



WOOLWORTHS HOLDINGS LIMITED

2018 Remuneration Report

As extracted from the 2018 Integrated Annual Report

OUR REMUNERATION REPORT

THIS REPORT COMPRISES THREE SECTIONS:

SECTION 1

A report of material matters covered by the committee during the year, from the Chairman of the Remuneration Committee

SECTION 2

The remuneration philosophy, policy, and framework tabled at the Annual General Meeting (AGM) for a non-binding advisory vote by the Group's shareholders

SECTION 3

The implementation of the remuneration policy in the 2018 financial year, tabled at the AGM for a separate non-binding advisory vote by the Group's shareholders

SECTION 1: REMUNERATION COMMITTEE CHAIRMAN'S REPORT

I am pleased to present the Remuneration Report for the Group.

This report highlights the material matters dealt with by the Remuneration Committee during the year. It also addresses the Group's performance for the year ended 24 June 2018, as well as the corresponding remuneration outcomes.

The remuneration policy has been designed to deliver performance at a short-, medium-, and long-term level, with appropriate performance conditions for the differing time periods.

The Group experienced a challenging financial year, with performance well below expectations. An impairment of the David Jones investment, and the poor response to the challenging economic and trading conditions in both South Africa and Australia, are reflected in a HEPS decline of 17.7%. For much of 2017, South Africa was plagued with an uncertain political environment, low consumer confidence, and high living costs. Australia has felt the impact of the entrance of international retailers and low growth. Group adjusted profit before tax (aPBT) decreased by 13.8% to R4.8 billion.

A well-established one-year financial planning process and a medium-term plan (MTP) provide strategic direction and manage business performance over a three-year period.

The MTP is updated on an annual basis and is approved by the Board as part of the bi-annual strategic review. Targets set in the MTP aim to deliver increased value to shareholders, and should result in Group performance above that of its major competitors, as well as growth above market conditions. It is therefore appropriate that Executive Directors are rewarded when they achieve performance of the MTP targets. The hurdle rates and performance conditions for STI and LTI are therefore set to motivate and reward sustainable performance.

ALLOCATION OF ONCE-OFF AWARDS FOCUSED TO DELIVER 2020 MTP

The Group CEO and the Executive Directors are regarded as being key to ensure that the Group delivers sustainable returns for shareholders. To motivate this sustainable performance over the next three years, the Remuneration Committee approved a once-off allocation of Restricted Shares (RSP) to the Group CEO and Executive Directors, focused towards the delivery of the Group's 2020 MTP.

The Group CEO was awarded 475 118 RSP shares with performance conditions correlated to the achievement of the Group's 2020 MTP. The RSP performance conditions are aHEPS (50% weighting), cash management (30% weighting),

and ROCE (20% weighting). Targets are not disclosed as this would reveal confidential and commercially sensitive information. The performance conditions do not have any linear vesting. Non-achievement of the conditions will result in full forfeiture, and achievement will result in 100% vesting.

The Executive Directors received RSP awards with performance conditions based on achievement of individual annual performance objectives over the three-year period. The committee recognises that the achievement is based on a qualitative assessment of performance and the achievement of Group aPBT.

IMPACT OF IMPAIRMENT OF CARRYING VALUE OF DAVID JONES ON SHORT- AND LONG-TERM INCENTIVES

The Group acquired DJ in 2015 for an amount of of R21.5 billion. During the year, a non-cash impairment of A\$712.5 million was recognised against the carrying value of the DJ investment due to below-trading performance of DJ, and poor or delayed execution of the business transformational initiatives.

SHORT-TERM PERFORMANCE INCENTIVE

The non-cash impairment does not impact the aPBT actual or target for the 2018 financial year. However, the Remuneration Committee agreed that, as the key drivers of the implementation of the Group's strategic and operational initiatives, incentives for the Executive Directors and senior executives in business operations, should be impacted by the impairment.

Therefore, the Group CEO, Executive Directors, and Exco members of the operating subsidiaries will not qualify for any STI payment relating to the performance of the 2018 financial year.

LONG-TERM PERFORMANCE INCENTIVE

The non-cash impairment has the effect of reducing the ROCE target used for performance conditions of the PSP (for Executive Directors) and RSP (for Group CEO) and thereby make the achievement of the MTP ROCE performance condition easier to achieve.

It would be inappropriate for the Executive Directors to benefit from a reduced ROCE while shareholders have experienced a significant loss of value. The Remuneration Committee has therefore agreed to 'add-back' the impairment charge and not recognise the impairment for purposes of the ROCE performance condition, i.e., maintain the original targets. Due to the method of calculation and the vesting period being three years, this will invariably result in non-achievement of that component of the PSP award for these years.

With respect to the ROCE hurdle rates for the 2019 financial year onwards, it was agreed that the targets would be set at a higher level to compensate for the reduction in the base value given the impairment. The Board requires executive management to deliver growth going forward, particularly to achieve the MTP for the next three years to 2020. It would be appropriate for the directors to receive the opportunity to be rewarded for delivering improved performance and have the opportunity to benefit from performance which recovers the 'lost value' of previous long-term incentive awards not vesting.

CHANGES TO THE REMUNERATION POLICY FOR THE 2019 FINANCIAL YEAR		
As part of an ongoing process to ensure that the incentive plans reflect best practice, are appropriate for the Group’s operating model and are market related, the Remuneration Committee has agreed the following changes to the design of the schemes for the 2019 financial year.		
REMUNERATION ELEMENT	CHANGE	REASON FOR CHANGE
SHORT-TERM INCENTIVE SCHEME	Corporate short-term incentive bonus pool has been reduced.	The bonus pool for the 2019 financial year has been reduced by 50% to align with budgeted growth expectations.
LONG-TERM INCENTIVE SCHEME	Removal of TSR as a performance condition and replace with a measure of cash flow with a 20% weighting.	Cash flow measure is more closely aligned to driving shareholder value than TSR. Cash flow is a key target of the MTP.
	The growth target of HEPS to include the CPI rates of both South Africa and Australia.	Reflects the differing trading environments and cycles of the two main geographies in which the Group trades.
	Return on Capital Employed (ROCE) performance condition to be used as a base after the impairment of DJ acquisition, but with higher targets.	Recognises the need to recover shareholder value.

SINGLE FIGURE REMUNERATION

The Remuneration Committee has applied the King IV recommendation that companies must provide a single total figure of remuneration. Disclosure of the remuneration received and receivable, for the reporting period and all the remuneration elements that it comprises are presented in the Implementation Report.

INDEPENDENT EXTERNAL ADVICE

The committee continues to use independent external advice on remuneration trends and market benchmarks. PwC provided advice on local and global remuneration trends as well as with specific benchmarking data on executive remuneration and Non-executive Directors’ fees. Independent external remuneration advice was provided by PwC and Mercer for the Australian operations.

SHAREHOLDER ENGAGEMENT

At the 2017 AGM (held on 28 November 2017), the Group presented both the remuneration policy and the Implementation Report as two separate non-binding votes to shareholders for approval. The Group received overwhelming support from shareholders, with 96.92% approval received for the remuneration policy and 93.57% for the Implementation Report.

The Board Chairman and myself held various discussions with key shareholders prior to the AGM and disclosed the following issues raised by shareholders prior to the AGM, and during the course of the year.

In line with King IV, the Board will put both the remuneration policy and the Implementation Report as non-binding advisory shareholder resolutions at the AGM on 28 November 2018. We invite any shareholder wishing to engage the Chairman of the Remuneration Committee on the Group's remuneration policy to do so via email at Governance@woolworths.co.za.

If 25% or more of the shareholders vote against either resolution at the AGM, the Board will invite dissenting shareholders to engage with the committee on their concerns.

TOPIC	SHAREHOLDER COMMENTS	REMUNERATION COMMITTEE RESPONSES
TOTAL SHAREHOLDER RETURN (TSR)	A number of comments were received relating to TSR including: <ul style="list-style-type: none">• Disclosure• Weighting• Threshold targets• Relevance of measure	The committee considered all the comments and, as noted in the 2017 Report, and on advice from shareholders, agreed to replace TSR with a cash flow performance condition from the 2019 financial year onwards.
DISCLOSURE	The disclosure of the Group CEO’s RSP award is misleading as it appears to be a retention award with no performance conditions.	RSPs awarded to the Group CEO have clear performance conditions attached to them. The disclosure has been reviewed to ensure greater clarity.
	There is no prospective disclosure for the specific HEPS and ROCE targets; however the targets are disclosed retrospectively.	We believe prospective disclosure is competitively disadvantageous. The targets are disclosed when testing takes place.
	The Group does not disclose the recruitment policy and the termination or takeover provisions in relation to variable awards. There is no evidence of a clawback provision in place for directors’ contracts.	The committee believes that the rules of the PSP scheme adequately provide for the cessation of employment.
SHARE OWNERSHIP	There are no explicit executive ownership targets in place, while existing ownership appears good.	The committee is comfortable with the general practice that directors retain their shareholdings.

CONCLUSION

The committee remains confident that the Group’s remuneration philosophy and policies are aligned to its strategy, aligned with market best practice, and are subject to a robust re-examination each year. However, where it is clear that the remuneration policy should be reconsidered in order to adapt to changing business realities and to maximise shareholder value, or where shareholders have raised legitimate concerns regarding an aspect of the remuneration policy, the committee will consider amending relevant aspects of the Group’s remuneration framework.

The committee is pleased to submit a high-level summary of the Remuneration and Implementation Reports on pages 143 and 144 and the detailed Reports on pages 146 to 168. The detailed reports will be tabled at the AGM to shareholders for separate non-binding advisory votes.



TA BOARDMAN

Chairman of the Remuneration Committee

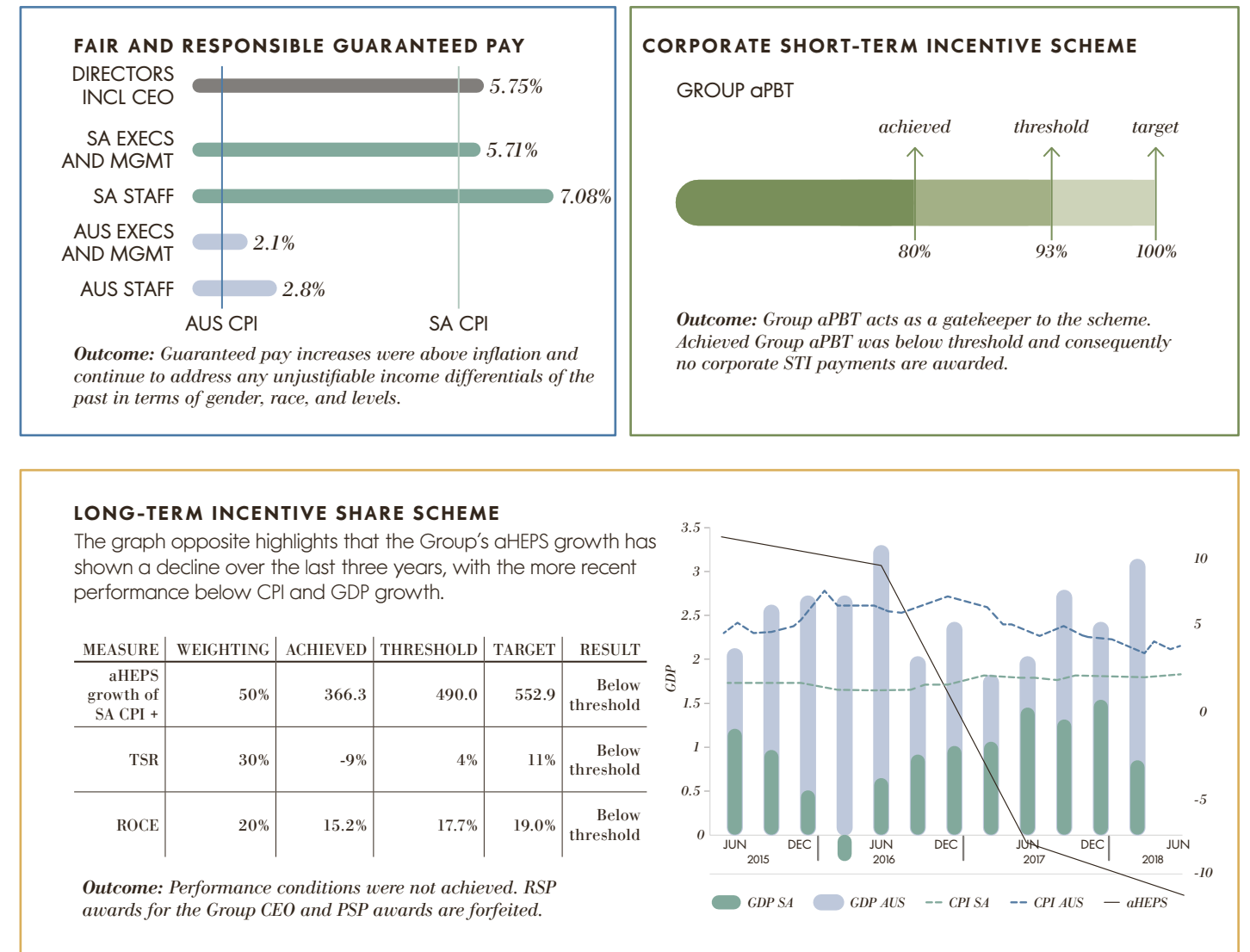
SUMMARY REMUNERATION & IMPLEMENTATION REPORT

REMUNERATION FRAMEWORK

The remuneration framework has been designed to achieve a fair and sustainable balance between annual, and short- and long-term variable remuneration.

	GUARANTEED PAY	SHORT-TERM PERFORMANCE	LONG-TERM INCENTIVES
PARTICIPATION	All permanent employees	All permanent employees	Executive directors, senior executives and selected employees
PERFORMANCE PERIOD	Ongoing	One year	Generally three years, up to five years
MECHANICS	Market-related and individual performance	Formula directed, with committee discretion	Formula directed
METHOD OF DELIVERY	Cash	Cash	WHL shares
TIMING OF DELIVERY	1 October	Annually in September if warranted	Annually in August/September
PERFORMANCE MEASURES	n/a	Group aPBT is the gatekeeper EBIT of the businesses	HEPS; TSR and ROCE
PURPOSE	Attraction and retention	Delivery of one-year strategic initiatives and financial performance	Delivery of three-year MTP and selected retention

OUTCOMES FOR FINANCIAL YEAR ENDED 24 JUNE 2018



SINGLE FIGURE REMUNERATION

The Group has followed the King IV recommendation and disclosed the single figure remuneration for the Executive Directors' remuneration for 2018. The intention of single figure remuneration is to disclose the remuneration earned or accrued by directors based on the performance of the current year, including any income attributable to unvested long-term share schemes. The 2017 figures have been calculated on a comparable basis, with the previously reported basis shown for information.

	GUARANTEED PAY			SHORT-TERM INCENTIVES	LONG-TERM INCENTIVES		REMUNERATION	PREVIOUSLY REPORTED
	Base salary R'000	Benefits R'000	Total guaranteed pay R'000	Performance bonus R'000	Fair value of shares R'000	Dividends received R'000	Total remuneration R'000	Total remuneration R'000
2018	37 891	1 387	39 278	-	6 996	5 012	51 286	
2017	35 326	1 302	36 628	-	3 355	3 240	43 222	58 508

USEFUL LINKS

[More detail](#)

[Remuneration Policy](#)

[Implementation Report](#)



Studio.W, Summer 2018

**SECTION 2:
REMUNERATION PHILOSOPHY,
POLICY, AND REWARD FRAMEWORK**

This report specifically deals with the remuneration for the Group Chief Executive Officer (Group CEO), Executive Directors and Executive Committee (execs) members. Disclosure is also provided in line with the requirements of South African legislation and King IV. The policy applies on a Group-wide basis. In order to provide a more comprehensive view, policies applicable either to different levels of employees and/or different geographic areas are included where appropriate.

**THE FOLLOWING COLOURS ARE USED IN THE REMUNERATION REPORT
TO DENOTE THE FOLLOWING:**

REMUNERATION	GUARANTEED PAY (GP)	VARIABLE PAY (VP)	SHORT-TERM INCENTIVES (STI)	LONG-TERM INCENTIVES (LTI)	DIRECTORS' FEES
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REMUNERATION PHILOSOPHY

The Group’s remuneration philosophy is to ensure that employees are rewarded appropriately for their contribution to the execution of the strategy of the Group. As an integral component of the Employee Value Proposition (EVP), the remuneration policy has been designed so that it will continue to attract, engage, retain, and motivate the right, diverse talent required to deliver sustainable profit growth.

The remuneration policies are designed to achieve alignment between the Group’s business strategy and the behaviours of all employees against the values of the Group. The policies recognise and reward individual responsibility, performance, and behaviour in the achievement of the business areas’ goals. These policies are applicable to all Group employees and participation in short- and long -term incentive schemes is dependent on an individual’s role and level within the Group.

The remuneration policy and the implementation thereof are focused on achieving a fair and sustainable balance between GP, STIs, LTIs, and retention schemes for these employees. The fair and responsible application of the remuneration policy (on a Group-wide basis) is guided by the King IV principles relating to fair and responsible remuneration, which have been adopted by the WHL Group.

FAIR AND RESPONSIBLE REMUNERATION

In consideration of King IV, the Group’s remuneration policy addresses fair and responsible remuneration for executive management in the context of overall employee remuneration. The Group has developed a ‘fair pay barometer’ to measure fair and responsible remuneration in a manner which is relevant to its business model. This will be reviewed and improved over time in line with best practice and governance guidelines. The barometer is covered in section 3 of the Remuneration Report on page 155.

REMUNERATION FRAMEWORK

The Group’s EVP framework balances remuneration (financial rewards) with other non-financial rewards to drive and deliver a high performance culture. The remuneration component of the EVP framework is made up of two elements – Guaranteed Pay (GP) and Variable Pay (VP) as illustrated below:

REMUNERATION			
GUARANTEED PAY		VARIABLE PAY	
Benchmarked against applicable retail and non-retail companies within geographic locations, to ensure the GP is competitive so as to attract and retain the required level of experience and expertise required for the Group		Short- and long-term incentives with the opportunity to earn additional financial rewards over performance periods of between one and five years	
BASE PAY	BENEFITS	SHORT-TERM INCENTIVES	LONG-TERM INCENTIVES
Market-related salary tailored to roles and performance	Market-related benefits including pension/ superannuation, healthcare, vehicle allowances, discounts on purchases	Annual performance bonus paid on the achievement of one-year financial targets All employees in the Group participate in a STI scheme appropriate to the level and role that they perform in the Group.	Share schemes designed to incentivise Group CEO, executive director, execs and senior- to middle-management levels across the Group, on delivery of long-term strategic goals aligned with shareholder expectations: <ul style="list-style-type: none">• Performance Share Plan (PSP)• Restricted Share Plan (RSP)

REMUNERATION MIX AND ALIGNMENT TO STRATEGY

REMUNERATION MIX

To achieve a performance culture and an alignment with shareholders through value creation, the total reward mix for the Group CEO, Executive Directors, Exco members, and senior management is geared towards a higher percentage of variable pay ‘at risk’ for the achievement of stretch goals. The chart below illustrates the potential composition (Rand and % composition) for the aggregate of the Group CEO and Executive Directors at below, on-target and stretch levels.

Aggregated Executive Directors (including Group CEO)

BELOW	(GP) 100%		
ON-TARGET	(GP) 43%	(STI) 36%	(LTI) 21%
STRETCH	(GP) 29%	(STI) 42%	(LTI) 29%

The ‘below’ level assumes no vesting of annual LTI allocations and no STI payments. On-target level assumes 50% vesting of annual LTI allocations and on-target STI performance. Stretch assumes 100% vesting of annual LTI allocations and stretch STI performance.

ALIGNMENT TO STRATEGY

The goals and performance measures are aligned with Group, company, and individual performance. The Group performance conditions for STI and LTI, underpinning the vesting of ‘at risk’ remuneration, have been selected as measures that encourage sustainable growth, without undue excessive risk taking. While the performance measures of both the STI and LTI are financial in nature, the achievement of non-financial outcomes is incorporated in the measurement of individual employee performance. At an individual level, 40% of their IPM rating is achieved by measuring the behaviours they display in the manner in which they carry out their job. The expected behaviours are aligned to the Group’s values. Many of these individual measures are linked to the achievement of the Good Business Journey programme outcomes, driving business transformation, customer service, and environmental and social transformation and development outcomes. The table below illustrates how the measures at an individual, company and Group level support the Group’s strategy, and are aligned to expectations of shareholders in creating sustainable growth and value creation.

SHORT-TERM INCENTIVES			STRATEGIC FOCUS AREAS	LONG-TERM INCENTIVES
GROUP METRIC	COMPANY/ BUSINESS AREA METRIC	INDIVIDUAL METRICS (EXAMPLES)		SHAREHOLDER METRICS
αPBT	EBIT	Market growth/share	Build stronger, more profitable customer relationships	HEPS
		Net promoter score	Towards connected retail	
		Online sales	Be a leading fashion retailer in the southern hemisphere	
	Direct Profit	Retail space growth	Become a big food business with a difference	TSR performance
		Transformation of DJ	Drive synergies and efficiencies across the Group	
		Water reduction	Embed the Good Business Journey throughout our business	ROCE
		Employment equity		

EXECUTIVE DIRECTORS

REMUNERATION POLICY APPLICABLE TO THE 2018 FINANCIAL YEAR

The table below sets out the components of the remuneration framework which have been applied by the WHL Group in the 2018 financial year for the Group Chief Executive Officer (Group CEO), Executive Directors and key senior executives (execs). Components

GUARANTEED PAY		SHORT-TERM INCENTIVES	
BASE SALARY	RETIREMENT/ SUPERANNUATION, HEALTHCARE, AND OTHER BENEFITS	SHORT-TERM PERFORMANCE BONUS	
PURPOSE AND LINK TO STRATEGY Market-related level of remuneration with consideration to specific requirements of the role.	PURPOSE AND LINK TO STRATEGY Benefits and allowances of a compulsory and non-compulsory nature appropriate to the market and contribute to well-being of employees, in line with EVP.	PURPOSE AND LINK TO STRATEGY Motivate executives and senior management to achieve short-term strategic, financial, and non-financial objectives in the one-year business plan.	
MECHANICS Reviewed annually against retail peer companies in South Africa, Australia and other countries in which the Group trades. Market conditions, company performance, internal comparability, individual performance and responsibility, are taken into consideration. Includes performance against financial and non-financial objectives and individual behaviour against Group values.	MECHANICS Benefits include: <ul style="list-style-type: none">retirement funding, superannuationhealthcaremotor vehicle allowance and vehicle leasing optionsproduct discount on purchases made in the Group's storesother benefits as per specific country	MECHANICS The target is determined annually in advance. STI calculated as follows: <ul style="list-style-type: none">Group CEO: 100% based on Group performanceGroup COO and Group FD: 100% based on Group performanceExecutive Directors and execs: 50% – 75% based on Group performance with remaining 50% – 25% based on Company and/or specific business area performance IPM and specific company EBIT performance are multipliers for the final calculations. Payments commence when threshold incentive trigger is achieved. Earnings potential is applied on a sliding scale between threshold, on-target, and stretch performance.	
OPPORTUNITY & MAXIMUM LIMIT Base salary reviewed in context of company and Group performance, CPI, and affordability.	OPPORTUNITY & MAXIMUM LIMIT Some benefits and the quantum of the benefits will vary according to Group's subsidiaries and the market in which they trade.	OPPORTUNITY & MAXIMUM LIMIT On-target and stretch performance percentage of GP: <div>GROUP CEO <div><div></div><div>100%125%</div></div></div> <div>GROUP COO AND GROUP FD <div><div></div><div>80%150%</div></div></div> <div>WSA CEO <div><div></div><div>80%150%</div></div></div> <div>DJ AND CRG CEOs <div><div></div><div>80%125%</div></div></div> <div>EXECS (WSA) <div><div></div><div>30% TO 50%75% TO 150%</div></div></div>	
PERFORMANCE CONDITIONS Adjustments influenced by individual performance metrics aligned with strategy and behaviours to Group values.	PERFORMANCE CONDITIONS n/a	PERFORMANCE CONDITIONS Target: % growth of Group aPBT and/or company EBIT. Group aPBT acts as a gatekeeper for profit pool accumulation. In finalising STI payments, the Remuneration Committee may exercise discretion to mitigate any unintended consequences.	
OTHERS All employees in the Group participate in an STI scheme at different levels of % of GP at on-target and stretch level. A percentage of Group performance is included in the STI calculation regardless of the participant's employer company. Group STI payments are made in cash in September each year after the finalisation of WHL audited annual financial results. Store and supply chain employees participate in gain-share or commission schemes appropriate to their employer company. Cash payments may be made monthly, quarterly, and biannually dependent on the scheme. The Remuneration Committee has the discretion to exercise reasonability and discretion to pay ex gratia payments where extraordinary value has been created by executives.		OTHERS All employees in the Group participate in an STI scheme at different levels of % of GP at on-target and stretch level. A percentage of Group performance is included in the STI calculation regardless of the participant's employer company. Group STI payments are made in cash in September each year after the finalisation of WHL audited annual financial results. Store and supply chain employees participate in gain-share or commission schemes appropriate to their employer company. Cash payments may be made monthly, quarterly, and biannually dependent on the scheme. The Remuneration Committee has the discretion to exercise reasonability and discretion to pay ex gratia payments where extraordinary value has been created by executives.	
NO. OF PARTICIPANTS 45 835		NO. OF PARTICIPANTS 45 835	

USEFUL LINKS
More detail
Remuneration Policy
STI calculations
PSP allocations
Single Figure Remuneration

of the framework may differ between the three main operating subsidiaries of the WHL Group and, where elements are different, the details per subsidiary are highlighted. The remuneration framework is applied to all Group employees, with LTI components not available to lower management when the 'line-of-sight' is not easily attributable to those roles.

LONG-TERM INCENTIVES	
PERFORMANCE SHARE PLAN	RESTRICTED SHARE PLAN
PURPOSE AND LINK TO STRATEGY Motivate employees to achieve three-year strategy aligning shareholder and executive interests.	PURPOSE AND LINK TO STRATEGY Retain and motivate employees who are key to the delivery of the Group's long-term strategy. Enables the recruitment of key executives to address value forfeited on resignation from a previous employer.
MECHANICS Participants are entitled to the delivery of conditional awards in shares after three years from date of grant, provided that certain performance conditions are met. Vesting occurs subject to the achievement of performance conditions over a three-year performance period. Vesting occurs on a linear scale in accordance with an agreed threshold and stretch target. Participants receive a payment settled in equity on vesting equal to the value of dividends paid on the vested shares during the vesting period.	MECHANICS Participants allocated the unrestricted delivery of shares after a three- to five-year period from the date of grant, or shorter period at the discretion of the Remuneration Committee. Vesting occurs on condition that the participant is still in the employ of the Group on the expiry of the agreed vesting period and any applicable performance conditions are achieved. Staggered vesting occurs from year three to year five. The Remuneration Committee has the discretion to amend vesting periods where appropriate. Participants entitled to receive dividends during the vesting period. RSP allocations are currently not awarded to Australia-based employees.
OPPORTUNITY & MAXIMUM LIMIT Grants are made annually at the discretion of the Remuneration Committee based on GP at grant date. Allocations capped at: <div>GROUP COO AND GROUP FD <div><div></div><div>100%</div></div></div> <div>WSA, DJ AND CRG CEOs <div><div></div><div>100%</div></div></div> <div>EXECS (WSA) <div><div></div><div>46% TO 79%</div></div></div> <div>DJ AND CRG EXCO <div><div></div><div>46% TO 50%</div></div></div>	OPPORTUNITY & MAXIMUM LIMIT GROUP CEO Annual allocation: <div>GROUP CEO <div><div></div><div>150%</div></div></div> OTHER CATEGORIES/PARTICIPANTS The Remuneration Committee has the discretion to determine the minimum and maximum award on GP at grant date. Allocations limited to the Group CEO, Executive Directors, Group execs and selected core and scarce employees.
PERFORMANCE CONDITIONS Group measures weighted: HEPS: 50%, ROCE: 30%, TSR: 20% <div>HEPS - GROWTH <div><div></div><div>THRESHOLD</div><div>STRETCH TARGET</div></div><div>VESTING 30%100%</div></div> <div>ROCE - TARGETS FROM MEDIUM-TERM PLAN <div><div></div><div>THRESHOLD</div><div>STRETCH TARGET</div></div><div>VESTING 30%100%</div><div>Stretch target based on average three-year projected performance from MTP.</div></div> <div>TSR PERFORMANCE OF WHL COMPARED TO PEER GROUP <div><div></div><div>MEDIAN</div><div>UPPER</div></div><div>VESTING 0%100%</div></div>	PERFORMANCE CONDITIONS GROUP CEO The Group CEO receives an annual allocation of RSP with performance conditions and weightings with those of the PSP as below. <div>HEPS - GROWTH <div><div></div><div>THRESHOLD</div><div>STRETCH TARGET</div></div><div>VESTING 30%100%</div></div> <div>ROCE - TARGETS FROM MEDIUM-TERM PLAN <div><div></div><div>THRESHOLD</div><div>STRETCH TARGET</div></div><div>VESTING 30%100%</div><div>Stretch target based on average three-year projected performance from MTP.</div></div> <div>TSR PERFORMANCE OF WHL COMPARED TO PEER GROUP <div><div></div><div>MEDIAN</div><div>UPPER</div></div><div>VESTING 0%100%</div></div> No retesting of performance conditions. Awards lapse if performance conditions are not achieved.
OTHERS Peer group consists of a selection of JSE-listed companies based on PwC closeness metric approach that selects peer group based on the following factors: sector, EBITDA, total assets, market capitalisation, and price earnings ratio. Rules governing cessation of employment, change in control and delisting as per scheme rules aligned with King IV recommendations.	OTHERS Rules governing cessation of employment, change in control and delisting as per scheme rules aligned with King IV recommendations. Shares are purchased on the open market and held by third-party in escrow.
NO. OF PARTICIPANTS 693	NO. OF PARTICIPANTS 56

EXECUTIVE DIRECTORS (CONTINUED)

SERVICE CONTRACTS AND NOTICE PERIODS

It is the policy that the Executive Directors and execs have employment agreements with the company which may be terminated with notice periods of between three and six months. The Group CEO's contract has a 12-month notice period. Employment agreements may also include restraint of trade agreements.

Expatriate execs are employed on a fixed-term contract subject to obtaining and maintaining applicable work permits.

THE TRUST IS GUIDED BY THE TRUST DEED AND SHARE SCHEME RULES, IN COMPLIANCE WITH THE JOHANNESBURG STOCK EXCHANGE LIMITED (JSE) LISTINGS REQUIREMENTS, AND WAS APPROVED BY SHAREHOLDERS IN NOVEMBER 2010

WOOLWORTHS HOLDINGS SHARE TRUST

The Woolworths Holdings Share Trust, managed by two trustees – Independent Non-executive Directors – administers the utilisation of shares for the purposes of the long-term incentive share schemes. The Trust is guided by the Trust Deed and share scheme rules, in compliance with the Johannesburg Stock Exchange Limited (JSE) Listings Requirements, and was approved by shareholders in November 2010.

The maximum number of shares available for allocation in terms of the LTI share schemes is 85 000 000, representing approximately 8% of the current issued

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

Shares allocated to participants under the LTI schemes may be purchased on the open market or new shares may be issued. Shares and grants may not be awarded or exercised during a closed period.



Witchery, Autumn 2018

NON-EXECUTIVE DIRECTORS

REMUNERATION POLICY

The table below sets out the remuneration policies applied by the Group for the 2018 financial year for Non-executive Directors.

These policies are also applicable for the 2019 financial year and form the underlying basis for the directors’ fees tabled for shareholder approval at the AGM to be held on 28 November 2018.

NON-EXECUTIVE DIRECTORS’ REMUNERATION	
FEES	OTHER BENEFITS
CHAIRMAN, LID AND DIRECTORS A market-related fee to attract and retain experienced and diverse Non-executive Directors.	MECHANICS Non-executive Directors receive product discount provided on purchases made in WHL Group stores. No other benefits are provided. Non-executive Directors do not participate in any STI or LTI schemes. The Chairman receives post-retirement healthcare by virtue of him previously holding the role of Group CEO and retiring from that position.
COMMITTEE MEMBERSHIP Fees reflect the additional responsibilities undertaken through membership of committees. Committee chairmen receive an additional amount.	
MECHANICS An annual fee structure, as directors are required to provide input on an ongoing basis throughout the year that is not confined to attendance at meetings. Directors based in the United Kingdom are paid directors’ fees in sterling and directors based in Australia in Australian dollars. Non-executive Directors who perform a similar role for the main operating subsidiaries are remunerated for those functions – Patrick Allaway is a Non-executive Director of DJ and CRG. Zarina Bassa is a Non-executive Director of WSA. Fees reflect the time commitment, demands, and responsibility of the role. Audited Non-executive Directors’ fees for the 2018 financial year are shown on page 167.	
OTHER Fees are reviewed annually against retail peer companies in South Africa, Australia, and the United Kingdom. Fees are proposed by Executive Directors based on independently benchmarked fees. The Remuneration Committee recommends the fees to the Board for final approval by shareholders. Fees are paid quarterly in arrears in cash.	

PROPOSED NON-EXECUTIVE DIRECTORS’ FEES

The proposed fees for the Non-executive Directors have been independently benchmarked by PWC. Three comparator groups have been used for the benchmarks:

- industry-based group of 10 retail JSE listed companies
- size-based group of 12 JSE listed companies
- international group of 11 retail companies listed in Australia and the UK

The Board has proposed that the 2019 fees (exclusive of SA VAT) will remain unchanged from 2018.

The proposed fees (exclusive of South African VAT) for the calendar year 1 January 2019 to 30 December 2019 are shown in the table below:

	Current approved fees (R’000)	Proposed fees (R’000)	% increase
Chairman	1 728.2	1 728.2	0%
Lead Independent Director	662.5	662.5	0%
South African-based director	400.6	400.6	0%
United Kingdom-based director (paid in £)	£75.9	£75.9	0%
Australian-based director (paid in A\$)	A\$158.9	A\$158.9	0%
Audit Committee chairman	345.1	345.1	0%
Audit Committee member	189.2	189.2	0%
Nominations Committee chairman	178.1	178.1	0%
Nominations Committee member	111.3	111.3	0%
Remuneration Committee chairman	233.8	233.8	0%
Remuneration Committee member	122.4	122.4	0%
Risk and Compliance Committee chairman	233.7	233.7	0%
Risk and Compliance Committee member	122.4	122.4	0%
Social and Ethics Committee chairman	189.2	189.2	0%
Social and Ethics Committee member	111.3	111.3	0%
Sustainability Committee chairman	189.2	189.2	0%
Sustainability Committee member	111.3	111.3	0%
Treasury Committee member	44.5	44.5	0%
Hourly rate for additional services	R5 342	R5 342	0%

SERVICE CONTRACTS

Non-executive Directors do not have service contracts, but serve the company through a letter of appointment, which may be terminated without liability for compensation. Directors must be elected by shareholders at an AGM on a rotational basis, usually being three-year intervals.

SECTION 3: APPLICATION OF REMUNERATION POLICY FOR THE YEAR ENDED 24 JUNE 2018

This section of the report specifically deals with the remuneration for the Group CEO, Executive Directors and Non-executive Directors. Where appropriate, details are included for execs and other employees.

The Board reviewed the executive structure within the Group and concluded that the prescribed officer roles are held by Executive Directors.

COMPLIANCE WITH THE REMUNERATION POLICY

The Remuneration Committee monitored the implementation of the remuneration policy throughout the year, and is of the view that the Group was in material compliance with the 2018 remuneration policy (as set out in the 2017 Integrated Annual Report).

FAIR AND RESPONSIBLE REMUNERATION

As explained earlier, a remuneration barometer was introduced during the year to show the Group's fair and responsible remuneration policies. It is pleasing to note that the Group continues to make significant progress in terms of managing 'the ethics of pay'. The barometer opposite explains the application for the 2018 financial year.

GROUP CEO AND EXECUTIVE DIRECTORS

REMUNERATION MIX

The chart below has been prepared on the same basis as the chart on page 146 representing the potential mix of GP, STI and LTI compared with the actual mix achieved for the year ended 24 June 2018. The chart reflects the composition for the aggregation for the Group CEO and Executive Directors.

On-target level assumes 50% vesting of annual LTI allocations and on-target STI performance. Stretch (maximum) assumes 100% vesting of annual LTI allocations and stretch STI performance.

The achieved remuneration mix is as a result of the nil payout for short-term performance incentives for the year, explained in more detail on page 158, while LTI vesting did not occur.

Aggregated Executive Directors (including Group CEO)

ACHIEVED

(GP) 100%

ON-TARGET

(GP) 43%

(STI) 36%

(LTI) 21%

STRETCH

(GP) 29%

(STI) 42%

(LTI) 29%

USEFUL LINKS

More detail

[Single Figure Remuneration](#)

GUARANTEED PAY

The annual GP increases effective 1 October 2017 are set out in the table below. Increases are in line with inflation in South Africa and Australia.

	GUARANTEED PAY % INCREASE
Group CEO and Executive Directors	5.75%
Senior executives and management:	
South Africa	5.71%
Australia	2.10%
Senior Staff South Africa	7.08%
Staff Australia	2.80%

Guaranteed pay increases are referenced to inflation for the differing geographic areas. Increases were effective 1 October 2017.

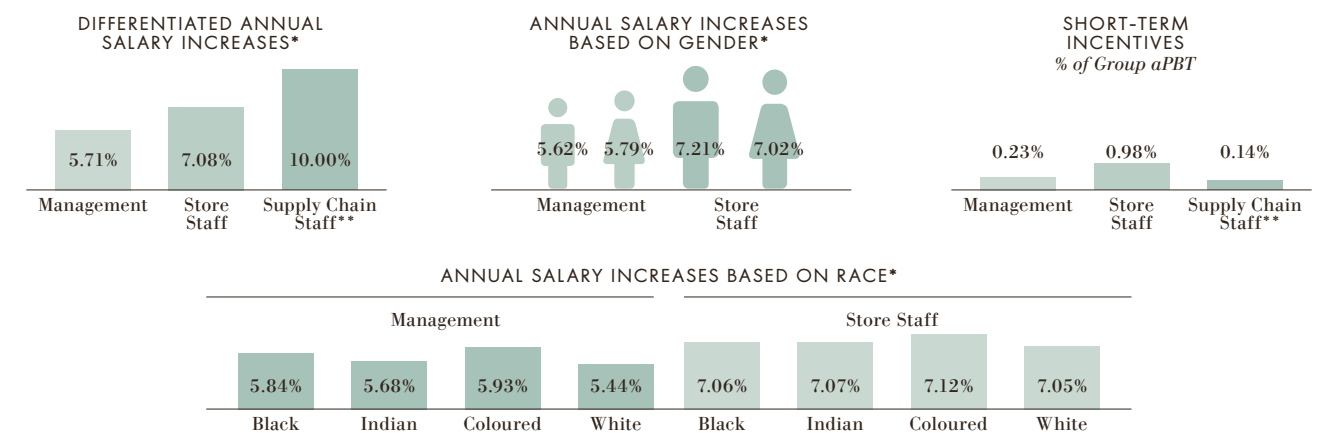
We are pleased that the Group continues to address and reduce the pay gap between management and staff by awarding staff higher increases than management. Adjustments to guaranteed pay were above CPI in South Africa and Australia.

SINGLE FIGURE REMUNERATION

Increases awarded to the Executive Directors are shown in the single figure remuneration calculation.

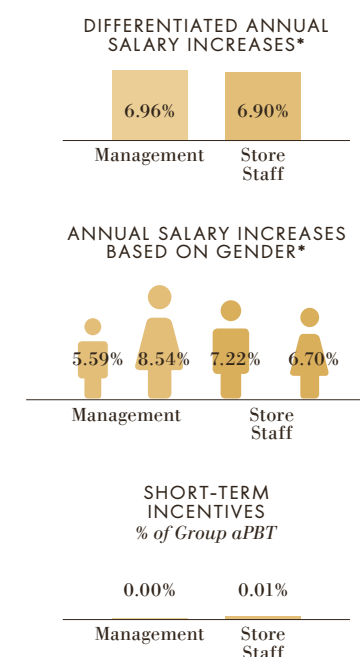
FAIR AND RESPONSIBLE PAY BAROMETER

SOUTH AFRICA



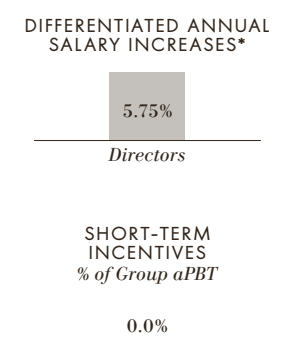
MINIMUM WAGE Store Staff: above legislative minimums
** Supply Chain staff, applicable to WSA only, belong to a union and received an across-the-board 10% increase.

REST OF AFRICA

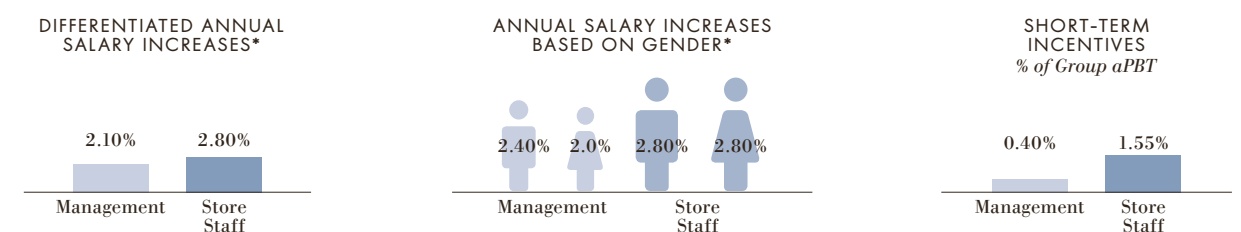


MINIMUM WAGE Store Staff: on or above legislative minimums

EXECUTIVE DIRECTORS



AUSTRALIA AND NEW ZEALAND



MINIMUM WAGE Store Staff: on or above legislative minimums

PERMANENT EMPLOYEES
* % increase effective 1 October 2017

SHORT-TERM INCENTIVES (STI)

The framework and mechanics of the STI scheme explained below were applied to all employees in the Group.

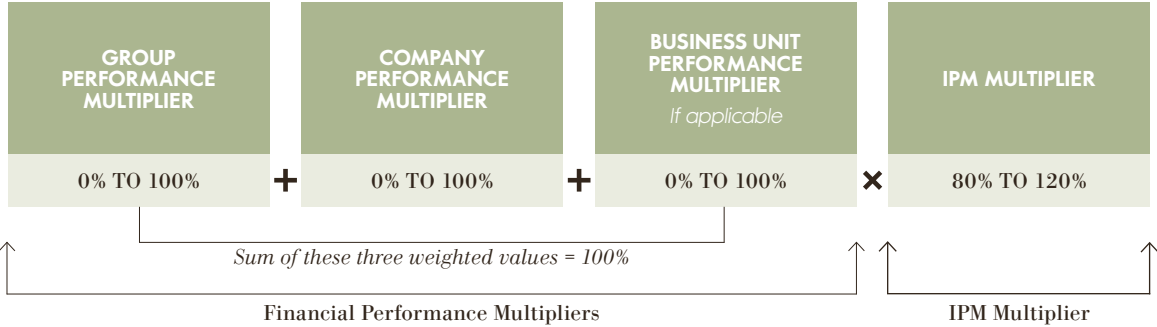
The STI is calculated as follows:

- Group CEO: 100% based on Group performance
- Group COO and Group FD: 100% based on Group performance
- Executive Directors and execs:
 - 50% – 75% based on Group performance; with remaining
 - 50% – 25% based on company and/or specific business area performance

Individual performance scores (IPM) and specific company EBIT performance are multipliers for the final payments. Business unit modifiers are applicable for employees at levels below execs.

The high-level design of the STI scheme is as follows:

- incentives are calculated at a business unit level taking into account the scheme design and parameters
- a principle of budgeted pre-incentive profit is used across all units as the trigger for on-target incentives
- a gatekeeper of 93% of Group aPBT for threshold bonuses is built into the scheme
- at the Group level (as a top-down approach), a final measure is built into the scheme to ensure affordability and threshold performance, i.e., 93% achieved



The target is determined annually in advance.

THE GROUP SHORT-TERM INCENTIVE TRIGGER WAS NOT ACHIEVED; NO PERFORMANCE BONUS PAYMENTS IN THE 2018 FINANCIAL YEAR.

PERFORMANCE FOR THE PERIOD

As explained in the Finance Director’s report, the Group achieved aPBT of R4.8 billion. The performance conditions for the short-term performance bonus were tested to determine if the minimum incentive trigger had been achieved. As the gatekeeper for any entity to pay a corporate STI is the achievement of >93% of aPBT, no bonuses for the 2018 financial year will be paid.

The analysis of the STI calculations for the Group CEO and Executive Directors based on Group, company and individual performance are shown in the table below.

	PERFORMANCE					ACHIEVEMENT LEVEL	RESULTANT BONUS %
	WEIGHTING	BELOW	THRESHOLD	TARGET	STRETCH		
GROUP PERFORMANCE aPBT	50%–100%	●				80%	
COMPANY PERFORMANCE	50%						
WOOLWORTHS SOUTH AFRICA aEBIT		●				89%	
DAVID JONES aEBIT		●				51%	
COUNTRY ROAD GROUP aEBIT		●				88%	
INDIVIDUAL PERFORMANCE MULTIPLIER							
Ian Moir			●			80%	0%
Reeza Isaacs			●			80%	0%
Sam Ngumeni			●			80%	0%
Zyda Rylands			●			80%	0%
John Dixon (pro rata to 21 May 2018)			N/A			N/A	N/A

SINGLE FIGURE REMUNERATION

No amounts are included in single figure remuneration for the 2018 financial year as the STI performance conditions were not met.

USEFUL LINKS

More detail

Single Figure Remuneration

LONG-TERM INCENTIVES

ALLOCATIONS DURING 2018

The allocations for the Group CEO and Executive Directors for components of LTI were approved by the Remuneration Committee during the 2018 financial year and are shown in the tables below.

	ANNUAL ROLLING ALLOCATIONS						TOTAL ALLOCATIONS
	PSP AWARDS			RSP AWARDS			
	BASIS	NUMBER	FACE VALUE R'000	BASIS	NUMBER	FACE VALUE R'000	NUMBER
Ian Moir				150% of GP	475 118	28 500	475 118
Reeza Isaacs	100% of GP	78 014	4 876				78 014
Sam Ngumeni	100% of GP	89 137	5 850				89 137
Zyda Rylands	100% of GP	106 659	7 000				106 659
John Dixon	100% of GP	290 350	19 055				290 350
Total		564 160	36 781		475 118	28 500	1 039 278

ONCE-OFF ALLOCATION			
RSP AWARDS			
	BASIS	NUMBER	FACE VALUE R'000
Ian Moir	150% of GP	475 117	28 500
Reeza Isaacs	50% of GP	42 678	2 560
Sam Ngumeni	50% of GP	48 762	2 925
Zyda Rylands	50% of GP	58 348	3 500
John Dixon	50% of GP (PSP)	145 175	9 527
Total		770 080	47 012

LTI allocations made to Executive Directors and execs were made in line with the percentage allocations described in the remuneration policy table on page 150.

Once-off allocations of RSP shares were approved by the Remuneration Committee in order to drive the achievement of the MTP for the 2020 financial year. The RSP award allocated to the Group CEO has performance conditions in line with the MTP, while the awards to the Executive Directors are conditional on acceptable performance at the end of the three-year vesting period.

SINGLE FIGURE REMUNERATION

LTI allocations made during the 2018 financial year are shown in the fair value calculation of unvested shares. They will be included in single figure remuneration for the 2020 financial year, subject to achievement of performance conditions.

VESTING OF LTI ALLOCATIONS RELATING TO THE PERFORMANCE FOR THE 2018 FINANCIAL YEAR

The performance conditions for the PSP September 2015 allocations were tested to determine if vesting had been achieved.

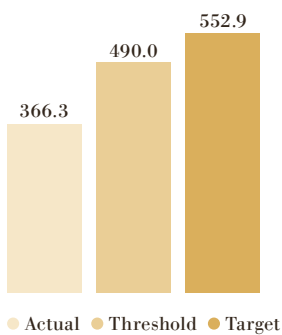
The performance conditions are:

- 50% based on HEPS growth of CPI plus 5% per annum
- 30% based on TSR performance compared to the peer group TSR performance
- 20% based on ROCE percentage achievement against targets from MTP.

HEPS PERFORMANCE

This graph shows the target HEPS which was required for the full vesting of this performance condition.

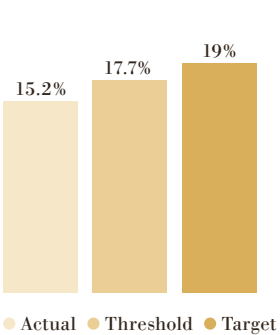
Adjusted HEPS achieved was 366.3 cps, significantly below the target HEPS of 552.9 cps and the threshold HEPS of 490.0 cps. The HEPS performance condition has not been met and vesting is 0%.



ROCE PERFORMANCE

The graph shows the target ROCE required for full vesting for this performance condition.

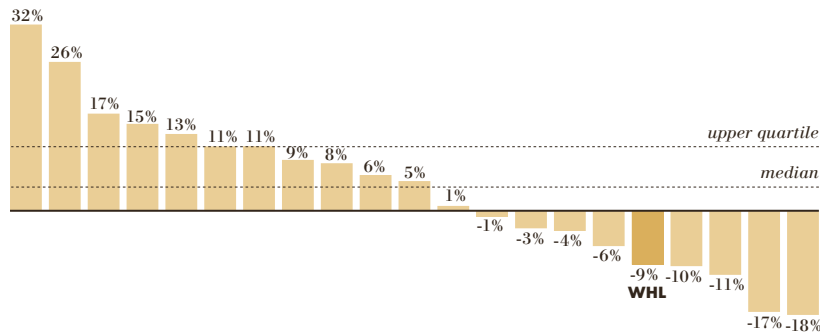
Actual ROCE achieved was 15.2%, impacted by the poor trading performance experienced by the Group. As the achieved ROCE is below the threshold ROCE of 17.7% and on-target of 19.0%, this performance condition has not been met and vesting is therefore 0%.



TSR PERFORMANCE

This graph compares the TSR performance of the company to the TSR index of the peer group at the lower and upper quartiles.

Actual TSR performance for WHL was a decline of 9%, below the upper quartile and median of the peer group performance. The TSR performance condition has not been met and vesting is therefore 0%.



SINGLE FIGURE REMUNERATION

No amounts are included in single figure remuneration for the 2018 financial year as the performance conditions have not been met for the PSP allocations (Executive Directors) and RSP allocation (Group CEO).

USEFUL LINKS

More detail

[Single Figure Remuneration](#)

[Participation in Share Schemes](#)

LONG-TERM INCENTIVES (CONTINUED)

PAYMENTS FOR LOSS OF OFFICE OR TERMINATION OF EMPLOYMENT

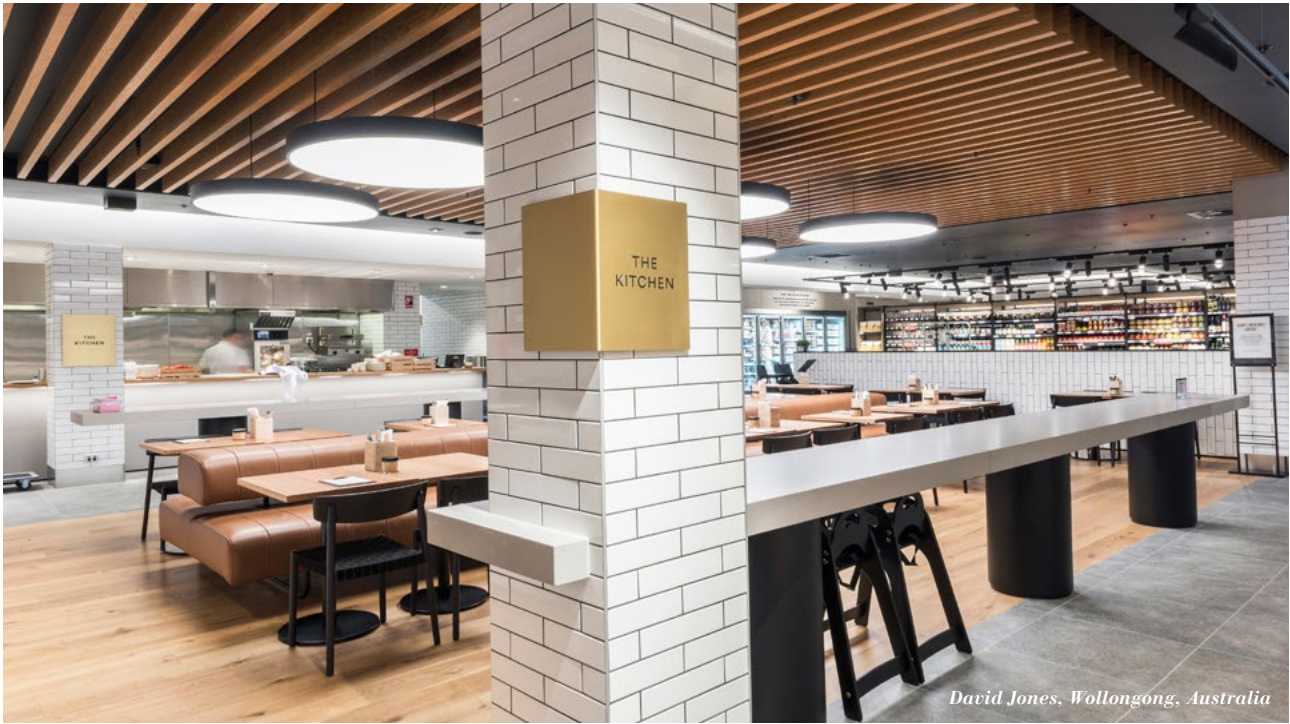
As communicated during the year, John Dixon ceased to be a director effective 21 May 2018. As part of his termination agreement, John will be paid his notice period of 12 months’ salary as per his employment agreement. This amount equates to A\$1.8m and will be paid at the end of his garden leave period. He receives his salary of A\$1.0m for the duration of the garden leave. The company will pay for costs incurred relocating him back to the UK.

In terms of the rules of the long term incentive schemes, he will forfeit any unvested PSP shares held at the date of his resignation.

UTILISATION OF SHARES HELD BY WOOLWORTHS HOLDINGS SHARE TRUST

In line with the JSE requirements, an analysis of the shares utilised for the purposes of LTI is shown in the table below:

Opening balance available	18 733 797
Allocations made to participants	(6 751 211)
Exercised/lapsed	768 205
Sold by participants	3 499 847
Closing balance available	16 250 638



SINGLE FIGURE REMUNERATION FOR YEAR ENDED 24 JUNE 2018 (AUDITED)

The Group has followed King IV recommendations and disclosed the single figure remuneration paid to Executive Directors of Woolworths Holdings Limited, in connection with the affairs of the Company and its subsidiaries during the year ended 24 June 2018 and comparatives for 25 June 2017.

The intention of single figure remuneration is to disclose the remuneration earned and/or accrued by directors based on the performance of the current year, the vesting of shares with non-financial performance conditions, and including any income attributable to unvested long-term share schemes. The 2017 figures have been calculated on a comparable basis, with the previously reported basis shown for information. Details are set out below:

Notes	GUARANTEED PAY			SHORT-TERM INCENTIVES	LONG-TERM INCENTIVES		SINGLE FIGURE REMUNERATION	Total remuneration R'000
	Base salary R'000	Benefits (1) R'000	Total guaranteed pay (2) R'000	Performance bonus (3) R'000	Fair value of shares (4) R'000	Dividends received (5) R'000	Total remuneration R'000	
2018								Disclosed 2017
Ian Moir	18 915	139	19 054	-	6 996	4 504	30 555	
Reeza Isaacs	5 378	387	5 765	-	-	199	5 964	
Sam Ngumeni	6 168	449	6 617	-	-	141	6 758	
Zyda Rylands	7 430	412	7 842	-	-	168	8 009	
	37 891	1 387	39 278	-	6 996	5 012	51 286	
AUSTRALIA-BASED (AMOUNTS EXPRESSED IN A\$'000)								
John Dixon (6)	1 717	205	1 922	-	-	-	1 922	
2017 (7)							Restated 2017	
Ian Moir	18 673	135	18 808	-	2 184	3 054	24 046	
Reeza Isaacs	4 752	373	5 125	-	261	164	5 550	
Sam Ngumeni	5 369	422	5 791	-	573	22	6 386	
Zyda Rylands	6 532	372	6 904	-	337	-	7 240	
	35 326	1 302	36 628	-	3 355	3 240	43 222	
AUSTRALIA-BASED (AMOUNTS EXPRESSED IN A\$'000)								
John Dixon (6)	1 564	287	1 851	-	-	-	1 851	

NOTES

- Benefits include retirement, healthcare, related benefits, long-service awards, and discounts received on purchases made in WHL Group stores. Benefits for John Dixon includes in-country legislative components.
- Guaranteed pay and other benefits: actual payments made in the financial year.
- Short-term incentives: amounts accrued in the financial year relating to the financial performance against target for the year.
- Fair value of shares: value of LTIP and/or RSP vesting of performance conditions based on the three-year period FY2016 – FY2018. FY2018 valued at actual share price of R65.59 on the vesting date. For FY2017, the 30-day VWAP of R64.56 was used.
- Dividends received during the financial year on all unvested RSP shares held during the year.
- John Dixon resigned as an Executive Director on 21 May 2018; his remuneration is disclosed for the full year in A\$. John will be paid his notice period of 12 months’ salary as per his employment agreement. This amount equates to A\$1.8m. He is entitled to a salary of A\$1.0 million until 31 December 2018 in terms of his employment agreement. The Company will pay for costs incurred relocating him back to the UK.
- The 2017 figures have been restated to assist with comparability.

DIRECTORS’ PARTICIPATION IN SHARE SCHEMES

Shares purchased and options granted to Executive Directors in terms of the Woolworths Holdings Share Trust which had not been exercised at 24 June 2018 are set out below.

IAN MOIR															
SCHEME	Award date Vesting date Expiry date			As at 25 June 2017		Awarded		Forfeited		Sold or transferred			As at 24 June 2018		
				NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	REALISATION VALUE (1) RANDS	VESTED	UNVESTED	TOTAL
SARS	25 Aug 2011	28 Aug 2014	25 Aug 2018	87 468	27.89								87 468		87 468
	23 Aug 2012	27 Aug 2015	23 Aug 2019	72 288	51.48								72 288		72 288
	29 Aug 2013	29 Aug 2016	29 Aug 2020	103 755	56.06								103 755		103 755
Total				263 511									263 511		263 511
RSP	09 Oct 2014	09 Oct 2017	09 Oct 2017	258 210	69.71			224 384		33 826	59.42	2 009 912			-
	05 Jan 2015	16 Feb 2018	16 Feb 2019	213 000	92.14					106 500	65.69	6 995 985		106 500	106 500 3 026 805
	27 Aug 2015	27 Aug 2018	27 Aug 2018	186 126	96.71									186 126	186 126 -
	25 Aug 2016	26 Aug 2019	26 Aug 2019	318 442	84.79									318 442	318 442 9 050 345
	24 Aug 2017	24 Aug 2020	24 Aug 2020			475 118	59.99							475 118	475 118 13 503 186
	24 Aug 2017	24 Aug 2020	24 Aug 2020			475 117	59.99							475 117	475 117 13 503 158
Total				975 778		950 235				140 326		9 005 897		1 561 303	1 561 303 39 083 493
Total				1 239 289		950 235		224 384		140 326		9 005 897	263 511	1 561 303	1 824 814 39 083 493
REEZA ISAACS															
SCHEME	Award date Vesting date Expiry date			As at 25 June 2017		Awarded		Forfeited		Sold or transferred			As at 24 June 2018		
				NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	REALISATION VALUE (1) RANDS	VESTED	UNVESTED	TOTAL
SARS	15 Sep 2014	15 Sep 2017	15 Sep 2021	25 115	74.06			25 115							
Total				25 115				25 115							
LTIP	15 Sep 2014	15 Sep 2017	15 Sep 2017	27 208	74.06	523	59.62	23 644		4 087	59.62	243 667			
Total				27 208		523		23 644		4 087		243 667			
RSP	01 Jun 2013	24 Aug 2017	24 Aug 2018	52 420	73.92					26 210	63.86	1 673 747		26 210	26 210
	24 Aug 2017	25 Aug 2020	25 Aug 2020			42 678	59.99							42 678	42 678 2 425 877
Total				52 420		42 678				26 210		1 673 747		68 888	68 888 2 425 877
PSP	27 Aug 2015	27 Aug 2018	27 Aug 2018	37 581	96.70									37 581	37 581
	11 Feb 2016	11 Feb 2019	14 Feb 2019	9 990	93.69									9 990	9 990
	25 Aug 2016	26 Aug 2019	26 Aug 2019	55 498	87.86									55 498	55 498 1 577 292
	24 Aug 2017	24 Aug 2020	24 Aug 2020			78 014	65.63							78 014	78 014 2 217 212
Total				103 069		78 014								181 083	181 083 3 794 504
Total				207 812		121 215		48 759		30 297		1 917 414	249 971	249 971	6 220 382

NOTES

1. Realisation value based on taxable benefit at date of sale or transfer.

2. Fair value calculated based on 30-day VWAP at 30 June 2018 of R56.84 and 50% vesting probability for all unvested awards.

DIRECTORS’ PARTICIPATION IN SHARE SCHEMES (CONTINUED)

SAM NGUMENI																
SCHEME	Award date Vesting date Expiry date			As at 25 June 2017		Awarded		Forfeited		Sold or transferred			As at 24 June 2018			FAIR VALUE RANDS (2)
				NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	REALISATION VALUE (1)	VESTED	UNVESTED	TOTAL	
SARS	15 Sep 2014	15 Sep 2017	15 Sep 2021	55 092	74.06			55 092							-	
Total				55 092				55 092							-	
LTIP	15 Sep 2014	15 Sep 2017	15 Sep 2017	59 682	74.06	1 146	59.62	51 864		8 964	59.62	534 434			-	
Total				59 682		1 146		51 864		8 964		534 434			-	
RSP	23 Aug 2012	23 Aug 2017	23 Aug 2017	6 953	59.25					6 953	63.86	444 019			-	
	24 Aug 2017	24 Aug 2020	24 Aug 2020			48 762	59.99						48 762	48 762	2 771 700	
Total				6 953		48 762				6 953		444 019		48 762	2 771 700	
PSP	27 Aug 2015	27 Aug 2018	27 Aug 2018	40 848	96.70									40 848	-	
	11 Feb 2016	11 Feb 2019	11 Feb 2019	10 858	93.69									10 858	-	
	25 Aug 2016	26 Aug 2019	26 Aug 2019	60 324	87.86									60 324	1 714 450	
	24 Aug 2017	24 Aug 2020	24 Aug 2020			89 137	65.63							89 137	2 533 336	
Total				112 030		89 137	65.63							201 167	4 247 786	
Total				233 757		139 045		106 956		15 917		978 453		249 929	7 019 487	

ZYDA RYLANDS															
SCHEME	Award date	Vesting date	Expiry date	As at 25 June 2017		Awarded		Forfeited		Sold or transferred			As at 24 June 2018		
				NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	NUMBER	PRICE RANDS	REALISATION VALUE (1)	VESTED	UNVESTED	FAIR VALUE RANDS (2)
SHARE OPTION	17 Oct 2008	17 Oct 2013	17 Oct 2018	65 279	8.81					65 279	56.56	3 117 072	-		
Total				65 279						65 279		3 117 072	-		
SARS	25 Aug 2011	28 Aug 2014	25 Aug 2018	53 538	27.89					53 538	56.56	1 534 934			
	23 Aug 2012	27 Aug 2015	23 Aug 2019	38 304	51.48								38 304		-
	29 Aug 2013	29 Aug 2016	29 Aug 2020	40 790	56.06								40 790		-
	15 Sep 2014	15 Sep 2017	15 Sep 2021	32 358	74.06			32 358							-
Total				164 990				32 358		53 538		1 534 934	79 094		79 094
LTIP	15 Sep 2014	15 Sep 2017	15 Sep 2017	35 055	74.06	673	59.62	30 463		5 265	59.62	313 899	-		
Total				35 055		673		30 463		5 265		313 899	-		
RSP	24 Aug 2017	24 Aug 2020	24 Aug 2020			58 348	59.99							58 348	3 316 582
Total						58 348								58 348	3 316 582
PSP	27 Aug 2015	27 Aug 2018	27 Aug 2018	105 073	96.70									105 073	-
	25 Aug 2016	26 Aug 2019	26 Aug 2019	73 982	87.86									73 982	2 102 620
	24 Aug 2017	24 Aug 2020	24 Aug 2020			106 659	65.63							106 659	3 031 323
Total				179 055		106 659								285 714	5 133 944
Total				444 379		165 680		62 821		124 082		4 965 905	79 094	344 062	8 450 526

NOTES

1. Realisation value based on taxable benefit at date of sale or transfer.

2. Fair value calculated based on 30-day VWAP at 30 June 2018 of R56.84 and 50% vesting probability for all unvested awards.

NON-EXECUTIVE DIRECTORS’ FEES AND EMOLUMENTS (AUDITED)

Emoluments paid to Non-executive Directors of Woolworths Holdings Limited in connection with the affairs of the Company and its subsidiaries during the year ended 24 June 2018, and comparatives for 25 June 2017 are set out below.

2018

NON-EXECUTIVE DIRECTORS									
Notes	Directors' fees R'000	Audit Committee member R'000	Remuneration Committee member R'000	Risk and compliance Committee member R'000	Nominations Committee member R'000	Sustainability Committee member R'000	Social and ethics Committee member R'000	Benefits (1) R'000	Total non-executive directors' remuneration R'000
Simon Susman (2)	1 657	-	119	119	108	108	108	167	2 386
Patrick Allaway (3)	3 041	184	119	119	-	-	-	3	3 466
Peter Bacon (4)	150	89	58	-	-	-	-	9	306
Zarina Bassa (5)	1 164	184	119	227	108	-	-	107	1 909
Tom Boardman	644	-	227	-	173	108	108	75	1 335
Hubert Brody (6)	700	335	-	119	-	-	-	78	1 232
Andrew Higginson (7)	1 274	184	119	119	-	-	-	57	1 753
Gail Kelly (8)	1 741	-	119	119	108	108	-	62	2 257
Nombulelo Moholi	384	-	119	119	-	108	184	82	996
Stuart Rose (9)	1 146	-	119	119	108	184	-	53	1 729
	11 901	976	1 118	1 060	605	616	400	693	17 369

NOTES

1. Benefits are discounts received on purchases made in WHL Group stores, and reimbursement of VAT on directors’ fees approved by shareholders at the 2017 AGM.
2. Simon Susman receives post-retirement healthcare by virtue of him previously holding the role of Group CEO and retiring from that position. Benefits of R166 970 (2017: R82 294) include the following:

– post-retirement healthcare benefit of R28 416 (2017: R30 740)

– discounts received on purchases made in WHL Group stores of R42 574 (2017: R51 554)

– VAT reimbursement R95 980.
3. Patrick Allaway’s director’s fees are paid in Australian dollars as an Australian resident. Directors’ fees earned include fees as a Non-executive Director for David Jones and Country Road Group of A\$150 000 (2017: A\$150 000).
4. Peter Bacon retired from the Board on 28 November 2017.

2017

NON-EXECUTIVE DIRECTORS									
Notes	Directors' fees R'000	Audit Committee member R'000	Remuneration Committee member R'000	Risk and compliance Committee member R'000	Nominations Committee member R'000	Sustainability Committee member R'000	Social and ethics Committee member R'000	Benefits (1) R'000	Total non-executive directors' remuneration R'000
Simon Susman (2)	1 547	-	113	112	103	103	103	82	2 163
Patrick Allaway (3)	3 106	174	113	113	-	-	-	-	3 506
Peter Bacon (4)	359	174	113	-	-	-	-	14	660
Zarina Bassa (5)	1 091	175	113	215	102	-	-	14	1 710
Tom Boardman	588	-	215	-	164	103	102	19	1 191
Hubert Brody (6)	658	318	-	112	-	-	-	-	1 088
Andrew Higginson (7)	1 294	174	113	113	-	-	-	-	1 694
Gail Kelly (8)	2 335	-	113	113	102	102	-	4	2 769
Nombulelo Moholi	359	-	112	113	-	-	121	28	733
Stuart Rose (9)	1 294	-	112	113	103	174	-	-	1 796
Thina Siwendu (10)	223	-	-	84	-	76	130	15	528
	12 854	1 015	1 117	1 088	574	558	456	176	17 838

5. Zarina Bassa’s director’s fees earned include fees as a Non-executive Director for Woolworths SA of R780 202 (2017: R732 875).
6. Hubert Brody’s director’s fees earned include fees for the attendance at the Treasury Committee and Chairman of Woolworths SA Audit Review Panel of R315 788 (2017: R299 300).
7. Andrew Higginson’s director’s fees are paid in Sterling as a British resident.
8. Gail Kelly’s director’s fees are paid in Australian dollars as an Australian resident. Gail resigned as a Non-executive Director of David Jones and Country Road Group on 1 October 2017. She earned fees of A\$19 327 (2017: A\$75 000).
9. Stuart Rose’s director’s fees were paid in Sterling as a British resident. Stuart Rose resigned from the Board on 28 May 2018.
10. Thina Siwendu resigned from the Board on 15 February 2017.

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