

## Directors' responsibility for financial reporting

for the year ended 30 June 2012

The directors of the company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The annual financial statements have been prepared in accordance with International Financial Reporting Standards, the AC 500 standards issued by the Accounting Practices Board and the requirements of the South African Companies Act, 2008. The group's independent external auditors, Deloitte & Touche have audited the annual financial statements and their unmodified report appears on page 2.

The directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements are prepared on the going concern basis. Nothing has come to the attention of the directors to indicate that the group will not remain a going concern for the foreseeable future.

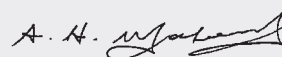
The audited annual financial statements set out on pages 3 to 93 which are available on the group's website at [www.imperial.co.za](http://www.imperial.co.za) were approved by the board of directors on 21 August 2012 and are signed on their behalf by:



T S Gcabashe  
Chairman



HR Brody  
Chief executive



AH Mahomed  
Financial director

## Preparer of annual financial statements

These annual financial statements have been prepared under the supervision of R Mumford CA(SA).



R Mumford  
General manager group finance

21 August 2012

## Certificate by company secretary

In my capacity as company secretary, I hereby confirm that, for the year ended 30 June 2012, the company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act No 71 of 2008, as amended and that all such returns are true, correct and up to date.



RA Venter  
Company secretary

21 August 2012

## Report of the independent auditor to the shareholders of Imperial Holdings Limited on the annual financial statements

We have audited the consolidated and separate annual financial statements of Imperial Holdings Limited set out on pages 3 to 93, which comprise the statements of financial position as at 30 June 2012, and the income statements, statements of comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended, and the notes comprising a summary of significant accounting policies and other explanatory information.

### Directors' responsibility for the consolidated financial statements

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate annual financial statements in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa, 2008, and for such internal controls as the directors determine is necessary to enable the preparation of the consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated and separate annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated and separate annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, these consolidated and separate annual financial statements present fairly, in all material respects, the consolidated and separate financial position of Imperial Holdings Limited as at 30 June 2012, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa, 2008.

### Other reports required by the Companies Act of South Africa, 2008

As part of our audit of the financial statements for the year ended 30 June 2012, we have read the directors' report, the audit committee report and the remuneration report for the purpose of identifying whether there are material inconsistencies between those reports and the audited annual financial statements.

These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited annual financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

Deloitte & Touche  
Registered Auditors

Per MJ Comber  
Partner

21 August 2012

Buildings 1 and 2, Deloitte Place  
The Woodlands Office Park Woodlands Drive  
Sandton

National Executive: LL Bam (Chief Executive), AE Swiegers (Chief Operating Officer), GM Pinnock (Audit), DL Kennedy (Risk Advisory), NB Kader (Tax), L Geeringh (Consulting & Clients & Industries), JK Mazzocco (Talent & Transformation), CR Beukman (Finance), M Jordan (Strategy), S Gwala (Special Projects), TJ Brown (Chairman of the Board), MJ Comber (Deputy Chairman of the Board)

A full list of partners and directors is available on request.

B-BBEE rating: Level 2 contributor in terms of the Chartered Accountancy Profession Sector Code

Member of Deloitte Touche Tohmatsu Limited

## Report of the audit committee

for the year ended 30 June 2012

The audit committee has pleasure in submitting this report, which has been approved by the board and has been prepared in accordance with the South African Companies Act No 71 of 2008 (the Act) and incorporating the recommendations of King III.

### Members of the audit committee and attendance at meetings

The audit committee consists of the non-executive directors listed below and meets at least four times per annum in accordance with its charter. All members are suitably skilled and experienced and act independently as described in the Act. The members of the committee in respect of the year ended 30 June 2012 comprised Mr MJ Leeming (chairman), Ms P Langeni, Mr RJA Sparks and Mr Y Waja (the committee), all of whom are independent non-executive directors of the company and whose appointments were approved by shareholders at the AGM held on 1 November 2011.

The same members are being recommended by the board for appointment for the financial year ending 30 June 2013. Their appointments are being put to shareholders for approval at the next AGM on 31 October 2012. The abridged curricula vitae of the members are included on pages 22 to 24 of the integrated annual report.

During the year under review, four meetings were held and attendance of those meetings is set out in the table below.

| Member                | Meetings attended |
|-----------------------|-------------------|
| MJ Leeming (Chairman) | 4                 |
| P Langeni             | 4                 |
| RJA Sparks            | 4                 |
| Y Waja                | 4                 |

### Functions of the audit committee

The audit committee has adopted a formal charter, approved by the board, setting out its duties and responsibilities as prescribed in the Act and incorporating additional duties delegated to it, by the board. The group applies a combined assurance model.

The committee is satisfied that, for the 2012 financial year, it has performed all the functions required to be performed by an audit committee as set out in the Act and the committee's terms of reference.

The audit committee has discharged the functions in terms of its charter and ascribed to it in terms of the Act as follows:

- Reviewed the interim, preliminary and year-end group financial statements and abridged financial statements, and integrated report, culminating in a recommendation to the board to adopt them. In the course of its review the committee:
  - took appropriate steps to ensure the financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), the AC 500 standards and the requirements of the Act;
  - considered and, when appropriate, made recommendations on internal financial controls;
  - dealt with any concerns or complaints on accounting policies, internal audit, the auditing or content of group annual financial statements, and internal financial controls; and
  - reviewed matters that could have a significant impact on the organisation's financial statements.
- Reviewed external audit reports on the annual financial statements.
- Reviewed the board-approved internal audit charter. No amendments were recommended to the board by the committee.
- Reviewed and approved the internal audit plan.
- Reviewed internal audit and risk management reports and, where relevant, made recommendations to the board.
- Evaluated the effectiveness of risk management, controls and governance processes.
- Considered reports relating to legal compliance and litigation, reported cases of fraud, and whistleblowing reports.
- Reviewed sustainability requirements for external assurance of material sustainability issues.
- The committee has satisfied itself that the external auditors, Deloitte & Touche, are independent of the group and that the appointment of Mr MJ Comber as the designated auditor and IFRS adviser is in compliance with the Auditing Profession Act, 2005 and the Listings Requirements of the Johannesburg Securities Exchange Limited (JSE) and recommending their reappointment by shareholders.
- Approved audit fees and engagement terms of the external auditor.
- Determined the nature and extent of allowable non-audit services and approved contract terms for non-audit services by the external auditor.

The functions of the committee are also performed for each subsidiary company of Imperial Holdings Limited that has not appointed an audit committee, provided that the committee delegates the performance of such functions to subcommittees referred to as finance and risk review committees. Divisional finance and risk review committees have been constituted and these committees report significant issues to the group audit committee. Each divisional finance and risk review committee is chaired by an independent chairman with no operational role in the group.

#### Internal audit

The audit committee has oversight of the group's annual financial statements and reporting process, including the system of internal financial control. It is responsible for ensuring the group's internal audit function is independent and has the necessary resources, standing and authority in the organisation to discharge its duties. The committee oversees cooperation between internal and external auditors, and serves as a link between the board of directors and these functions. The head of internal audit reports functionally to the chair of the committee and administratively to the chief executive.

#### Attendance

The internal and external auditors, in their capacity as auditors to the group, attended and reported at all meetings of the audit committee. The group risk management function was also represented by the head of risk. Executive directors and relevant senior managers attended meetings by invitation.

#### Confidential meetings

Audit committee agendas provide for confidential meetings between committee members and the internal and external auditors.

#### Independence of the external auditor

During the year the audit committee reviewed a representation by the external auditor and, after conducting its own review, confirmed the independence of the auditor, Deloitte & Touche.

#### Expertise and experience of financial director and the finance function

As required by 3.84(h) of the JSE Listings Requirements, the audit committee has satisfied itself that the financial director, Mr AH Mahomed, has the appropriate expertise and experience.

In addition, the committee satisfied itself that the composition, experience and skills set of the finance function met the group's requirements.

#### Discharge of responsibilities

The committee determined that during the financial year under review it had discharged its legal and other responsibilities as outlined in its terms of reference. The board concurred with this assessment.



MJ Leeming

Chairman

21 August 2012

## Directors' report

for the year ended 30 June 2012

### Nature of business

Imperial is a diversified industrial services and retail group with activities spanning logistics, car rental and tourism, vehicle distribution and retail including allied financial services, as well as parts and industrial products distribution. The group's activities span South Africa, the rest of Africa, Europe, the United Kingdom and Australia.

### Financial performance

The net attributable profit for the year amounted to R2 980 million (2011: R2 562 million). Headline earnings per share for the year was 1 566 cents (2011: 1 370 cents).

The results for the year are set out in the consolidated income statement on page 18 of this report.

### Share capital

The authorised and issued share capital is detailed in note 15 to the consolidated annual financial statements on page 47.

The number of shares in issue on 30 June 2012 were as follows:

|  | Company     | Shares repurchased | Net         |
|--|-------------|--------------------|-------------|
| <b>Ordinary shares</b>   |             |                    |             |
| The movements in the ordinary shares were as follows:                  |             |                    |             |
| Shares at beginning of year  | 208 826 352 | (7 864 456)        | 200 961 896 |
| Deferred ordinary shares converted to ordinary shares                  | 901 617     |                    | 901 617     |
| Ordinary shares issued during the year                                 | 115 060     |                    | 115 060     |
| Shares at end of year  | 209 843 029 | (7 864 456)        | 201 978 573 |
| <b>Deferred ordinary shares</b>  |             |                    |             |
| The movement in the number of deferred ordinary shares was as follows: |             |                    |             |
| Shares at beginning of year  | 15 012 609  |                    | 15 012 609  |
| Converted into ordinary shares   | (901 617)   |                    | (901 617)   |
| Shares at end of year  | 14 110 992  |                    | 14 110 992  |
| Total issued share capital   | 223 954 021 | (7 864 456)        | 216 089 565 |
| <b>Non-redeemable, non-participating preference shares</b>             |             |                    |             |
| Balance brought and carried forward                                    | 4 540 041   |                    | 4 540 041   |

The preference shares are classified as interest-bearing debt in the statement of financial position due to the cumulative nature of their dividend rights.

### Directors and secretary

The names of the directors and secretary who presently hold office are set out on page 95 of this report.

In accordance with the articles of association Mrs T Dingaan, Ms P Langeni, Messrs MJ Leeming and MV Moosa retire by rotation at the forthcoming annual general meeting but, being eligible, offer themselves for re-election.

The aggregate interest of the directors and prescribed officers in the issued ordinary share capital of the company is disclosed in note 15 to the consolidated annual financial statements on page 47.

### Imperial Holdings Share Appreciation Rights, Deferred Bonus and Conditional Share Plan Schemes

Details of the rights granted in terms of the schemes are set out in note 15 to the consolidated annual financial statements on page 47.

### Dividend

Details of the dividends declared are set out in note 34 to the consolidated annual financial statements on page 62.

## Subsidiaries

Details of the company's principal subsidiaries are reflected in Annexure A to the consolidated annual financial statements on page 80.

The attributable interest of the company in the aggregate profits and losses of its subsidiaries after taxation for the year under review was as follows:

|         | 2012<br>Rm | 2011<br>Rm |
|---------|------------|------------|
| Profits | 2 895      | 2 470      |
| Losses  | 226        | 327        |

Changes to holdings in material subsidiaries, businesses and associates were as follows:

| Subsidiaries acquired by the group      | Nature of business         | Percentage interest |
|---|----------------------------|---------------------|
| Lehnkering Group                        | Logistics                  | 100                 |
| Accordian Investments (Pty) Limited     | Distributor and importer   | 60                  |
| Watts Truck Centre Limited (Gloucester) | Vehicle sales and services | 100                 |
| Transport Holdings Botswana Group       | Transport logistics        | 80                  |
| Bobcat Group                            | Industrial equipment       | 67,5                |

## Special resolutions

The company passed the following special resolutions at its annual general meeting held on 1 November 2011:

- Granting to the directors of the company general authority for the acquisition by the company or any subsidiary, of ordinary shares in the company.
- Granting to the directors of the company specific authority for the acquisition by the company of treasury shares from a wholly owned subsidiary of the company, Imperial Corporate Services (Pty) Limited.
- Granting to the directors of the company specific authority to provide financial assistance to related and inter related parties as contemplated in section 45 of the Companies Act, 2008, (the Act).
- Approving the directors' fees payable from 1 July 2011 to the date of the next annual general meeting in 2012.

Subsidiaries of the company passed any special resolutions, the nature of which might be significant to members in their appreciation of the state of affairs of the group, are as follows:

- Granting the directors of the companies authority to provide financial assistance to related and inter-related parties as contemplated in section 45 of the Act.
- Granting the companies authority to make distributions as contemplated in section 46 of the Act.
- Approving directors' fees payable from 1 July 2011 to 30 June 2012.

## Events subsequent to year-end

In terms of the Ukhamba black economic empowerment transaction 1 131 910 deferred ordinary shares have converted to ordinary shares. These shares were listed on the Johannesburg Securities Exchange (JSE) on 6 September 2012.

## Accounting policies

The principal accounting policies of Imperial Holdings Limited and the disclosures made in the consolidated annual financial statements conform to International Financial Reporting Standards.

The accounting policies are outlined in notes 1 and 2 on page 27, with changes in note 3 on page 40.

## Remuneration committee report

for the year ended 30 June 2012

### Chairman's message

Imperial has always maintained a balanced remuneration policy, seeking to remunerate its executives and employees fairly, without losing sight of the changes in the market, the influence of society in general, and the social circumstances in the countries in which we operate.

Our reports in past years have aimed to give stakeholders a transparent view of executive remuneration in our group and we aim to continue doing so. We have also taken note of the need by various stakeholders in JSE listed companies for greater transparency in communicating the drivers of remuneration levels.

For this reason we have enhanced our remuneration report by providing additional disclosures regarding the measurements employed in determining the level of short-term incentives paid as well as vesting of long-term incentives.

We trust that this report will provide adequate and relevant information to all our stakeholders and invite stakeholders to interact with us if the disclosures contained in this report can be further enhanced to provide meaningful insight to all stakeholders.



TS Gcabashe  
Chairman of the committee  
21 August 2012

### Governance

#### Role of the committee

The remuneration and nomination committee's (the committee) duties include providing the board with advice and guidance regarding:

- accurate and transparent disclosure of directors' remuneration;
- the composition of the board to enable it to execute its duties effectively;
- the establishment and implementation of remuneration policies in relation to non-executive directors, executive directors and other executives' remuneration to ensure that the company remunerates directors and executives fairly and responsibly;
- approval of the general composition of remuneration packages and the criteria for and amounts of bonus and incentive awards of executives;
- increases to non-executive directors' fees;
- significant changes to the group pension and provident funds and medical aid schemes;
- the administration of share-based incentive schemes;
- the development and implementation of formal succession plans for the board, chief executive officer and senior management appointments;
- the establishment of a formal process for the appointment of directors and the identification of suitable members of the board; and
- induction and ongoing training and development of directors.

#### Membership of the committee

The members of the committee during the year were Mr TS Gcabashe (Chairman), Ms SL Botha, Ms P Langeni, Mr RJA Sparks and Mr A Tugendhaft, all of whom are non-executive directors. Mrs SL Botha was appointed as a member of the committee with effect from 1 January 2012. The board considered the position of chairman of the committee, which is also chaired by the board chairman, and is of the opinion that the best interests of the company and of shareholders are served by not appointing a separate chairman who is not also the board chairman.

The chief executive officer and group financial director attend committee meetings and assist the committee in its deliberations, except when issues relating to their own remuneration are discussed. No director is able to decide his or her own remuneration.

The committee had four meetings during the past financial year.

The table details attendance of committee meetings during the year.

| Member       | Meetings attended |
|--------------|-------------------|
| TS Gcabashe* | 4                 |
| SL Botha*    | 2/2               |
| P Langeni*   | 4                 |
| RJA Sparks*  | 4                 |
| A Tugendhaft | 4                 |

\*Independent

### Our remuneration policy

Our remuneration policy was approved by shareholders at the annual general meeting held on 1 November 2011 and is again being put to shareholders at the annual general meeting to be held on 31 October 2012 for approval by non-binding advisory vote.

Imperial's remuneration policy is formulated to attract and retain high-calibre executives and motivate them to develop and implement the company's business strategy in order to optimise long-term shareholder value. It is the intention that this policy should conform to best practice standards and it is framed around the following key principles:

- Total rewards are set at levels that are responsible and competitive within the relevant market;
- Incentive-based rewards are earned through the achievement of demanding growth and return targets consistent with shareholder interests over the short, medium, and long term;
- Incentive plans, performance measures and targets are structured to operate soundly throughout the business cycle; and
- The design of long-term incentive schemes is prudent and does not expose shareholders to unreasonable financial risk.

### Elements of executive remuneration

Executives' remuneration comprises the following principal elements:

- Base salary
- Annual incentive bonus
- Long-term incentive and retention schemes, both share and cash-based
- Other non-cash benefits

The committee seeks to ensure an appropriate balance between the fixed and performance-related elements of executive remuneration and between those aspects of the package linked to short-term financial performance and those linked to longer-term shareholder value creation. The policy relating to each component of remuneration is summarised below.

### Fixed remuneration

The fixed remuneration of each executive is set to be responsible and competitive compared to similar companies, which are comparable in terms of size, market sector, business complexity, and international scope.

When determining annual base salaries, factors taken into account include inflation and salary trends, company performance, individual performance and changes in responsibilities.

### Incentive bonuses

All executives are eligible to receive a performance related annual bonus. The bonus is non-contractual and not pensionable. The committee reviews bonuses annually and determines the level of each bonus based on performance criteria set at the start of the performance period. The criteria differ depending on the position of each executive and the division in which each operates and include:

- Core earnings per share and divisional operating profit growth targets.
- Return on invested capital targets.
- Black economic empowerment and employment equity targets.
- Divisional returns.
- A discretionary component comprising no more than 20% of the total. This component allows the committee to make adjustments in circumstances which could not be foreseen at the start of the period or are not in the control of a particular executive, such as a general market downturn or the demise of a significant competitor, which could affect divisional performance downwards or upwards beyond the control of the executive in question.

In respect of certain key individuals, long-term retention arrangements have been entered into, linked to individual and business performance, which arrangements mature up to June 2013.

### Long-term incentive schemes

The group employs three long-term share incentive plans as well as a long-term Cash Retention Plan (CRP) and participation in the schemes by executives is based on criteria set by the committee. The share-based schemes are:

- Share Appreciation Rights Scheme (SAR)
- The Conditional Share Plan (CSP)
- The Deferred Bonus Plan (DBP)



## Remuneration committee report *continued*

for the year ended 30 June 2012

### Allocation model

Allocations of SAR and DBP are made annually based on the following criteria:

- Performance of the participant
- The job grading of the participant
- Key retention considerations regarding participants.

The quantum of allocations of SAR and DBP is calculated using a model developed by PricewaterhouseCoopers and is determined on the basis of the expected value of an allocation expressed as a percentage of total cost to company fixed remuneration. This percentage allocated is determined by retention considerations and the job grading of the participant, which also determines whether a participant receives SAR and DBP or only SAR.

### The schemes embody the following elements:

#### *The SAR*

Selected participants receive annual grants of share appreciation rights, which are conditional rights to receive Imperial shares equal to the value of the difference between the exercise price and the grant price. Vesting of rights is subject to performance conditions being met. The performance conditions and performance period are determined by the board on an annual basis in respect of each new grant of rights. The SAR vest after three years and must be exercised within four years from vesting.

The current performance targets employed in the SAR are the achievement of specified targets set by the committee for growth in the company's core earnings per share, relative to the growth in core earnings per share or HEPS of a selected peer group of 20 JSE listed companies and the return on invested capital of Imperial Holdings (ROIC) compared to its weighted average cost of capital, over a three year performance period.

For each grant of SAR, 50% of the SAR awards are subject to the achievement of the core EPS performance condition and 50% of the SAR awards are subject to the achievement of the ROIC performance condition. The extent to which each performance condition has been met is determined on the vesting date as follows:

#### *Core EPS condition*

- If the core EPS of the company is below the lower quartile of the selected peer group, 0% of the SARs subject to the core EPS condition vest.
- If the core EPS of the company is equal to the lower quartile of the selected peer group, 30% of the SARs subject to the core EPS condition vest.
- If the core EPS of the company is equal or above the upper quartile of the selected peer group, 100% of the SARs subject to the core EPS condition vest.
- Linear vesting occurs between 30% and 100% depending on the company's performance relative to the peer group if the company falls in the second or third quartile.

#### *ROIC condition*

- If the average ROIC for the company over the performance period is lower than the average weighted average cost of capital (WACC) of the company over the performance period, none of the SARs subject to the ROIC condition vest.
- If the average ROIC over the performance period is equal to the average WACC over the performance period, 30% of the SARs subject to the ROIC condition vest.
- If the average ROIC over the performance period is equal or above a predetermined target percentage, all of the SARs subject to the ROIC condition vest.\*
- Linear vesting occurs between 30% and 100% depending on the company's performance if ROIC is between WACC and the target percentage.

*\*The target percentage for ROIC is expressed as WACC plus 4% in 2012.*

The targets and measuring terms relating to each issue are detailed in a letter of grant. After vesting, the rights may be exercised by a participant within a predetermined period and upon exercise by a participant, the relevant employer company will settle the value of the difference between the exercise price and the grant price by delivering Imperial shares that will be purchased on the open market, alternatively, as a fall back provision only, by the issue of new shares or lastly by settling the value in cash.

### *The Conditional Share Plan (CSP)*

The CSP is utilised in exceptional circumstances only. Employees receive grants of conditional awards. Vesting of the conditional awards is subject to performance conditions. The performance conditions for the CSP will be based on individual targets set by the board. If the performance conditions are satisfied, the conditional awards will vest. If the performance conditions are not met, the conditional awards will lapse.

No allocations have been made in terms of this scheme to date.

### *The Deferred Bonus Plan (DBP)*

Qualifying senior employees are permitted to use a portion of the after-tax component of their annual bonus to acquire Imperial shares (bonus shares). On the condition that the participant remains in the employ of the group and retains the bonus shares over a fixed three-year period a matching award of Imperial shares is made on vesting. A participant remains the owner of the bonus shares for the duration of the three-year period and enjoys all shareholder rights in respect of the bonus shares. Bonus shares can be disposed of by the participant at any stage, but the matching award is not made to the extent that the bonus shares are sold during the period. Bonus shares are matched by delivering an equal number of matching Imperial shares that will be purchased on the open market, alternatively, as a fall back provision only, by the issue of new shares or lastly by settling the value in cash.

### *Cash Retention Plan (CRP)*

Selected participants receive annual grants of Cash Retention Plan rights, which are conditional rights to receive a cash payment. This scheme is designed to supplement SAR awards. Vesting of rights is subject to performance conditions being met. The performance conditions and performance period are determined by the board on an annual basis in respect of each new grant of rights and these are specifically tailored to drive divisional profitability.

The performance targets employed in the CRP issued to date are the achievement of specified divisional and group targets set by the committee for growth in profit before interest and tax (PBIT), relative to a performance period target determined by the committee and the return on invested capital of the participant's division (ROIC) compared to its weighted average cost of capital of the particular business unit, over a three year performance period.

For each grant of CRP, 50% of the awards are subject to the achievement of the PBIT performance condition and 50% of the awards are subject to the achievement of the ROIC performance condition. The extent to which each performance condition has been met is determined on the vesting date and linear vesting takes place between nil and 100%.

The targets and measuring terms relating to each issue are detailed in a letter of grant and are independently verified prior to vesting.

### *Eligibility*

Any senior employee with significant managerial or other responsibility, including any director holding salaried employment or office in the group, is eligible to participate in the SAR, CSP, DBP and CRP. Non-executive directors may not be awarded rights in any of the incentive schemes.

A total of 11 631 363 share appreciation rights remain unexercised in terms of the SAR scheme at an average price of R102,01 per share. A total of 747 271 DBP rights have been taken up and a further 111 930 remain unexercised. No rights have been allocated in terms of the CSP.

### *Hedge*

The group hedges its exposure to deliver shares in terms of share based long-term incentive schemes by taking out hedges or buying back shares to avoid dilution associated with the issue of shares. All past awards have been fully hedged through the purchase of call options except for the 2009 award in respect of which Imperial bought back shares which are being held as shares repurchased and will be utilised in respect of shares that have to be delivered in 2012.

### *Retirement schemes*

Executives participate in contributory retirement schemes which include pension and provident funds established by the group. Executive retirement is governed by their retirement scheme rules subject to the ability of the company to enter into fixed term contracts to extend the services of any executive within certain prescribed limits.

### *Other benefits*

Executive directors are remunerated on a cost-to-company basis and as part of their package are entitled to a car allowance or a fully maintained car, provident fund contributions, medical insurance, death and disability insurance. The provision of these benefits is considered to be market competitive for executive positions.

## Remuneration committee report *continued*

for the year ended 30 June 2012

### Succession policy and plans

The committee formally considers succession plans for executives and regularly reviews identified successors for key positions in the group.

### External appointments

Executives are not permitted to hold external directorships or offices, other than those of a personal nature, without the approval of the board.

### Directors' and prescribed officers' service contracts

Directors' and prescribed officers' contracts are all terminable on between one and three months' notice, with the exception of that of GW Riemann, who is employed on a fixed-term contract that terminates at the earliest on 30 June 2013.

Non-executive directors' appointments are made in terms of the company's Memorandum of Incorporation and are initially confirmed at the first annual general meeting of shareholders following their appointment, and thereafter by rotation.

### Directors' remuneration

#### Non-executive directors' fees

Fees payable to non-executive directors are proposed by the executive committee, reviewed by the remuneration and nomination committee and recommended to the board, which in turn makes recommendations to shareholders after consideration of the fees paid by comparable companies, responsibilities taken by the non-executive directors and considerations relating to the retention and attraction of high-calibre individuals.

#### Directors' fees for the past year

For the past financial year, each of the non-executive directors received directors' fees and fees for services on committees as follows:

|   |          |                  |
|---|----------|------------------|
| – Chairman*   | R368 500 | (2011: R346 000) |
| – Deputy chairman*                                      | R185 000 | (2011: R173 250) |
| – Board member  | R185 000 | (2011: R173 250) |
| – Assets and liabilities committee chairman*            | R97 500  | (2011: R91 500)  |
| – Assets and liabilities committee member               | R65 000  | (2011: R61 000)  |
| – Audit committee chairman*                             | R212 300 | (2011: R181 500) |
| – Audit committee member                                | R106 700 | (2011: R91 000)  |
| – Risk committee chairman*                              | R100 500 | (2011: R94 000)  |
| – Risk committee member                                 | R67 000  | (2011: R63 000)  |
| – Remuneration and nomination committee chairman*       | R97 500  | (2011: R91 500)  |
| – Remuneration and nomination committee member          | R65 000  | (2011: R61 000)  |
| – Social, ethics and sustainability committee chairman* | R97 500  | (2011: R91 500)  |
| – Social, ethics and sustainability committee member    | R65 000  | (2011: R61 000)  |

\* Paid in addition to members' fee.

Executive directors receive no directors' or committee fees for their services as directors in addition to their normal remuneration as employees.

#### Directors' fees for the next year

At the annual general meeting to be held on 31 October 2012, members will be requested to approve the following increases in non-executive directors' remuneration by special resolution in terms of section 66(9) of the Companies Act, 2008, as amended, granting authority to pay fees for services as directors, which shall be valid with effect from 1 July 2012 until the next annual general meeting of the company as follows:

|   |                           |
|---|---------------------------|
| – Chairman*   | from R368 500 to R394 000 |
| – Deputy chairman*                                      | from R185 000 to R198 000 |
| – Board member  | from R185 000 to R198 000 |
| – Assets and liabilities committee chairman*            | from R97 500 to R104 000  |
| – Assets and liabilities committee member               | from R65 000 to R69 500   |
| – Audit committee chairman*                             | from R212 300 to R227 000 |
| – Audit committee member                                | from R106 700 to R114 000 |
| – Risk committee chairman*                              | from R100 500 to R107 000 |
| – Risk committee member                                 | from R67 000 to R72 000   |
| – Remuneration and nomination committee chairman*       | from R97 500 to R104 000  |
| – Remuneration and nomination committee member          | from R65 000 to R69 500   |
| – Social, ethics and sustainability committee chairman* | from R97 500 to R104 000  |
| – Social, ethics and sustainability committee member    | from R65 000 to R69 500   |

\* Paid in addition to members' fee.

Non-executive directors also receive fees for services on divisional boards and financial and risk review committees. In arriving at the proposed fees, cognisance was taken of market trends and the increased responsibilities of non-executive directors in terms of new legal, governance and JSE requirements.

### Executive directors' and prescribed officers' remuneration

The table below provides an analysis of the emoluments paid to executive and non-executive directors and prescribed officers of the company for the year ended 30 June 2012.

|  | Salary<br>R'000 | Bonus<br>R'000 | Retire-<br>ment and<br>medical<br>contri-<br>butions<br>R'000 | Other<br>benefits<br>(note 1)<br>R'000 | Directors'<br>fees<br>R'000 | Sub-<br>sidiaries/<br>asso-<br>ciates<br>and sub-<br>com-<br>mittee<br>fees<br>R'000 | 2012<br>Total<br>R'000 | 2011<br>Total<br>R'000 | Expected<br>value<br>of long-<br>term<br>incentive<br>awards<br>made in<br>2012<br>(note 2)<br>R'000 | Expected<br>value of<br>long-<br>term<br>incentive<br>awards<br>made in<br>2011<br>(note 2)<br>R'000 |
|--|-----------------|----------------|---|--|-----------------------------|--|------------------------|------------------------|--|--|
| <b>Non-executive directors</b>           |                 |                |   |  |                             |  |                        |                        |  |  |
| SL Botha                                 |                 |                |   |  | 123                         | 63   | 186                    |                        |  |  |
| T Dingaen (note 3)                       |                 |                |   |  | 185                         | 410  | 595                    | 558                    |  |  |
| S Engelbrecht                            |                 |                |   |  | 185                         | 67   | 252                    | 236                    |  |  |
| TS Gcabashe                              |                 |                |   |  | 553                         | 227  | 780                    | 732                    |  |  |
| P Langeni                                |                 |                |   |  | 185                         | 254  | 439                    | 443                    |  |  |
| MJ Leeming                               |                 |                |   |  | 185                         | 506  | 691                    | 617                    |  |  |
| JR McAlpine                              |                 |                |   |  |                             |  |                        | 388                    |  |  |
| V Moosa                                  |                 |                |   |  | 185                         | 162  | 347                    | 326                    |  |  |
| RJA Sparks                               |                 |                |   |  | 185                         | 374  | 559                    | 512                    |  |  |
| A Tugendhaft                             |                 |                |   |  | 369                         | 130  | 499                    | 468                    |  |  |
| Y Waja                                   |                 |                |   |  | 185                         | 580  | 765                    | 653                    |  |  |
| <b>Total</b>                             |                 |                |   |  | <b>2 340</b>                | <b>2 773</b>   | <b>5 113</b>           | <b>4 933</b>           |  |  |
| <b>Executive directors</b>               |                 |                |   |  |                             |  |                        |                        |  |  |
| OS Arbee                                 | 3 365           | 3 825          | 561   | 377                                    |                             |  | 8 128                  | 8 492                  | 2 752  | 2 312  |
| HR Brody                                 | 5 212           | 4 650          | 854   |  |                             |  | 10 716                 | 9 737                  | 3 796  | 3 395  |
| MP de Canha                              | 3 807           | 4 585          | 620   | 5 159                                  |                             |  | 14 171                 | 8 156                  | 3 093  | 2 474  |
| RL Hiemstra                              | 3 593           | 3 800          | 592   | 113                                    |                             |  | 8 098                  | 7 492                  |  | 2 312  |
| AH Mahomed                               | 4 842           | 4 550          | 795   |  |                             |  | 10 187                 | 9 228                  | 3 596  | 3 156  |
| GW Riemann (note 4)                      | 4 665           | 8 965          | 1 380   | 1 039                                  |                             | 304  | 16 353                 | 12 532                 |  |  |
| M Swanepoel                              | 3 412           | 3 500          | 695   | 180                                    |                             |  | 7 787                  | 7 232                  | 2 655  | 2 312  |
| <b>Total</b>                             | <b>28 896</b>   | <b>33 875</b>  | <b>5 497</b>  | <b>6 868</b>                           |                             | <b>304</b>   | <b>75 440</b>          | <b>62 869</b>          | <b>15 892</b>  | <b>15 961</b>  |
| <b>Total all directors</b>               | <b>28 896</b>   | <b>33 875</b>  | <b>5 497</b>  | <b>6 868</b>                           | <b>2 340</b>                | <b>3 077</b>   | <b>80 553</b>          |                        | <b>15 892</b>  |  |
| Total all directors –<br>June 2011       | 26 920          | 28 147         | 4 963   | 2 562                                  | 2 526                       | 2 684  |                        | 67 802                 |  | 15 961   |
| <b>Prescribed officers (note 5)</b>      |                 |                |   |  |                             |  |                        |                        |  |  |
| DD Gnodde*                               | 2 408           |                | 389   | 5 058                                  |                             |  | 7 855                  | 6 203                  |  | 1 809  |
| PB Michaux                               | 2 162           | 2 725          | 451   | 187                                    |                             |  | 5 525                  | 5 144                  | 1 938  | 1 117  |
| JJ Strydom**                             | 1 965           | 2 250          | 195   |  |                             |  | 4 410                  |                        | 1 727  | 859  |
| <b>Total prescribed officers</b>         | <b>6 535</b>    | <b>4 975</b>   | <b>1 035</b>  | <b>5 245</b>                           |                             |  | <b>17 790</b>          | <b>11 347</b>          | <b>3 665</b>   |  |
| Total prescribed officers –<br>June 2011 | 4 814           | 5 620          | 811   | 102                                    |                             |  |                        | 11 347                 |  | 3 785  |
| <b>Total June 2012</b>                   | <b>35 431</b>   | <b>38 850</b>  | <b>6 532</b>  | <b>12 113</b>                          | <b>2 340</b>                | <b>3 077</b>   | <b>98 343</b>          | <b>79 149</b>          | <b>19 557</b>  | <b>19 746</b>  |

\*Resigned effective 30 April 2012.

\*\*Appointed 22 February 2012.

### Notes

1. Other benefits – These include the fringe benefit value of company cars, motorcar allowances, long-term performance based retention payments and a once off benefit paid to DD Gnodde on termination of his employment.
2. This represents the expected value of all long-term incentive awards made in the reporting year, which expected value is calculated using a Black Scholes valuation model and assuming that 50% of the relevant performance targets will be reached.
3. R410 000 is paid by Ukhamba Holdings (Pty) Limited in respect of its chairman's fees.
4. Overseas based – GW Riemann is employed in Germany and his salary is paid in Euro, based on the market conditions in that country.
5. Disclosure for prescribed officers in terms of the Companies Act, 2008 for the full financial year. Prescribed officers are persons, not being directors, who either alone or with others exercise executive control and management of the whole or a significant portion of the business of the company. Although King III recommends that the remuneration of the top three earners who are not directors should be disclosed, this recommendation has substantially been incorporated in the Act by the prescribed officer disclosure and for this reason no further disclosure has been made in addition to that prescribed in the Act.

## Remuneration committee report *continued*

for the year ended 30 June 2012

### Incentive schemes

Executive directors and prescribed officers participate in the incentive schemes, designed to recognise the contributions of senior staff to the growth in the company's equity. Within limits imposed by shareholders, rights are allocated to directors and senior staff. The equity linked compensation benefits for executive directors and prescribed officers are set out below.

### Participation in the Share Appreciation Rights Scheme

|                            | Commencement date | Price on commencement date (Rand) | Number of rights* | Number of rights exercised | Number of rights remaining | Vesting date      |
|----------------------------|-------------------|-----------------------------------|-------------------|----------------------------|----------------------------|-------------------|
| <b>Executive directors</b> |                   |                                   |                   |                            |                            |                   |
| OS Arbee                   | 5 June 2008       | 49,46                             | 369 031           | 369 031                    |                            |                   |
|                            | 18 June 2009      | 55,32                             | 91 507            |                            | 91 507                     | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 56 333            |                            | 56 333                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 23 377            |                            | 23 377                     | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 44 743            |                            | 44 743                     | 26 August 2015    |
| HR Brody                   | 5 June 2008       | 49,46                             | 529 904           | 529 904                    |                            |                   |
|                            | 18 June 2009      | 55,32                             | 154 700           |                            | 154 700                    | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 92 540            |                            | 92 540                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 35 750            |                            | 35 750                     | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 66 936            |                            | 66 936                     | 26 August 2015    |
| MP de Canha                | 5 June 2008       | 49,46                             | 369 033           | 369 033                    |                            |                   |
|                            | 18 June 2009      | 55,32                             | 100 186           |                            | 100 186                    | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 60 275            |                            | 60 275                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 25 011            |                            | 25 011                     | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 47 876            |                            | 47 876                     | 26 August 2015    |
| RL Hiemstra                | 5 June 2008       | 49,46                             | 369 031           | 369 031                    |                            |                   |
|                            | 18 June 2009      | 55,32                             | 93 590            |                            | 93 590                     | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 56 306            |                            | 56 306                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 23 377            |                            | 23 377                     | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 62 203            |                            | 62 203                     | 26 August 2015    |
| AH Mahomed                 | 5 June 2008       | 49,46                             | 506 850           | 50 000                     | 456 850**                  |                   |
|                            | 18 June 2009      | 55,32                             | 143 761           |                            | 143 761                    | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 85 996            |                            | 85 996                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 33 223            |                            | 33 223                     | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 62 203            |                            | 62 203                     | 26 August 2015    |
| M Swanepoel                | 5 June 2008       | 49,46                             | 369 032           | 369 032                    |                            |                   |
|                            | 18 June 2009      | 55,32                             | 83 578            |                            | 83 578                     | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 53 323            |                            | 53 323                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 23 377            |                            | 23 377                     | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 44 743            |                            | 44 743                     | 26 August 2015    |
| <b>Prescribed officers</b> |                   |                                   |                   |                            |                            |                   |
| PB Michaux                 | 5 June 2008       | 49,46                             | 157 262           | 157 262                    |                            |                   |
|                            | 18 June 2009      | 55,32                             | 49 915            |                            | 49 915                     | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 30 750            |                            | 30 750                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 12 200            |                            | 12 200                     | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 31 241            |                            | 31 241                     | 26 August 2015    |
| JJ Strydom                 | 5 June 2008       | 49,46                             | 97 343            | 97 343                     |                            |                   |
|                            | 18 June 2009      | 55,32                             | 75 744            |                            | 75 744                     | 15 September 2012 |
|                            | 2 June 2010       | 96,71                             | 25 264            |                            | 18 140                     | 16 September 2013 |
|                            | 14 June 2011      | 116,59                            | 9 384             |                            | 9 384                      | 7 September 2014  |
|                            | 13 June 2012      | 170,57                            | 29 342            |                            | 29 342                     | 26 August 2015    |

\* The number of rights that will eventually vest is subject to the achievement of performance conditions linked to core EPS targets relative to a peer group of 20 JSE listed companies and ROIC targets relative to weighted cost of capital, and could be fewer than the number granted.

\*\* Lapses 15 May 2015.

## Participation in the Deferred Bonus Plan

|                            | Allocation date | Number of rights allocated | Number of shares committed to the plan <sup>+</sup> | Number of rights forfeited | Balance available to be taken up | Vested during the year | Balance remaining | Vesting date      |                   |
|----------------------------|-----------------|----------------------------|---|----------------------------|----------------------------------|------------------------|-------------------|-------------------|-------------------|
| <b>Executive directors</b> |                 |                            |   |                            |                                  |                        |                   |                   |                   |
| OS Arbee                   | 5 June 2008     | 30 969                     | 8 447   |                            |                                  | 8 447                  |                   |                   |                   |
|                            |                 |                            | 2 219   |                            |                                  |                        | 2 219             | 15 September 2012 |                   |
|                            |                 |                            | 7 758   | 12 545                     |                                  |                        | 7 758             | 15 September 2013 |                   |
|                            | 18 June 2009    | 10 545                     | 10 545  |                            |                                  |                        | 10 545            | 15 September 2012 |                   |
|                            | 2 June 2010     | 6 961                      | 6 961   |                            |                                  |                        | 6 961             | 16 September 2013 |                   |
|                            | 14 June 2011    | 11 671                     | 10 406  | 1 265                      |                                  |                        | 10 406            | 7 September 2014  |                   |
| HR Brody                   | 13 June 2012    | 6 727                      |   |                            | 6 727                            |                        |                   | 26 August 2015    |                   |
|                            |                 |                            | 5 June 2008   | 45 096                     | 18 732                           |                        | 18 732            |                   |                   |
|                            |                 |                            |   |                            | 8 106                            |                        |                   | 8 106             | 15 September 2012 |
|                            |                 |                            | 9 966   | 8 292                      |                                  |                        | 9 966             | 15 September 2013 |                   |
|                            | 18 June 2009    | 15 280                     | 15 280  |                            |                                  |                        | 15 280            | 15 September 2012 |                   |
|                            | 2 June 2010     | 9 858                      | 9 858   |                            |                                  |                        | 9 858             | 16 September 2013 |                   |
| MP de Canha                | 14 June 2011    | 16 526                     | 12 089  | 4 437                      |                                  |                        | 12 089            | 7 September 2014  |                   |
|                            |                 |                            | 13 June 2012  | 8 178                      |                                  | 8 178                  |                   |                   | 26 August 2015    |
|                            |                 |                            | 5 June 2008   | 30 967                     | 16 253                           |                        | 16 253            |                   |                   |
|                            |                 |                            | 2 788   |                            |                                  | 2 788                  | 15 September 2012 |                   |                   |
|                            |                 |                            | 11 926  |                            |                                  | 11 926                 | 15 September 2013 |                   |                   |
|                            | 18 June 2009    | 11 545                     | 11 545  |                            |                                  |                        | 11 545            | 15 September 2012 |                   |
| RL Hiemstra                | 2 June 2010     | 7 448                      | 7 448   |                            |                                  |                        | 7 448             | 16 September 2013 |                   |
|                            |                 |                            | 14 June 2011  | 12 486                     | 10 712                           | 1 774                  |                   | 10 712            | 7 September 2014  |
|                            |                 |                            | 13 June 2012  | 8 064                      |                                  | 8 064                  |                   |                   | 26 August 2015    |
|                            | 5 June 2008     | 30 969                     | 13 773  |                            |                                  | 13 773                 |                   |                   |                   |
|                            |                 |                            | 8 074   |                            |                                  | 8 074                  | 15 September 2012 |                   |                   |
|                            |                 |                            | 8 902   | 220                        |                                  | 8 902                  | 15 September 2013 |                   |                   |
| AH Mahomed                 | 18 June 2009    | 10 785                     | 10 785  |                            |                                  |                        | 10 785            | 15 September 2012 |                   |
|                            |                 |                            | 2 June 2010   | 6 958                      | 6 958                            |                        |                   | 6 958             | 16 September 2013 |
|                            |                 |                            | 14 June 2011  | 11 671                     | 10 406                           | 1 265                  |                   | 10 406            | 7 September 2014  |
|                            | 5 June 2008     | 43 150                     | 18 456  |                            |                                  | 18 456                 |                   |                   |                   |
|                            |                 |                            | 8 243   |                            |                                  | 8 243                  | 15 September 2012 |                   |                   |
|                            |                 |                            | 13 736  | 2 715                      |                                  | 13 736                 | 15 September 2013 |                   |                   |
| M Swanepoel                | 18 June 2009    | 14 200                     | 14 200  |                            |                                  |                        | 14 200            | 15 September 2012 |                   |
|                            |                 |                            | 2 June 2010   | 9 161                      | 9 161                            |                        |                   | 9 161             | 16 September 2013 |
|                            |                 |                            | 14 June 2011  | 15 358                     | 11 783                           | 3 575                  |                   | 11 783            | 7 September 2014  |
|                            | 13 June 2012    | 8 003                      |   | 8 003                      |                                  |                        | 26 August 2015    |                   |                   |
|                            | 5 June 2008     | 30 968                     | 19 925  |                            |                                  | 19 925                 |                   |                   |                   |
|                            |                 |                            | 6 636   |                            |                                  | 6 636                  | 15 September 2012 |                   |                   |
|                            |                 | 3 323                      | 1 084   |                            | 3 323                            | 15 September 2013      |                   |                   |                   |
| M Swanepoel                | 18 June 2009    | 9 631                      | 9 631   |                            |                                  |                        | 9 631             | 15 September 2012 |                   |
|                            |                 |                            | 2 June 2010   | 6 589                      | 6 589                            |                        |                   | 6 589             | 16 September 2013 |
|                            | 14 June 2011    | 11 671                     | 9 641   | 2 030                      |                                  | 9 641                  | 7 September 2014  |                   |                   |
|                            | 13 June 2012    | 6 156                      |   | 6 156                      |                                  |                        | 26 August 2015    |                   |                   |

<sup>+</sup> The number of shares committed to the plan depends on the amount of after-tax bonus committed by each executive and the share price prevailing when bonus shares are acquired.

Remuneration committee report *continued*

for the year ended 30 June 2012

 Participation in the Deferred Bonus Plan *continued*

|                            | Allocation date | Number of rights allocated | Number of shares committed to the plan <sup>+</sup> | Number of rights forfeited | Balance available to be taken up | Vested during the year | Balance remaining | Vesting date      |
|----------------------------|-----------------|----------------------------|---|----------------------------|----------------------------------|------------------------|-------------------|-------------------|
| <b>Prescribed officers</b> |                 |                            |   |                            |                                  |                        |                   |                   |
| PB Michaux                 | 5 June 2008     | 18 476                     | 4 591   |                            |                                  | 4 591                  |                   |                   |
|                            |                 |                            | 3 680   |                            |                                  |                        | 3 680             | 15 September 2012 |
|                            |                 |                            | 8 231   | 1 974                      |                                  |                        | 8 231             | 15 September 2013 |
|                            | 18 June 2009    | 4 867                      | 4 867   |                            |                                  |                        | 4 867             | 15 September 2012 |
|                            | 2 June 2010     | 3 167                      | 3 167   |                            |                                  |                        | 3 167             | 16 September 2013 |
|                            | 14 June 2011    | 5 251                      | 5 251   |                            |                                  |                        | 5 251             | 7 September 2014  |
| JJ Strydom                 | 13 June 2012    | 4 793                      |   |                            | 4 793                            |                        |                   | 26 August 2015    |
|                            | 5 June 2008     | 11 436                     | 10 036  |                            |                                  | 10 036                 |                   |                   |
|                            |                 |                            | 1 364   | 36                         |                                  |                        | 1 364             | 15 September 2013 |
|                            | 18 June 2009    | 3 973                      |   | 3 973                      |                                  |                        |                   | 15 September 2012 |
|                            | 2 June 2010     | 2 602                      | 2 602   |                            |                                  |                        | 2 602             | 15 September 2012 |
|                            | 14 June 2011    | 4 039                      | 4 039   |                            |                                  |                        | 4 039             | 15 September 2011 |
|                            | 13 June 2012    | 3 957                      |   |                            | 3 957                            |                        |                   | 26 August 2015    |

<sup>+</sup> The number of shares committed to the plan depends on the amount of after tax bonus committed by each executive and the share price prevailing when bonus shares are acquired.

## Gains by directors and prescribed officers on DBP and SAR allocated in 2008, which vested and were exercised after 15 September 2011

| Director/prescribed officer | 2012<br>R'000 | 2011<br>R'000 |
|-----------------------------|---------------|---------------|
| <b>Executive directors</b>  |               |               |
| OS Arbee                    | 35 098        |               |
| HR Brody                    | 39 542        |               |
| MP de Canha                 | 22 763        |               |
| RL Hiemstra                 | 41 483        |               |
| AH Mahomed                  | 5 565         |               |
| M Swanepoel                 | 26 021        |               |
| <b>Prescribed officers</b>  |               |               |
| DD Gnodde                   | 10 083        |               |
| PB Michaux                  | 11 387        |               |
| JJ Strydom                  | 7 780         |               |

## Directors' and prescribed officers' interests in shares

| Director/prescribed officer    | 2012                        |                                 | 2011                        |                                 |
|--------------------------------|-----------------------------|---------------------------------|-----------------------------|---------------------------------|
|                                | Beneficial number of shares | Non-beneficial number of shares | Beneficial number of shares | Non-beneficial number of shares |
| <b>Non-executive directors</b> |                             |                                 |                             |                                 |
| MJ Leeming                     |                             | 4 928                           |                             | 4 928                           |
| RJA Sparks                     | 40 000                      |                                 | 40 000                      |                                 |
| Y Waja                         | 927                         |                                 | 927                         |                                 |
|                                | 40 927                      | 4 928                           | 40 927                      | 4 928                           |
| <b>Executive directors</b>     |                             |                                 |                             |                                 |
| OS Arbee                       | 119 052                     |                                 | 36 266                      |                                 |
| HR Brody                       | 191 203                     |                                 | 64 942                      |                                 |
| MP de Canha                    | 1 512 160                   |                                 | 1 107 812                   |                                 |
| RL Hiemstra                    | 45 135                      |                                 | 48 492                      |                                 |
| AH Mahomed                     | 74 869                      |                                 | 63 796                      |                                 |
| M Swanepoel                    | 53 744                      |                                 | 46 104                      |                                 |
|                                | 1 996 163                   |                                 | 1 367 412                   |                                 |
| <b>Prescribed officers</b>     |                             |                                 |                             |                                 |
| DD Gnodde *                    |                             |                                 | 15 206                      |                                 |
| PB Michaux                     | 32 269                      |                                 | 24 536                      |                                 |
| JJ Strydom**                   | 28 476                      |                                 |                             |                                 |
|                                | 60 745                      |                                 | 39 742                      |                                 |
| <b>Total</b>                   | <b>2 097 835</b>            | <b>4 928</b>                    | <b>1 448 081</b>            | <b>4 928</b>                    |

\* Employed up to 30 April 2012.

\*\* Appointed 22 February 2012.

**Approval**

This remuneration report has been approved by the board of directors of Imperial.