The remuneration policy aligns the interests of Executives and shareholders

GRAHAM MARTIN
CHAIR OF THE REMUNERATION COMMITTEE

DEIRDRE SOMERS
COMMITTEE MEMBER

CLEVER FONSECA
COMMITTEE MEMBER

Chair's Overview

On behalf of the Board, I am very pleased to present the Remuneration Committee's report for 2022 on Directors' remuneration.

This report is divided into three sections:

- This statement, which provides a summary of the year under review and, together with the Annual Report on remuneration, describes how the Committee has fulfilled its responsibilities during the year under its Terms of Reference and under the relevant requirements of the UK Corporate Governance Code 2018 as well as the Committee's proposals for a new Directors' remuneration policy;
- The Annual Report on remuneration which provides details of the remuneration earned by the Directors in the year ended 31 December 2022 and how the proposed new remuneration policy will operate for the year ending 31 December 2023; and
- Details of the proposed new Directors' remuneration policy which will be put to an advisory vote of shareholders at the 2023 AGM.

Summary of the work of the Committee in 2022

A substantial part of the work of the Committee in each year relates to the setting of the corporate key performance indicators (KPIs) for the year, performance against which is reflected not only in the Executive Directors' bonus scheme, but also forms a part (generally ranging from 20-50%) of the bonus entitlement of all our corporate staff and all the more senior staff at the Mine. The Committee monitors performance on a quarterly basis and the outcome is regularly communicated, as appropriate, to the Directors and other affected staff.

As in previous years, the performance criteria set by the Committee for 2022 reflected a mix of quantitative targets and qualitative targets and were set at stretching levels for the maximum award. The quantitative targets for 2022 comprised 77% (2021: 72.5%) of the maximum 100% opportunity and the qualitative targets 23% (2021: 27.5%). The quantitative targets covered metrics reflecting mineral production, financial results and certain environmental, social and governance (ESG) targets. The qualitative targets included matters such as the Group's long-term mining strategy, staff engagement and personal leadership.

As noted by the Chairman and the Managing Director in their respective reports, Kenmare achieved record financial results in 2022, including revenues, profitability and dividends. Revised production guidance was achieved for ilmenite and rutile while original production guidance was achieved for primary zircon and concentrates. The team at the Mine achieved almost 12 million hours worked without any Lost Time Injuries (LTI) to late September 2022 – a fantastic achievement.

These results, along with the Committee's assessment of performance against the qualitative targets, (all of which are set out in more detail on pages 123), were reflected in a general corporate scorecard outcome for the year of 47.78%. The Committee considers this outcome a fair reflection of corporate performance for the year against stretching targets and the respective individual performances of the Directors.

Other aspects of the Committee's work in 2022 included:

- assessing the outcome of the key performance indicators (KPIs) under the Executive Directors' bonus scheme for 2021, and agreeing some modifications to those metrics for the application of the scheme in 2022;
- reviewing benchmarking reports prepared by PwC on the salaries, benefits and fees of the Executive Directors, the Company Secretary, and the Chairman and setting their levels;
- reviewing and discussing with the Executive Directors the remuneration of the Executive committee and senior Mine management;
- agreeing a change to the terms of employment of the Managing Director whereby the requirement of compulsory retirement at age 65 was removed;
- agreeing the amount of the annual award to the Executive Directors under the Group's long-term share plan, the Kenmare Restricted Share Plan (KRSP), the performance indicators to be considered under the performance underpin and the annual KRSP awards for other employees within the Committee's remit;
- a summary of performance in 2021 in the context of the performance underpin for review at the end of the relevant three-year period;
- with the retirement package for our Financial Director Tony McCluskey and the remuneration package for Tom Hickey who was appointed to the role, details of which are below;
- monitoring the performance of the Group against the KPIs on a quarterly basis and providing regular feedback to the Executive Directors;
- of the remuneration and benefits of the Executive Directors in the context of the remuneration of the Group's workforce as a whole. We received presentations from management on the remuneration structure for workers at the Mine and our Dublin, London, and Beijing-based staff and we satisfied ourselves that our staff receive pay and benefits that are benchmarked appropriately, take into account local employment regulations and conditions as well as seniority, and afforded our staff the opportunity to share in the benefits from the success of the Group. The Committee also notes that there is no discrimination between our male and female workers in their pay and benefits for similar jobs; and
- a presentation from PwC with an update on current remuneration matters with particular focus on a review of the 2022 AGM season, investor feedback on remuneration issues and on possible adjustments to the Remuneration Policy.

In May, Tony McCluskey, our long-standing Financial Director, announced that he wished to retire from the Company. Tony McCluskey stepped down from the Board on 26 September 2022 but remained an employee of the Company to assist with the transition to his successor, Tom Hickey, and with other corporate activities with which he was closely involved. He continued to receive his full salary to 31 December 2022 and was then retained on a reduced salary until 18 May 2023.

The Committee determined that he would be treated as a "good leaver" by reason of retirement in accordance with the Directors' Remuneration Policy and KRSP rules. Further details of Tony McCluskey's leaving arrangements, including the prorating of his KRSP awards upon the cessation of his employment and his post-cessation shareholding requirements are set out on pages 123 to 132.

The Committee also considered and approved the appropriate starting salary for Tom Hickey (determined to be the same as Tony McCluskey, €387,443), his 2022 annual bonus opportunity (100% of salary, pro-rated for time on the Board) and appropriate initial KRSP award (110% of salary), as well as the other terms of his service contract. Further details are set out on page 142.

Performance and reward for 2022

Under the current Directors' remuneration policy, the Executive Directors receive a base salary (which, apart from inflationary adjustments, has not been increased since 2010), pension contributions in line with market levels and the Irish workforce, certain other benefits, an award of shares under the KRSP, and the opportunity to earn a bonus depending on the outcome of the remuneration KPIs. In 2022, the Directors' remuneration policy operated in line with the intentions set out in the 2021 Annual Report on Remuneration.

The results for 2022 mentioned above are reflected in the outcome of the KPIs and consequently the bonus earned by the Executive Directors.

The KRSP awards granted on 13 May 2020 are due to vest in May 2023. Vesting is subject to continued employment and an underpin based on the Remuneration Committee's judgement of Company and individual performance over the three-year vesting period. In advance of the vesting, the Committee has conducted an initial assessment of the underpin and provisionally determined that a reduction to the vesting of 5% should be made to the awards. The Committee will confirm the final vesting level in May 2023, with any changes outlined in next year's remuneration report. More details on the underpin and the Committee's assessment are on page 128.

Read more about **our remuneration policy** on page 135

Read more about our KPIs on page 30

Outcome

The outcome of the Committee's assessment of performance against the quantitative and qualitative criteria resulted in each of the Executive Directors receiving a cash bonus of 47.78% of salary in the case of the Managing Director, a cash bonus of 48.78% of salary in the case of Tony McCluskey and a pro-rated cash bonus of 46.28% of salary in the case of Tom Hickey. The Committee considers these outcomes a fair reflection of the corporate performance for the year and the respective individual performances of the Executives.

The Committee confirms that no malus and clawback provisions were used during the year.

Proposed new Directors' remuneration policy

A new Directors' remuneration policy will be presented to shareholders for approval at the 2023 AGM.

The current Directors' remuneration policy was approved by the Company's shareholders at the 2020 AGM with 91.02% of votes in favour. Over a period of unprecedented economic uncertainty this Policy has served us well, with the Directors' Remuneration Reports under this Policy being well received by shareholders with 98.02% and 98.87% of shareholder votes in favour at the 2021 and 2022 AGMs respectively.

Although the Policy is due for renewal at the 2023 AGM, in the view of the Committee, it remains fit for purpose. Therefore we are seeking approval only to make minor adjustments, with the key features of the policy unchanged.

At the beginning of 2023, we wrote to each of our major shareholders and proxy voting agencies setting out our proposals in detail and received some very useful feedback in meetings, correspondence and in telephone calls, as a result of which we made some changes to our initial recommendations. I am very grateful to those of our shareholders and agencies who engaged with us in this consultation process.

The resultant proposed new policy together with a summary of the key changes to the current policy is set out in detail on page 135.

Management has agreed 9% salary increases for corporate staff to mitigate current inflationary pressure. In this context, the Remuneration Committee approved an increase of 7% for the Executive Directors. Our bonus scheme and KRSP will continue to operate in 2023 in broadly the same way as they did in 2022.

Workforce engagement

As well as the management presentations noted above on the remuneration benefits of our worldwide staff, I personally had an opportunity in my capacity as designated workforce engagement director to engage directly in 2022 with senior Mine staff and head office staff as noted more fully on page 95. In those discussions, I explained the role and responsibilities of the Remuneration Committee, in particular in setting the salaries and benefits of the Executive Directors and how they align with the approach for the wider workforce.

We discussed our desire to ensure that Executive pay is aligned in its short, medium and long-term structure with our culture and values and with the incentives and rewards available to our staff and I took questions regarding employment conditions.

In the wider context, management engaged with the workforce during the year in relation to performance reviews, salaries, bonus outcomes (which reflect personal and Company performance) and awards made under the KRSP. As the KRSP has been recently introduced for senior employees, management there delivered a presentation to those employees on the operation and main features of the scheme and dealt with any queries arising.

The Committee are particularly pleased that the KRSP has been cascaded further down the organisation and is now part of the remuneration package of around 300 staff at the Mine.

Shareholder dialogue

Throughout the year we take every opportunity when engaging with our shareholders to invite them to raise any concerns or give any observations on Executive remuneration, even when Executive remuneration is not the specific purpose of the meeting. No specific concerns were raised by our shareholders in the course of 2022 and any observations which were made were either taken into account in the determination of outcomes in 2022 or in the proposed new three-year remuneration policy.

Shareholders' views on Executive remuneration are very important to the Board, particularly this year as we are proposing a new remuneration policy to put before you for approval at the AGM. Should you have any questions, comments or feedback on remuneration matters at Kenmare I would be very pleased to hear from you. I can be reached via the Company Secretary at chealy@kenmareresources.com.

I hope you will vote in support of the remuneration report at the forthcoming AGM, and in favour of our new remuneration policy proposals.

Conclusion

The Committee continues to believe that the current Directors' remuneration policy with its blend of short, medium and long-term aspects remains appropriate for the Group and in our view clearly aligns the interests of the Executives with those of the shareholders. It is relatively simple and easily understandable; we believe it is motivating and it also allows sufficient discretion to the Committee to take account of all relevant matters affecting the Group or its performance in the year. In addition, it gives discretion to the Committee to look back over each three-year period in determining the ultimate KRSP vesting outcomes. This is why we are proposing to substantially retain its structure in our new proposals.

As ever, I am very grateful for the support and guidance given to me throughout the year by my fellow members of the Remuneration Committee and for the support given to the Committee by Chelita Healy, the Company Secretary.

GRAHAM MARTIN
CHAIR OF THE REMUNERATION COMMITTEE

6 April 2023

Read more about **the 2022 bonus outcome** on page 126

Responsibilities of the Committee

The role of the Committee is to assist the Board to fulfil its responsibility to ensure that:

- Remuneration policy and practices of the Group are designed to support strategy and promote long-term sustainable success, reward fairly and responsibly, with a clear link to corporate and individual performance and having regard to statutory and regulatory requirements; and
- Executive remuneration is aligned to Group purpose and values and linked to delivery of the Group's long-term strategy.

The primary responsibilities of the Committee are to:

- Determine and agree with the Board the Group's policy on Executive remuneration;
- Within the terms of the agreed policy, determine the total individual remuneration package of the Chair, Executive Directors, Company Secretary and such other members of the senior Executive management as it is designated to consider;
- Review workforce remuneration, related policies and the alignment of incentives and rewards with culture; and
- Oversee the preparation of the Annual Report on remuneration.

See the Committee's terms of reference at www.kenmareresources.com/en/about-us/corporate-governance/remuneration-committee

The Committee gives full consideration to legal and regulatory requirements, to the principles and provisions of the 2018 UK Corporate Governance Code ("the Code") and to related guidance. The Committee also seeks to ensure that risk is properly considered in the setting of the remuneration policy, by ensuring that targets are appropriately stretching but do not lead to the taking of excessive risk.

The Committee reviews remuneration and related policies applicable to the wider workforce, ensuring that this is taken into account when setting the policy for Executive remuneration. The aim across the Group is to provide a reward package that is aligned to shareholders' interests, supports the achievement of the Company's annual and strategic objectives, is competitive against the appropriate market and is consistent with our focus on performance and our core values. This means:

- base salaries are set in line with the relevant market recognising the individual's skill, knowledge, experience levels and contribution to the role;
- high performance and exceptional contribution are recognised through in-year incentives;
- packages for leadership roles have an increased emphasis on longer-term share-based reward;
- employees with competitive post-retirement benefits in line with practices applicable in relevant jurisdictions; and
- access to a competitive and cost-effective package of other benefits as part of the total reward offering.

The Company Secretary acts as Secretary to the Committee. The Managing Director and Financial Director may be invited to attend meetings of the Committee, except when their own remuneration is being discussed. No Director is involved in the consideration of their own remuneration.

The Remuneration Committee seeks independent advice when necessary from external remuneration consultants. In 2019, the Committee conducted a competitive tender process following which PwC, which has no other connection with the Group, Company or the Directors, were retained as independent external remuneration advisors. Since then, the Committee has renewed their appointment annually. PwC is paid a fixed fee for a fixed scope of work and charges fees on a time and materials basis for work outside of the agreed scope. During the year ended 31 December 2022 the total fees payable to PwC in respect of these services was £50,500 (2021: £35,500). PwC is a member of the Remuneration Consultants Group and a signatory of that Group's Code of Practice for remuneration consultants. The Committee reviews the services and advice provided by PwC each year and is satisfied that the advice it receives is independent and objective.

Membership and meetings

The Remuneration Committee consists of Graham Martin as Chair, Deirdre Somers, and Clever Fonseca. All Committee members are Independent Non-Executive Directors. Biographical details for each of the Committee members and a description of their respective skills, expertise and experience are set out on pages 86 and 87.

The Committee formally met five times during the year but there were also a number of less formal communications throughout the year on remuneration issues between members of the Committee and with the Executive Directors.

Committee membership

	Independent:	Date of Appointment to Committee	Meetings attended
Graham Martin Chair	Yes	14/10/2016	5
Deirdre Somers Member	Yes	13/05/2021	5
Clever Fonseca Member	Yes	31/12/2021	5

Consideration of employment conditions outside the Group

The Committee reviews the remuneration of the Executive Directors in light of the remuneration of the Executive Directors of other appropriate quoted companies and in the course of 2022 considered benchmarking reports prepared by PwC in relation to the same.

Implementation of the Directors' remuneration policy

In implementing the current remuneration policy and developing the new policy, the Remuneration Committee considered the following factors set out in the Code:

- Clarity and simplicity – We believe that the remuneration package for our Executive Directors is clear and transparent, in particular the KRSP is a simple structure which cascades where appropriate down the organisation. The operation of the KRSP was simplified in 2020 by adjusting the vesting schedule so that all awards vest after three years subject to a further two-year holding period.
- Risk – The Remuneration Committee has a number of tools at its disposal to ensure that reputational and other risks are identified and mitigated. These include malus and clawback provisions in respect of both the annual bonus and the KRSP, the use of a minimum share price when determining KRSP awards to the Executive Directors at the time of the 2016 capital raise (now only applicable to the Managing Director) and the discretionary underpin on the vesting of KRSP awards. Furthermore, the Remuneration Committee has the discretion to amend the formulaic outcome of the annual bonus if the Committee believes this does not reflect the true underlying performance of the Group or the experience of shareholders. When determining the outcomes of the 2022 bonus, the Committee considered these factors and determined that the formulaic outcome was appropriate in light of the Group's performance.
- Predictability and proportionality – A range of potential remuneration outcomes under the policy can be calculated including a share price appreciation scenario. This enables shareholders to assess the impact of performance outcomes and share price appreciation on the value of remuneration for individual Directors. The 2022 bonus outcome reflected the Group's overall performance including ESG outcomes and progress in the long-term mining strategy.
- Alignment to culture – The introduction of a discretionary underpin assessment ensures that the vesting level of KRSP awards takes into account the overall business performance over the relevant three-year period, including non-financial factors such as environmental, social and governance considerations which are at the heart of our culture, values and strategy.

Directors' remuneration (audited)

The following tables set out the remuneration for Directors for the year ended 31 December 2022 and the prior year. The base salaries increased by 5% in 2022 reflecting an inflation adjustment.

	Michael Carvill				Tom Hickey[3]				Tony McCluskey[3]			
Executive Directors' remuneration[4]	**2022 $'000**	**2022 %**	**2021 $'000**	**2021 %**	**2022 $'000**	**2022 %**	**2021 $'000**	**2021 %**	**2022 $'000**	**2022 %**	**2021 $'000**	**2021 %**
Fixed Pay												
Basic salary	**618**		661		**110**		–		**313**		436	
Benefits	**7**		9		**1**		–		**3**		5	
Pension	**62**		66		**11**		–		**31**		44	
Total fixed pay	**687**	**39%**	736	65%	**122**	**69%**	–	–	**347**	**68%**	486	65%
Variable Pay												
Bonus[1]	**295**		399		**51**		–		**153**		264	
Long-term incentives												
- Kenmare Restricted Share Plan (KRSP)[2]	**778**	**–**	–		**–**		–		**–**	**–**	–	
Total variable pay	**1,073**	**61%**	399	35%	**51**	**31%**	–	–	**153**	**31%**	264	35%
Total single figure	**1,760**		1,135		**173**		–		**500**		750	

1 The 2022 performance outcome of Michael Carvill is 47.78% of salary, of Tom Hickey is 46.28% of salary and of Tony McCluskey is 48.78% of salary. Bonus in excess of 50% of salary is paid in nil-cost share options granted under the KRSP, which will vest in three years and the balance is paid in cash.

2 The value of the KRSP awards reflects the awards granted in 2020 is calculated based on an average share price of the last three months of 2022 of £4.22 and taking into account the expected reduction in vesting of 5% as a result of the performance underpin. See page 128 for more details. The vesting date for the awards is 13 May 2023 and the Committee will confirm the final vesting level at that point.

3 Tony McCluskey retired, and Tom Hickey was appointed as Financial Director of the Company on 26 September 2022. Tony McCluskey's figures represent his remuneration in respect of service as a Director of the Company.

4 The underlying currency of the Executive Directors' emoluments is Euros. The annual basic salary of Michael Carvill is €587,052 (2021: €559,097), Tom Hickey €387,443 (2021: €Nil) and Tony McCluskey €387,443 (2021: €368,984). This disclosure forms an integral part of the financial statements.

Non-Executive Directors' remuneration[1,2,3]	Basic fee 2022 $'000	Basic fee 2021 $'000	Committee Chair & Membership fee 2022 $'000	Committee Chair & Membership fee 2021 $'000	Senior Independent Director fee 2022 $'000	Senior Independent Director fee 2021 $'000	Audited total 2022 $'000	Audited total 2021 $'000
Peter Bacchus	–	68	–	25	–	11	–	104
Mette Dobel	63	–	–	–	–	–	63	–
Elaine Dorward-King	63	68	29	16	–	–	92	84
Clever Fonseca	63	68	19	13	–	–	82	81
Tim Keating	–	16	–	1	–	–	–	17
Graham Martin	63	68	34	27	10	–	107	95
Steven McTiernan	88	230	–	–	–	–	88	230
Sameer Oundhakar	63	55	–	–	–	–	63	55
Gabriel Smith	–	26	–	11	–	–	–	37
Deirdre Somers	63	68	31	20	–	–	94	88
Andrew Webb	155	6	–	–	–	–	155	6
Total	621	673	113	113	10	11	744	797

1 The fees set out in the table above relate to the period of the directorship.
2 The Non-Executive Directors' remuneration is 100% fixed. In 2022, it was agreed to increase all Non-Executive Directors' fees by 5% to reflect inflation. Prior to this there had been no increase in basic fees since 2011. The underlying currency of the fees is Euros.
3 This disclosure forms an integral part of the financial statements.

Total Directors' remuneration	Audited total 2022 $'000	Audited total 2021 $'000
Executive Directors		
Salary	1,041	1,097
Benefits	11	14
Bonus	499	663
Pension	104	110
Kenmare Restricted Share Plan (KRSP)	778	–
Total Executive Directors' remuneration	2,433	1,884
Non-Executive Directors		
Fees	744	797
Total remuneration	3,177	2,681

Executive and Non-Executive Directors' remuneration and fees for services as Directors provided to the Company and the entities controlled by the Company are $2.4 million (2021: $1.9 million) and $0.7 million (2021: $0.8 million) respectively. These figures have been calculated based on the requirements of the UK's Large and Medium-sized Companies and Groups (Accounts and Report) (Amendment) Regulations 2013 (the "Regulations"), to which the Company has regard.

2022 annual bonus award (audited)

The performance metrics for the 2022 annual bonus award sought to deliver continuous and stretching progress in relation to operational performance, cost efficiency and capital expenditure management, health and safety initiatives, and corporate objectives. Different performance targets for corporate performance were set for each Executive Director according to their roles. The maximum opportunity under the annual bonus award for 2022 was 100% of base salary for the Managing Director and Financial Director.

Tom Hickey's bonus was pro-rated for the period he was Financial Director during the year.

Performance targets and outcomes for the 2022 financial year were as follows:

2022 annual bonus outcome		Weighting %	Performance needed for pay out at: Threshold (25% of maximum vests)	Target (50% of maximum vests)	Stretch (100% of maximum vests)
Operational	Ilmenite production (tonnes)	22.0	1,125,000	1,151,000	1,225,000
	Zircon (standard & special) production (tonnes)	5.0	54,400	58,100	63,200
	Rutile production (tonnes)	1.0	9,500	10,700	11,500
	Concentrates production (tonnes)	2.0	40,300	42,900	46,800
Financial	EBITDA ($m)	10.0	227.8	268.0	308.2
	Cash operating costs ($m)	10.0	210.0	200.0	190.0
	Cash operating cost per tonne ($/t)	5.0	171.0	159.5	148.0
	Average share price in December 2022 (including dividends paid in 2022) (£ per share)	5.0	5.23	5.67	6.11
Environmental, Social and Governance (ESG)					
Safe & Engaged Workforce	Lost Time Injury Frequency Rate (LTIFR) per 200,000 hours worked	2.5	0.18	0.14	0.11
	All Injuries Frequency Rate (AIFR)	2.5	1.84	1.75	1.65
	Health – Malaria reduction and THRIVE	2.0	Implementation of the malaria vector control programme and ongoing implementation of the THRIVE programme.		
	Gender diversity (% of female staff at the Mine)	2.0	13.0	13.5	14.0
	Staff engagement	1.0	Implementation of the 2020 staff survey results, conduct a staff survey in 2022 and publish results.		
A healthy, natural environment	Land management	3.0	Quality land rehabilitation. Successful execution of expanded agroforestry and soil improvement trial. Update Environmental Management Plan (EMP) and Rehabilitation Plan to create balance of biodiversity, food security and carbon sequestration.		
	Water stewardship	2.0	Development of water accounting framework and accounting in line with ICMM guidelines. Establish accurate current water re-use rate (total water) and set 2023 target.		
	Emission reduction & energy efficiency	3.0	Concept study completed on partial electrification of dryers and diesel reheaters. MSP dryer diesel consumption improvement on prior year. Mature biofuels options understanding.		
Thriving Communities	Local procurement	2.0	Increase operating expenditure with Mozambican suppliers. Increase number of contracts entered into with local suppliers.		
	Socio-economic impact	2.0	Improvement in repayment of loans from micro-businesses; numeracy and literacy rates among school children; and water quality.		
Trusted Business	Sustainable supply chain	2.0	Audit of suppliers against our sustainability questionnaire.		
	Security	1.0	Training of external security forces in Voluntary Principles on Security and Human Rights and implement the 2022 tactical plan relating to the Mine's security strategy.		
Project Execution	Long-term strategy	10.0	Nataka mining trials successfully delivered. Nataka PFS delivered. Nataka DFS well underway. Additional growth plans developed.		
Corporate, Leadership, Vision and Values		5.0	The Committee considered how each Executive performed in terms of the Board's expectations of his role, including: leadership, strategic vision and planning, business development, succession planning and alignment with the company's vision and values.		
Total		100.0			

1 Formulaic level of award equates to the weighting multiplied by the proportion of element vesting.

Performance achieved		Proportion of element	2022 %
1,088,300		0.0	0.00
58,400		53.0	2.65
8,900		0.0	0.00
45,200		79.5	1.59
299.2		88.7	8.87
211.9		0.0	0.00
176.4		0.0	0.00
4.55		0.0	0.00
0.09		100.0	2.50
1.12		100.0	2.50
	In relation to the malaria vector programme Kenmare had to establish a new partner, Centro de Investigação em Saúde de Manhiça (CISM) during the year, resulting in less progress being made than expected. In relation to THRIVE, participation in and awareness of the programme has increased in the year and so target was achieved.	25.0	0.50
14.5		100.0	2.00
	Target achieved in that the engagement survey actions were implemented, with the exception of the career path project which is ongoing. The 2022 engagement survey was conducted.	50.0	0.50
	191 hectares were rehabilitated during the year and so the stretch target was achieved in land rehabilitation. The agroforestry KPI was not achieved. The stretch target was achieved in the EMP and Rehabilitation Plan. Local authorities have no objection to the plans and local communities have engaged with the plans. Formal approval will be sought in 2023 when the EMP is submitted.	66.6	2.00
	70% of the action items from the gap analysis were completed. The development of the detailed water balance for water accounting by UoQ is in progress. The water re-use plan has been successfully implemented with the completion of the new finishing pond at WCP B and the use of existing available Godwin pump. The stretch targets were therefore achieved.	100.0	2.00
	An engineering option to reduce 40% of the diesel from dryers using electricity was identified. Dryer maintenance projects implemented delivered 7% improvement on diesel efficiency in 2022. Initial investigations into biofuels were conducted. The stretch targets were therefore achieved.	100.0	3.00
	Local spend (excluding electricity and fuel) increased by 12%. Eleven new contracts were signed with local suppliers. Stretch targets were achieved.	100.0	2.00
	For micro-businesses financial management the target achieved. For education and water quality objectives the threshold was achieved.	33.5	0.67
	Stretch target achieved with all on-site suppliers audited.	100.0	2.00
	Training in the Voluntary Principles was delivered to 290 public security force personnel. The security strategy delivered significant improvement to security metrics. Stretch target achieved.	100.0	1.00
	Continue work on the Nataka PFS to optimise operating and capital costs.	100.0	10.0
		50.0-100.0	2.5-5.0
			46.28% – 48.78%

Read more about **our remuneration policy** on page 135

Overall, the outcome of the scorecard and therefore outcome for Michael Carvill was 47.78% of maximum, for Tom Hickey was 46.28% of maximum and for Tony McCluskey was 48.78% of maximum. The Committee believes this appropriately reflects the Executive Directors' performance during the year and the Group's results, and therefore has not applied further discretion to this outcome. In accordance with the Policy, as the bonuses were less than 50% of salary, 100% of the 2022 annual bonus award was paid in cash.

Vesting of the 2020 KRSP awards

The KRSP awards granted on 13 May 2020 vest subject to continued employment and an underpin based on the Remuneration Committee's judgement of Company and individual performance over the three-year vesting period. The underpin provides the Committee with the ability to take a holistic view of the Company's performance to ensure that the vesting level is appropriate.

For the 2020 award, the underpin included the following four core elements to be considered as part of the assessment (although the Committee may consider other factors in addition to these):

- operational performance outcomes under the annual bonus scorecard over the three-year period;
- share price performance since grant;
- environmental, social and governance performance; and
- major strategic or project decisions and return on investment.

In advance of the awards vesting in May 2023, the Committee has conducted an initial assessment of the underpin. The Committee notes that absolute share price performance (86% growth from January 2020 to December 2022) and performance relative to peers have both been strong. As part of this assessment, the Committee considered whether there has been a windfall gain. The Committee notes that the 2020 KRSP awards were granted at the underpin price (£2.32), which was circa 10% higher the market price on the date of grant, and so there has already been an adjustment to the number of shares granted. Furthermore, the underpin price also applied to the 2019 KRSP awards (with the share price over 2019 being consistently below the underpin price) and therefore the number of shares granted to the Executive Directors in 2020 was broadly the same as in 2019.

Delivery of ESG targets has also been strong over 2020, 2021 and 2022, with no significant ESG issues or health and safety incidents during this time. Bonus outcomes for 2020, 2021 and 2022 have averaged around 57% of maximum (slightly ahead of target), with some key production targets (such as ilmenite and rutile production) missed in each of the three years, although marginally in some cases. Project delivery has generally been successful, but some projects have run over budget and schedule.

Taking all of this into account, the Committee has provisionally determined that a reduction to the vesting of 5% should be made to the awards. The Committee will confirm the final vesting level in May 2023, with any changes outlined in next year's remuneration report.

Total pension entitlements

Pension provision for the Executive Directors was made in 2022 based on 10% of base salary, in line with the remuneration policy and the contributions for the Kenmare corporate staff. In lieu of his pension contribution Tom Hickey receives this amount in cash. Fees paid to Non-Executive Directors are not pensionable. No Director has a prospective entitlement to a defined benefit pension by reference to their service as a Director.

Payments for loss of office (audited)

No payments for loss of office were made during the year. Tony McCluskey stepped down as Director of the Company on 26 September 2022. The Committee determined that he would be treated as a "good leaver" by reason of retirement in accordance with the Directors' remuneration policy and KRSP rules. As outlined on page 128, the expected vesting outcome in relation to the 2020 KRSP award is 95%, equivalent to 98,563 shares for Tony McCluskey with value £0.4 million based on the average share price over the final three months of 2022 (£4.22). The vesting date for the awards is 13 May 2023 and the Committee will confirm the final vesting level at this time. Details of Tony McCluskey's outstanding share awards are set out on page 130.

Payments to past Directors (audited)

Terence Fitzpatrick stepped down as a Director on 1 July 2018 but has remained an employee of the Company. His salary is for his services as an employee and not loss of office compensation. During the year contributions of $30,450 (2021: $30,450) were paid into his pension.

Tony McCluskey stepped down as a Director on 26 September 2022 but has remained an employee of the Company. To assist with the transition to his successor, Tom Hickey, and with other corporate activities with which he was closely involved, Tony McCluskey has been retained as an employee of the Company on a reduced salary from 1 January 2023 until 18 May 2023. His salary is for his services as an employee and not loss of office compensation. Following his retirement from the Board, contributions of $9,900 were paid into his pension in 2022.

Directors' and Secretary's shareholdings (audited)

The interests of the Secretary and Directors who held office during 2022, their spouses and minor children, in the ordinary share capital of the Company, other than pursuant to share options or share awards, were as set out below:

	Shares held 31 March 2023	Shares held 31 December 2022	Shares held 1 January 2022
Michael Carvill[1]	**377,621**	**377,621**	301,559
Mette Dobel	–	–	–
Elaine Dorward-King	**10,000**	10,000	10,000
Clever Fonseca	**970**	970	970
Tom Hickey	**40,000**	40,000	–
Graham Martin	**100,000**	100,000	100,000
Tony McCluskey	**138,315**	116,661	182,463
Steven McTiernan	**176,219**	228,607	228,607
Sameer Oundhakar	–	–	–
Deirdre Somers	**3,940**	3,940	3,940
Andrew Webb	–	–	–
Chelita Healy (Secretary)	–	–	–

1 99,385 shares held by Rostrevor One Limited, a company controlled by Michael Carvill are included in his holding.

Share awards scheme (audited)

		Number of nil-cost options (excluding dividend equivalents unless stated otherwise)							
Name	Share Plan	At 1 Jan 2022	Awarded	Vested & exercised	Lapsed or Forfeited	At 31 Dec 2022	Date of grant	Exercise period	Market price at exercise £
Michael Carvill	KRSP	26,893	2,901[1]	(29,794)	–	–	26 May 2017	26/05/2021-26/05/2024	£4.85
	KRSP	59,744	1,863[1]	(31,735)	–	29,872	15 March 2018	15/03/2021-15/03/2025	£4.54
	KRSP	152,074	5,689[1]	(96,934)	–	60,829	15 March 2019	15/03/2022-15/03/2026	£4.54
	KRSP	157,206		–	–	157,206	13 May 2020	13/05/2023-13/05/2027	
	KRSP	120,066		–	–	120,066	28 April 2021	28/04/2024-28/04/2028	
	KRSP Deferred bonus	13,864		–	–	13,864	28 April 2021	28/04/2024-28/04/2028	
	KRSP	–	119,730	–	–	119,730	5 April 2022	5/04/2025-5/04/2029	
Totals		**529,847**	**130,183**	**(158,463)**	**–**	**501,567**			
Tony McCluskey	KRSP	17,748	1,914[1]	(19,662)	–	–	26 May 2017	26/05/2021-26/05/2024	£4.85
	KRSP	39,430	1,229[1]	(20,944)	–	19,715	15 March 2018	15/03/2023-15/09/2023[2]	£4.50
	KRSP	100,364	3,755[1]	(63,973)	(3,318)[3]				
					–	20,073	15 March 2019	18/05/2023-18/11/2023[2]	£4.50
						16,755	15 March 2019	18/05/2023-18/11/2023[4]	
	KRSP	103,750		–	–	103,750	13 May 2020	13/05/2023-13/11/2023[2]	
	KRSP	79,239		–	(25,015)[3]	54,224	28 April 2021	28/04/2024-28/10/2024[2]	
	KRSP Deferred bonus	7,393		–	–	7,393	28 April 2021	18/5/2023-18/11/2023[4]	
	KRSP	–	71,909	–	(45,140)[3]	26,769	5 April 2022	5/04/2025-5/10/2025[2]	
	KRSP Deferred bonus	–	7,109	–	–	7,109	5 April 2022	18/5/2023-18/11/2023[4]	
Totals		**347,924**	**85,916**	**(104,579)**	**(73,473)**	**255,787**			
Tom Hickey	KRSP	–	91,829			91,829	28 Sept 2022	28/09/2025-28/09/2029	
Totals		**–**	**91,829**	**–**	**–**	**91,829**			
Chelita Healy	KRSP	2,158		–	–	2,158	28 April 2021	28/04/2024-28/04/2028	
	KRSP	–	4,696	–	–	4,696	5 April 2022	5/04/2025-5/04/2029	
Totals		**2,158**	**4,696**	**–**	**–**	**6,854**			

1 Dividend equivalent entitlements relating to share awards vesting.
2 Exercise period reduced to six months as a result of termination of employment, in accordance with KRSP rules.
3 Shares forfeited as a result on pro-rating on termination of employment, in accordance with KRSP rules.
4 Vesting date accelerated to date of termination of employment, agreed by Board exercising discretion under the KRSP rules.

The aggregate gain on awards that vested during the year for Executive Directors was $1.5 million (2021: $1.2 million).

In the case of the Executive Directors, the KRSP awards made prior to 2020 vest, subject to continued employment, 60% on the third anniversary of grant date, 20% on fourth anniversary, and 20% on fifth anniversary.

The Executive Directors' 2020, 2021 and 2022 KRSP awards vest, subject to continued employment and to the Remuneration Committee's assessment against a discretionary underpin, on the third anniversary of grant date. The vested KRSP awards are subject to a two-year holding period which may extend beyond an Executive Director's cessation of employment in accordance with the post-employment holding requirements of the 2020 remuneration policy.

The 2022 awards for Michael Carvill and Tony McCluskey represent 100% of base salary based on a share price of £4.52; the average closing price of the Company's shares during the five trading days following announcement of the Company's preliminary results for 2021. The value of these awards totalled £0.5 million for Michael Carvill and £0.3 million for Tony McCluskey. Tom Hickey was granted a KRSP award following his appointment to the Board. This represents 110% of base salary based on a share price of £4.08; the average closing price of the Company's shares during the five trading days before the date of award. The value of this award totalled £0.4 million.

In the case of Chelita Healy the above KRSP awards vest, subject to continued employment, on the third anniversary of grant date. Non-Executive Directors do not receive awards under share plans.

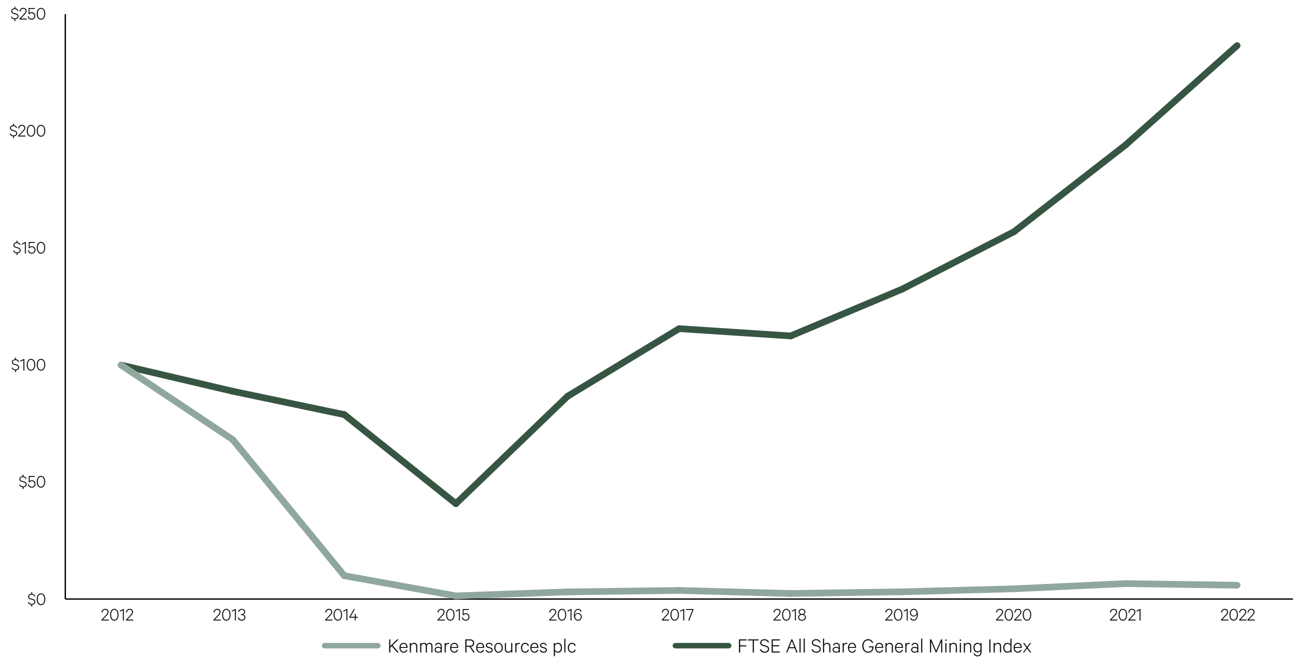
Executive Directors' shareholding requirement

In accordance with the current remuneration policy, the Executive Directors are required to build up shareholdings equal to 250% of their respective salaries. This requirement can be met both by shareholdings held by the Executive Directors (directly or indirectly) and, on a net of tax basis, by unvested share awards that are not subject to performance or underpin conditions. As of 31 December 2022, the shareholding of Michael Carvill exceeded this requirement. As of 26 September 2022, (the date of his retirement from the Board), the shareholding of Tony McCluskey exceeded this requirement. Tom Hickey, having joined the Board on 26 September 2022, has not yet met the requirement.

Performance graph and table

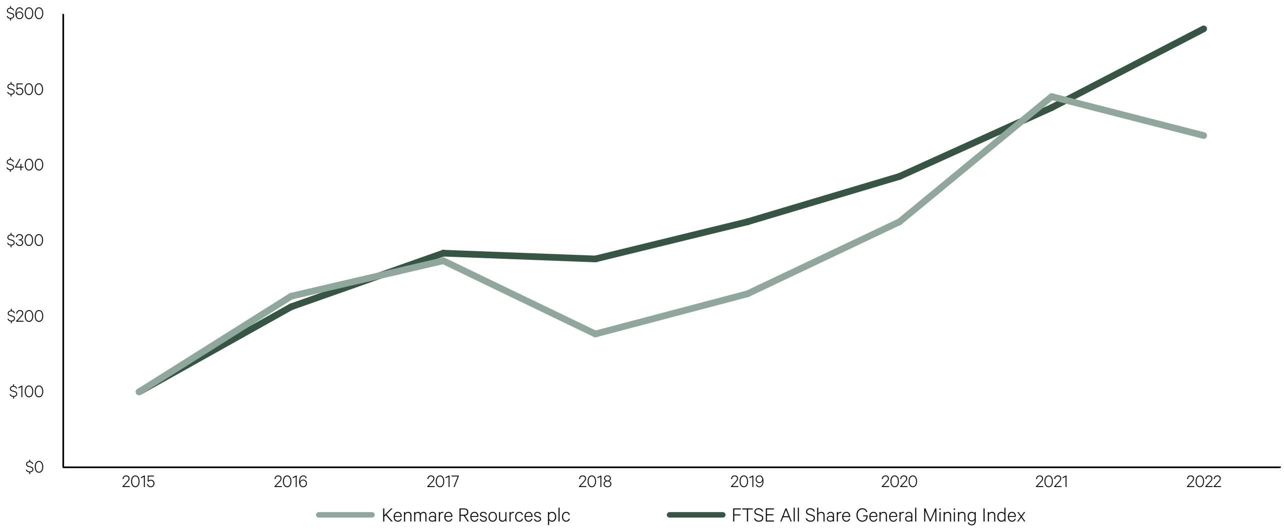
The value at 31 December 2022 of $100 invested in the Group in 2012 compared with the value of $100 invested in the FTSE All Share Mining Index, as this is a relevant sector index of which Kenmare is a constituent, is shown in the graph below.

VALUE AT 31 DECEMBER 2022 OF $100 INVESTMENT AT 31 DECEMBER 2012



The statutory chart above includes a period prior to the capital raise in 2016. The share price declined significantly during this period due to a number of factors, including challenging commodity markets. However, Kenmare's share price performance since the 2016 capital raise has been strong (with the share price as at 31 December 2022 being £4.39, which was 89% above the 2016 capital raise price of £2.32). As this performance is not easily visible in the statutory chart above, we therefore present a chart on the next page prepared on the same basis but starting from 31 December 2015.

VALUE AT 31 DECEMBER 2022 OF $100 INVESTMENT AT 31 DECEMBER 2015



The remuneration paid to the Managing Director in the past 10 years is set out below:

		Single figure of total remuneration $'000	Bonus pay-out (as % maximum opportunity)	Long-term incentive vesting rates (as % maximum opportunity)
2022	Michael Carvill	1,760	48%	95%
2021	Michael Carvill	1,135	60%	N/A
2020	Michael Carvill	1,070	62%	N/A
2019	Michael Carvill	1,444	47%	25%
2018	Michael Carvill	1,652	58%	83.3%
2017	Michael Carvill	1,528	59%	0%
2016	Michael Carvill	1,340	66%(i)	N/A
2015	Michael Carvill	744	22%(i)	N/A
2014	Michael Carvill	967	26%(i)	N/A
2013	Michael Carvill	809	0%	0%

(i) Amount shown reflects the cash and deferred share award under the Kenmare Incentive Plan (KIP), part of which was conditional on long-term performance.

Percentage change in remuneration and Company performance

Annual change	2022 %	2021 %	2020 %
Directors' remuneration			
Executive Directors			
Michael Carvill, Managing Director	**55%**	6%	(26%)
Tom Hickey, Financial Director	**N/A**	N/A	N/A
Tony McCluskey, Financial Director	**(33%)**	7%	(28%)
Non-Executive Directors (i)			
Elaine Dorward-King	**11%**	(10%)	29%
Clever Fonseca	**1%**	4%	18%
Graham Martin	**13%**	6%	6%
Steven McTiernan	**(62%)**	7%	0%
Sameer Oundhakar	**15%**	N/A	N/A
Deirdre Somers	**9%**	226%	N/A
Andrew Webb	**2,483%**	N/A	N/A
Group performance			
Net profit	**60%**	669%	(63%)
Employee average remuneration on a full-time equivalent basis			
Employees of the Company Kenmare Resources plc	**8%**	10%	7%

(i) The changes in the Non-Executive Directors' fees are a result of changes to Board and/or Committee composition and responsibilities during 2022 and the fact that the underlying currency of the fees is Euros.

Relative importance of spend on pay

Annual change	2022 $'000	2021 $'000	Change
Overall spend on pay including Directors	55,907	46,712	20%
Profit distributed by way of dividend and share back	34,726	97,983	(65%)
Group cash operating costs	216,700	191,800	13%

Average employee numbers throughout the Group increased from 1,551 in 2021 to 1,662 in 2022.

Group cash operating costs have been included in the table in order to give a context to spend on pay relative to the overall cash operating costs.

Statement of implementation of policy in 2023 (audited)

Base salary

The base salaries for 2023 will increase by 7% reflecting an inflationary adjustment which is below the wider Kenmare corporate staff increase of 9%. These are set out below:

Executive Director	2023 $'000	2020 $'000	% Change
Michael Carvill	661	618	7
Tom Hickey	437	408	7

The underlying currency of Michael Carvill and Tom Hickey's base salaries is Euro. The US Dollar figures shown above for 2023 have been calculated using the average 2022 Euro to US Dollar exchange rate. The final US Dollar figure for 2023 will vary depending on exchange rate movements.

Annual bonus

The incentive opportunity for the Executive Directors under the incentive scheme for 2023 will be as follows:

Executive Director	On-target incentive (% of salary)	Maximum incentive (% of salary)
Michael Carvill	50	100
Tom Hickey	50	100

The performance metrics for 2023 annual bonuses and their associated weightings are as follows:

Area	Measure	Weight[i]
Operational	Ilmenite, zircon, rutile and concentrates production volumes	25%
Financial	EBITDA	15%
	Total cash operating costs	10%
	TSR	5%
ESG	Safe & Engaged Workforce A Healthy, Natural Environment Thriving Communities Trusted Business	25%
Strategic & Project Execution		15%
Corporate		5%

i The targets for the Managing Director and Financial Director will be the same for all metrics except for the corporate category, where the Remuneration Committee will determine appropriate splits reflecting their respective responsibilities and challenges in these areas in 2023.

The targets have not been disclosed due to commercial sensitivity but will be disclosed in the 2023 Annual Report on remuneration. The performance metrics as set out above seek to deliver ongoing progress in relation to operational performance, cost efficiency, ESG, and strategic corporate objectives. The performance targets associated with the quantitative measures are in line with guidance issued in January 2023.

Kenmare Restricted Share Plan

The maximum award level for the Executive Directors under the KRSP for 2023 will be 100% of base salary. For the Managing Director only, the share price used to determine the award levels will not be less than £2.32, the open offer price for the 2016 capital raise.

In addition to the assessment of the appropriate award level prior to grant, the Remuneration Committee will also undertake a discretionary underpin performance assessment prior to vesting. The assessment of the underpin will consider Company and individual performance over the three-year vesting period. This provides the Committee with the ability to take a holistic view of the Company's performance to ensure that the vesting level is appropriate.

The following five core elements will be considered as part of the underpin assessment, although the Committee may consider other factors in addition to these:

- Operational performance outcomes under the annual bonus scorecard over the three-year period;
- Share price performance since grant;
- ESG performance;
- Major strategic or project decisions and return on investment; and
- The long-term strategic vision for the Company.

The Committee does not intend to set fixed, quantitative underpins in respect of these factors. Instead, in completing its assessment, the Committee may consider the following questions:

- Has operational performance been below threshold in any year during the vesting period? If so, has this been offset by performance in a prior or subsequent year?
- Has absolute TSR been positive over the vesting period? Has relative TSR performance been satisfactory?
- Have there been any adverse ESG issues arising during the vesting period, or any significant health and safety incidents?
- For major projects which have commenced during the vesting period, what progress has been made? For major projects that have been completed during the vesting period, what were the outcomes against original expectations and how do these translate to returns to shareholders?
- The long-term strategic vision is an evolving three to five-year plan. How has it been advanced in the three-year KRSP vesting period? If there have been material changes, were these communicated to and agreed by the Board?

In making an adjustment to vesting levels, the Committee will also consider the extent to which the matter has already been reflected in the annual bonus scheme outcomes. Furthermore, the Committee will consider these factors in both an individual and collective context, meaning that there may be different vesting levels for each participant.

Malus and clawback provisions will apply, as set out in the Directors' remuneration policy. Awards will be subject to malus during the vesting period. Clawback will apply for two years post-vesting.

Statement of voting at AGM

The table below shows the outcome of the advisory vote on the Directors' Remuneration Report at the 2022 AGM and the Directors' remuneration policy at the 2020 AGM.

Item	Votes for	%	Votes against	%	Votes withheld
Advisory vote on 2021 Directors' Remuneration Report	73,221,015	98.87	837,362	1.13	35,030
Advisory vote on Directors' remuneration policy	70,960,538	91.02	6,997,155	8.98	11,440

This report was approved by the Board of Directors and signed on its behalf by:

GRAHAM MARTIN
CHAIR OF THE REMUNERATION COMMITTEE

6 April 2023

REMUNERATION POLICY REPORT

The policy complies with the Companies Act 2014 and, on a voluntary basis, with the regulations set out in the UK's Large and Medium-sized Companies and Groups (Accounts and Report) Regulations 2008 (as amended in 2013, 2019 and 2020) (together "the Regulations"). In accordance with the Companies Act 2014, the vote on the policy at the Company's forthcoming AGM will be advisory only, and not binding, but if the policy is not approved by that advisory vote, the current policy will continue to apply and the Company will prepare a revised remuneration policy and hold an advisory vote in respect of that revised policy at the following General Meeting. It is intended that the new policy will apply for three years from the date of the AGM.

Principles

Kenmare's remuneration policy is designed to support the strategy, long-term interests and sustainability of the business by providing levels of remuneration that attract, motivate and retain Directors of the highest calibre who can contribute their experience to the Group's operations. The Board seeks to align the long-term interests of Executive Directors with those of shareholders, within the framework set out in the UK Corporate Governance Code (the "Code").

The Remuneration Committee seeks to ensure:

- that Executive Directors are rewarded in a fair and balanced way for their individual and team contribution to the Group's performance;
- that Executive Directors receive a level of remuneration that is appropriate to their scale of responsibility and individual performance;
- that the overall approach to remuneration has regard to the mining sector and the global markets from which it draws its Executive Directors;
- that risk is properly considered in setting remuneration policy and in determining remuneration packages, with a focus on simplicity, transparency and the promotion of long-term alignment with shareholders; and
- no Director is involved in the consideration of his or her own remuneration.

Key changes to the Executive Directors' remuneration policy from the previous policy

The current remuneration policy is due for renewal at the 2023 AGM. However, in the view of the Committee, it remains fit for purpose. Therefore we are seeking approval only to make minor adjustments, with the key features of the policy unchanged.

The table below sets out the proposed changes from the previous policy and the rationale for these changes.

Component of the Policy / implementation of the Policy	Proposed change to the Policy or implementation of the Policy	Rationale
KRSP – underpins *(Implementation of Policy)*	• The Committee considers five key questions when assessing the discretionary underpin on KRSP shares at vesting, looking at shareholder experience, operational performance, ESG issues, the long-term strategic vision for the Company and progress on major projects. • We will strengthen the underpin question related to shareholder experience by replacing *"Has there been a material decline in the share price or failure to meet shareholder expectations for growth?"* with *"Has absolute TSR been positive over the vesting period? Has relative TSR performance been satisfactory?"* • The other areas considered as part of the assessment undertaken by the Committee will remain unchanged.	• To deliver increased alignment with long-term shareholder interest and to ensure that vesting levels of the KRSP reflect both Company performance and shareholder experience over the period. This change will apply to awards granted in 2023 and thereafter.
KRSP – leaver provisions *(Policy)*	• Amend the "good leaver" provisions of the policy to bring them in line with the KRSP rules and give the Committee the discretion to dis-apply time pro-rating for a "good leaver". The default "good leaver" treatment for Executive Directors will remain that awards are pro-rated for time. • If the Committee exercises this flexibility, vesting of the KRSP awards would not be accelerated and so they would still vest in accordance with the usual timescales and would still be subject to the underpins and the two-year post-vesting holding period.	• Ensures that the Policy reflects the scheme rules and gives additional flexibility to the Committee in line with typical market practice. • Aligns treatment of Executive Directors with other participants of the KRSP.

Remuneration policy for 2023 onwards

The main components of the remuneration policy and how they are linked to and support the Group's business strategy are summarised in the table below. The policy covers all remuneration payments to Directors, and includes no provisions for derogations.

Element of remuneration	How the element supports our strategic objectives	Operation of the element including any provision for malus or clawback	Maximum potential value	Performance metrics, weighting, minimum payout and time period (where applicable)
Base salary	Supports the recruitment and retention of Executive Directors recognising the scope and responsibility of the roles and the individual's skills and experience.	Reviewed annually with increases generally effective from 1 January. When determining levels, consideration is given to: • Group performance; • the performance of the Executive Director over the previous 12 months; • the salary review budget for all employees for the coming year; • retention risk and the ability to replace higher value skills if needed in the market; • benchmarking data of other UK and Irish listed companies of similar market capitalisation and practice in the global mining sector; • inflation; and • the rewards, incentives and conditions available to the Group's workforce.	Base salary reviews for Executive Directors are at the discretion of the Remuneration Committee but will generally be increased by no more than the cost of living and with consideration to general Group increases. The exceptions may include circumstances where: • there is a significant movement in the benchmarking data for that role; or • an individual is brought in below market level with a view to increasing base pay over time to reflect proven competence in role; or • there is a material increase in scope or responsibility of the Executive Director's role.	None.

Element of remuneration	How the element supports our strategic objectives	Operation of the element including any provision for malus or clawback	Maximum potential value	Performance metrics, weighting, minimum payout and time period (where applicable)
Benefits	Provides market competitive benefits to support Executive Directors in carrying out their duties.	Benefits include holiday and sick pay, family health insurance, permanent health insurance, life assurance and an annual health check. The Managing Director has a Company car. The Group also reimburses the Executive Directors in respect of all expenses reasonably incurred by them in the proper performance of their duties. The Company may introduce new benefits that are, or become, prevalent in a jurisdiction in which it operates and in which a Director is located or are considered necessary to support Executive Directors in the execution of their duties.	Set at a level appropriate to the individual's role and circumstances. The maximum opportunity will depend on the type of benefit and cost of its provision, which will vary according to the market and individual circumstances.	None.
Pension	To provide a market competitive remuneration package by facilitating long-term saving for retirement.	Each Executive Director is entitled to receive a payment into the Company's Group personal pension plan or their private pension arrangements, or alternatively a salary supplement in lieu of such a contribution.	The maximum pension contribution for Executive Directors is in line with the rate for staff based in Ireland (currently 10% of salary).	None.

Element of remuneration	How the element supports our strategic objectives	Operation of the element including any provision for malus or clawback	Maximum potential value	Performance metrics, weighting, minimum payout and time period (where applicable)
Annual bonus	To ensure a market-competitive package and to incentivise Executive Directors to achieve the Group's business objectives.	Based on the level of performance over the financial year, the annual bonus will be paid in cash shortly after the end of the relevant financial year up to a maximum cash payment of 50% of base salary. Where the annual bonus achieved exceeds 50% of base salary, Executive Directors will be granted restricted shares under the KRSP in respect of the excess outcome above this level, which will vest three years from grant. If the Remuneration Committee, in exceptional circumstances, believes that payment in cash is not appropriate it will instead be able to make an award of shares under the KRSP of equivalent value. Such restricted shares would not be subject to forfeiture but would be subject to a minimum retention period. Clawback will apply to cash annual bonus awards for two years from the date of payment. Annual bonus awards made in the form of restricted shares will be subject to malus during the vesting period. Clawback will apply to these for two years post-vesting.	The maximum annual opportunity is 100% of base salary. The payout for threshold and target performance will not normally exceed 25% and 50% of maximum respectively.	Performance is measured over the financial year. Performance metrics and targets are determined at the start of each year by the Remuneration Committee and will consist of a balanced scorecard of financial and non-financial measures. The Remuneration Committee has the discretion to vary the weighting of the metrics or to substitute different measures over the lifetime of the policy to take account of changes in business strategy and/or external market conditions, but a significant proportion of the bonus scorecard will be weighted towards financial and operational metrics. The targets and actual levels of performance will be disclosed retrospectively within the implementation section of the Company's Directors' Remuneration Report. The Remuneration Committee will have the discretion to adjust the results of the outcome of the scorecard if it believes this does not accurately reflect the underlying performance or align with the experience of shareholders.

Element of remuneration	How the element supports our strategic objectives	Operation of the element including any provision for malus or clawback	Maximum potential value	Performance metrics, weighting, minimum payout and time period (where applicable)
Share awards under the Kenmare Restricted Share Plan ("KRSP")	To increase shareholder alignment by providing Executive Directors with longer-term interests in shares.	Annual awards of shares will be made under the Kenmare Restricted Share Plan. The awards will vest on the third anniversary of grant subject to continued employment and the Remuneration Committee's assessment against a discretionary underpin. Vested shares are then subject to a further two-year holding period. Participants may sell sufficient shares at the point of vesting to cover their tax liabilities. Awards will be subject to malus during the vesting period. Clawback will apply for two years post-vesting. Awards made under the KRSP may carry an entitlement to dividend equivalents in respect of dividends paid between grant and vesting.	The maximum award level in any year is 100% of base salary.	The Remuneration Committee will use its discretion to consider the appropriate level of award (including making no award) if it believes this is appropriate in light of the Group's performance and that of the individual Executive Director at the time of making of the award. The share price used to determine the award levels will normally be the share price shortly before the date of grant. However, for the current Managing Director only, the share price used will not be less than the open offer price for the 2016 capital raise (£2.32). Vesting of the award will be subject to a performance underpin based on a number of corporate indicators. The Committee will consider whether performance against such indicators has been adequately adjusted for under the annual bonus outcome when considering their use of discretion. The underpin has no predetermined targets and will be assessed retrospectively based on performance over the three-year vesting period. The Committee will provide a full disclosure of their assessment within the Directors' remuneration report.

Element of remuneration	How the element supports our strategic objectives	Operation of the element including any provision for malus or clawback	Maximum potential value	Performance metrics, weighting, minimum payout and time period (where applicable)
Shareholding requirement	To strengthen the alignment between the interests of Executive Directors and those of shareholders.	Executive Directors' shareholding measured after the five-year period from their date of appointment.	Shareholding requirement during employment of 250% of salary. Post-cessation shareholding requirement of 100% of the in-employment shareholding requirement (or actual shareholding on departure if lower) for two years post-employment. Unvested shares which are not subject to performance or underpin conditions will count towards the shareholding requirement on a net of tax basis. The post-cessation shareholding requirement applies to awards granted after the 2020 AGM. This will not apply to shares purchased voluntarily from an Executive Director's own funds.	N/A
Non-Executive Director fees	To provide a level of fees to support recruitment and retention of Non-Executive Directors with the necessary experience and ability to make a significant contribution to the Group's activities.	The Non-Executive Directors are remunerated entirely through fees. A base fee is payable to each Non-Executive Director with additional fees payable for additional responsibilities such as Committee membership or Chairing a Committee. They are not eligible to receive any performance-related remuneration nor do they hold share options.	The fees paid to the Non-Executive Directors are set at a level to attract individuals with the necessary experience and ability to make a significant contribution to the Group's activities, while also reflecting the time commitment and responsibility of the role.	None.

Notes to the future policy table performance measures and targets

The Remuneration Committee will select performance conditions for the Annual Bonus which reflect the Group's overall strategy and are the key metrics used by the Executive Directors to oversee the operation of the business. They will be determined annually. They typically include production, financial and non-financial performance criteria. In the past, they have, for example, related to areas such as mineral production targets, EBITDA, production costs, community safety, environmental compliance and health and safety (both workforce and community related). The performance criteria for 2022 are described on pages 126-127 and those for 2021 are described on pages 110 and 111 of the 2021 Annual Report. The Remuneration Committee is of the opinion that the performance targets for the Annual Bonus are commercially sensitive in respect of the Group and that it would be detrimental to the interests of the Group to disclose them before the start of the financial year. The targets will therefore be disclosed after the end of the relevant financial year in that year's Remuneration report.

The Committee believes that the KRSP will continue to provide an opportunity for the Executive Directors to build meaningful shareholdings in the Company and therefore further align the longer-term experience of shareholders and management. The performance underpin ensures that the Committee has the ability to reduce vesting outcomes if Group or individual performance does not warrant full vesting of the award. The underpin will not be assessed based on predetermined targets; it will be a discretionary retrospective assessment and the Committee will provide a full disclosure of its assessment. The Remuneration Committee intends to use a broad range of corporate indicators which are intended to reflect overall performance of the Group during the vesting period.

Approach to recruitment remuneration

Components	Policy
General	The Committee's approach to recruitment remuneration is to pay competitively to attract the appropriate high-calibre candidate to the role. Our expectation is that the pay of any new recruit would be assessed using the same principles as for the existing Executive Directors.
Base salary and benefits	The base salary will be set taking into account the responsibilities of the individual and the salaries paid to similar roles in comparable companies and countries as per our base salary policy. The Executive Director will be eligible to receive benefits in line with Kenmare's benefits policy as set out in the remuneration table.
Pension	The Executive Director will be eligible to receive pension benefits equal in value up to 10% of salary in line with our pension policy.
Annual bonus	Up to 100% of base salary in line with our policy.
Kenmare Restricted Share Plan	Up to 100% of base salary in line with our policy.
Sign on payments/ recruitment awards	Payments to an Executive Director may be made on a case-by-case basis and where considered by the Remuneration Committee to be necessary. Newly recruited Executive Directors will be entitled to an award of restricted shares of up to 150% of salary in the financial year in which they join the Board (i.e. 50% more than the standard annual KRSP award). Awards above 100% of salary under the KRSP may have performance conditions attached.
Share buy outs/ replacement awards	Awards may be granted to replace those forfeited by the Executive Director on taking up the appointment where considered by the Remuneration Committee to be appropriate. The Committee will seek to structure any replacement awards such that they are no more generous in terms of quantum or vesting period than the awards due to be forfeited. In determining quantum and structure of these commitments, the Committee will seek to replicate the value and, as far as practicable, the timing and performance requirements of remuneration foregone.
Relocation policies	In instances where the new Executive Director is required to relocate or spend significant time away from their normal residence, the Company may provide compensation to reflect the cost of relocation for the Executive Director. The level of the relocation package will be assessed on a case-by-case basis but will take into consideration any cost of living differences/housing allowance/schooling.

Service contracts

The Company's policy is that Executive Directors should have a notice period of no more than 12 months. The Company may terminate the Managing Director's contract with 12 months' notice and the Financial Director's contract with 6 months' notice. The Financial Director may terminate with three months' notice; the Managing Director agreed in the course of the year to amend his terms so that he is required to give six months' notice of termination. Notice periods in the event of a change of control are set out below

As a listed company, all of the Executive Directors and Non-Executive Directors are subject to annual re-election at the AGM. The Financial Director's contract is subject to a retirement age of 65; the Remuneration Committee considered it in the best interests of the Company to remove the retirement age from the Managing Director's contract.

In the event of termination, the Remuneration Committee will agree an appropriate termination payment for the relevant individual reflecting the circumstances, service and existing contractual terms and conditions.

The Company has the right, or may be required in certain circumstances, to make a payment in lieu of notice of termination, the amount of that payment being base salary and, in the case of the Managing Director, the cash equivalent of benefits and pension that would have accrued to him during the contractual notice period as well as any bonus or other incentive payment he would be entitled to under applicable "good leaver" provisions. In addition, the Remuneration Committee reserves the right to allow continued participation in the Company's incentive arrangements during the notice period.

Upon a change of control, the Managing Director has the right to terminate his employment by notice and be entitled to receive an amount equal to 12 months' salary, cash equivalent of benefits and pension contributions, subject to such amount being reduced by the equivalent amounts in respect of any months worked by him after his giving of notice. Such payment would be in settlement of all claims that the Managing Director may have against the Group, but shall not affect his entitlement to accrued but unpaid salary, deferred bonus or similar incentive payments and certain other amounts. If a change of control of the Company occurs before 26 March 2024, the Financial Director's employment may only be terminated by the Company at 12 months' notice (or payment in lieu thereof as set out above).

Policy on payment for loss of office

Components	Policy
General	When determining any loss-of-office payment for a departing individual, the Committee will protect the Company's interests and reflect the circumstances in place at the time having taken into consideration the terms of the individual's service agreement.
Good leaver	In general, good leaver treatment will apply in the case of death, retirement, ill-health, disability or for any other reason determined by the Remuneration Committee. The current Managing Director will also be treated as a good leaver where he terminates his employment provided no gross misconduct or gross negligence has occurred and he does not take up employment with a competitor within three months of termination.
Base salary, benefits and pension	In the event of termination, the Executive Director will be entitled to receive compensation equivalent to salary, benefits and Company pension contribution they would have received if still in employment for the balance of the applicable notice period. Where appropriate, the Company may continue to provide benefits for a period post-termination.
Annual bonus	Good leavers If the participant is deemed to be a good leaver, then the Annual Bonus will be pro-rated for time and performance. The Remuneration Committee will have the discretion to either: • assess performance and make a payment at the time of cessation of employment; or • assess performance and make a payment at the end of the relevant financial year in line with the operation of the annual bonus for other participants. Bad leavers For a bad leaver all annual bonus entitlements will lapse.
Deferred annual bonus	Deferred annual bonuses will normally vest in full in line with the original vesting schedule other than in cases of gross misconduct or negligence where deferred bonus awards will lapse.

Components	Policy
Kenmare Restricted Share Plan	Good leavers For good leavers, unvested restricted share awards under the KRSP will usually vest at the original dates subject to the performance underpin, but the number of shares will be reduced pro-rata to reflect the proportion of the vesting period elapsed unless the Remuneration Committee determines otherwise. The post-vesting holding period will continue to apply. The Remuneration Committee will have the discretion to allow shares to vest immediately (e.g. in case of death). Bad leavers For a bad leaver all unvested restricted shares will lapse.
Shareholding requirement	All leavers are required to maintain a post-cessation shareholding equal to 100% of in-employment shareholding requirement (or actual shareholding on departure, if lower) for two years post-employment. This requirement applies to awards granted after the 2020 AGM.
Other	In the event of a compromise or settlement agreement, the Committee may make payments it considers reasonable in settlement of potential legal claims. The Committee may also include in such payments reasonable reimbursement of professional fees in connection with such agreements. The reimbursement of repatriation costs or fees for professional or outplacement advice may also be included in the termination package, as deemed reasonable by the Committee, as may the continuation of benefits for a limited period.

Policy on payment for change of control

Components	Policy
General	When determining any change of control payment the Committee will protect the Company's interests and reflect the circumstances at the time.
Base salary, benefits and pension	In the event of termination of employment by the Company following a change of control, the Executive Directors will be entitled to receive compensation equivalent to salary, and, in the case of the Managing Director, benefits and Company pension contribution they would have received if still in employment during the relevant notice period. In the event of termination by the Managing Director within two months of a change of control, he will be entitled to receive an amount equal to 12 months' salary, cash equivalent of benefits and pension contributions, subject to such amount being reduced by the equivalent amounts paid in respect of any months worked by the Managing Director after his giving of notice. Such payment would be in settlement of all claims that the Managing Director may have against the Group, but shall not affect his entitlement to accrued but unpaid salary, deferred bonus or similar incentive payments and certain other amounts. If a change of control of the Company occurs before 26 March 2024, the Financial Director's employment may only be terminated by the Company at 12 months' notice (or payment in lieu thereof as set out above).
Annual bonus	The payment of the annual cash bonus following a change of control will be based on achievement against the annual performance metrics as assessed by the Remuneration Committee up to the point of change of control. The Remuneration Committee will have the discretion to pro-rate for the proportion of the year elapsed.
Deferred annual bonus	All unvested deferred annual bonuses will vest immediately unless the Remuneration Committee agrees they should be rolled over into equivalent awards of the acquirer.
Kenmare Restricted Share Plan	All unvested restricted share awards under the KRSP will vest immediately subject to the Remuneration Committee's assessment of the performance underpin at that point, unless the Remuneration Committee agrees they should be rolled over into equivalent awards of the acquirer. The number of shares vesting will usually be pro-rated to reflect the proportion of the service period elapsed, but the Remuneration Committee will have the discretion not to apply this pro-rating.

Other Remuneration Committee discretions

In addition to assessing and making judgements on the meeting of performance targets and the appropriate incentives payable, the Remuneration Committee has certain operational discretions available that can be exercised in relation to Executive Directors' remuneration including but not limited to:

- Amending the outcome of the relevant scorecard if the Committee believes the formulaic outcome of the scorecard does not reflect the true underlying performance of the Group or the experience of shareholders;
- Deciding whether some or all cash bonus amounts should be settled in restricted shares;
- Deciding whether to apply malus or clawback to an award;
- Deciding to what extent if any the performance underpin should apply to the vesting of an applicable KRSP award;
- Determining whether a leaver is a "good leaver" under the Company's incentive plans and the treatment of their outstanding awards; and
- Amending performance conditions following a major corporate event or in circumstances in which the Committee considers that the impact of external influences is such that the original metrics are no longer appropriate.

Where such discretion is exercised, it will be explained in the subsequent Directors' remuneration report.

Consideration of employment conditions elsewhere in the Group

The Committee does not directly consult with employees when formulating Executive Director pay policy, nor does it apply strict numerical pay ratios. However, the Committee does take into consideration information on pay arrangements for the wider employee population when determining the pay of Executive Directors. This includes consideration of the salary increases awarded across the Group when determining salary increases for the Executive Directors each year.

The Group aims to provide a remuneration package for employees that is market competitive and follows the same core structure as for the Executive Directors, including cascade of the KRSP where appropriate, participation in an annual bonus scheme and pension provision.

Consideration of employment conditions outside the Group

The Committee reviews the remuneration of the Executive Directors in light of the remuneration of the Executive Directors of other appropriate quoted companies. The Committee's advisers prepare annual reports benchmarking their remuneration (and that of the Non-Executive Directors which are shared with the Executive Directors and the Chairman) against peer companies and this assists the Committee in determining the appropriateness of the remuneration payable to the Executive Directors.

Consideration of shareholder views

The Remuneration Committee considers shareholder feedback received in relation to the AGM each year and guidance from shareholder representative bodies more generally. This feedback, together with additional feedback received during meetings from time to time and the results of recent votes on the Remuneration report, is then considered as part of the Company's review of policy.

In December 2022, the Remuneration Committee received a presentation from PwC with an update on current remuneration matters with particular focus on the various issues likely to affect the design of our proposals for a new three-year Directors' remuneration policy, including changes to shareholder and proxy agency guidelines.

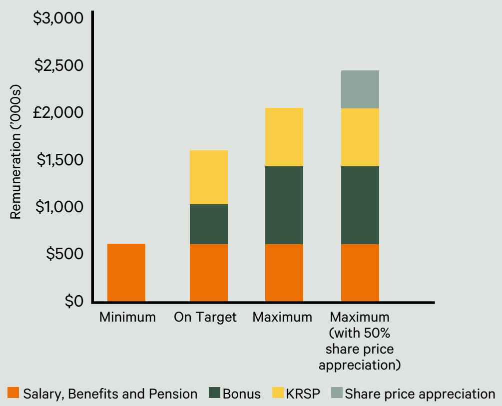
In formulating the policy for 2023, the Committee consulted with a number of the Company's significant shareholders and proxy voting agencies regarding their views on remuneration practice and policies. The views expressed during these consultations were taken into account. For example, following the consultation with shareholders, the Committee simplified the discretionary powers relating to pro-rating of KRSP awards for good leavers. Feedback from our major shareholders suggests that they are supportive of the general structure of the proposed policy. In order to avoid any conflict of interest, no Executive Director is present when their own remuneration is being discussed. with shareholders.

Illustrations of application of remuneration policy

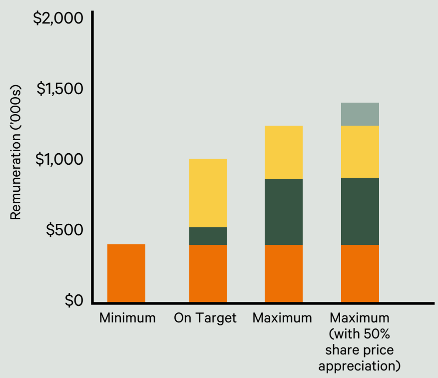
The total remuneration opportunity in 2023 for each of the Executive Directors is shown below under four different performance scenarios: (i) Minimum; (ii) On-target; (iii) Maximum; and (iv) Maximum (with 50% share price appreciation). The elements of remuneration have been based on the proposed remuneration policy for 2023 as set on pages 135-141 (which basic elements reflect the remuneration policy adopted in 2020) and have been categorised into three components: (i) Salary, Benefits and Pension; (ii) Bonus; and (iii) Share awards under the KRSP, with the assumptions set out below:

Element	Minimum	On-Target	Maximum	Maximum (with 50% share price appreciation)
Salary, benefits and pension	Included	Included	Included	Included
Annual bonus	No variable payable	50% of the maximum opportunity	100% of the maximum opportunity	100% of the maximum opportunity
Share awards under the KRSP	No award	100% of the maximum opportunity	100% of the maximum opportunity	100% of the maximum opportunity

Managing Director



Financial Director



Non-Executive Directors' remuneration

Non-Executive Directors' contracts may be terminated by either party giving to the other one month's prior written notice. The Non-Executive Directors are remunerated entirely through fees. They are not eligible to receive any performance-related remuneration nor do they hold share options. The fees paid to the Non-Executive Directors are set at a level to attract individuals with the necessary experience and ability to make a significant contribution to the Group's activities, while also reflecting the time commitment and responsibility of the role. Additional per diem rates may be paid to Non-Executive Directors when the meeting load has significantly exceeded what would be expected in the normal course of business.

None of the Non-Executive Directors had a beneficial interest in any contract to which the Company or any of its subsidiary undertakings was a party during the financial year.

Non-Executive Directors are not entitled to any compensation on the termination of their appointment. All Directors are subject to annual re-election. No compensation is payable to Non-Executive Directors if they are not re-elected.