

**WHL**

# REMUNERATION REPORT

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This report provides a holistic view of Woolworths remuneration philosophy, policy and principles and is mainly relevant and applicable to the Group Chief Executive Officer, Executive directors, Exco and senior management associated with Woolworths.

As explained on page 46 of the 2014 Integrated Report, WHL acquired David Jones on 1 August 2014 and Country Road Group became a wholly owned subsidiary on 2 September 2014. In future this remuneration report will reflect the remuneration philosophy, policy and principles of the WHL Group inclusive of all the major operating subsidiaries being Woolworths, Country Road Group and David Jones.

A brief outline of the application of the Country Road Group remuneration policy is included on page 9 of this report.

## WOOLWORTHS REMUNERATION PHILOSOPHY AND POLICY

The company's remuneration policies are designed to achieve alignment between Woolworths' business strategy and the behaviour of the Group Chief Executive Officer, Executive directors, Exco and senior management (including prescribed officers). Therefore, the company's remuneration policy and the implementation thereof are focused on achieving a fair and sustainable balance between guaranteed package, short-term incentives, long-term incentives and retention schemes for these employees.

To achieve a performance culture and an alignment with shareholders, through value creation, the total reward mix is geared towards a high percentage of pay "at risk" for the achievement of stretched goals which are aligned to company performance, individual performance and employee behaviour. This is explained as follows:

- the annual review of salaries takes into account both financial and non-financial individual performance against agreed goals, individual behaviour against company values and market competitiveness;
- short-term incentives will only be paid if the incentive trigger on minimum annual profit before tax and exceptional items ("PBTAE") has been met;
- the target for the short term incentive is determined annually in advance, as follows:
  - target performance warrants an on-target percentage payout.
  - stretched performance targets are very robustly set and the achievement of stretched company targets are rewarded appropriately, with linear payout between the minimum incentive trigger and stretched performance. Final payouts are modified against the delivery of agreed business unit targets and achievement of Individual Performance ("IPM").

- vesting of any grant of Share Appreciation Rights ("SARS") depends on whether headline earnings per share ("HEPS") growth targets are met; and
- vesting of any Long Term Incentive Plan ("LTIP") grant depends on whether HEPS growth and Total Shareholder Return ("TSR") targets are met. Vesting of the LTIP is equally dependent on the achievement of the following performance conditions:
  - for the achievement of a minimum target HEPS growth a threshold percentage of shares vests and for the achievement of stretched HEPS growth targets 100% of 50% of the grant vests;
  - for the achievement of minimum target TSR performance a threshold percentage of shares vest and for the achievement of stretched TSR performance 100% of 50% of the grant vests.

The group performance conditions underpinning the vesting of "at risk" remuneration were selected as they are seen as measures encouraging sustainable growth, without encouraging excessive risk taking.

The alignment with other stakeholders and especially our customers is supported by the individual goals which, in the case of Woolworths, incorporate selected metrics of the Good Business Journey as well as goals and metrics aligned to the delivery of the business strategy.

The WHL Group's strategic objectives are set out in the Integrated Report and the composition of Group Chief Executive Officer, Executive directors, Exco and senior management total remuneration packages reflect and reward achievement of these objectives through the delivery of key individual and business units goals which are linked to these objectives.

The Remuneration committee has the discretion to make ex-gratia payments where extraordinary value, not recognised by existing schemes, is created by executives.

## REMUNERATION PRINCIPLES

The remuneration policy has been designed and implemented to attract, retain and reward top executives and scarce skills.

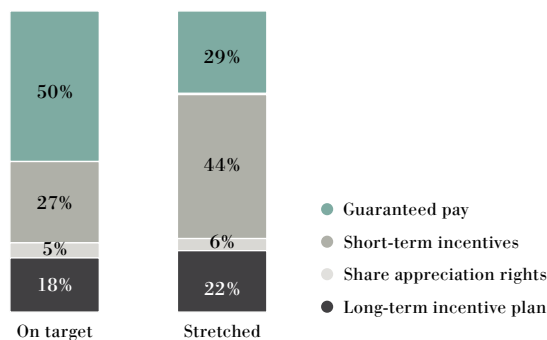
The principles applied in the integrated remuneration policy are:

- support the delivery of Group strategy;
- recognise and reward individual responsibility, performance and behaviour;
- attract, retain and appropriately reward top retail executives;
- create a balance between short- and long-term incentive schemes;
- the guaranteed pay ("TCoE") is benchmarked against major South African retail and non-retail companies to ensure competitiveness; and
- as the WHL Group expands its international footprint, guaranteed pay (TCoE) is increasingly benchmarked against international retail and non-retail companies.

Executive pay is made up of three elements:

- TCoE: market related and tailored to individual performance and behaviour;
- short-term incentives: paid as an incentive on achievement of PBTAE targets; and
- long-term incentives: paid if performance conditions are met on the vesting date and designed to incentivise the long-term delivery of strategic goals and financial performance as well as support medium- to long-term retention of senior executives and core and scarce skills.

These elements are explained in more detail below showing how the Group's integrated reward strategy translates into the composition of the Group Chief Executive Officer and Executive directors' remuneration packages (the aggregate of both) and the mix between guaranteed and variable pay. The long-term incentive component is calculated based on the fair value thereof, as determined by IFRS and charged to the income statement, and not the face value of the instruments.



## REWARD INSTRUMENTS FOR GROUP CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTORS IN 2014 - ON TARGET AND STRETCHED PERFORMANCE

## GUARANTEED PAY ("TCoE")

TCoE is reviewed annually against retail peer companies in South Africa and as the WHL Group's international footprint expands, against comparable companies internationally. Market conditions, company performance, internal comparability, individual performance and responsibility are taken into consideration.

TCoE includes compulsory contributions to the Woolworths Group Retirement Fund and the Wooltru Healthcare Fund. In addition senior management can elect optional structuring options within TCoE, which include:

- additional voluntary pension contributions to the Investment Solutions Pension Fund;
- car allowance;
- car leasing options;
- additional discount structuring on Woolworths purchases; and
- overseas subsistence allowance.

## INCREASES AWARDED FOR OTHER CATEGORIES OF EMPLOYEES

Exco (excluding executives directors, but including internal Exco promotions)	10.44%
Management	6.29%
Staff	7.86%

On average, the Group Chief Executive Officer and Executive directors' TCoE for the financial year increased by 12.10%. This includes the annualised effect of the adjustment made to the TCoE of the Group Chief Executive Officer in January 2013.

## SHORT-TERM INCENTIVE SCHEME

Executives and senior management participate in an annual short-term incentive scheme. It is designed to motivate executives to achieve the short-term strategic, financial, operational and sustainability (including transformation) objectives in the annual business plan.

The bonus pool is self-funding and is created (inclusive of the on-target cost of the incentive) after achieving a predefined PBTAE growth target. Financial performance below threshold warrants no bonuses being paid. The short-term incentive scheme therefore has a gatekeeper which ensures that minimum levels of financial performance are met before a bonus pool accrues. This is in line with best practice remuneration governance principles.

Short-term incentives will only be paid if the incentive trigger on minimum annual profit before tax and exceptional items (PBTAE) has been met. The target for the short-term incentive is determined annually in advance.

- Target performance warrants an on-target percentage payout.
- Stretched performance targets are very robustly set and the achievement of stretched company targets are rewarded appropriately, with linear payout between the minimum incentive trigger and stretched performance.

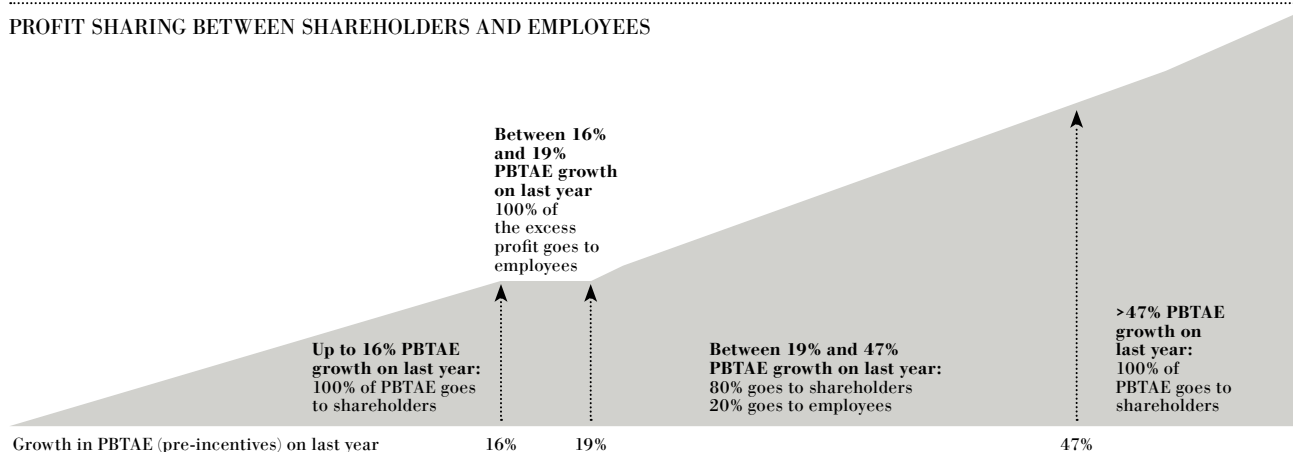
Final payouts are modified against the delivery of agreed business unit targets and achievement of individual performance (IPM).

## EARNINGS POTENTIAL

The Group Chief Executive Officer, Executive directors and Exco's earnings potential in terms of the short-term incentive scheme is capped at stretched performance. Earnings potential for the short-term incentive at threshold, target and stretched is illustrated below for the different levels (as % of TCoE).

The earnings potential is applied on a sliding scale between threshold, target and stretched performance. The Group considers stretched performance levels to be robustly set aligning with shareholder and stakeholder value creation. The Group also believes that earnings potentials for bonuses is fair in comparison to the value created at threshold, target and stretched performance. In order for the Group Chief Executive Officer, Executive directors and Exco to achieve maximum bonus pre-incentive PBTAE needs to grow by 46.9% on last year. Threshold payments equal a pre-incentive PBTAE growth of 17%.

## PROFIT SHARING BETWEEN SHAREHOLDERS AND EMPLOYEES



**EARNINGS POTENTIAL AND CAPPING AS A PERCENTAGE OF TCōE**

<b>ROLE</b>	<b>THRESHOLD</b> (Pre-incentive PBTAE growth of 17%)	<b>TARGET</b> (Pre-incentive PBTAE growth target of 19%)	<b>STRETCHED</b> (Pre-incentive PBTAE growth target of 46.9%)
Group Chief Executive Officer	28%	70%	150%
Executive Directors and Exco (excluding Country Road and David Jones Australia)	20%	50%	150%

**WEIGHTING OF FINANCIAL METRICS AND IPM**

In terms of the company's balanced scorecard approach both Group and business unit financial performance as well as IPMs are used to calculate bonus payments. IPMs are individual goals measured through the company's integrated performance management process. The details and weighting of these performance metrics in calculating the bonuses paid are set out below.

A pre-incentive PBTAE of 26.4% for the 2014 financial year was achieved and performance bonuses were paid out.

In finalising bonus payments the Remuneration committee has an element of discretion to mitigate any unintended consequences.

**FINANCIAL AND IPM WEIGHTING METRICS**

<b>ROLE</b>	<b>GROUP FINANCIAL</b>		<b>OPERATING SEGMENT FINANCIAL</b>		<b>IPM</b>	
	Weighting	Metric	Weighting	Metric	Weighting	Metric components
Group Chief Executive Officer	70%	WHL Group PBTAE	0%	n/a	30%	<ul style="list-style-type: none"> <li>- Operating profit margin</li> <li>- Market growth/share</li> <li>- Acquisitions</li> <li>- Cost to sell</li> <li>- BEE</li> </ul>
Finance Director Chief Operating Officer Group Director Marketing Group Director Governance, Risk & Compliance	70%	WHL Group PBTAE	0%	n/a	30%	<ul style="list-style-type: none"> <li>- Operating profit margin</li> <li>- Return on equity</li> <li>- Cost to sell</li> <li>- BEE</li> </ul>
Executive Director Food Executive Director Clothing and General Merchandise Group Director Retail Operations	40%	WHL Group PBTAE	30%	Operating segment PBTAE	30%	<ul style="list-style-type: none"> <li>- Operating profit margin</li> <li>- Cost to sell</li> <li>- Stock turn</li> <li>- Market growth/share</li> <li>- Availability</li> <li>- BEE</li> </ul>

## LONG-TERM INCENTIVE SCHEMES

The long-term incentive schemes aim to drive both long-term shareholders' growth and talent retention.

The Woolworths Holdings Share Trust manages the shares for the purposes of the long-term incentive share schemes. The Trust Deed rules were approved by shareholders in November 2010 to bring them in line with Schedule 14 of the JSE Limited Listings Requirements. The maximum number of shares available for allocation in terms of the share schemes is 85 000 000, representing approximately 10% of the current issued share capital, which is in line with the average of companies listed on the JSE.

### UTILISATION OF SHARE SCHEME SHARES

Opening balance available	25 031 436
Allocations made to participants	(3 858 075)
Exercised/lapsed	6 075 690
Sold by participants	(3 995 008)
Closing balance available	23 254 043

Shares allocated to participants under the long-term incentive scheme may be purchased on the open market or new shares may be issued. Shares and grants may not be awarded or exercised during the closed period.

The long-term incentive schemes make use of three instruments, namely:

- share appreciation rights scheme (SARS);
- long-term incentive plan (LTIP); and
- restricted share plan (RSP), which was set up as an attraction and retention mechanism.

In any one financial year, the maximum market value of grants and/or offers in terms of the long-term incentive schemes may not exceed 250% (face value) of an individual's TCoE. The aggregate total number of shares awarded to an individual participant may not exceed 12 700 000.

The previous share options and share purchase schemes are still in existence. However since the introduction of the new share schemes in July 2007 and November 2009, no new grants have been made. The deferred bonus scheme (DBP) was discontinued with effect 1 July 2012 and the last tranche of matching DBP relates to the August 2011 allocation which vested in August 2014.

### SHARE APPRECIATION RIGHTS (SARS)

Participants are awarded a conditional right to receive shares equal to the value of the difference between the share price at the time that the rights were granted and the share price when the rights are exercised (should the share appreciate in value).

Grant limits	<ul style="list-style-type: none"> <li>- Group Chief Executive Officer: face value allocation of 70% of TCoE calculated at the grant date.</li> <li>- Executive directors and Exco: face value allocation of 60% of TCoE calculated at the grant date.</li> <li>- The grant price is the volume weighted average price of a share as quoted on the JSE for the 5 business days immediately preceding the date on which the allocation is made.</li> </ul>
Vesting period	- Not less than three years. The Woolworths strategic planning cycle is three to five years and therefore in order to align shareholder and executive interests, the financial plan and targets which underpin the vesting period are agreed for a three-year period.
Performance conditions	- Headline earnings per share (HEPS) growth of Consumer Price Index (CPIX) plus 6% over a three-year performance period.
Retesting if performance not met	<ul style="list-style-type: none"> <li>- Not permitted.</li> <li>- Awards lapse.</li> </ul>
Other	<ul style="list-style-type: none"> <li>- SARS not exercised within a period of seven years lapse.</li> <li>- Rules governing cessation of employment, change in control and delisting are as per the rules of the scheme and align with King III practice recommendations.</li> </ul>
Number of participants	486

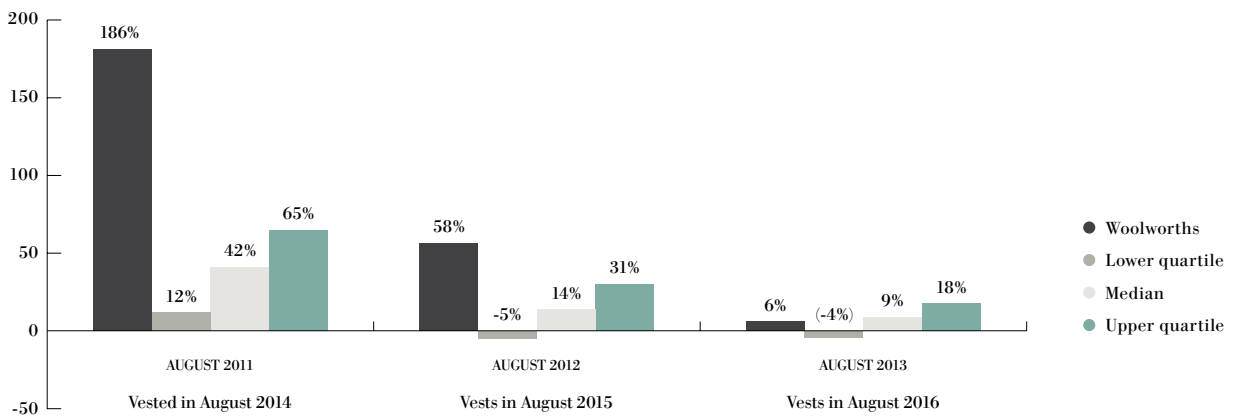
<b>LONG-TERM INCENTIVE PLAN (LTIP)</b>	
The LTIP provides for the delivery of conditional awards in shares after three years from date of grant provided that certain conditions are met.	
Grant limits	<ul style="list-style-type: none"> <li>- Group Chief Executive Officer: face value allocation of 100% of TCoE calculated at the grant date.</li> <li>- Executive directors and Exco: face value allocation of 65% of TCoE calculated at the grant date.</li> <li>- The grant price is the volume weighted average price of a share as quoted on the JSE for the 5 business days immediately preceding the date on which the allocation is made.</li> </ul>
Vesting period	<ul style="list-style-type: none"> <li>- Three years, subject to achievement of performance conditions over a three-year performance period.</li> <li>- The Woolworths strategic planning cycle is three to five years and therefore, in order to align shareholder and executive interests, the financial plan and targets which underpin the vesting period are agreed for a three-year period.</li> </ul>
Performance conditions	<ul style="list-style-type: none"> <li>- Equally weighted between HEPS growth and TSR of the company relative to the TSR of a selected peer group index for the same period.</li> <li>- The HEPS condition has a minimum threshold for 30% vesting and a stretch target for 100% vesting.</li> <li>- TSR condition:                             <ul style="list-style-type: none"> <li>- if the TSR performance of Woolworths falls below the lower quartile (i.e. if 75% of our peers perform better than Woolworths), then this portion of the LTIP does not vest.</li> <li>- if the TSR performance of Woolworths exceeds the upper quartile (or 75% of our peers) performance, then 100% of the award vests.</li> </ul> </li> </ul>
Peer group for TSR evaluation	<ul style="list-style-type: none"> <li>- Our peer group consists of 21 JSE-listed companies based on the PricewaterhouseCoopers closeness metric approach which selects a peer group based on the following factors: sector, EBITDA, total assets, market capitalisation, and price earnings ratio.</li> </ul>
Retesting if performance not met	<ul style="list-style-type: none"> <li>- Not permitted.</li> <li>- Awards lapse.</li> </ul>
Other	<ul style="list-style-type: none"> <li>- Vesting occurs on a linear scale in accordance with an agreed threshold and stretched target.</li> <li>- Participants receive a payment settled in equity on vesting equal to the value of dividends paid on the vested shares during the vesting period.</li> </ul>
Number of participants	58

**PERFORMANCE GRAPHS**

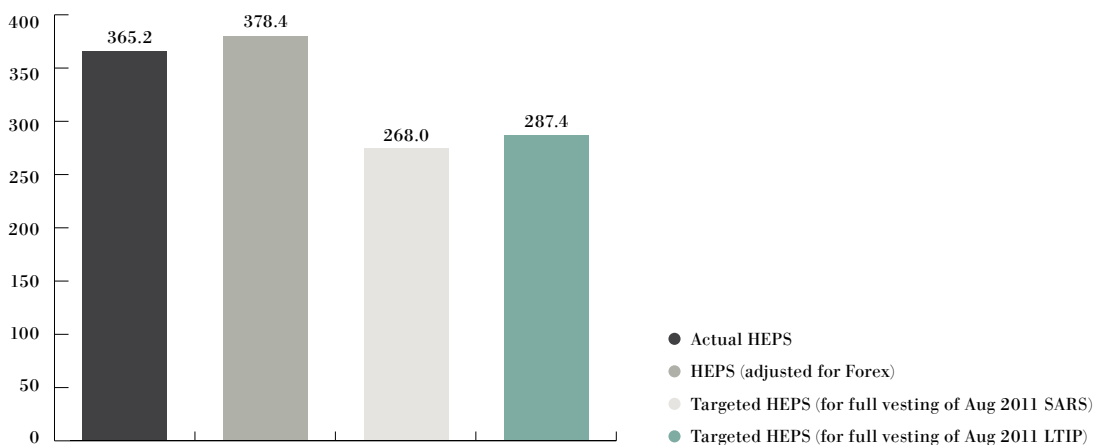
The TSR graph below compares the TSR performance of the company to the TSR index of the peer group of companies at the lower, median and upper quartile. These comparisons are for the August 2011, August 2012 and August 2013 LTIP awards.

The HEPS graph indicates the target HEPS which was required for the full vesting of the August 2011 SARS and the LTIP awards, against Woolworths' actual HEPS and HEPS (adjusted for forex) plotted against it.

**TSR GROWTH AGAINST PEER GROUP COMPANIES**



**HEPS PERFORMANCE**





## RETENTION SCHEME

The restricted share plan (RSP) is designed to retain and motivate Executive directors, Exco and employees who are key to the delivery of the company's long-term strategy and our financial performance. It may also be used for once-off awards for the recruitment of key executives which invariably requires compensation to address value forfeited on resignation from a previous employer.

As reported on SENS in June 2013, the Group Chief Executive Officer will be entitled to receive an allocation of 355 000 RSP shares. The allocation was made as a consequence of his employment being changed to permanent basis in May 2013. The Finance Director received an allocation of 104 840 RSP shares on his appointment to the Group in June 2013. The Group Director Clothing and General Merchandise elect received an allocation of 162 227 RSP shares on his appointment to the Group in July 2014.

<b>RESTRICTED SHARE PLAN (RSP)</b>	
RSP provides for the unrestricted delivery of shares after a three to five year period from the date of grant provided that the participant is still in the employ of the company.	
Grant limits	<ul style="list-style-type: none"> <li>- Limits between 100% and 300% of TCoE.</li> <li>- Discretion can be applied by the Board.</li> </ul>
Vesting conditions	<ul style="list-style-type: none"> <li>- 100% vesting on condition that the participant is still in the employ of the Group on the expiry of the agreed vesting period.</li> <li>- Performance conditions considered by the board from time to time.</li> </ul>
Eligibility	<ul style="list-style-type: none"> <li>- Limited to the Group Chief Executive Officer, executive directors, Exco and selective core and scarce employees.</li> </ul>
Other	<ul style="list-style-type: none"> <li>- Shares are purchased on the open market and held by a third party in escrow.</li> <li>- Rules governing cessation of employment, change in control and delisting are as per the rules of the scheme and align with King III practice recommendations.</li> </ul>
Number of participants	60

### IMPACT OF OUR SHARE SCHEMES ON EARNINGS PER SHARE (DILUTED EPS)

Eligible employees are incentivised through the grant of LTIP's (conditional share awards) and SARS (conditional rights). Both these instruments are designed to deliver shares to eligible employees in the future upon vesting thereof. The percentage of vesting is subject to the extent to which performance conditions have been met over the performance period. Therefore, should the company issue shares to settle the instruments the number of shares in issue may increase in the future with the effect that the company's earnings per share (EPS) could be negatively impacted (diluted). However, if shares are purchased on the market to settle this would have no dilution impact.

The Annual Financial Statements illustrate the effect of the future issuing of shares to settle LTIP and SARS and the effect this may have on (dilution) upon EPS. The calculation of diluted EPS is covered in note 6 of the Annual Financial Statements.

### EMPLOYMENT AGREEMENTS

Ian Moir, the Group Chief Executive Officer, was appointed on a permanent basis in May 2013. His employment agreement includes a restraint of trade agreement for a period of two years after his retirement date.

The notice periods for the executive directors and Exco are between three and six months, which are in line with industry. Expatriate Exco members are on fixed-term contracts which are on average signed for a three-year period renewable for a further two years. These contracts are all subject to obtaining and maintaining the applicable work permits entitling them to work in South Africa.

## COUNTRY ROAD GROUP REMUNERATION PHILOSOPHY AND POLICY

Country Road Group’s reward strategy is part of the People strategy. It is based on principles of rewarding performance and alignment with the shareholding of WHL in Country Road Group. The reward strategy applies an inclusive approach, consisting of fixed pay and short- (STI) and long-term incentives (ELTIS).

Key aspects of the remuneration policy are:

REMUNERATION ELEMENT	DESCRIPTION	ADDITIONAL INFORMATION
Remuneration principles	<ul style="list-style-type: none"> <li>- Total employment cost (TEC)</li> <li>- Performance based pay</li> <li>- Cost control</li> <li>- Competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>- Total employment cost including superannuation.</li> <li>- Exceptional performance plays a role in determining employees’ fixed pay. Additional earning opportunities through variable pay schemes.</li> <li>- Competitive remuneration within the parameters of affordability.</li> <li>- Strive to remain competitive in local and international market.</li> </ul>
<b>REMUNERATION ELEMENT</b>		
Fixed pay	<ul style="list-style-type: none"> <li>- Reviewed annually against retail peer companies in Australia.</li> <li>- Market conditions, company performance, individual performance and responsibility and internal equity are also considered.</li> </ul>	
STI	<p>Designed to motivate executives and head office employees to achieve the short-term financial and operational objectives as per the strategic plan.</p> <ul style="list-style-type: none"> <li>- The bonus pool is created on a self-funding basis (inclusive of the on target cost of the incentive) after achieving a pre-defined PBTAE growth target.</li> <li>- On target for Chief Executive Officer: 40% of TEC and maximum 115% of TEC.</li> <li>- On target for Executive management committee (EMC): 30% of TEC and maximum 115%.</li> <li>- Final payment is weighted as follows:                             <ul style="list-style-type: none"> <li>- Support services: 70% company and 30% individual performance.</li> <li>- Product: 30% company, 40% business unit and 30% individual performance.</li> </ul> </li> </ul>	
ELTIS	<p>Designed to advance the interest of the Country Road Group and WHL by attracting, retaining and incentivising selected senior employees who contribute to the growth of the Country Road Group and the achievement of the long-term objectives.</p> <ul style="list-style-type: none"> <li>- Number of units granted 1 x TEC.</li> <li>- Vesting period is 3 years.</li> <li>- Performance condition: EPS growth of CPI + 2% compounded over the 3 years.</li> <li>- Cash settled scheme.</li> </ul>	

**DIRECTORS' AND PRESCRIBED OFFICERS' FEES AND EMOLUMENTS**

Emoluments paid to directors and prescribed officers of Woolworths Holdings Limited in connection with the affairs of the company and its subsidiaries during the year ended 29 June 2014 and comparatives for 30 June 2013 are set out below:

<b>2014</b>		Guaranteed pay				Short-term performance bonus	Long-term benefits		Retention		
<b>Executive Directors</b>		Notes	Remuneration (1) R000's	Retirement, healthcare and related benefits R000's	Other benefits (2) R000's	Total guaranteed pay R000's	Performance bonus R000's	Interest-free loan benefit (3) R000's	Fair value of shares, options, SARS, LTIP and DBP granted (4) R000's	Fair value of restricted shares (5) R000's	Total remuneration R000's
Ian Moir			8 959	45	32	9 036	9 595	–	6 711	2 185	27 527
Reeza Isaacs	(6)		2 802	298	28	3 128	2 430	–	853	2 163	8 574
Sam Ngumeni	(7)		2 632	567	31	3 230	3 065	255	1 698	1 615	9 863
Zyda Rylands			3 623	693	18	4 334	3 601	808	2 811	507	12 061
Norman Thomson	(8)		1 324	127	224	1 675	1 029	301	253	–	3 258
			<b>19 340</b>	<b>1 730</b>	<b>333</b>	<b>21 403</b>	<b>19 720</b>	<b>1 364</b>	<b>12 326</b>	<b>6 470</b>	<b>61 283</b>
<b>Prescribed Officers</b>											
Paula Disberry	(9)		503	75	4	582	311	–	387	110	1 390
Brett Kaplan			3 069	339	29	3 437	1 921	–	2 197	663	8 218
			<b>3 572</b>	<b>414</b>	<b>33</b>	<b>4 019</b>	<b>2 232</b>	<b>–</b>	<b>2 584</b>	<b>773</b>	<b>9 608</b>
			<b>22 912</b>	<b>2 144</b>	<b>366</b>	<b>25 422</b>	<b>21 952</b>	<b>1 364</b>	<b>14 910</b>	<b>7 243</b>	<b>70 891</b>
<b>Non-executive Directors</b>											
	Notes	Directors' fees R000's	Audit committee member R000's	Remuneration committee member R000's	Risk committee member R000's	Nominations committee member R000's	Sustainability committee member R000's	Social and ethics committee member R000's	Other benefits R000's	Total non-executive directors' benefits R000's	
Simon Susman	(10)	955		89	71	87	140	71	1 900	3 313	
Peter Bacon		235	107	89					14	445	
Lindiwe Bakoro	(11)	110	51	44	34				6	245	
Zarina Bassa		235	107		71				13	426	
Tom Boardman		288		178		52	71	71	14	674	
Andrew Higginson	(12)	705	107	89	70					971	
Mike Leeming		235	213		140	53			14	655	
Chris Nissen		235				53	71	140	35	534	
Stuart Rose	(13)	704		89	71	53	71			988	
Thina Siwendu		235			71			71	15	392	
		<b>3 937</b>	<b>585</b>	<b>578</b>	<b>528</b>	<b>298</b>	<b>353</b>	<b>353</b>	<b>2 011</b>	<b>8 643</b>	

NOTES

1. Remuneration includes non-executive director fees paid by Country Road Limited as follows: Ian Moir A\$97 500, Norman Thomson A\$20 000, Zyda Rylands A\$40 000 and Paula Disberry A\$6 667.
2. Other benefits are primarily discounts received on purchases made in our stores.
3. The interest-free loan relates to the purchases of shares under the Woolworths Holdings Share Trust. The benefit has been calculated at 6.167% (average) on the value of the outstanding loan.
4. IFRS 2 Share-based payments has been used to equate the annual expense value of shares, options, SARS, LTIP and DBP held at the end of the financial year. It also includes the allocation of BEEESOS scheme shares granted to Zyda Rylands and Sam Ngumeni.
5. IFRS 2 Share-based payments has been used to equate the annual expense value of restricted shares used as a retention scheme.
6. Reeza Isaacs was appointed as Finance director on 26 November 2013. His remuneration disclosed is for the full financial year, including the five month period prior to him being appointed as a director.
7. Sam Ngumeni was appointed to the Holdings Board on 12 February 2014. His remuneration disclosed is for the full financial year, including the seven month period whilst he was a prescribed officer.
8. Norman Thomson retired on 26 November 2013. Other benefits include his leave pay and retirement gift. He earned A\$20 000 as a Non-executive Director of Country Road up to his retirement. He remained a Non-executive Director of Country Road and earned A\$45 000 for the remainder of the financial year. Norman has been appointed as Non-executive Director for certain African countries from 26 November 2013 and he earned fees of R175 000 for the period 26 November 2013 to 29 June 2014.
9. Paula Disberry was appointed as Group Director: Retail Operations with effect 1 September 2013. The position is not considered to be a prescribed officer and therefore remuneration from that date is not disclosed. She remained a Non-executive Director of Country Road Limited and was paid fees of A\$33 333 for the period 1 September 2013 to 29 June 2014.
10. Simon Susman, the Chairman of the Board, previously held the role of Group Chief Executive Officer. On his retirement as Group Chief Executive Officer (in 2010) and in terms of the rules of the share scheme the directors approved that he had the balance of 10 years (of which the last allocation was in October 2006) to settle the interest-free share loan relating to the purchases of shares under Woolworths Holding Share Trust whilst he was an employee of Woolworths.  
Other benefits of R1 899 817 (2013: R2 067 847) include the following:
  - post-retirement healthcare benefit of R31 320;
  - discounts received on purchases made in our stores of R56 892;
  - interest-free share loan benefit relating to the purchases of shares under Woolworths Holdings Share Trust whilst he was an employee of Woolworths of R1 811 604. The benefit has been calculated at 6.167% (average) on the value of the outstanding loan.
11. Lindiwe Bakoro resigned on 26 November 2013.
12. Andrew Higginson's fees as a director are paid in Sterling as a British resident.
13. Stuart Rose's fees as a director are paid in Sterling as a British resident. However, there is an agreement in place to purchase Woolworths shares with his net fee payment, on instruction from Stuart Rose.

**DIRECTORS' AND PRESCRIBED OFFICERS' FEES AND EMOLUMENTS (CONTINUED)**

2013		Guaranteed pay				Short-term performance bonus	Long-term benefits		Retention	
		Remuneration (1) R000's	Retirement, healthcare and related benefits R000's	Other benefits (2) R000's	Total guaranteed pay R000's		Interest-free loan benefit (3) R000's	Fair value of shares, options, SARS, LTIP and DBP granted (4) R000's	Fair value of restricted shares (5) R000's	Total remuneration R000's
<b>Executive Directors</b>	Notes									
Ian Moir		7 401	28	26	7 455	10 308	–	5 221	4 110	27 094
Norman Thomson	(6)	2 999	294	42	3 335	5 345	762	702	825	10 969
Zyda Rylands		3 338	652	15	4 005	4 130	854	2 807	1 252	13 048
		<b>13 738</b>	<b>974</b>	<b>83</b>	<b>14 795</b>	<b>19 783</b>	<b>1 616</b>	<b>8 730</b>	<b>6 187</b>	<b>51 111</b>
<b>Prescribed Officers</b>										
Paula Disberry	(7)	2 787	456	526	3 769	2 510	–	1 632	1 621	9 532
Brett Kaplan		2 610	294	23	2 927	2 297	119	1 550	1 632	8 525
Sam Ngumeni		2 327	494	22	2 843	2 863	262	1 230	1 919	9 117
		<b>7 724</b>	<b>1 244</b>	<b>571</b>	<b>9 539</b>	<b>7 670</b>	<b>381</b>	<b>4 412</b>	<b>5 172</b>	<b>27 174</b>
		<b>21 462</b>	<b>2 218</b>	<b>654</b>	<b>24 334</b>	<b>27 453</b>	<b>1 997</b>	<b>13 142</b>	<b>11 359</b>	<b>78 285</b>

Non-executive directors	Notes	Guaranteed pay		Remuneration committee member R000's	Risk committee member R000's	Nominations committee member R000's	Sustainability committee member R000's	Social and ethics committee member R000's	Other benefits R000's	Total non-executive directors' benefits R000's
		Directors' fees R000's	Audit committee member R000's							
Simon Susman	(8)	893		86	67	83	134	67	2 068	3 398
Peter Bacon		206	100	86					13	405
Lindiwe Bakoro		206	100	86	67				10	469
Zarina Bassa		206	100		67				9	382
Tom Boardman		261		172		50	67	67	10	627
Andrew Higginson	(9)	549	100	44	67					760
Mike Leeming		206	199		134	50			15	604
Chris Nissen		206				50	67	134	24	481
Stuart Rose	(10)	549		86	67	38	67			807
Thina Siwendu		206			67			67	14	354
Sindi Zilwa	(11)	96	49		33			33	19	230
		<b>3 584</b>	<b>648</b>	<b>560</b>	<b>569</b>	<b>271</b>	<b>335</b>	<b>368</b>	<b>2 182</b>	<b>8 517</b>

NOTES

1. Remuneration includes fees paid by Country Road as follows: Ian Moir A\$97 500, Norman Thomson A\$40 000 and Paula Disberry A\$40 000. Zyda Rylands was appointed as a Non-executive Director of Country Road from 1 October 2012 and earned pro-rata directors fees of A\$30 000.
2. Other benefits are primarily discounts received on purchases made in our stores.
3. The interest-free loan relates to the purchases of shares under the Woolworths Holdings Share Trust. The benefit has been calculated at 6.125% (average) on the value of the outstanding loan.
4. IFRS 2 Share-based payments has been used to equate the annual expense value of shares, options, SARS, LTIP and DBP held at the end of the year. It also includes the allocation of BEEESOS scheme shares granted to Zyda Rylands and Sam Ngumeni.
5. IFRS 2 Share-based payments has been used to equate the annual expense value of restricted shares used as a retention scheme.
6. The Board has approved a special bonus of R2.5 million in an attempt to improve Norman Thomson's total reward package relative to his peers, as long-term incentives (shares) were not allocated to him for the past 3 years.
7. Other benefits include a once-off payment made of R500 000 for additional responsibilities assumed over and above her current role for a limited period during the year.
8. Simon Susman retired as Group Chief Executive Officer (in November 2010) and was appointed as Chairman of the Woolworths Holdings Board on 17 November 2011. On his retirement as Group Chief Executive Officer and in terms of the rules of the scheme, the directors approved that he had the balance of 10 years (of which the last allocation was October 2006) to settle the interest-free share loan benefit relating to the purchases of shares under the Woolworths Holdings Share Trust whilst he was an employee of Woolworths. The benefit has been calculated at 6.125% (average) on the value of the outstanding loan.  
Other benefits of R2 067 847 (2012: R3 897 505) include the following:
  - post-retirement healthcare benefit of R28 800;
  - discounts received on purchases made in our stores of R45 272;
  - interest-free share loan benefit relating to the purchases of shares under Woolworths Holdings Share Trust whilst he was an employee of Woolworths of R1 799 532. The benefit has been calculated at 6.125% (average) on the value of the outstanding loan;
  - IFRS 2 charge for his shares and other share scheme instruments awarded during his tenure as Chief Executive Officer of R194 243.
9. Andrew Higginson was appointed to the Remuneration committee from 1 January 2013. His fees as a director are paid in Sterling as a British resident.
10. Stuart Rose was appointed to the Nominations committee from 1 November 2012. His fees as a director are paid in Sterling as a British resident. However, there is an agreement in place to purchase Woolworths shares with his net fee payment, on instruction from Stuart Rose.
11. Sindi Zilwa retired from the Board 17 November 2012.

**DIRECTORS' AND PRESCRIBED OFFICERS' PARTICIPATION IN SHARE SCHEMES**

Shares purchased and options granted to executive directors and prescribed officers in terms of the Woolworths Holdings Share Trust which had not been exercised at 29 June 2014, are set out below.

Shares purchased and options granted to Simon Susman relate to his tenure as the Chief Executive Officer.

**SHARE PURCHASE SCHEME**

Name and offer date	Shares as at 30 June 2013		Shares sold or transferred		Shares as at 29 June 2014		
	Number	Price	Number	Price	Vested	Unvested	Total
<b>Simon Susman</b>							
December 2004	440 755	R10.59			440 755		440 755
August 2005	412 697	R11.31			412 697		412 697
August 2006	378 947	R13.30			378 947		378 947
October 2006	1 094 092	R13.71			1 094 092		1 094 092
Total	2 326 491				2 326 491		2 326 491
<b>Zyda Rylands</b>							
August 2003	12 125	R5.16	12 125	R6.06			–
September 2003	180 510	R5.76	180 510	R11.63			–
December 2004	221 839	R10.59			221 839		221 839
December 2004	37 734	R10.59			37 734		37 734
March 2005	120 000	R10.18			120 000		120 000
August 2005	132 626	R11.31			132 626		132 626
August 2005	144 923	R11.31			144 923		144 923
August 2006	129 699	R13.30			129 699		129 699
October 2006	291 758	R13.71			291 758		291 758
Total	1 271 214		192 635		1 078 579		1 078 579
<b>Sam Ngumeni</b>							
August 2003	29 816	R5.16	29 816	R9.73			–
December 2004	26 036	R10.59			26 036		26 036
August 2005	35 332	R11.31			35 332		35 332
August 2006	33 050	R13.30			33 050		33 050
November 2006	190 216	R15.74			190 216		190 216
Total	314 450		29 816		284 634		284 634
<b>Norman Thomson</b>							
December 2004	152 597	R10.59	152 597	R14.79			–
August 2005	142 882	R11.31	142 882	R16.47			–
August 2006	130 075	R13.30	130 075	R20.33			–
October 2006	510 576	R13.71	510 576	R21.54			–
Total	936 130		936 130				

**SHARE OPTION SCHEME**

Name and offer date	Options as at 30 June 2013		Options sold or transferred		Options as at 29 June 2014		
	Number	Price	Number	Price	Vested	Unvested	Total
<b>Zyda Rylands</b>							
October 2008	65 279	R8.81			65 279		65 279
Total	65 279				65 279		65 279

## SHARE APPRECIATION RIGHTS (SARS) SCHEME

Name and offer date	Rights as at 30 June 2013		SARS rights awarded		SARS rights sold		Rights as at 29 June 2014		
	Number	Price	Number	Price	Number	Price	Vested	Unvested	Total
<b>Ian Moir</b>									
August 2010	117 823	R23.34					117 823		117 823
August 2011	87 468	R31.44						87 468	87 468
August 2012	72 288	R55.68						72 288	72 288
August 2013			103 755	R60.72				103 755	103 755
Total	277 579		103 755				117 823	263 511	381 334
<b>Reeza Isaacs</b>									
August 2013			43 396	R60.72				43 396	43 396
Total			43 396					43 396	43 396
<b>Zyda Rylands</b>									
April 2008	167 851	R10.26					167 851		167 851
August 2008	125 628	R10.24					125 628		125 628
August 2009	107 000	R15.00					107 000		107 000
August 2010	72 118	R23.34			72 118	R61.59			-
August 2011	53 538	R31.44					53 538		53 538
August 2012	38 304	R55.68					38 304		38 304
August 2013			40 790	R60.72				40 790	40 790
Total	564 439		40 790		72 118		400 479	132 632	533 111
<b>Sam Ngumeni</b>									
August 2011	34 987	R31.44					34 987		34 987
August 2012	29 095	R55.68					29 095		29 095
August 2013			28 281	R60.72				28 281	28 281
Total	64 082		28 281					92 363	92 363
<b>Norman Thomson</b>									
August 2009	84 667	R15.00			84 667	R77.00			-
August 2010	62 635	R23.34			62 635	R77.00			-
Total	147 302				147 302				
<b>Paula Disberry</b>									
August 2010	55 654	R23.34			55 654	R69.68			-
August 2011	41 316	R31.44					41 316		41 316
August 2012	32 726	R55.68					32 726		32 726
August 2013			45 809	R60.72				45 809	45 809
Total	129 696		45 809		55 654		119 851		119 851
<b>Brett Kaplan</b>									
August 2010	54 242	R23.34			54 242	R61.59			-
August 2011	40 267	R31.44					40 267		40 267
August 2012	29 946	R55.68					29 946		29 946
August 2013			43 518	R60.72				43 518	43 518
Total	124 455		43 518		54 242		113 731		113 731



**DIRECTORS' AND PRESCRIBED OFFICERS' PARTICIPATION IN SHARE SCHEMES (CONTINUED)**  
 LONG-TERM INCENTIVE PLAN (LTIP) SCHEME

Name and offer date	Grants as at 30 June 2013		LTIP grants awarded		LTIP grants sold or transferred		Grants as at 29 June 2014		
	Number	Price	Number	Price	Number	Price	Vested	Unvested	Total
<b>Ian Moir</b>									
August 2010	200 300	R23.34	16 313	R60.72	216 613	R60.72			-
August 2011	148 696	R31.44					148 696		148 696
August 2012	103 269	R55.68					103 269		103 269
August 2013			148 221	R60.72			148 221		148 221
Total	452 265		164 534		216 613		400 186		400 186
<b>Reeza Isaacs</b>									
August 2013			45 949	R60.72			45 949		45 949
Total			45 949				45 949		45 949
<b>Zyda Rylands</b>									
August 2010	72 118	R23.34	5 874	R60.72	77 992	R60.72			-
August 2011	53 538	R31.44					53 538		53 538
August 2012	41 496	R55.68					41 496		41 496
August 2013			44 189	R60.72			44 189		44 189
Total	167 152		50 063		77 992		139 223		139 223
<b>Sam Ngumeni</b>									
August 2011	34 987	R31.44					34 987		34 987
August 2012	31 519	R55.68					31 519		31 519
August 2013			30 637	R60.72			30 637		30 637
Total	66 506		30 637				97 143		97 143
<b>Norman Thomson</b>									
August 2010	62 635	R23.34	5 101	R60.72	67 736	R60.72			-
Total	62 635		5 101		67 736				
<b>Paula Disberry</b>									
August 2010	55 654	R23.34	4 533	R60.72	60 187	R60.72			-
August 2011	41 316	R31.44					41 316		41 316
August 2012	35 453	R55.68					35 453		35 453
August 2013			48 460	R60.72			48 460		48 460
Total	132 423		52 993		60 187		125 229		125 229
<b>Brett Kaplan</b>									
August 2010	54 242	R23.34	4 418	R60.72	58 660	R60.72			-
August 2011	40 267	R31.44					40 267		40 267
August 2012	32 442	R55.68					32 442		32 442
August 2013			45 944	R60.72			45 944		45 944
Total	126 951		50 362		58 660		118 653		118 653

## DEFERRED BONUS PLAN (DBP) SCHEME

Name and offer date	Shares as at 30 June 2013		Shares purchased		Shares sold or transferred		Shares as at 29 June 2014
	Number	Price	Number	Price	Number	Price	Number
<b>Ian Moir</b>							
August 2010	41 617	R24.33	45 007	R60.72	86 624	R60.72	-
August 2011	29 600	R34.19					29 600
Total	71 217		45 007		86 624		29 600
<b>Zyda Rylands</b>							
August 2010	20 654	R24.33	22 337	R60.72	42 991	R60.72	-
August 2011	14 700	R34.19					14 700
Total	35 354		22 337		42 991		14 700
<b>Sam Ngumeni</b>							
August 2011	9 600	R34.19					9 600
Total	9 600						9 600
<b>Norman Thomson</b>							
August 2010	17 938	R24.33	19 399	R60.72	37 337	R60.72	-
Total	17 938		19 399		37 337		
<b>Paula Disberry</b>							
August 2010	15 896	R24.40	17 191	R60.72	33 087	R60.72	-
August 2011	11 300	R34.19					11 300
Total	27 196		17 191		33 087		11 300
<b>Brett Kaplan</b>							
August 2010	15 574	R24.40	16 843	R60.72	32 417	R60.72	-
August 2011	11 000	R34.19					11 000
Total	26 574		16 843		32 417		11 000

**DIRECTORS' AND PRESCRIBED OFFICERS' PARTICIPATION IN SHARE SCHEMES (CONTINUED)**

## RESTRICTED SHARE PLAN (RSP) SCHEME

Name and offer date	Shares as at 30 June 2013		Shares purchased		Shares sold or transferred		Shares as at 29 June 2014
	Number	Price	Number	Price	Number	Price	Number
<b>Ian Moir</b>							
January 2010	793 280	R16.89					793 280
Total	793 280						793 280
<b>Reeza Isaacs</b>							
June 2013	104 840	R73.92					104 840
Total	104 840						104 840
<b>Zyda Rylands</b>							
May 2010	206 250	R23.34			103 125	R63.34	103 125
Total	206 250				103 125		103 125
<b>Sam Ngumeni</b>							
February 2011	215 174	R25.56					215 174
August 2012	27 812	R59.25					27 812
Total	242 986						242 986
<b>Norman Thomson</b>							
May 2010	119 938	R23.34			119 938	R63.34	-
Total	119 938				119 938		
<b>Paula Disberry</b>							
May 2010	275 425	R22.65			137 713	R63.34	137 712
Total	275 425				137 713		137 712
<b>Brett Kaplan</b>							
May 2010	263 610	R22.76			131 805	R63.34	131 805
Total	263 610				131 805		131 805

## BEE SHARES

Name and offer date	Shares as at 30 June 2013		Shares sold or transferred		Shares as at 29 June 2014		
	Number	Price	Number	Price	Vested	Unvested	Total
<b>Zyda Rylands</b>							
June 2007	1 250 000	R20.75				1 250 000	1 250 000
Total	1 250 000					1 250 000	1 250 000
<b>Sam Ngumeni</b>							
June 2007	475 000	R20.75				475 000	475 000
Total	475 000					475 000	475 000

*[www.woolworthsholdings.co.za](http://www.woolworthsholdings.co.za)*