

# REMUNERATION REPORT



**Cathie Markus**  
Chairman, remuneration committee

## REMUNERATION COMMITTEE CHAIRMAN'S LETTER

Over the past year we have taken into consideration the constructive feedback from our shareholders by introducing a minimum shareholding requirement for the executive management and directors and with regard to both the short- and long-term incentives, we have increased the acceptable level of performance and introduced personal performance criteria for executive short-term incentives.

I therefore have pleasure in submitting the annual remuneration report for FY16 on behalf of the remuneration committee and the board. Recommended changes to our short- and long-term incentive schemes are highlighted throughout the relevant sections in the report.

Our report is divided into two sections:

- Part one: remuneration, governance and policy
- Part two: remuneration outcomes during the year under review (FY16).

As before, this remuneration report and policy continues to focus on the remuneration of executive directors, executive management and prescribed officers as well as on the fees paid to non-executive directors. We rely on carefully designed variable pay structures which require certain levels of performance against activities that are of primary importance to the sustainability and success of our business. We continually reassess these measures to ensure that they are aligned with our group strategy. We also give an overview of our employee share-option scheme, the Tlhakanelo Employee Share Trust, which aims to give our non-managerial employees an opportunity to benefit as Harmony shareholders.

For more on the committee and its activities during the year under review see the governance report on [page 130](#) of the Integrated Annual Report 2016.

**Cathie Markus**  
**Chairman, remuneration committee**  
26 October 2016

# PART ONE: REMUNERATION GOVERNANCE AND POLICY

## REMUNERATION COMMITTEE

The remuneration committee is the custodian of Harmony's remuneration policy and its implementation. No member of the committee has a personal interest in the outcome of decisions made, and five of its six members are independent non-executive directors.

For more information on the composition, primary functions, activities and actions of this committee, refer to the Corporate Governance section on *page 130*. The terms of reference of this committee are available at <https://www.harmony.co.za/sustainability/governance#policies>.

The main focus areas for the remuneration committee during the year were as follows:

- Reviewed the short-term incentive scheme, the applicable performance measures and the minimum threshold for bonus qualification
- The inclusion of a personal performance measurement on short-term incentives for executive management
- Revision of the long-term incentive scheme, including the use of share appreciation rights, and the performance measures applied to performance shares
- Determination of a minimum shareholding requirement for executive management and directors
- Benchmarking of executive and non-executive remuneration
- Engagement with our shareholders
- Approval and recommendation of the remuneration report

## HARMONY'S REMUNERATION POLICY – ALIGNED WITH STRATEGY

Harmony's reward strategy underpins our business strategy of producing profitable ounces, safely and increasing our margins.

In order to achieve this, we rely on experienced, skilled teams who live our values and maintain stakeholder relationships, in growing profits, and in maintaining a sustainable company.

Our remuneration policy has been designed with our business strategy in mind – to attract and retain these experienced, skilled teams, and to motivate them to deliver and achieve our key business goals. To ensure that this happens, we need to be certain that all elements of our remuneration and wider reward offerings are aligned and market competitive.

In determining remuneration, the remuneration committee takes into account shareholders', interests as well as the financial health and future of the company.

## BOARD REMUNERATION (NON-EXECUTIVE DIRECTORS)

Harmony's philosophy regarding the remuneration of non-executive directors is to ensure that they are fairly rewarded for their contribution to the company's overall performance.

Non-executive directors' fees are reviewed annually to ensure that they remain competitive. In line with the recommendations of King III, our non-executive directors are paid a retainer for board meetings and an attendance fee for every board meeting attended. Non-executive directors also receive a retainer for serving on a committee. In addition, an ad hoc fee is paid for special meetings or attendance to company business, per day.

# REMUNERATION REPORT CONTINUED

Non-executive directors do not receive share options or other incentive awards correlated with the share price or group performance as these may impair their ability to provide impartial oversight and advice.

The proposed fees for FY17 are set out in the notice of annual general meeting on [page 29](#) in the *Report to Shareholders 2016*.

## REMUNERATION MIX AT HARMONY

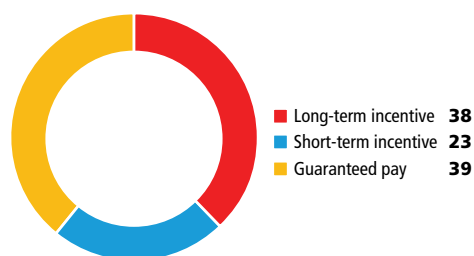
Harmony chooses to adopt an integrated approach to rewarding its employees.

The graphs below illustrate the designed outcome of the total remuneration package for executive management and prescribed officers, based on achieving targeted performance. The guaranteed pay, short-term incentives and long-term incentives are expressed as a percentage of total remuneration.

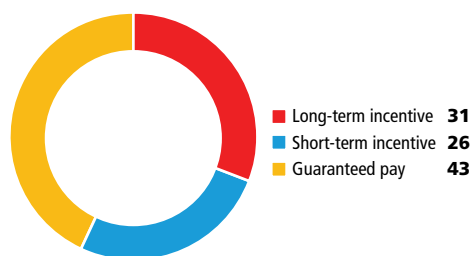
The graphs depicting actual payment can be found in Part Two, on [page 142](#) of this Remuneration Report.

These elements of the remuneration package are discussed in more detail below.

**On target pay mix: chief executive**  
(%)



**On target pay mix: financial director, executive director, prescribed officers**  
(%)



## KEY ELEMENTS OF HARMONY'S REMUNERATION STRUCTURE

### Reward elements    Remuneration strategy

#### Guaranteed pay

In reviewing and approving levels of guaranteed pay, the committee ensures that the guaranteed pay portion of remuneration is aligned with similar roles in the market sector in which we operate and the contribution made by employees.

To compete effectively for skills in a challenging employment market, we identify the target market against which to benchmark guaranteed pay. This target market includes those organisations or companies that employ similar skills sets to those which we require. Comparisons are made predominantly with the mining and resources sectors to ensure that Harmony remains competitive.

Harmony aims for guaranteed pay levels relative to the median of the target market.

Guaranteed pay is inclusive of contributions by the company to a retirement fund and a medical aid scheme.

**Reward elements Remuneration strategy**

**Short-term incentive**

The short-term incentive scheme provides for bonus payments. Bonus payments are:

- based on team performance against annual targets that are reviewed annually, modified by a personal performance rating for executive management
- paid twice a year for all management employees in corporate, central services, medical services and central operations (including executive management and prescribed officers)
- paid quarterly for designated shaft management team members and regional operations management teams

During FY16, the board approved the following changes to the short-term incentive scheme:

- the minimum acceptable level of performance (i.e. qualification threshold) was increased from 90% to 95%
- the R/kg performance driver was changed to total cost (working cost plus capital excluding royalties)
- the short-term incentive for executives to be modified by a personal performance rating

The targets on which bonus payments are based are derived from the company's business plan which is developed in terms of the company's strategic objectives for the year.

For executive management, the measures and weightings are as follows:

Performance drivers	Weighting
Gold produced	40%
Total cost (working cost + capex excl. royalties)*	30%
Underground grade	30%

\*Revised from R/kg

**Payment parameters**

To achieve a minimum qualification for a bonus, Harmony must achieve at least 95% of the business plan. On-target performance will result in a total bonus of 60% of guaranteed pay.

Above-target performance is capped at 100% of guaranteed pay as illustrated below:

% of business plan achieved	% of 6-month guaranteed pay	Parameter
<95	0	
95	40	Threshold
100	60	Target
105	100	Maximum
>105	100	

**Safety as a modifier**

Safety performance is applied as an adjustment in the calculation of our short-term incentive bonuses. The company's lost-time injury frequency rate for the total South African business plan is used to measure Harmony's safety performance.

If the planned safety target is achieved, 10% will be added to the overall percentage bonus paid. If the company does not achieve its safety target, up to 10% will be deducted from the overall percentage bonus paid as per the gradation scale illustrated below:

Achievement against business plan	% added or deducted from overall bonus percentage*
100	10%
95	5%
90	0%
85	-5%
80	-10%

\*Linear interpolation between these points

**Personal performance modifier:**

The personal performance percentage will be calculated according to an executive manager's personal performance measured against objectives set out in that executive's performance management contract as follows:

Guaranteed pay x group performance against plan (0% – 100%) x personal performance percentage (0% – 150%)

# REMUNERATION REPORT CONTINUED

## KEY ELEMENTS OF HARMONY'S REMUNERATION STRUCTURE *(continued)*

Reward elements	Remuneration strategy
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**Long-term (share-based) incentive** The Harmony share plan (the plan) consists of share appreciation rights (SARs), performance shares and restricted shares. Employees eligible for participation in the plan include executive directors, executive management and management. Non-executive directors may not participate in the plan.

There is no repricing or surrender or re-grant of any offers. Share awards are not granted in a closed period and no backdating of awards is allowed.

Rewards are settled in shares, although participants may receive, via our share scheme administrators, cash from the sale of these shares, less tax payable.

The main elements of the share plan and performance conditions are summarised below.

### Share appreciation rights (SARs)

Eligible employees received annual allocations based on a percentage of their cost to company, which vest in equal thirds on the third, fourth and fifth anniversaries of such allocations and lapse in the sixth year as illustrated below. The value or reward that accrues is based on the positive appreciation of the share price over time (compared to the issue price) and continued employment.

The company acknowledges shareholders' sentiment with regard to the issuing of share appreciation rights. Such views will be considered should the company issue new share appreciation rights going forward. Share appreciation rights were last allocated in November 2014 (FY15).

### Performance shares

Eligible employees receive annual conditional awards of a maximum number of performance shares based on a percentage of cost to company and remuneration category. The conditional award vests after three years, if and to the extent that performance conditions have been satisfied. The conditional awards that do not vest at the end of the three-year period will be forfeited.

The company reviewed and changed the performance criteria for performance shares.

Awards made since November 2015 will be measured on the total shareholder return of the company over a three-year period and will be capped at the maximum vesting percentage of 100%. The total shareholder return vesting criteria will comprise of two components:

- 50% is based on absolute performance which takes into account the value of the company's share price growth and the value of dividends paid over the measurement period
- 50% is based on the relative performance of the company compared to that of the gold index over the measurement period

### Absolute performance:

Performance	Achievement	Vesting*
Full (stretch)	100%	100%
Target	80%	80%
Threshold	45%	0%

*\*Linear interpolation will apply between levels*

### Relative performance:

Performance	Achievement	Vesting*
Full (stretch)	40%	150%
Target	0%	40%
Threshold	-5%	0%

*\*Linear interpolation will apply between levels*

Details of the awards made during FY16 can be found in Part Two of this Remuneration Report, on [page 141](#).

Reward elements	Remuneration strategy
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<b>Long-term (share-based) incentive</b> <i>(continued)</i>	<b>Restricted shares</b> The share plan allows for restricted shares and matching performance shares to be granted to eligible employees at the discretion of the board based on past performance. The board determines the quantum and balance between restricted shares and matching performance shares.
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Restricted shares vest three-years from the grant date. If the grant is not exercised, partially or fully at the time, these shares remain restricted for a further three years and are supplemented by a matching grant of restricted shares. The restricted shares and the matching restricted shares are then settled after the end of a further three-year period.

We acknowledge the sentiments of shareholders with regard to restricted shares and our last grant of new restricted shares was made in 2012.

**Plan limit**

The approved aggregate number of shares that may be acquired by participants in the long-term incentive plan, together with any other share plan or scheme are 60 011 669 shares as approved by the members of the company at an annual general meeting held on 1 December 2010. To date, Harmony has issued 7 792 861 of these approved shares.

The aggregate number of shares that may be acquired by any one participant in terms of the long-term incentive plan together with any other share plan or scheme approved by the members shall not exceed 2 100 000 shares. To date, none of the participants has acquired an aggregate of more than 2 100 000 shares.

**Recommended changes to the Harmony share plan (the plan)**

A proposal will be made at the forthcoming annual general meeting to amend the plan to:

- introduce a minimum shareholding requirement for executive management;
- determine the vesting of performance shares on actual achievement against the applicable performance criteria when a participant is a good leaver.

For more information refer to the notice of the annual general meeting in the Report to Shareholders 2016 at [www.har.co.za](http://www.har.co.za).

<b>Tlhakanelo Employee Share Trust</b>	Administered in terms of the Tlhakanelo trust, this share-based incentive scheme ensures that current and future qualifying employees participate in Harmony's growth. Qualifying employees are those who are permanently employed by the company and who do not participate in any of the company's other share incentive schemes.
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Under the Tlhakanelo employee share scheme, each award is split into the ratio of two share appreciation rights for each ordinary share and these vest annually in equal tranches on each anniversary of the allocation date. As per the provisions of the trust deed, the last tranche of shares allocated in terms of the scheme will vest during March 2017.

Share appreciation rights are subject to a guaranteed minimum payout of R18 per share appreciation right and a maximum payout of R32 per share appreciation right on each vesting date (over the five-year period).

Prior to vesting, participants may elect to receive their shares or have these sold on their behalf.

Details of the awards made during FY16 can be found in Part Two of this Remuneration Report, on [page 142](#).

**CONTRACTS, SEVERANCE AND TERMINATION**

Executive directors and executive managers have employment contracts with Harmony which include notice periods of up to 90 days. There are no balloon payments on termination, automatic entitlement to bonuses or automatic entitlement to share-based payments other than in terms of the company's approved share incentive plans.

**NON-BINDING ADVISORY VOTE**

Shareholders are requested to cast a non-binding advisory vote required by King III on Part One of this remuneration report as it appears above. For more information refer to the notice of the annual general meeting in the Report to Shareholders 2016 at [www.har.co.za/16/download/HAR-RS16.pdf](http://www.har.co.za/16/download/HAR-RS16.pdf).

**STAKEHOLDER FEEDBACK**

We maintain open communication channels with our stakeholders, listen to feedback and take action where this is deemed to be in the best interests of the company. Based on comments received from shareholders following our FY15 remuneration report, we have enhanced our reporting and changed the parameters of our short-term and long-term incentive schemes.

# REMUNERATION REPORT CONTINUED

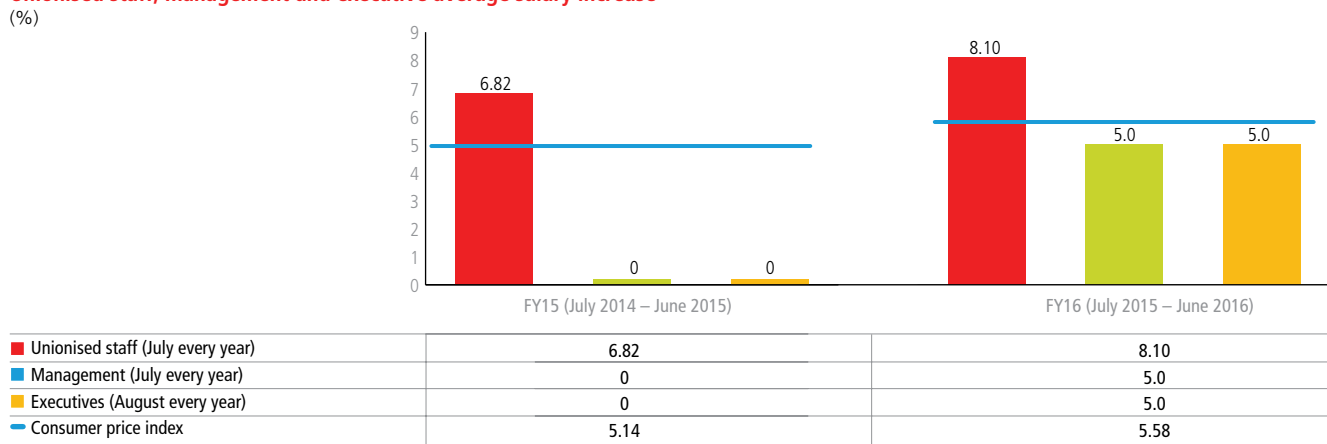
## PART TWO: REMUNERATION PAID DURING THE YEAR BASED ON THE POLICY APPLICABLE IN 2016

### INCREASES TO GUARANTEED PACKAGE DURING THE YEAR UNDER REVIEW

An assessment of executive remuneration, and short- and long-term incentives was undertaken during FY16.

Taking into consideration the prevailing market conditions, affordability and shareholders' expectations, an average increase of 5% to guaranteed remuneration packages of executives and management was made during FY16. Illustrated below are the average percentage increases awarded during FY15 and FY16 to executives, management and unionised staff:

#### Unionised staff, management and executive average salary increase



### SHORT-TERM INCENTIVE PAYMENTS DURING THE YEAR UNDER REVIEW

During the year under review, achievement levels against the targets for the executive short-term incentive scheme were as follows:

#### First period FY16 (July to December 2015)

Company performance measures	Weighting	% of plan achieved	Weighted %
Total kilograms	40	98	18.4
Total cost (R/kg)	30	97	13.2
Grade	30	103	19.5
Weighted average	–		51.1
Lost-time injury frequency rate adjustment			10
Percentage of six-months' guaranteed pay			61.1

#### Second period FY16 (January to June 2016)

Company performance measures	Weighting	% of plan achieved	Weighted %
Total kilograms	40	87%	0
Total cost (R/kg)	30	78%	0
Grade	30	95%	12
Weighted average	–		12
Lost-time injury frequency rate adjustment			4
Percentage of six-months' guaranteed pay			16

## LONG-TERM INCENTIVES AWARDED DURING THE YEAR UNDER REVIEW

During FY16, the company took its shareholders' sentiment with regard to the issuing of share appreciation rights into consideration. As a result, no share appreciation rights were issued to employees in FY16. Instead, such rights were replaced with a commensurate number of performance shares.

### Harmony share plan rules applicable to the FY16 awards:

**Share appreciation rights:** The value or reward that accrues on share appreciation rights is based on the positive appreciation of the share price over time compared to the issue price.

**Performance shares:** The performance measure applicable to the performance awards is based on Harmony's total shareholder return over a three-year period. The vesting criteria will comprise of two components, namely, absolute and relative performance, as set out on [page 138](#) of this report, with vesting capped at 100%.

**Matching shares:** No further grants of restricted shares have been made since 2012. The 2012 restricted shares not exercised in 2015 were supplemented with matching restricted shares.

The number of grants awarded for each executive director, prescribed officer and executive manager is as set out in the table on [pages 144 and 145](#) of this report.

The values at date of grant for awards made during FY16 are illustrated alongside:

### Vesting of long-term incentives during the year under review

During the year, the following awards in terms of the long-term incentive plan vested in November 2015:

- **Share appreciation rights allocated in November 2012**

The performance condition determined that the headline earnings per share growth from the allocation date should exceed the consumer price index. Headline earnings did not exceed the consumer price index. The performance condition was therefore not met. In terms of the long-term incentive plan, if the performance criteria have not been met, no rights will vest but will be postponed to the following anniversary until the performance criteria are met or the maximum period (sixth anniversary) is reached.

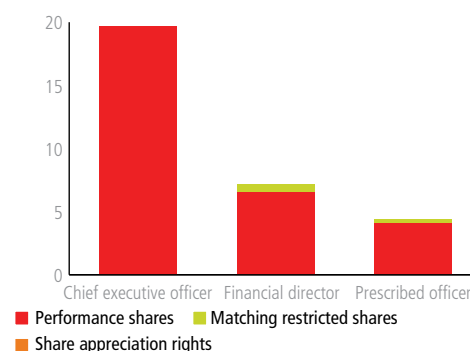
- **Performance shares awarded in November 2012**

The vesting percentage of performance shares was based on the achievement of two conditions, namely gold production against plan and relative share price performance against South African gold mining companies.

This resulted in a total vesting of 32.5% of performance shares granted in November 2012 calculated as follows:

- Gold production had a maximum vesting of 50% and a minimum vesting of 0%. The company achieved 92%, 87% and 88% of plan over the three consecutive years which resulted in an average vesting of 20%.
- The company underperformed against its peers on the basis of its relative share price performance which resulted in vesting of 12.5%.

**Market value at award date**  
(Rm)



**Note:**

Awards were valued at the market price on the date of the SENS announcements:

Chief executive officer – 17 February 2016

Other awards – 16 November 2015



# REMUNERATION REPORT CONTINUED

## • Restricted shares granted in November 2012

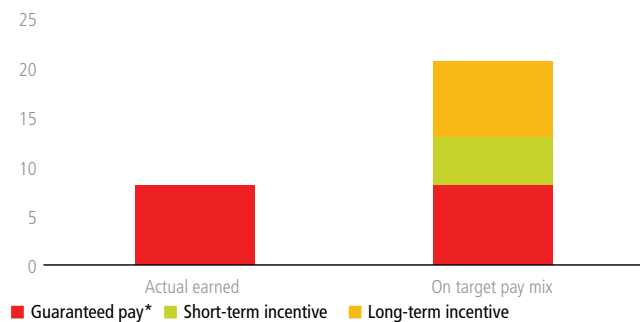
In terms of the plan, restricted shares not exercised will be supplemented by a matching award of restricted shares, also restricted for three years.

Restricted shares granted in November 2012 were not exercised and remained restricted for a further three years. Based on the discretion of the board, the restricted shares were supplemented by a matching award of restricted shares at a ratio of three-for-one for executives.

## TOTAL REMUNERATION OUTCOMES

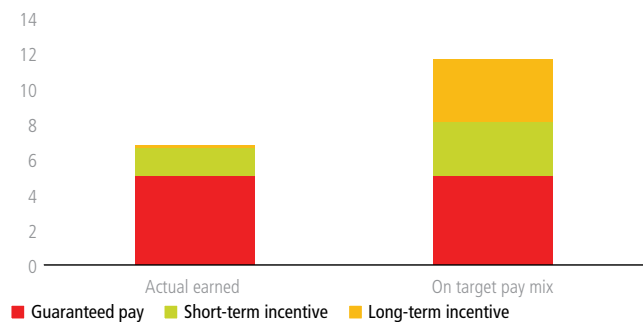
The compositions of total remuneration outcomes for FY16 for the chief executive officer and financial director are illustrated below:

**Total remuneration: chief executive officer**  
(Rm)



\* Chief executive officer appointed 1 January 2016, guaranteed pay annualised

**Total remuneration: financial director**  
(Rm)



## PAYMENTS MADE THROUGH THE TLHAKANELO EMPLOYEE SHARE TRUST

Incentives	FY16:	Total since incorporation of the trust:
Value of ordinary shares sold and proceeds paid to participants (before tax)	R30 million	R132 million
Value of bonus payments paid to participants by Harmony based on R18 per share appreciation right (before tax). No sale of shares	R18 million	R105 million
Total payments received by participants (value of shares plus share appreciation rights bonus) (before tax)	R49 million	R237 million

## NON-EXECUTIVE DIRECTORS' FEES

During August 2016, the remuneration committee considered an industry benchmark on non-executive directors' fees. On the recommendation of the remuneration committee, the board proposed an increase in fees for all non-executive directors, to be considered for approval by the shareholders at the forthcoming annual general meeting. For more information on the notice of the annual general meeting refer to the Report to Shareholders 2016 at [www.har.co.za/16/download/HAR-RS16.pdf](http://www.har.co.za/16/download/HAR-RS16.pdf).

## DIRECTORS' EMOLUMENTS

### Directors' remuneration

Name	Directors' Fees (R000) FY16	Salaries and Benefits (R000) FY16	Retirement Savings and Contributions during the year (R000) FY16	<sup>1</sup> Bonuses paid (R000) FY16	Total (R000) FY16	Total (R000) FY15
<b>Non-executive</b>						
Patrice Motsepe	1 105	–	–	–	<b>1 105</b>	1 077
Joachim Chissano	463	–	–	–	<b>463</b>	415
Fikile De Buck	970	–	–	–	<b>970</b>	836
Ken Dicks	606	–	–	–	<b>606</b>	482
Dr Simo Lushaba	718	–	–	–	<b>718</b>	615
Cathie Markus	694	–	–	–	<b>694</b>	705
Modise Motloba	971	–	–	–	<b>971</b>	841
Mavuso Msimang	545	–	–	–	<b>545</b>	443
Karabo Nondumo	544	–	–	–	<b>544</b>	561
Vishnu Pillay	593	–	–	–	<b>593</b>	472
John Wetton	956	–	–	–	<b>956</b>	789
Andre Wilkens	784	–	–	–	<b>784</b>	637
<b>Executive</b>						
Frank Abbott	–	5 247	130	1 687	<b>7 064</b>	5 964
Graham Briggs <sup>2</sup>	–	4 260	–	2 655	<b>6 915</b>	10 012
Mashego Mashego	–	3 664	404	1 217	<b>5 285</b>	4 797
Peter Steenkamp <sup>3</sup>	–	3 526	496	–	<b>4 022</b>	–
<b>Prescribed officers</b>						
Beyers Nel <sup>4</sup>	–	1 282	194	207	<b>1 683</b>	–
Alwyn Pretorius <sup>5</sup>	–	360	42	–	<b>402</b>	5 823
Phillip Tobias <sup>6</sup>	–	1 346	156	88	<b>1 590</b>	–
Johannes van Heerden <sup>7</sup>	–	7 187	315	1 124	<b>8 626</b>	6 119
<b>Executive management</b>	–	15 049	1 369	4 967	<b>21 385</b>	20 943
<b>Total</b>	<b>8 949</b>	<b>41 921</b>	<b>3 106</b>	<b>11 945</b>	<b>65 921</b>	61 531

<sup>1</sup> Reflects amounts paid and not earned during the year

<sup>2</sup> Stepped down as chief executive officer on 31 December 2015

<sup>3</sup> Appointed as chief executive officer on 1 January 2016

<sup>4</sup> Appointed as prescribed officer on 1 March 2016

<sup>5</sup> Stepped down as prescribed officer on 31 July 2015

<sup>6</sup> Appointed as prescribed officer on 1 March 2016

<sup>7</sup> Salary is paid in AUS\$ and is influenced by the movement in the exchange rate

# REMUNERATION REPORT CONTINUED

## EXECUTIVE DIRECTORS AND MANAGEMENT SHARE INCENTIVES

As at 30 June 2016

	Executive directors										Prescribed officers						Other			Total	
	Peter Steenkamp		Frank Abbott		Mashego Mashego		Graham Briggs <sup>1</sup>		Johannes van Heerden		Beyers Nel <sup>2</sup>		Phillip Tobias <sup>3</sup>		Executive management <sup>4</sup>		Other management				
	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards	Average price (SA rand)	Number of awards		Average price (SA rand)
<b>Movements on share incentives</b>																					
Opening balance at 1 July 2015	–	n/a	437 195	n/a	314 790	n/a	1 187 604	n/a	314 790	n/a	142 395	n/a	91 662	n/a	1 597 721	n/a	10 236 351	n/a	14 322 508	n/a	n/a
Awards granted	512 000	n/a	736 809	n/a	455 758	n/a	550 000	n/a	455 758	n/a	236 220	n/a	236 220	n/a	1 875 118	n/a	20 594 748	n/a	25 652 631	n/a	n/a
Awards exercised	–	n/a	18 547	n/a	13 153	n/a	234 006	n/a	13 153	n/a	5 621	n/a	–	n/a	65 013	n/a	453 808	n/a	803 301	n/a	n/a
– Average sales price	–	n/a	–	8.78	–	37.29	–	8.78	–	8.78	–	8.78	–	n/a	–	8.78	–	13.02	–	19.55	–
– Gain realised on awards exercised and settled	–	–	162 843	–	115 483	–	8 725 326	–	115 483	–	49 352	–	–	–	570 814	–	5 962 993	–	15 702 295	–	–
Awards forfeited and lapsed	–	n/a	38 520	n/a	27 318	n/a	1 503 598	n/a	27 318	n/a	11 676	n/a	–	n/a	451 105	n/a	2 134 265	n/a	4 193 800	n/a	n/a
<b>Closing balance at 30 June 2016</b>	<b>512 000</b>	<b>n/a</b>	<b>1 116 937</b>	<b>n/a</b>	<b>730 077</b>	<b>n/a</b>	<b>–</b>	<b>n/a</b>	<b>730 077</b>	<b>n/a</b>	<b>361 318</b>	<b>n/a</b>	<b>327 882</b>	<b>n/a</b>	<b>2 956 721</b>	<b>n/a</b>	<b>28 243 026</b>	<b>n/a</b>	<b>34 978 038</b>	<b>n/a</b>	<b>n/a</b>
<b>Restricted shares</b>																					
Opening balance at 1 July 2015	–	n/a	37 136	n/a	27 694	n/a	190 456	n/a	72 218	n/a	12 021	n/a	–	n/a	166 626	n/a	166 951	n/a	673 102	n/a	n/a
Awards granted	–	n/a	63 408	n/a	35 082	n/a	63 486	n/a	35 082	n/a	24 063	n/a	–	n/a	138 318	n/a	149 481	n/a	508 920	n/a	n/a
Awards exercised	–	n/a	–	n/a	–	n/a	253 942	n/a	–	n/a	–	n/a	–	n/a	–	n/a	18 540	n/a	272 482	n/a	n/a
– Average sales price	–	n/a	–	n/a	–	44.42	–	44.42	–	n/a	–	n/a	–	n/a	–	n/a	–	17.46	–	42.59	–
– Gain realised on awards exercised and settled	–	–	–	–	–	11 280 104	–	–	–	–	–	–	–	–	–	–	–	323 777	–	11 603 881	–
Awards forfeited and lapsed	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	27 694	n/a	25 872	n/a	53 566	n/a	n/a
<b>Closing balance at 30 June 2016</b>	<b>–</b>	<b>n/a</b>	<b>100 544</b>	<b>n/a</b>	<b>62 776</b>	<b>n/a</b>	<b>–</b>	<b>n/a</b>	<b>107 300</b>	<b>n/a</b>	<b>36 084</b>	<b>n/a</b>	<b>–</b>	<b>n/a</b>	<b>277 250</b>	<b>n/a</b>	<b>272 020</b>	<b>n/a</b>	<b>855 974</b>	<b>n/a</b>	<b>n/a</b>
<b>Share appreciation rights</b>																					
Opening balance at 1 July 2015	–	n/a	139 362	33.97	112 907	39.27	264 390	38.82	114 128	39.68	85 391	38.85	46 850	18.41	571 400	38.76	15 085 539	39.12	16 419 967	38.86	n/a
Rights granted and accepted	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	n/a
Rights accepted	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	–	n/a	669 824	18.42	669 824	18.42	18.42
Rights exercised	–	n/a	–	n/a	–	n/a	199 431	n/a	–	n/a	–	n/a	–	n/a	–	n/a	233 219	n/a	432 650	n/a	n/a
– Average sales price	–	n/a	–	n/a	–	44.42	–	44.42	–	n/a	–	n/a	–	n/a	–	n/a	–	46.40	–	45.49	–
– Gain realised on rights exercised and settled	–	–	–	–	–	3 830 369	–	–	–	–	–	–	–	–	–	–	–	5 212 932	–	9 043 301	–
Rights forfeited and lapsed	–	n/a	–	n/a	5 327	77.28	64 959	80.58	6 548	77.28	4 482	77.28	–	n/a	150 922	43.85	2 268 121	60.49	2 500 359	59.21	–
<b>Closing balance at 30 June 2016</b>	<b>–</b>	<b>n/a</b>	<b>139 362</b>	<b>33.97</b>	<b>107 580</b>	<b>37.39</b>	<b>–</b>	<b>n/a</b>	<b>107 580</b>	<b>37.39</b>	<b>80 909</b>	<b>36.72</b>	<b>46 850</b>	<b>18.41</b>	<b>420 478</b>	<b>36.94</b>	<b>13 254 023</b>	<b>34.68</b>	<b>14 156 782</b>	<b>34.74</b>	<b>n/a</b>
Gain realised on awards exercised (SA rand)	–	–	162 843	–	115 483	–	23 835 799	–	115 483	–	49 352	–	–	–	570 814	–	11 499 702	–	36 349 476	–	–

**EXECUTIVE DIRECTORS AND MANAGEMENT SHARE INCENTIVES (continued)**

**As at 30 June 2016**

Outstanding awards (listed by allocation date)	Executive directors						Prescribed officers						Other			Total
	Peter Steenkamp	Frank Abbott	Mashego Mashego		Graham Briggs <sup>1</sup>		Johannes van Heerden	Beyers Nef		Phillip Tobias <sup>3</sup>		Executive management <sup>4</sup>		Other management		
			Number of awards	Average price of awards (SA rand)	Number of awards	Average price of awards (SA rand)		Number of awards	Average price of awards (SA rand)	Number of awards	Average price of awards (SA rand)	Number of awards	Average price of awards (SA rand)	Number of awards	Average price of awards (SA rand)	
<b>Performance shares</b>	<b>512 000</b>	<b>1 116 937</b>	<b>730 077</b>	<b>730 077</b>	<b>730 077</b>	<b>730 077</b>	<b>361 318</b>	<b>327 882</b>	<b>2 956 721</b>	<b>28 243 026</b>	<b>34 978 038</b>	<b>2 956 721</b>	<b>28 243 026</b>	<b>34 978 038</b>		
15 November 2013	–	172 666	124 604	n/a	n/a	n/a	51 768	–	491 299	3 652 588	4 617 529	491 299	3 652 588	n/a		
17 November 2014	–	207 462	149 715	n/a	n/a	n/a	73 330	91 662	590 304	5 129 200	6 391 388	590 304	5 129 200	n/a		
16 November 2015	–	736 809	455 758	n/a	n/a	n/a	236 220	236 220	1 875 118	19 461 238	23 457 121	1 875 118	19 461 238	n/a		
17 February 2016	512 000	–	–	n/a	n/a	n/a	–	–	–	–	512 000	–	–	n/a		
<b>Restricted shares</b>	<b>–</b>	<b>100 544</b>	<b>62 776</b>	<b>62 776</b>	<b>107 580</b>	<b>107 580</b>	<b>36 084</b>	<b>–</b>	<b>277 250</b>	<b>272 020</b>	<b>855 974</b>	<b>277 250</b>	<b>272 020</b>	<b>855 974</b>		
15 November 2010	–	–	–	n/a	n/a	n/a	–	–	26 413	30 606	79 281	26 413	30 606	n/a		
15 November 2011	–	8 000	8 000	n/a	n/a	n/a	4 000	–	20 000	16 000	64 000	20 000	16 000	n/a		
16 November 2012	–	21 136	11 694	n/a	n/a	n/a	8 021	–	46 106	44 702	143 353	46 106	44 702	n/a		
15 November 2013 (2010 award - matching shares)	–	–	–	n/a	n/a	n/a	–	–	26 413	30 606	79 281	26 413	30 606	n/a		
17 November 2014 (2011 award - matching shares)	–	8 000	8 000	n/a	n/a	n/a	–	–	20 000	16 000	60 000	20 000	16 000	n/a		
16 November 2015 (2012 award - matching shares)	–	63 408	35 082	n/a	n/a	n/a	24 063	–	138 318	134 106	430 059	138 318	134 106	n/a		
<b>Share appreciation rights</b>	<b>–</b>	<b>139 362</b>	<b>107 580</b>	<b>107 580</b>	<b>107 580</b>	<b>107 580</b>	<b>80 909</b>	<b>46 850</b>	<b>420 478</b>	<b>13 254 023</b>	<b>14 156 782</b>	<b>420 478</b>	<b>13 254 023</b>	<b>14 156 782</b>		
15 November 2010	–	–	6 400	84.81	84.81	84.81	4 329	–	22 405	536 843	576 377	22 405	536 843	84.81		
15 November 2011	–	6 585	5 361	104.79	104.79	104.79	4 620	–	20 275	549 238	591 440	20 275	549 238	104.79		
16 November 2012	–	16 204	11 694	68.84	68.84	68.84	8 021	–	46 106	1 275 807	1 369 526	46 106	1 275 807	68.84		
15 November 2013	–	52 951	38 212	33.18	33.18	33.18	26 459	–	150 665	4 619 989	4 926 488	150 665	4 619 989	33.18		
17 November 2014	–	63 622	45 913	18.41	18.41	18.41	37 480	46 850	181 027	6 272 146	6 692 951	181 027	6 272 146	18.41		
<b>Closing balance as at 30 June 2016</b>	<b>512 000</b>	<b>1 356 843</b>	<b>900 433</b>	<b>900 433</b>	<b>944 957</b>	<b>944 957</b>	<b>478 311</b>	<b>374 732</b>	<b>3 654 449</b>	<b>41 769 069</b>	<b>49 990 794</b>	<b>3 654 449</b>	<b>41 769 069</b>	<b>49 990 794</b>		

<sup>1</sup> Graham Briggs retired as chief executive officer and director with effect from 31 December 2015. The gain realised on awards and rights settled, in terms of the "no fault" provisions of the share plan amounted to R23 422 872.

<sup>2</sup> Beyers Nel appointed as chief operating officer of the South African operations with effect from 1 March 2016. All awards were granted prior to this appointment.

<sup>3</sup> Phillip Tobias appointed as chief operating officer of safety, mining projects, new development and corporate strategy with effect from 1 March 2016. All awards were granted prior to this appointment.

<sup>4</sup> Aiywyn Pretorius, previously the chief operating officer of the South African Operations (prescribed officer) resigned from the group with effect from 30 November 2015. All awards and the movements thereon are included as part of executive management.