975	—	—	—	275 975	—	204 332
	03.03.2020	01.12.2022	01.12.2023	01.12.2024	2.99	581 525	—	—	—	581 525	—	430 561
Deferred bonus plan	15.12.2017	15.12.2020			15.16	42 714	—	—	(42 714)	—	89 571	—
	13.12.2019	01.12.2022			5.63	251 412	—	—	—	251 412	—	775 606
	15.12.2020	15.12.2023			2.59	—	222 927	—	—	222 927	—	687 730
Totals											89 571	2 209 492

Remuneration report continued

GR Fullerton

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Share appreciation plan	14.12.2016	14.12.2019			17.20	105 566	—	(105 566)	—	—	—	—
Performance share plan	15.12.2016	15.12.2019	15.12.2020	15.12.2021	17.20	278 442	—	(278 442)	—	—	—	—
	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	441 000	—	—	—	441 000	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	365 174	—	—	—	365 174	—	295 791
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	—	682 996	—	—	682 996	—	239 049
Deferred bonus plan ⁴	15.12.2015	15.12.2018			23.57	1 011	—	—	(1 011)	—	5 882	—
	19.12.2016	19.12.2019			17.27	14 409	—	—	(14 409)	—	83 835	—
	15.12.2017	15.12.2020			15.16	45 961	—	—	—	45 961	—	34 930
Totals											89 717	569 770

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	441 000	—	(441 000)	—	—	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	365 174	—	—	—	365 174	—	270 375
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	682 996	—	—	—	682 996	—	505 690
Deferred bonus plan	15.12.2017	15.12.2020			15.16	45 961	—	—	(45 961)	—	94 527	—
Totals											94 527	776 065

Remuneration report continued

C Burmeister

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Share appreciation plan	14.12.2016	14.12.2019			17.20	43 101	—	(43 101)	—	—	—	—
Performance share plan ⁴	03.12.2013	03.12.2016	03.12.2017	03.12.2018	37.81	4 019	—	—	(4 019)	—	24 115	—
	15.12.2016	15.12.2019	15.12.2020	15.12.2021	17.20	139 604	—	(139 604)	—	—	—	—
	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	220 000	—	—	—	220 000	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	150 274	—	—	—	150 274	—	121 722
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	—	179 384	—	—	179 384	—	62 784
Deferred bonus plan	15.12.2015	15.12.2018			23.57	15 316	—	—	(15 316)	—	91 902	—
	19.12.2016	19.12.2019			17.27	22 639	—	—	(22 639)	—	135 843	—
	15.12.2017	15.12.2020			15.16	16 399	—	—	—	16 399	—	12 463
	13.12.2019	01.12.2022			5.63	—	92 593	—	—	92 593	—	93 519
Totals											251 860	290 489

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	220 000	—	(220 000)	—	—	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	150 274	—	—	—	150 274	—	111 263
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	179 384	—	—	—	179 384	—	132 816
Deferred bonus plan	15.12.2017	15.12.2020			15.16	16 399	—	—	(16 399)	—	33 776	—
	13.12.2019	01.12.2022			5.63	92 593	—	—	—	92 593	—	285 649
Totals											33 776	529 728

Remuneration report continued

CB Farndell²

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	54 130	—	—	—	54 130	—	43 845
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	106 506	—	—	—	106 506	—	37 277
Deferred bonus plan	13.12.2019	01.12.2022			5.63	18 174	—	—	—	18 174	—	18 356
Totals											—	99 478

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	54 130	—	(54 130)	—	—	—	—
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	106 506	—	(106 506)	—	—	—	—
Deferred bonus plan	13.12.2019	01.12.2022			5.63	18 174	—	(18 174)	—	—	—	—
Totals											—	—

LD Kidd

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Share appreciation plan	14.12.2016	14.12.2019			17.20	104 407	—	(104 407)	—	—	—	—
Performance share plan ⁴	03.12.2013	03.12.2016	03.12.2017	03.12.2018	37.81	2 308	—	—	(2 308)	—	15 813	—
	15.12.2016	15.12.2019	15.12.2020	15.12.2021	17.20	46 070	—	(46 070)	—	—	—	—
	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	209 000	—	—	—	209 000	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	93 281	—	—	—	93 281	—	75 558
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	—	275 975	—	—	275 975	—	96 591
Deferred bonus plan ⁴	15.12.2015	15.12.2018			23.57	2 979	—	—	(2 979)	—	20 463	—
	19.12.2016	19.12.2019			17.27	33 717	—	—	(33 717)	—	219 477	—
Totals											255 753	172 149

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	209 000	—	(209 000)	—	—	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	93 281	—	—	—	93 281	—	69 065
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	275 975	—	—	—	275 975	—	204 332
Totals											—	273 397

Remuneration report continued

SB McGill³

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	15.12.2016	15.12.2019	15.12.2020	15.12.2021	17.20	130 000	—	(130 000)	—	—	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	60 930	—	—	—	60 930	—	45 113
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	106 506	—	—	—	106 506	—	78 857
Deferred bonus plan	13.12.2019	01.12.2022			5.63	30 025	—	—	(30 025)	—	59 668	—
Totals											59 668	123 970

H Nel

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	60 460	—	—	—	60 460	—	48 973
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	106 506	—	—	—	106 506	—	37 277
Deferred bonus plan	13.12.2019	01.12.2022			5.63	44 397	—	—	—	44 397	—	44 841
Totals											—	131 091

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	60 460	—	—	—	60 460	—	44 765
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	106 506	—	—	—	106 506	—	78 857
Deferred bonus plan	13.12.2019	01.12.2022			5.63	44 397	—	—	—	44 397	—	136 965
	15.12.2020	05.12.2023			2.59	—	19 327	—	—	19 327	—	59 624
Totals											—	320 210

Remuneration report continued

Q Swart

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	110 000	—	—	—	110 000	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	54 130	—	—	—	54 130	—	43 845
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	106 506	—	—	—	106 506	—	37 277
Totals											—	81 122

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	110 000	—	(110 000)	—	—	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	54 130	—	—	—	54 130	—	40 078
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	106 506	—	—	—	106 506	—	78 857
Totals											—	118 935

IH van Lochem

2020	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Share appreciation plan	14.12.2016	14.12.2019			17.20	25 000	—	(25 000)	—	—	—	—
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	184 000	—	—	—	184 000	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	93 281	—	—	—	93 281	—	75 558
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	—	275 975	—	—	275 975	—	96 591
Deferred bonus plan	15.12.2017	15.12.2020			15.16	3 064	—	—	—	3 064	—	2 329
	13.12.2019	01.12.2022			5.63	—	26 638	—	—	26 638	—	26 904
Totals											—	201 382

2021	Award date	First release date	Second release date	Third release date	Award price (R)	Number of outstanding awards					Value (rand)	
						Opening balance	Granted in the year	Forfeited in the year	Released in the year	Closing balance	Value on release	Estimated fair value at 30 September ¹
Performance share plan	11.12.2017	11.12.2020	11.12.2021	11.12.2022	14.91	184 000	—	(184 000)	—	—	—	—
	27.09.2019	01.12.2022	01.12.2023	01.12.2024	9.23	93 281	—	—	—	93 281	—	69 065
	13.12.2019	01.12.2022	01.12.2023	01.12.2024	6.27	275 975	—	—	—	275 975	—	204 332
Deferred bonus plan	15.12.2017	15.12.2020			15.16	3 064	—	—	(3 064)	—	6 276	—
	13.12.2019	01.12.2022			5.63	26 638	—	—	—	26 638	—	82 178
Totals											6 276	355 575

Remuneration report continued

Non-executive directors' remuneration 2021/2020

The non-executive directors' remuneration paid during the year under review (as approved previously by shareholders) and the total comparative figures are disclosed below.

Rand	Directors fees	Audit and risk	Nomination and remuneration	Social, ethics and transformation	Total fees 2021	Total fees 2020	
						Total approved fees earned	Total invoiced fees ¹
E Ikazoboh					—	164 832	164 832
J John					—	32 642	32 642
IN Mkhari					—	280 350	280 350
N Khan	327 400	258 500			585 900	98 550	98 550
KW Mzondeki	327 400	258 500			585 900	573 800	531 552
CD Raphiri	327 400		261 300	193 300	782 000	756 700	705 985
SP Ridley	327 400	515 700	137 000		980 100	1 050 733	970 873
L Sennelo	327 400	258 500		97 400	683 300	501 485	450 670
PM Surgey	1 575 000				1 575 000	1 800 000	1 600 000
Total	3 212 000	1 291 200	398 300	290 700	5 192 200	5 259 092	4 835 454

¹ During 2020 the non-executive directors reduced their fees earned for a three-month period by 30%. The reduced value is reflected as total fees invoiced.

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