

ALTRON

REMUNERATION REPORT

2021

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PART 1: CHAIRPERSON'S REPORT

Activities of the committee

The Altron Remuneration Committee met four times during the financial year ended 28 February 2021 in carrying out its mandate to, among others, oversee the development of remuneration policy and its implementation across the group.

Focus areas of the Committee during the year included:

- Continuing to link pay to performance and value creation by reassessing the short-term incentive policy to align with the effective allocation of long-term incentives in the group.
- Consideration and recommendation of the award of long-term incentives to participants in terms of the Altron 2009 Share Plan.
- Continuing to improve annual disclosure in relation to remuneration practices.
- Further improved engagement with shareholders in accordance with the principles of the King IV Report on Corporate Governance for South Africa, 2016 (King IV).
- Progressing initiatives and policies managed by Altron Human Resources around standardising remuneration practices across the group, including position grades and salary benchmarks.
- Focused attention on the Altron benefit schemes, including the pension and provident funds.
- Implementation of cost saving measures proposed by management to ensure organisational sustainability.

Further matters addressed during the year

The Committee was able to devote more time during the year to the ongoing implementation of Principle 14 of the King IV, which relates to remuneration policy. In this regard, the following policy issues were addressed relative to FY21, resulting in decisions as follows:

- Statistics confirming the outcome of the skills development programmes at top management level will be collated and disclosed going forward.
- IT sector skills shortages and the protection of these skills will continue to receive due attention with special measures, as may be required, implemented to address this aspect further in FY22.

Altron's response to the Covid pandemic

The Covid pandemic was first recognised as a threat to commerce and industry in South Africa and worldwide in March of 2020. It has radically impacted our results for FY21. For, whilst a high proportion of the turnover of the company is service related and controlled by contract, our marketing plans were difficult to pursue in this climate. As a result the company did not meet its budgeted target for profits.

The impact on the remuneration of the company's employees has been primarily the loss of the financial component of the performance bonus as well as salary increase reversals. In terms of Altron's non-executive directors, no increments were allocated to non-executive director fees. Details of these are further set out in Part 3 of this report.

The impact of the sale of Bytes UK

The only financial impact of the transaction on the remuneration of senior executives was the correction of the Altron share price to reflect the exclusion of Bytes UK from Altron, and the consequent reduction in share price. The principal adjustment to take account of this was to reduce the strike price in the amount of the effective demerger price attributed to Bytes UK, and where this led to a negative strike price, to compensate the awardees with Altron SARS which are subject to a 3 year vesting program.

Altron Group service providers

Altron utilised Willis Towers Watson to provide benchmarking services and to advise on remuneration policy issues for FY21 reporting purposes. Position grading was undertaken by KornFerry during the year on an *ad hoc* basis in line with the Hay grading methodology used in the Altron Group.

Approval of remuneration policy and previous report

As required by King IV, the remuneration policy and implementation report will be tabled annually for separate non-binding advisory votes by shareholders at the Altron annual general meeting (AGM), scheduled to be held on 28 July 2021 and an engagement process will be conducted in the event that either the policy and/or report are voted against by 25% or more of the voting rights exercised at the AGM. In this the Committee is satisfied with the outcome of the FY21 AGM voting of 86.12% in support of the endorsement of Altron Remuneration Policy and 87.55% in support of the endorsement of implementation of Altron Remuneration Policy.

Concluding comment

The Committee will continue to encourage regular dialogue with shareholders in order to clarify remuneration policy questions. Enquiries around this aspect can be initiated through the office of the Group Company Secretary, nicole.morgan@altron.com

Antony Ball

Altron Remuneration Committee Chairperson

18 June 2021

PART 2: REMUNERATION POLICY

Statement of compliance

The Committee, having considered the principles and guidelines detailed in the remuneration policy set out in the report to shareholders during the previous financial year, is satisfied that there has been no material deviation in the application of the policy during the year under review. Having reviewed this report, including the details relating to executive director and prescribed officer emoluments, the Committee confirms that disclosure around these be included in the 2021 Integrated Annual Report.

The development of policy within Altron

The section hereunder sets out Altron's approach to remuneration and the manner in which remuneration is being governed within the group.

Remuneration governance

Remuneration policy within the Altron group is reviewed annually by the Committee, which is constituted as set out in the 2021 Altron Governance Report. The responsibilities and composition of the Committee and the attendances at Committee meetings are set out in the 2021 Governance Report, which is available at www.altron.com. The mandate and terms of reference of the Committee include the formulation of remuneration policy as it affects employees at all levels throughout the group. During the year under review, the Committee's mandate and terms of reference were reviewed to ensure that policy has remained in alignment and compliance with the recommendations of King IV.

The Committee furthermore takes steps annually to ensure that the group complies with principles laid out in the King report and with the terms of the Companies Act, 71 of 2008 when determining and disclosing details of the remuneration of executive management and non-executive directors.

The Committee endeavours to align policy with international best practice and observes the principles laid down by the International Corporate Governance Network (ICGN) and King IV in order to meet the standards of institutional investors worldwide.

Our remuneration philosophy

Remuneration policies have developed during the recent years on the platform of our philosophy that remuneration drives collaboration, innovation, service to customers and the development of teamwork – all of which are critically important in the context of the ICT industry.

Altron's competitive advantage in these areas flows from its technical capabilities in specialised fields, which in turn demand an in-depth knowledge of our markets and our customers' ever-evolving requirements. These relationships and capabilities are all people-driven at a high level and depend on efficient systems, policies and procedures.

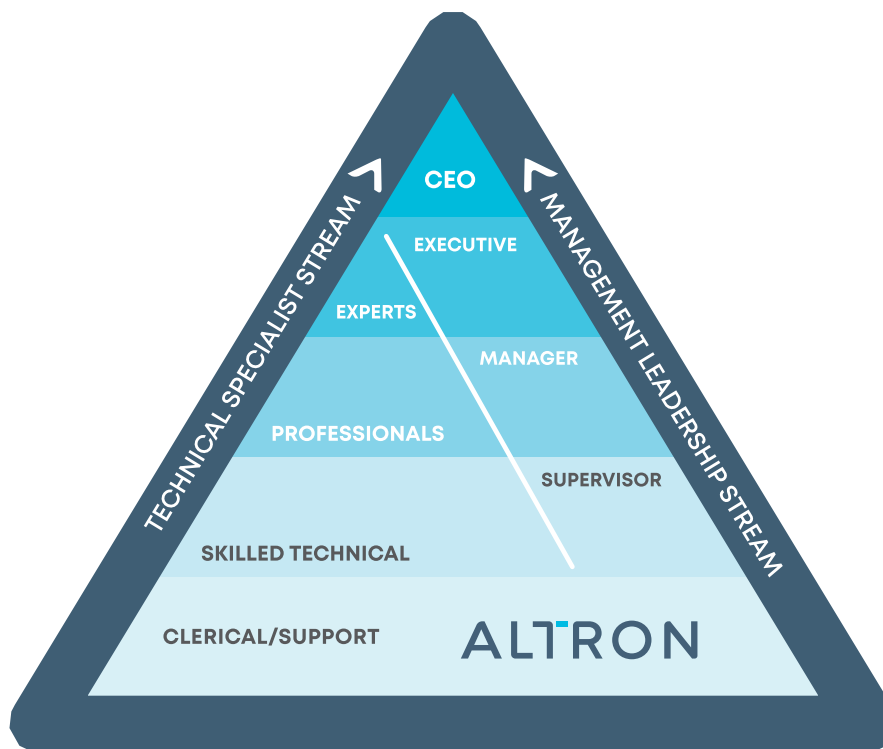
THE FRAMEWORK OF THE REMUNERATION SYSTEM AFFECTING ALL EMPLOYEES

Remuneration policies conform to and fit within a sound remuneration policy framework throughout the Altron group, differentiated by grades and levels of responsibility.

All positions are graded using the Hay system, facilitating the classification of the workforce into the following groups which are based on levels of responsibility:

1. Executive management
Members of the Altron Executive Management: graded in the Hay 23 and upward bands.
2. Senior executives
Members of the divisional Executive Committees: graded in the Hay 17 – 22 bands.
3. Line managers
Heads of departments: graded in the Hay 13 – 16 bands.
4. Support staff
Graded in the Hay 7 – 12 bands.

The system recognises career development along both a professional and a managerial workstream, illustrated as follows:



The following remuneration policies will apply across the group during the coming financial year:

1. An employee may receive remuneration in the form of:
 - a. a 'Guaranteed Package' (or GP, comprising a salary and employment benefits, which include retirement savings and medical aid contributions),
 - b. a short-term incentive (or STI, comprising a performance bonus or in some cases a commission), or
 - c. a long-term incentive.
2. The guaranteed package and the short-term incentive are together referred to as the 'Remuneration Package'. It is contracted annually in advance with each employee.
3. The Hay grading methodology is used to grade each employment position, and surveys are periodically used to determine the median level of GP for that position. The GP of each employee is reviewed annually in terms of his or her competency, performance and experience.
4. The incentive scheme rules applying to senior executives are designed observing the same principles, ensuring that their remuneration is fair and equitable in relation to that of other employees. The more detailed disclosures relating to the senior executive remuneration policy are presented below.
5. The incentive scheme rules applying to other employees provide for the payment of a performance bonus at rates disclosed below based on the ranking of the performance of the employee against annually revised key performance indicators under a formal performance management system.
6. The Commission scheme rules applying to the sales team members will include a commission defined as a percentage of sales.
7. As far as long-term incentives are concerned, they are awarded in the form of share appreciation rights as an add-on to the GP in order to obtain a commitment by senior executives and other key employees to a longer period of service for the company than is provided for in the employment contract and/or for agreeing to a restraint of trade condition being introduced to restrict their rights to take up employment by any competing organisation.

PART 2: REMUNERATION POLICY

The package structures applying at different levels

The following package structures are negotiated with employees based on these principles:

Package breakdown	Senior executives		Senior managers		Technical and line managers		Senior professionals		Support staff	
	% of TR	% of GP	% of TR	% of GP	% of TR	% of GP	% of TR	% of GP	% of TR	% of GP
Guaranteed pay	51 – 40	100	74	100	80	100	83	100	87	100
STI at target	17 – 19	45 – 70	26	35	20	25	17	20	13	15
LTI at expected value	26 – 32	50 – 80	–	–	–	–	–	–	–	–
Total remuneration	100	195 – 250	100	135	100	125	100	120	100	115
Maximum STI	46 – 56	90 – 140	26	70	20	25	17	20	26	15

The rules of governance affecting executive management

Appropriate processes are in place to govern and control the remuneration of executive management.

Employment policy

Remuneration packages, including award of long-term incentives, are contracted with incumbents annually with effect from the beginning of each financial year, aligning commitment with accountability to shareholders.

Employment contracts are terminable on 60 days' notice.

No special severance arrangements apply to any senior executive currently. Restraint payments may, however, be approved from time to time in the future - this when a term employment contract is negotiated in order to ensure that there is a payback on the company's outlay.

The market positioning of guaranteed pay

The remuneration packages of executive management are benchmarked periodically by the Committee on the basis of a reputable salary survey. The benchmarking in the previous year was undertaken on the basis of the Willis Towers Watson Salary Survey utilising a combination of the JSE Index, Global Grading and LMO Executive Remuneration methods in line with the Hay grading methodology.

The following steps are followed in this review exercise:

- The total guaranteed pay of each member of executive management is indexed relative to the median of the survey. The Altron Group Chief Executive (CE) makes recommendations to the Committee in relation to the pay level of each member based on the index reading, taking into account the competency of the individual and the criticality of his/her contribution to the group. The level of the index applying to the remuneration of the Altron Group CE is reviewed by the Committee in liaison with the Chairman of the Board.
- An annual increase is determined annually by the Committee based on expected inflation, gross domestic product forecasts, affordability and company performance. General increases granted to other employees within the group are also taken into account.
- The succession risks in relation to top management positions individually are taken into consideration by the Committee during the review exercise.

The short-term incentives

Each member of executive management is awarded a performance bonus at the end of the financial year based on a scorecard of corporate (audited financial) and personal or job-related (non-financial) performance criteria that is set by the group Altron Group Chief Executive at the commencement of the financial year. The performance criteria applying to the Altron Group Chief Executive is approved by the Remuneration Committee in liaison with the Chairman of the Board.

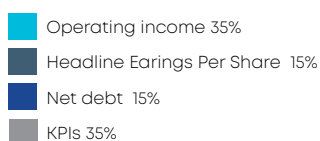
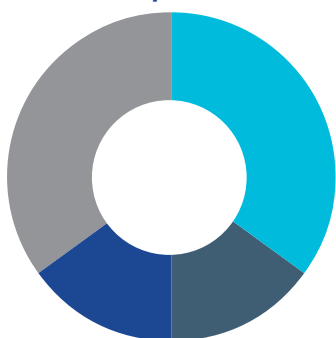
The weighting between financial and non-financial criteria is on a 65:35 basis in the case of the Altron CE and 70:30 in the case of other executive management.

The scale of the incentive is determined in the case of the Altron Group Chief Executive and other executive management on the basis of the package structures set out below, which illustrate the extent to which market-related pay is at risk in each case as well as the maximum bonus payable.

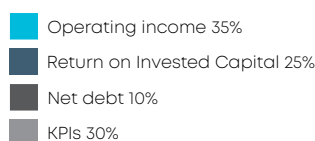
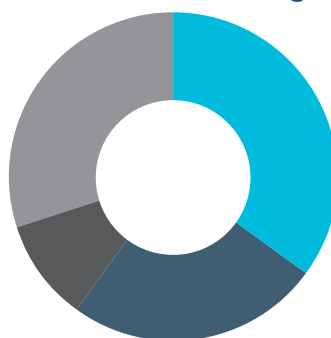
Element of remuneration package:	Altron Chief Executive	Executive Management
Short-term incentive at target	70%	45 to 60%
Maximum STI	140%	90 to 120%

The performance criteria to apply to the financial element of the short-term incentives of the Altron Group Chief Executive and executive management for FY21 will be based on financial measures that create shareholder value, as set out below. In relation to the executive management of Altron, financial parameters (incorporating minimum, on target and stretch targets) are defined based on board approved budgets, with reference to the approved financial indicators.

Altron Group Chief Executive



Altron Executive Management



The non-financial or individual KPI targets include initiatives in respect of, *inter alia*, debtors, sales, transformation and values alignment. For executive management, this assessment is reviewed and approved by the Altron Group Chief Executive and/or the Committee, as appropriate.

The actual performance level relative to target determines the quantum of STI bonuses within the range. In all instances STI payments are subject to final Altron Board approval.

The remuneration implementation section of the report below (Part 3) provides disclosure relating to the financial year under review.

PART 2: REMUNERATION POLICY

The long-term incentives

Share-based incentives are offered to executive management in order to encourage and reward the achievement of long-term strategic goals and to retain executives over the long-term in order to be able to influence the financial earnings capacity of the group.

In line with the Altron LTI framework, these incentives take the form of annual share appreciation rights, subject to performance vesting conditions.

The awards made to executive management in FY21 are five-year share appreciation rights which are subject to the following performance vesting conditions of equal weighting:

- HEPS growth: 7.5% to 15%, with attribution from 0% to 100% on a straight-line basis (where 7.5% = 0% achievement and 15% = 100% achievement).
- Operating Income growth: 7.5% to 15%, with attribution from 0% to 100% on a straight-line basis (where 7.5% = 0% achievement and 15% = 100% achievement).
- ROIC: 17% to 21%, with attribution from 0% to 100% on a straight-line basis (where 17% = 0% achievement and 21% = 100% achievement).

The awards will vest in three equal tranches on the third, fourth and fifth anniversary of their allocations.

The awards are controlled within the limits of the approved rules of The 2009 Altron Share Plan (the plan).

The funding of variable pay and pay mix

The policies as set out above are illustrated here based on the remuneration packages of the Altron Group Chief Executive and executive management in the current financial year:

Altron group chief executive

R'000	Threshold	Expected	At Stretch
TCOE	7 823	7 823	7 823
STI	-	5 476	10 952
LTI	-	5 867	5 867

Altron chief operating officer

R'000	Threshold	Expected	At Stretch
TCOE	4 722	4 500	4 500
STI	-	2 700	5 400
LTI	-	2 700	2 700

Altron chief financial officer

R'000	Threshold	Expected	At Stretch
TCOE	3 750	4 963	4 963
STI	-	2 978	5 956
LTI	-	2 978	2 978

Note:

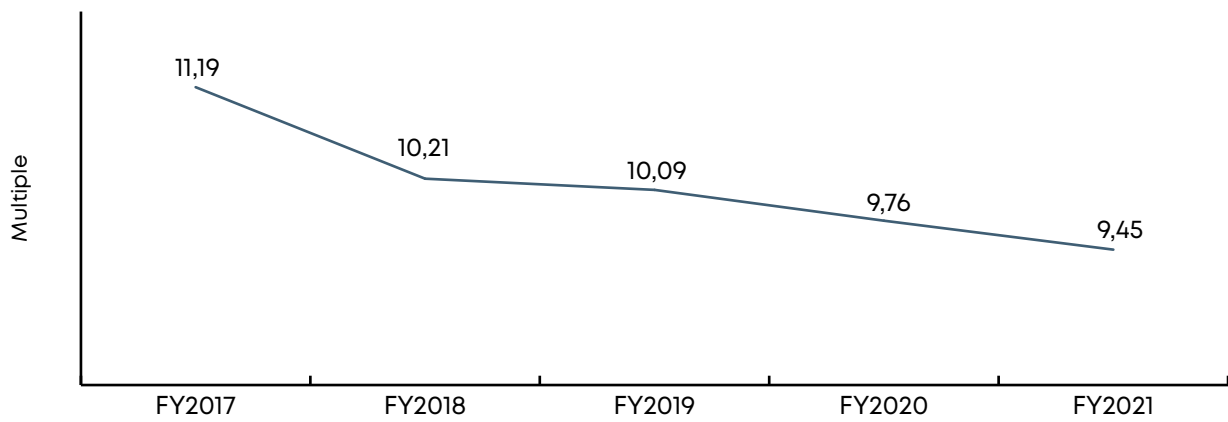
The LTI figures on these tables are the fair value of the awards on the date of the grant.

The level of senior executive pay in relation to that of other employees

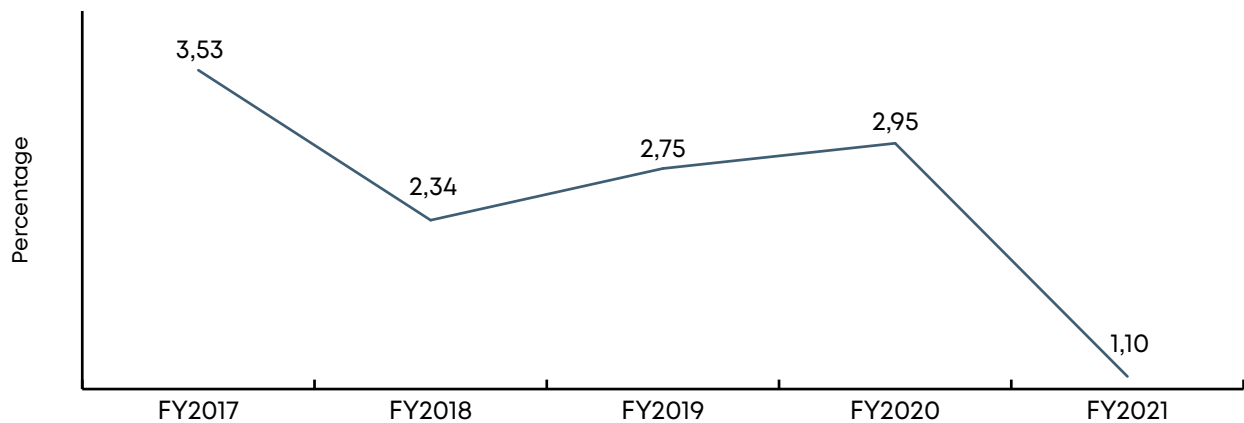
The Committee considers that the remuneration framework in place, being based on a grading system that recognises the responsibility level of every position and on regular and systematic benchmarking, will ensure that the remuneration of every employee is continuously market-related and set on a fair and equitable basis.

Whilst that is the case, the income gap as it may narrow as a result of changes from year to year attributable to the recognition by the remuneration system of enhanced skills assimilated by staff as a direct result of the company's skills development programmes during the same period, reflecting in a notable narrowing of the overall income gaps in the past four years, as reflected below.

MEDIAN OF EXECUTIVE COMMITTEE MULTIPLE OF MEDIAN OF ORGANISATION



EXECUTIVE COMMITTEE GUARANTEED PAY AS % OF OVERALL AGGREGATE



PART 3: IMPLEMENTATION

Policies affecting non-executive directors (including the Altron Chairman)

Approval of the fee tariff

All non-executive directors are provided with letters of appointment, distinct from employment contracts, from Altron upon appointment. Whilst the appointment of non-executive directors is considered and resolved based on proposals received from the Altron Nominations Committee, the remuneration of non-executive directors is based on proposals from this Committee, which are submitted to a disinterested quorum of the board and thereafter to shareholders for approval at the following AGM.

The remuneration of the Chairman and other non-executive directors are reviewed annually by the Committee, and is compared to the median of selected peer companies and sector benchmarking. As a result of the previous reviews, the basis of non-executive remuneration has been changed from a base annual fee (or 'retainer') plus attendance fee per meeting structure, to an annual retainer only. This annual fee for which approval will again be sought at the forthcoming annual general meeting, takes into account all scheduled meetings during the year. A tariff of annual fees is fixed and approved annually in advance for ordinary membership of the board of directors and of every sub-committee of the board. A higher fee is fixed and approved in the same way for the Chairman of the board and for the chairpersons of each sub-committee in recognition of the additional time involvement that they have in preparing for each meeting and in following up actions. A fee for the attendance of special board meetings and/or *ad hoc* strategy sessions has been maintained.

Non-executive directors do not generally receive STIs and do not participate in Altron's LTI scheme, subject to certain exceptions where the Board believes it to be in the best interests of the group and its shareholders and engagement with material shareholders.

At present, no non executive director have any consulting arrangements with Altron.

The non-executive directors fees paid in FY21 and recommended for FY22 are disclosed in part 3 of this report.

Expenses

The travel and accommodation expenses of non-executive directors and premiums for directors and officers insurance cover are paid by Altron in terms of a formal approved policy.

Non-binding advisory vote

The resolutions relating to Altron non-executive director fees for the 12-month period commencing on 1 September 2021 are available in the Altron 2021 Notice of Annual General Meeting at www.altron.com.

Altron shareholders are requested to cast a non-binding vote on Part 2 of this report at the company's AGM to be held on 28 July 2021.

A summary of the outcomes of the implementation of the remuneration policies affecting the remuneration of executive directors, prescribed officers and non-executive directors in the financial year under review is set out in this section of the report.

Guaranteed remuneration

An average increase of 3.88% as applied to senior executives with effect from the beginning of the financial year under review, compared to that of 4.08% applied to general staff.

In Altron's response to the Covid pandemic, increases awarded effective March 2020 were reversed, effective 1 May 2020. Where there had been salary adjustments insofar as aligning to market and peers and/or promotions, these adjustments were not reversed.

The group ran a voluntary leave donation programme where employees could assist those in reducing the impact of negative leave on employees who were on lockdown. Due to the tremendous support received Altron ended up with more donated leave in value than the negative leave we had. 40% of the donated leave was returned to employees. The leave donation process was a display of kindness and generosity by Altron's colleagues. It enabled us to resolve the negative leave balance issue and help Altron remain sustainable. This is a true manifestation of how we live our values and display the true spirit of comradeship as we supported each other. In addition, increase to medical aid contribution were frozen and reduced contributions to retirement funding permitted.

Short-term incentives

The short-term incentive bonuses that were payable in May 2020 were impacted by the pandemic and Altron responded by forfeiting 50% of all Executive and Senior Manager bonuses. Furthermore, only 25% of the bonuses were paid during May 2020 with the balance of 25% deferred to August 2020 on review of affordability and revenue generation. The 25% balance was released to those operations within Altron that had improved results.

The short-term performance criteria outcomes for the year under review were as follows:

Altron chief executive officer

Bonus portion							Discretionary 35%	Total recommended bonus	Bonus forfeiture	Bonus deferred to future payment	Bonus payable
EBITDA target achieved	Stretch EBITDA achieved	HEPS target achieved	Stretch HEPS achieved	Net debt target achieved	Net debt stretch target achieved						
35%/35%	8.61%/60%	15%/15%	2.22%/20%	0%/15%	0%/20%	35%/35%	R5 247 807	50%	25%	25%	
R1 316 612	R471 488	R821 405	R121 690	R-	R-	R1 316 612	R5 247 807	R2 623 303	R1 311 352	R1 311 352	
R1 316 612	R471 488	R821 405	R121 690	R-	R-	R1 316 612	R5 247 807	R2 623 303	R1 311 352	R1 311 352	
Note 1		Note 2		Note 5		Note 4					

Note 1	EBITDA	100 achieved on target = 35% out of 35% 14.4% achieved on stretch = 8.61% out of 60%
Note 2	HEPS	100% achieved on target = 15% out of 15% 11.11% achieved on stretch = 2.22% out of 20%
Note 3	Net debt	0% achieved on target = 0% out of 15% 0% achieved on stretch = 0% out of 20%
Note 4	KPI/Discretionary	100% achieved = 35% out of 35%

Altron chief operating officer

Bonus portion						Discretionary 30%	Total bonus entitlement	Awarded	Bonus forfeiture	Bonus deferred to future payment	Bonus payable
EBITDA target achieved	Stretch EBITDA achieved	ROCE target achieved	Stretch ROCE achieved								
40%/40%	8.61%/60%	11.25%/30%	0%/40%	28.5%/30%	89.86%/200%		R2 530 077	R2 540 077	50%	25%	25%
R1 145 350	R246 537	R332 130	R-	R816 062	R2 530 077		R2 530 077	R2 540 077	R1 265 039	R632 519	R632 519

PART 3: IMPLEMENTATION

Altron chief financial officer

Bonus portion						Bonus deferred to future payment		Bonus payable
EBITDA target achieved	Stretch EBITDA achieved	ROCE target achieved	Stretch ROCE achieved	Discretionary 30%	Total bonus entitlement	Awarded	Bonus forfeiture	Bonus payable
40%/40%	8.61%/60%	11.25%/30%	0%/40%	18%/30%	77.86%/200%		50%	25%
R1 080 000	R232 470	R303 750	R–	R486 000	R2 102 220	R1 751 850	R875 925	R437 963
								R437 963

Important to note that during the year under review, Altron was severely impacted on various levels in terms of sustainable growth and the revival of the global economy. As such an additional measure within the short-term incentive framework is that on affordability and sustainability, should the financial performance targets not be met by at least 60%, the incentive payable in terms of the strategic objectives of an Executive, will revert to zero. Therefore, there will be no incentives paid to Top Management in respect of the FY21 financial year.

Long-term incentive grants

Share appreciation rights were granted at the end of each of the previous and the current financial year to executive management equal to their package entitlements in terms of fair value based on a Black-Scholes valuation of the rights on the date of grant. The details of the grants are shown below under the heading of 'unvested share awards'.

For the year under consideration, the 2017 LTI allocation was subject to accelerated vesting as approved by the Remuneration Committee and this was as a consequence of the Bytes UK demerger transaction.

Total remuneration outcomes

The following remuneration costs of executive management were recognised by the accounting system based on IFRS 2 rules during the financial year under review:

(All figures stated in R'000)	Guaranteed Pay ¹	Defined Contribution Pension Payments	Performance-related bonuses ²	Other Payments	Share Options expense ³	2021 Total
Full time directors						
28 February 2021						
Executive						
M Nyati	7 060	828	2 327	–	12 773	22 988
C Miller ⁴	4122	408	945	–	3 140	8 615
AJ Holden	3 876	999	998	120	1 463	7 456

Notes

¹ This relates to fixed annual salary.

² In response to the impact of Covid-19 50% of, among others, Executive and Prescribed Officer performance related bonuses for FY20 were forfeited. The amounts indicated represent 25% of the eligible bonus payments, with the balance of 25% to be reassessed for payment at the FY21 half year. The bonuses in the report have been finalised following preliminary accrued bonuses set out as per the 2020 annual financial statements.

³ IFRS 2 income statement expense in respect of options granted to directors.

⁴ Appointed 1 May 2019.

GP and Retirement contribution do not correlate to "funding of variable pay & pay mix table" p10. This is due to increases awarded and then reversed, resulting in 2 months variance on salary and contribution

The following remuneration costs of executive management were recognised by the accounting system based on IFRS 2 rules during the previous financial year:

(All figures stated in R'000)	Guar- anteed Pay ¹	Defined Contri- bution Pension Payments	Per- formance- related bonuses ²	Other Payments	Share Options expense ³	2020 Total
Full time directors						
29 February 2020						
Executive						
M Nyati	7 002	821	1 079	–	5 452	14 354
C Miller ⁴	3 409	338	438	6 750	2 040	12 975
	10 411	1 159	1 517	6 750	7 492	27 329
Prescribed officers⁵						
AJ Holden	3 698	954	633	120	1 510	6 915
	3 698	954	633	120	1 510	6 915

Notes

¹ This relates to fixed annual salary.

² In response to the impact of Covid-19 50% of, among others, Executive and Prescribed Officer performance related bonuses for FY20 were forfeited. The amounts indicated represent 25% of the eligible bonus payments, with the balance of 25% to be reassessed for payment at the FY21 half year. The bonuses in the report have been finalised following preliminary accrued bonuses set out as per the 2020 annual financial statements.

³ IFRS 2 income statement expense in respect of options granted to directors.

⁴ Appointed 1 May 2019.

⁵ As confirmed by the Board on 13 May 2020, AJ Holden is classified as the only prescribed officer of Altron. Accordingly, DS Mashishi, MZ Maubane and MCS Govender are no longer classified as prescribed officers as per the 2020 annual financial statements.

PART 3: IMPLEMENTATION

Unvested share awards

The unvested share rights held by executive management which are required to be disclosed in terms of JSE Listings Requirements were as follows as at the end of the year under review:

Altron 2009 Share Plan	Share option	Allocation date	Strike price	Balance 1 March 2020	Awarded	Lapsed	Exercised	Exercise date	Net gains R'000s	Exercise Price	Balance February 2021	Balance 28 February 2021	Expiry date	
Directors' options	Altron SAR	2017/04/01	10,00	2 000 000	-	-	(666 667)	2020/08/07	6 413	10,00	1 333 333	1 333 333	April 23	
	Altron BS	2017/07/17	n/a	409 836	-	-	(409 836)	2020/07/17	8 040	-	-	-	April 20	
	Altron SAR	2018/06/13	15,00	714 286	-	-	-	-	-	-	714 286	714 286	June 24	
	Altron SAR	2019/02/27	18,60	375 878	-	-	-	-	-	-	375 878	375 878	February 25	
	Altron SAR	2019/08/29	23,70	175 623	-	-	-	-	-	-	175 623	175 623	August 25	
	Altron SAR	2020/02/26	20,00	519 385	-	-	-	-	-	-	519 385	519 385	February 26	
	Altron SAR	2021/02/23	-	-	1 888 423	-	-	-	-	-	-	1 888 423	1 888 423	February 27
	Altron SAR	2021/02/24	11,71	-	489 339	-	-	-	-	-	-	489 339	489 339	February 27
	C Miller	Altron SAR	20/05/2019	22,85	1 300 000	-	-	-	-	-	-	1 300 000	1 300 000	May 25
		Altron SAR	2020/02/26	20,00	239 014	-	-	-	-	-	-	239 014	239 014	February 26
Altron SAR		2021/02/24	11,71	-	225 188	-	-	-	-	-	225 188	225 188	February 27	
Altron SAR		2014/08/16	28,34	17 359	-	(17 359)	-	-	-	-	-	-	August 20	
Prescribed officers' options	Altron SAR	2018/06/13	15,00	366 476	-	-	-	-	-	-	366 476	366 476	June 24	
	Altron SAR	2019/02/27	18,60	267 106	-	-	-	-	-	-	267 106	267 106	February 25	
	Altron SAR	2020/02/26	20,00	253 477	-	-	-	-	-	-	253 477	253 477	February 26	
	Altron SAR	2021/02/24	11,71	-	248 366	-	-	-	-	-	248 366	248 366	February 27	
	AJ Holden	2021/02/24	11,71	-	248 366	-	-	-	-	-	248 366	248 366	February 27	

PART 3: IMPLEMENTATION

Share Linked Incentives

	Allocation date	Strike price	Balance 1 March 2019	Awarded	Lapsed	Exercised	Exercise date	Net gains R'000s	Exercise Price	Balance 28 February 2020	Expiry date
29 February 2020											
Directors' options											
RE Venter	Altron PS 2017/02/22	2017/02/22	n/a	212 999	-	-	(212 999)	2020/02/24	4 959	20,93	February 20
	Altron BS 2017/02/22	2017/02/22	n/a	39 410	-	-	(39 410)	2020/02/22	825	20,93	February 20
M Nyati	Altron SAR 2017/04/01	2017/04/01	10,00	2 000 000	-	-	-	-	-	2 000 000	April 23
	Altron BS 2017/07/17	2017/07/17	n/a	409 836	-	-	-	-	-	409 836	April 20
	Altron SAR 2018/06/13	2018/06/13	15,00	714 286	-	-	-	-	-	714 286	June 24
	Altron SAR 2019/02/27	2019/02/27	18,6	375 878	-	-	-	-	-	375 878	February 25
	Altron SAR 2019/08/29	2019/08/29	23,7	-	175 623	-	-	-	-	175 623	August 25
	Altron SAR 2020/02/26	2020/02/26	20,00	-	519 385	-	-	-	-	519 385	February 26
C Miller	Altron SAR 20/05/2019	20/05/2019	22,85	-	1 300 000	-	-	-	-	1 300 000	May 25
	Altron SAR 2020/02/26	2020/02/26	20,00	-	239 014	-	-	-	-	239 014	February 26
Prescribed officers' options											
A Holden	Altron SAR 2013/08/15	2013/08/15	22,51	22 758	-	(22 758)	-	-	-	-	August 19
	Altron SAR 2014/08/16	2014/08/16	28,34	17 359	-	-	-	-	-	17 359	August 20
	Altron PS 2017/02/22	2017/02/22	n/a	84 588	-	-	(84 588)	2020/02/24	1 970	-	February 20
	Altron BS 2017/02/22	2017/02/22	n/a	48 424	-	-	(48 424)	2020/02/22	1 014	-	February 20
	Altron SAR 2018/06/13	2018/06/13	15,00	366 476	-	-	-	-	-	366 476	June 24
	Altron SAR 2019/02/27	2019/02/27	18,6	267 106	-	-	-	-	-	267 106	February 25
	Altron SAR 2020/02/26	2020/02/26	20	-	253 477	-	-	-	-	2 534 77	February 26
MCS Govender	Altron PS 2017/07/17	2017/07/17	n/a	56 120	-	-	-	-	-	56 120	July 20
	Altron BS 2017/07/17	2017/07/17	n/a	32 131	-	-	-	-	-	32 131	July 20
	Altron SAR 2018/06/13	2018/06/13	15	238 095	-	-	-	-	-	238 095	June 24
	Altron SAR 2019/02/27	2019/02/27	18,6	155 737	-	-	-	-	-	155 737	February 25
	Altron SAR 2020/02/26	2020/02/26	20	-	159 614	-	-	-	-	159 614	February 26
DS Mashishi	Altron PS 2017/11/01	2017/11/01	n/a	227 642	-	-	-	-	-	227 642	November 20
	Altron SAR 2018/06/13	2018/06/13	15	222 222	-	-	-	-	-	222 222	June 24
	Altron SAR 2019/02/27	2019/02/27	18,6	143 657	-	-	-	-	-	143 657	February 25
	Altron SAR 2020/02/26	2020/02/26	20	-	147 233	-	-	-	-	147 233	February 26
MZ Maubane	Altron SAR 2018/06/13	2018/06/13	15	208 730	-	-	-	-	-	208 730	June 24
	Altron SAR 2019/02/27	2019/02/27	18,6	136 161	-	-	-	-	-	136 161	February 25
	Altron SAR 2020/02/26	2020/02/26	20	-	136 967	-	-	-	-	136 967	February 26

SAR – share appreciation rights, PS – performance shares (free shares), BS – bonus shares (free shares).

Conditional rights and share appreciation rights are net settled and are subject to performance conditions. Exercised amounts related to conditional rights and not the number of shares traded.

PART 3: IMPLEMENTATION

The remuneration of non-executive directors

The following remuneration was paid to non-executive directors during the year under review:

Non-executive directors ('000)	Director's fees	Share options and share linked incentives	Other fees	Total
Fees for services as directors				
MJ Leeming (Chairman)	1 463			1 463
AC Ball	767			767
BW Dawson	537	7 343	1 982	9 862
BJ Francis	577			577
GG Gelink	779			779
Dr P Mganga	462			462
S Sithole	601			601
SW van Graan	876		227*	1 103
RE Venter	889	–		889
	6 951	7 343	2 209	16 503

* Remuneration in terms of being appointed as a non-executive director of Netstar Proprietary Limited with effect from 12 November 2020.

The following tariff of fees will be submitted at the forthcoming AGM to be held on 28 July 2021 for approval in respect of the FY22 financial year.

Remuneration payable to independent non-executive chairman*	Proposed annual fee R (excl. VAT)
Altron independent non-executive chairman	1 133 000

* These fees are exclusive of Value Added Tax ("VAT") which will be payable to those non-executive directors who are registered for VAT and who submit a valid VAT invoice to the company in accordance with prevailing legislation. The proposed fee set out in this resolution represents a 3% increase on the non-executive directors' fees which were approved by shareholders at the annual general meeting held on 15 July 2020.

Remuneration payable to non-executive directors for their services as directors*	Proposed annual fee per member R (excl. VAT)
Altron non-executive directors	298 700

* These fees are exclusive of VAT which will be payable to those non-executive directors who are registered for VAT and who submit a valid VAT invoice to the company in accordance with prevailing legislation. The proposed fee set out in this resolution represents a 3% increase on the non-executive directors' fees which were approved by shareholders at the annual general meeting held on 15 July 2020.

Remuneration payable to non-executive directors for participating in statutory and board committees¹		Proposed annual fee R (excl. VAT)	Proposed attendance fee/meeting R (excl. VAT)²
3.1	Altron audit committee chairman	264 110	–
3.2	Altron audit committee member	134 930	–
3.3	Altron remuneration committee chairman	243 080	–
3.4	Altron remuneration committee member	113 300	–
3.5	Altron risk management committee chairman	144 200	–
3.6	Altron risk management committee member	78 280	–
3.7	Altron nomination committee chairman	144 200	–
3.8	Altron nomination committee member	78 280	–
3.9	Altron social and ethics committee chairman	142 200	–
3.10	Altron social and ethics committee member	78 280	–
3.11	Altron investment committee chairman ²	142 200	32 445
3.12	Altron investment committee member ²	78 280	32 445

* These fees are exclusive of VAT which will be payable to those non-executive directors who are registered for VAT and who submit a valid VAT invoice to the company in accordance with prevailing legislation. The proposed fees set out in this resolution represents a 3% increase on the non-executive directors' fees which were approved by shareholders at the annual general meeting held on 15 July 2020.

¹ Each of the statutory committees meet at least two to three times per annum.

² The investment committee meets twice per annum, as well as on an ad hoc basis. Per-attendance fee for additional meetings held during the year outside of standing meetings.

Remuneration payable to non-executive directors for participating in special/unscheduled board meetings and strategy sessions*	Proposed attendance fee meeting/session R (excl. VAT)
Altron non-executive directors, participation in special/unscheduled board meetings and strategy sessions	35 020

* These fees are exclusive of VAT which will be payable to those non-executive directors who are registered for VAT and who submit a valid VAT invoice to the company in accordance with prevailing legislation. The proposed fee set out in this resolution represents a 3% increase on the non-executive directors' fees which were approved by shareholders at the annual general meeting held on 15 July 2020.

These fees are exclusive of Value Added Tax (VAT) which will be payable to those non-executive directors who are registered for VAT and who submit a valid VAT invoice to the company in accordance with prevailing legislation.

Non-binding advisory vote

Altron shareholders are requested to cast a non-binding advisory vote on Part 3 of this report at the company's AGM to be held on 28 July 2021.

Approval of remuneration report by the Board of directors

This remuneration report was approved by the Remuneration Committee, mandated by the Altron Board of directors, on 14 May 2021.

The logo for Altron, featuring the word "ALTRON" in a light blue, sans-serif font. A small blue square is positioned above the letter "T".

ALTRON

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