19. STATED CAPITAL continued

	Number of shares		Value of shares	
	2019 '000	2018 '000	**2019 '000**	2018 '000
Treasury shares				
Balance at 1 October	**11 782**	10 387	**(370)**	(346)
Granted	**3 284**	2 731	**(72)**	(72)
Forfeited	**(17)**	–	**1**	–
Exercised	**(14)**	(67)	**1**	2
Vested	**(2 179)**	(1 269)	**75**	46
Balance at 30 September	**12 856**	11 782	**(365)**	(370)

Treasury shares are shares in Life Healthcare Group Holdings Limited that are held for the purpose of the staff benefit schemes (Life Healthcare employee share trust and long-term incentive schemes). Refer note 20.

20. OTHER RESERVES

	2019 R'm	2018 R'm
Life Healthcare employee share trust	**130**	118
Long-term incentive schemes	**54**	52
Foreign currency translation reserve	**480**	427
Transactions with non-controlling interest reserve	**(851)**	(786)
	(187)	(189)

20. OTHER RESERVES continued

Terms and conditions

	Life Healthcare employee share trust	Long-term incentive scheme – Group CEO	
Type	An equity-settled scheme	An equity-settled scheme	
Background	In terms of the scheme, the employer acquired Life Healthcare shares in the market at the ruling market price. The number of shares acquired for the scheme is limited to the value as approved by the Group's remuneration and human resources committee.	The board wanted the new Group CEO to own unencumbered shares in the Company. In terms of this arrangement the Company matched an investment of R3 million by the Group CEO in Life Healthcare with a share purchase to the value of R9 million in the market at the ruling market price. The number of shares acquired for the scheme is limited to the value as approved by the Group's remuneration and human resources committee.	
Qualifying employees	All permanent employees employed by the employer in South Africa for a continuous period of at least one year as at the date of the allocation and who (i) is a member of an employer-supported retirement scheme and who (ii) does not participate in the long-term incentive schemes are beneficiaries of the trust and participate in the scheme. Voting rights and dividends vest with the qualifying employees.	Available to Group CEO	
Vesting requirements	Qualifying employees will need to be in service on the fifth (25%), sixth (25%) and seventh (50%) anniversaries when the shares are delivered.	The vesting of these shares is subject to continued employment and will vest on the following basis: one-third on 1 February 2019, one-third on 1 February 2020 and one-third on 1 February 2021.	
Method of settlement	Shares	Shares	
Leavers	Employees who leave, other than good leavers, forfeit their beneficial interest in the trust and their rights will be distributed equally among the remaining employees.	If the employee leaves, other than as a good leaver, he will be entitled to all his co-investment shares but will forfeit the entire Company matched shares that have not vested.	
2018 granted shares	2 394 301 shares at R26.21	337 096 shares at R26.46	
2019 granted shares	3 000 462 shares at R21.55	n/a	
Forfeited (number of shares)	n/a	n/a	
Exercised (number of shares)	n/a	n/a	
Vested (number of shares)	1 737 049[1]	112 365	
Contribution	An annual contribution is made by each employer company in the Group for its qualifying employees. The charge and contribution reflected is for the Company's proportionate share only.		

[1] *Relates to shares vested and shares transferred to good leavers.*

	Long-term incentive scheme with last allocation in 2014
	An equity-settled scheme. It is a hybrid scheme that combines a pure unit appreciations component, and a performance share component.
	There was a modification to the bonus scheme in the 2012 financial year in which each participant shall in respect of future awards and allocations, prior to the vesting date or at the time of the award or allocation, have the right to make a co-investment election. This cost will be accounted for as a share-based payment (IFRS 2).
	Available to all executives and senior managers in southern Africa.
	Vesting in terms of this scheme takes place in two years from allocation. Based on the employee's seniority a larger proportion of the allocation is based on returns achieved.
	Shares
	On the maturity date, the shares will become unrestricted and the participant will forthwith hold the shares directly, free of any restrictions or encumbrance. If employees exit the scheme before the maturity date, the following will apply: • Good leaver means that the employee will be entitled to all the co-investment shares and a portion of the Company matched shares. The portion will be based on a time apportionment scale. The employee will forfeit the balance of the matched shares allocated to him/her. These shares will be sold in the open market and will be cancelled as treasury shares. • Bad leaver means that the employee will be entitled to all the co-investment shares but will forfeit the entire Company matched shares. These shares will be sold in the open market and will be cancelled as treasury shares.
	n/a
	n/a
	8 014
	303 358
	13 818
	An annual contribution is made by each employer company in the Group for its qualifying employees. The charge and contribution reflected is for the Company's proportionate share only.

20. OTHER RESERVES continued

Terms and conditions continued

	Long-term incentive scheme effective from 2015	
Type	A new equity-settled performance share scheme set.	
Background	The value of awards will be tier-based and linked to individual performance. Each award will be converted into notional performance shares. In terms of the scheme the value of the awards and the performance conditions for vesting will be approved by the Group's remuneration and human resources committee. The value of the notional performance shares will be determined by the price of the Life Healthcare shares on the JSE Limited using the 30-day volume weighted average pace (VWAP).	
Qualifying employees	Available to all executives and senior managers in southern Africa.	
Vesting requirements	Vesting in terms of this scheme takes place in three years from allocation. The vesting of the awards is subject to the Group meeting two performance conditions: – **50% weighting:** **Group CEO and Group CFO:** HEPS compared to CPI plus a percentage with a hurdle rate of minimum growth of CPI + 1% in HEPS for the award vested; **Other executives and senior managers:** Growth on earnings before interest and tax (EBIT) compared to CPI plus a percentage with a hurdle rate of minimum growth of CPI + 1% in EBIT for the award vested; and – **50% weighting:** Growth on total shareholder return (TSR) over predetermined thresholds relative to the TSR of a comparator group of listed companies.	
Method of settlement	Shares	
Leavers	If a participant ceases to be employed by the Group prior to the vesting of the grant date, the following will apply: ● Good leavers with a date of termination of employment: – that is more than one year before the vesting date of the grant, will result in all notional performance shares held by the participant being forfeited and cancelled for no consideration; or – that is one year or less before the vesting date of the grant, will retain all notional performance shares and he/she shall continue to be treated as a participant as if his/her employment had not been terminated. ● Bad leavers with a date of termination of employment prior to vesting date, will result in all notional performance shares held by the participant being forfeited and cancelled for no consideration.	
2018 granted shares	No shares granted during 2018, as a result of the Group being in an extended closed period since November 2017.	
2019 granted shares	n/a	
Forfeited (number of shares)	n/a	
Exercised (number of shares)	n/a	
Vested (number of shares)	n/a	
Contribution	An annual contribution is made by each employer company in the Group for its qualifying employees. The charge and contribution reflected is for the Company's proportionate share only.	

	Long-term incentive scheme effective from 2019
	An equity-settled performance share scheme.
	The value of awards will be tier-based and linked to individual performance. Each award will be converted into notional performance shares. In terms of the scheme the value of the awards and the performance conditions for vesting will be approved by the Group's remuneration and human resources committee. The value of the notional performance shares will be determined by the price of the Life Healthcare shares on the JSE Limited using the 30-day VWAP. Life Healthcare shares will be purchased on vesting date. A modifier of between 1 and 2 can be applied to the allocation for key talent retention, this is applicable to all participants at the discretion of the Group CEO. The employees are not entitled to any dividends declared on the shares underlying the awards over the period from the grant date to the vesting date.
	Available to all executives and senior managers in southern Africa.
	Vesting in terms of this scheme takes place in three years from allocation. The vesting of the awards is subject to the following performance conditions: **Group executives:** ● Capital efficiency (40% weighting) ● Normalised Group HEPS (40% weighting) ● Life core purposes outcome (20% weighting) **Country executives and Group senior managers:** ● Capital efficiency (30% weighting) ● Normalised country EBIT (30% weighting) ● Life core purposes outcome (40% weighting) **Other senior managers:** ● Capital efficiency (15% weighting) ● Normalised country EBIT (35% weighting) ● Life core purposes outcome (50% weighting) Capital efficiency is measured as return on capital employed compared to WACC. Normalised Group HEPS is based on growth of HEPS in excess of CPI. Normalised country EBIT is based on growth of EBIT in excess of CPI. Life core purpose outcomes are based on country specific non-financial measures that drive long-term sustainability of the Group.
	Shares
	If a participant ceases to be employed by the Group prior to the vesting of the grant date, the following will apply: ● Good leavers with a date of termination of employment: – that is more than one year before the vesting date of the grant, will result in all notional performance shares held by the participant being forfeited and cancelled for no consideration; or – that is one year or less before the vesting date of the grant, will retain all notional performance shares and he/she shall continue to be treated as a participant as if his/her employment had not been terminated. ● Bad leavers with a date of termination of employment prior to vesting date, will result in all notional performance shares held by the participant being forfeited and cancelled for no consideration.
	n/a
	Life Healthcare shares will be purchased on vesting date.
	n/a
	n/a
	n/a
	An annual contribution is made by each employer company in the Group for its qualifying employees. The charge and contribution reflected is for the Company's proportionate share only.