REMUNERATION REPORT

The Remuneration Committee's mandate is to ensure the Group's Remuneration Policy and decisions support the Group's strategic objectives in a fair and responsible manner while encouraging individual performance.

The Committee is satisfied it has fulfilled its responsibilities in accordance with its mandate for 2021 and that the Remuneration Policy achieved its stated objectives.

The Group's Remuneration Report includes the background statement, Remuneration Policy and the Implementation Report for 2021, and is prepared in line with the Companies Act, King IV and the JSE Listings Requirements.

1 Background statement

- Remuneration governance
- Road map for policy changes
- Voting outcomes and shareholder engagement
- The year under review
- Planned areas of future focus

2 Remuneration Policy

- Elements of remuneration
- Fair and responsible remuneration
- Benchmarking
- Detailed overview of

TGP **total guaranteed package (TGP)**

STI **short-term incentives (STI)**

DSTI **deferred short-term incentives (DSTI)**

LTI **long-term incentives (LTI)**

- Malus and clawback policy
- Provisions for terminations
- Executive Directors' notice period and service agreements
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3 Implementation Report

- TGP outcomes
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- LTI outcomes
- Executive Directors' remuneration
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The Committee remains committed to maintaining a strong and healthy relationship with the Group's shareholders and other stakeholders, which is built on trust and a clear understanding of our Remuneration Policy and the practices that have been implemented within the Group.

3

Meetings

The Committee met three times during the reporting period and, in line with best practice, the number of meetings will in future increase to at least four times per annum.

Part 1: Background statement

Dear stakeholder

I am pleased to present the Remuneration Report for 2021 that reflects the progress we are making to enhance our Remuneration Policy and disclosure. We have listened to the issues highlighted by our shareholders and have endeavoured to make changes, where appropriate, to enhance governance, performance alignment and disclosure. However, this is a process of continuous improvement over time and one on which we will continue to engage with shareholders.

Remuneration governance

In line with best practice, the Committee is appointed by the Board of Directors and has delegated authority, in accordance with its Terms of Reference (available at https://www.shopriteholdings.co.za/content/dam/MediaPortal/documents/shoprite-holdings/Committee-Charters/Shoprite_Holdings_Remuneration_Committee_2019.pdf), to ensure an appropriate Remuneration Policy is in place and that it is effectively implemented to ensure alignment with the principles of fair, transparent and responsible remuneration and legislative and regulatory requirements, as well as the needs of the Group. The Remuneration Policy includes remuneration at all levels, including Executive Directors.

The Committee's scope of responsibility is set out in its approved work plan and aligns with the Board-approved Terms of Reference. Performance against the work plan is reviewed at the Committee meetings and reported to the Board and includes compliance, areas of responsibility, meeting procedures, reporting, evaluation and review.

The majority of members, including the Chairman, are Independent NEDs. The Committee met three times during the reporting period and, in line with best practice, the number of meetings will in future increase to at least four times per annum.

The Committee consists of the following NEDs. Further details on these NEDs and the Committee can be viewed on pages 6 and 7.

Joseph Rock
Chairman
Independent Non-executive Director

Appointed to the Committee as a member on 28 May 2019 and Chairman on 14 November 2019

With the Group since 2012

Dr Anna Mokgokong
Independent Non-executive Director and Lead Independent Director

Appointed as a member of the Committee on 14 November 2019

With the Group since 2012

Wendy Lucas-Bull
Independent Non-executive Chairman

Appointed as member of the Committee on 12 March 2021

With the Group since 2020

Dr Christo Wiese
Non-executive Director

Appointed as a member of the Committee on 28 June 2013

Appointed to the Board in 1991

In addition to Committee members, the CEO, Deputy CEO, CFO, Chief Human Resources Officer, independent external advisers and other human resources executives are invited to attend meetings as and when required by the Committee. However, none of them are present when their own remuneration is discussed and they do not participate in any voting.

The Committee engaged the services of DG Capital and PricewaterhouseCoopers (PwC) as remuneration consultants during the 2021 financial year. The Committee is satisfied the consultants were independent and objective in providing the relevant services.

The Committee will still utilise external consultants to provide specific services but during the latter part of the year the Committee embarked on a formal process to appoint permanent independent advisers to the Committee. This process culminated in the appointment of VASDEX Associates (Pty) Ltd as the advisers with effect from 1 July 2021.

Road map for policy changes

Our Remuneration Report for the 2019 financial year indicated a three-year plan to complete and implement a revised Remuneration Policy. The 2019 report indicated the following changes that would be effected in the 2020 financial year:

Policy component	Changes	Implementation	Status
STI	Expanded performance criteria	2020	Completed
DSTI	Redesign to improve retention of mid-level managers over three years	2020	Completed
LTI	Expanded performance criteria	2020	Completed

The remaining policy issues that were undertaken in the current year under review and those that will be undertaken in the coming years are outlined below.

Policy component	Changes	Implementation	Status
Executive remuneration	Align more appropriately with market	2021	CFO and other Executives' basic pay was amended LTI allocation percentages for senior Executives were amended
STI	Further expansion of performance criteria	2022	Executive incentive to contain 20% non-financial metrics

Voting outcomes and shareholder engagement

At the AGM in November 2019, there was significant improvement over the previous year's remuneration votes. The most recent AGM voting outcomes on remuneration matters, however, saw a deterioration in the results of shareholder confidence in both the policy and its implementation.

Since more than 25% of shareholders voted against both the policy and implementation, we invited shareholders to participate in one-on-one meetings with me. Five shareholders participated in these discussions and provided clarity and insight into their concerns.

The specific areas of concern, together with actions taken as a result of the issues raised, are listed in more detail below:

Shareholder concern	Action taken
Remuneration Policy	
Composition of the Committee	An overall review of the composition of the Board and Board committees is under way. In alignment with this review, Wendy Lucas-Bull was appointed as a member of the Committee on 12 March 2021 and additional members will be appointed during FY 2022.
Disclosure of performance measures and associated targets compared to peers	We have enhanced our disclosure and now include details of the measures, weightings and the way in which our incentives operate in part 2 of this report. We view the prospective disclosure of annual STI targets as commercially sensitive and have therefore opted to disclose annual STI targets and the outcomes on a retrospective basis in part 3 of the report. The prospective LTI targets for all unvested awards made under the Executive Share Plan (ESP) are disclosed in part 2 of the report.
Lack of non-financial incentive targets	The STI scheme included non-financial metrics for participants other than Executives from FY 2021 onwards. In reviewing the scheme design with shareholder feedback, the Committee approved that the STI configuration for Executives from FY 2022 onwards would be amended to contain 80% financial metrics and 20% non-financial metrics. The Executive Share Plan (ESP) scheme currently has a 20% weighting towards the Employment Equity (EE) targets. Expanding the ESP targets to cover a broader spectrum of ESG metrics is currently being considered for the future.
Incentive targets are not linked to strategy	**STI** Achieving the operating profit target is a key measure as it determines the Group's effectiveness on generating profit from its operations. The STI metrics for the Executives are based on specific key metrics directly linked to the Group's strategic focus areas. Further details are included in part 2 of this report. The specific departmental criteria from FY 2021 onwards for other participants in the scheme are aligned with the strategic focus areas for the operational/business unit and Home Office areas. **LTI** Growing shareholder value is a strategic value driver for the Group. Achieving sustained earnings growth while producing returns in excess of the cost of capital drives a growth in economic value and ultimately shareholder value. The financial metrics of headline earnings per share (HEPS) growth and return on invested capital (ROIC) achieve this alignment in the LTI plan. Achieving lasting transformation in the Group is another long-term strategic value driver within the suite of ESG metrics. We have thus included the Group EE targets in the LTI scheme to align to this Group ESG strategic imperative.
Insufficient benchmarking information	The Committee has reviewed the selection of peers for the benchmarking of NED fees and Executive remuneration. The process and selection of appropriate comparator groups is disclosed in greater detail in part 2.
Implementation Report	
Remuneration differential between the CEO and CFO	The Committee conducted a comprehensive benchmarking exercise of CxO remuneration across the peer group. Based on the outcomes of this exercise, certain amendments were approved by the Committee for implementation in FY 2022. Details of the benchmarking and changes approved by the Committee are contained in part 2 of this report.

Remuneration is a key contributing factor in our ability to drive our employees across all levels to work towards the Group's strategic objectives to add value and build a sustainable business over the short, medium and long term. We therefore welcome and support constructive feedback and will always proactively engage with our shareholders and stakeholders to ensure the Group's remuneration approach continues to support fair, transparent and responsible remuneration.

The Committee deliberated on the way it wishes to engage with shareholders and one of the focus areas for the year to come is proactive shareholder engagement. We view open channels of communication as important to ensure shareholders get a better understanding of our decision-making process and how our incentive design links with shareholder value creation over the long term. The Remuneration Policy and Implementation Report will be tabled for non-binding votes by shareholders at the AGM on 15 November 2021. If the Remuneration Policy or the Implementation Report of the Company is voted against by 25% or more of the voting rights exercised on the resolutions by shareholders present or represented by proxy at the AGM, the Company will in its voting results announcement pursuant to paragraph 3.91 of the JSE Listing Requirements extend an invitation to dissenting shareholders to engage with the Company to discuss their reasons for their dissenting votes; and the manner and timing of such engagement will be specified in the SENS announcement following the AGM.

The Committee will:

- address legitimate and reasonable objections raised; and
- if required, amend the Remuneration Policy or clarify and/or adjust the remuneration governance, processes or disclosure.

The year under review

FY 2021 remained a difficult period in the context of COVID-19, which continued to weigh on our customers, our people and our operations. In spite of this, we have shown great resilience in the face of the many challenges brought about by the pandemic. Group sales increased by 8.1%, with trading profit having increased by 24.9% and dividends per share by 42%.

Thanks to our strong commitment to our employees and the resilience the Group showed in its performance, we are pleased that we were able to safeguard our employees' livelihoods and no retrenchments were implemented. Despite the challenges we experienced, the Group still managed to achieve most of its STI targets and will therefore be paying out an STI to most of the participants in this scheme.

Prior to awards made in September 2019, the LTI awards were made under the virtual option bonus (VOB) scheme. Performance was measured 'on the way in' and hence did not have performance targets at vesting. There are tranches (VOB award – 24 October 2017: tranche 3) that vested under the VOB during the year under review. In respect of the Executive Share Plan (ESP), the vesting of the first performance share awards made in September 2019 will only occur for the coming performance period ending 30 June 2022.

Given the often challenging and uncertain environment in which we are operating, the Committee acknowledges the need to ensure our remuneration structures achieve the objectives of attracting, motivating, retaining and rewarding employees while balancing the achievement of organisational performance and creating shareholder value.

In setting and determining Executive remuneration, due consideration is given to provide for rewarding high levels of performance and effective decision-making for the long-term sustainability of the Group. This approach aims to align the interests of Executive Directors with those of shareholders and other stakeholders.

We endeavour to build appropriate safeguards into the remuneration structures to discourage behaviour that exposes the Group or shareholders to inappropriate and excessive risk-taking and that, in delivering the business strategy, the interests of the Group are at the forefront. The Malus and Clawback Policy is an important risk mitigator and applies to all recipients of short- and long-term incentive awards made on or after 1 July 2019.

In response to shareholder challenges on our Remuneration Policy, we had already implemented the following for the current FY 2021 year under review:

- Specific non-financial measures were added to the STI measures, making up 40% of the weighting for Home Office participants and 20% of the weighting for business/operational participants below Executive level.
- Amended the LTI performance targets to be more aligned with macroeconomic benchmarks as well as market norms for LTI performance metrics.

Planned areas of future focus

The Committee is committed to a process of continuous improvement in order to have a Remuneration Policy that is highly regarded by our stakeholders – including being supported by our shareholders – as well as being one which motivates and retains our employees.

Future focus area	Action
Further expanding the performance criteria used in the STI scheme	Changes were made to the STI scheme in FY 2021, for participants below Executive level. For Executives, the STI construct for FY 2022 has been amended to be 80% weighted towards financial measures with the introduction of a 20% weighting to non-financial measures.
Market alignment of the Executive pay mix	The face value of LTIs for Executives was adjusted to reflect market norms together with an amendment of weightings for each of the sub-components of the LTI instruments used which will be implemented from FY 2022.
Assisting the Board to ensure remuneration trends and remuneration-related issues (such as the ethics of pay, the wage gap and gender inequality) are considered	Enhance our fair and responsible pay principles as well as conducting a fair pay analysis to investigate, review and address any pay disparities. The fair pay analysis will include all legislative aspects in line with the principles of equal pay for work of equal value.
Review individual performance against set management and performance criteria, and approve guaranteed and performance-based individual remuneration including share allocations on set principles	Implementation of a new performance management framework that addresses both individual and business performance and the link to remuneration. This is part of the Group's larger people transformation project and is earmarked for FY 2022 as one of the outcomes of phase 2 of that project.
Consider the results of the evaluation of the performance of the CEO and other Executive Directors, both as Directors and as Executives in determining remuneration, including Executive benchmarking	
Review the terms and conditions of Executive Directors' service agreements annually and ensure there is adequate disclosure of the terms of these agreements	The review of the terms and conditions of the Executive Directors' employment contracts will take place in FY 2022 as part of the annual work plan.
An evaluation of the effectiveness of the Committee by the Committee and the Board, as well as its individual members reviewed against their responsibilities	The evaluation will take place in FY 2022.
Introduction of minimum shareholding requirements (MSR) for Executive Directors	The Committee is considering alternatives and will finalise the policy regarding MSR implementation during FY 2022.
Review the NED fee framework	The Committee has considered amendments to the NED fee framework including the revision of the timing of payments of NED fees from a retrospective annual payment to quarterly payments in arrears. Further details of the proposals resulting from this review are disclosed in part 2 of the report.

The Committee strives to produce a Remuneration Policy that achieves a positive approval from a majority of stakeholders (including shareholders) and one which covers a broad spectrum of performance metrics – both financial and non-financial – aligning the pyramid of performance from Group down to individual. It is further committed to implementing this policy in a manner that motivates employees to drive organisational performance in a balanced and responsible manner.

We seek to establish an ongoing relationship with our stakeholders, including our shareholders, whereby a process of honest and critical evaluation of all remuneration-related issues can be discussed in an open and transparent manner such that the Group continues to improve its remuneration governance through a process of ongoing revision.

Joseph Rock
Chairman

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Part 2: Overview of the Remuneration Policy

The Remuneration Policy applies to all our permanent employees and in this part, in line with King IV, we have provided the remuneration elements and design principles applicable to the Executive Directors and on a high level, other employees.

Remuneration Policy

Our Remuneration Policy is aligned with the Group's overall strategy. It aims to:

- Improve the attraction, recruitment and retention of top talent
- Ensure fairness across the organisation, aligned to sustainable and regulatory-compliant remuneration
- Consider the context of a globally competitive retail industry

We regularly review our Remuneration Policy to ensure it aligns with best practice.

Remuneration philosophy

Key principles of remuneration include

Attracting talent
Attracting, motivating, retaining and rewarding employees at all levels, including key talent and critical skills

Remunerating employees
Paying equally for work of equal value, and for performance and relevant experience where appropriate

Incentivising behaviour
Encouraging and rewarding employees who create sustainable value for the Group and all key stakeholders

Rewarding performance
Measuring performance, in particular Executives and managers against key business objectives

Elements of remuneration

	Fixed pay	Variable pay		
Element	TGP or Basic plus benefits	STI	DSTI	LTI
Definition	The fixed element of remuneration includes salary and benefits	A cash STI paid annually or quarterly that gives employees an incentive to achieve the Group's short- and medium-term goals linked to Group and divisional/business unit performance.	An additional incentive based on 75% of the awarded STI amount deferred into cash or in forfeitable shares.	(namely the Executive Share Plan) The LTI comprises three instruments: 1) Performance shares 2) Retention shares 3) Co-investment shares (matching)
Eligibility	All employees	Junior management and above	Middle management	Senior management and above
Time period	One year	One year or quarterly	Three years	Three years

Linking the objectives of reward to our strategy

	TGP	STI	DSTI	LTI
Objective	Provides comprehensive employee benefits and reflects the scope and nature of roles, performance and experience	Rewards employees based on key performance criteria measured annually or quarterly	Aims to ensure the retention of mid-level managers in terms of leadership, continuity of skills and experience	Incentivise Executives and senior managers to achieve the Group's strategic objectives and to create alignment with shareholders over the long term. Also retains Executives and senior managers and ensures continuity
Link to strategy	Rewards employees fairly and competitively through financial and non-financial benefits	Achievement of short-term strategic financial and non-financial objectives	Achievement of short-term strategic financial and non-financial objectives where performance is measured 'on the way in' as well as retaining managers who are key to the delivery of the long-term strategy of the Group	Achievement of the LTI performance measures that support the Group's long-term strategic objectives (e.g. improving return on capital) of creating sustainable value for shareholders and retaining Executives and senior managers who are key to delivery of the long-term strategy of the Group

Fair, responsible and transparent remuneration

Remuneration is one pillar of our approach to provide a holistic employee value proposition; other pillars include performance and recognition, the work environment, career development and benefits. These include skills development opportunities, educational loans and bursary benefits, employee discounts and job-specific incentives for qualifying employees, such as sales commission and length of service bonuses.

The Group believes fair, responsible and transparent remuneration is essential to our business success and is committed to competitive remuneration. The Committee is responsible for:

- providing the Board with appropriate recommendations, after discussion with management, independent remuneration advisers and relevant third parties;
- applying the principle of equal pay for work of equal value within its recommendations; and
- benchmarking roles to balance the need for competitive and fair remuneration.

The Group strives to create an inclusive environment and to reward employees throughout the Group in a manner that is fair and reasonable. The principle of fair remuneration is entrenched in our Remuneration Policy and is based on practices free from prejudice or self-interest and which are not inherently biased in any way. Fair and responsible pay remains a key focus area for the Committee in FY 2022 and a fair pay analysis will be undertaken to identify and rectify any discrepancies.

Executive pay for performance

Executive remuneration consists of TGP, STI and LTI participation. Given their line of sight and level of influence on the Company, the STI and LTI components of an Executive Director's remuneration is more heavily weighted than that of other employees.

The scenario graphs below indicate below threshold, threshold, on-target and stretch (or maximum) levels of remuneration outcomes available to Executive Directors, depending on their performance under the STI and LTI.

Below threshold:

- Annual TGP, 0% of STI on-target value, full vesting of retention and co-investment shares (matching) and 0% vesting of performance shares

Threshold:

- Annual TGP, 80% of STI on-target value, full vesting of retention and co-investment shares (matching) and 50% vesting of performance shares

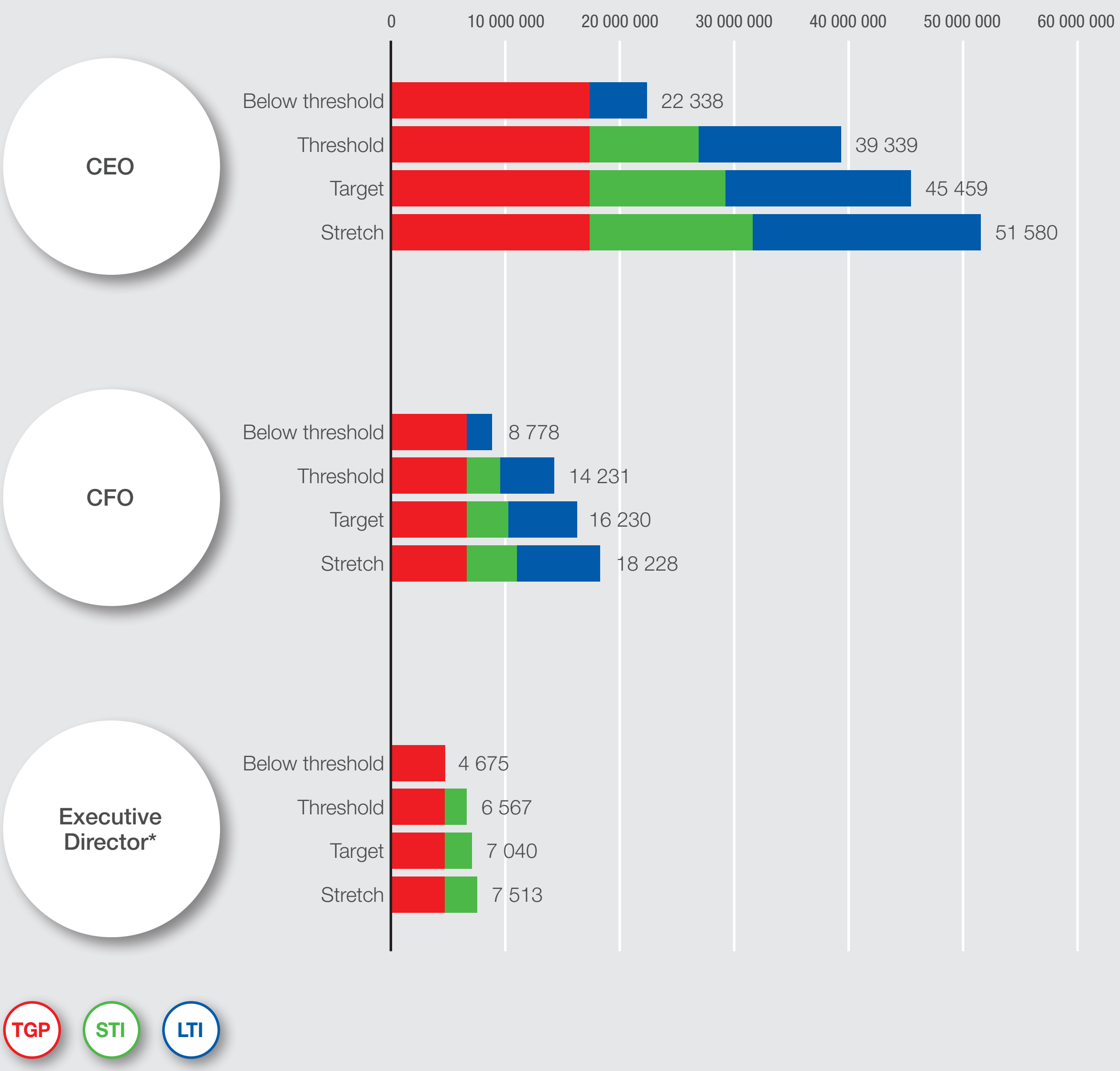
Target:

- Annual TGP, 100% of STI on-target value, full vesting of retention and co-investment shares (matching) and 75% vesting of performance shares

Stretch

- Annual TGP, 120% of STI on-target value, full vesting of retention and co-investment shares (matching) and 100% vesting of performance shares

Pay mix for Executive Directors



* The Executive Director does not participate in the LTI scheme.

Our approach to benchmarking

Benchmarking remuneration

The Group is by far the largest retailer in South Africa in terms of market capitalisation, turnover and employees and is also one of the top 20 market caps in South Africa overall. Based on these metrics and in line with the Committee's commitment to competitive remuneration, all employees including Executives are remunerated appropriately to ensure we remain competitive to the market, taking into account financial performance and affordability. The Group continuously monitors the competitiveness of employees' total remuneration through external benchmarking.

Employees below Executive level

We use the REMchannel national surveys to benchmark remuneration against both the national and retail markets for employees below Executive level as and when required.

Executive benchmarking

For Executives, a comparator group of JSE-listed companies consisting of 10 Retail companies and 18 Non-retail companies with similar market capitalisations to the Group is used to ensure our Executives are remunerated fairly and in line with the market.

The companies comprising the JSE-listed comparator group are as follows.

Retail companies

- Clicks
- Dischem
- Massmart
- Mr Price
- Pepkor
- Pick n Pay
- Spar
- TFG
- Truworths
- Woolworths

Non-retail

- Absa
- Aspen
- AVI
- Bid Corp
- Bidvest
- Capitec
- Discovery
- Exxaro
- MTN
- MultiChoice
- Nedbank
- Northam Platinum
- Old Mutual
- RCL Foods
- Sanlam
- Sasol
- Tiger Brands
- Vodacom

Detailed overview of the elements of remuneration

TGP or **Basic plus benefits**

	Description
All non-bargaining unit employees	
Components of remuneration	The Group adopts a TGP approach to structured remuneration. The TGP includes the total benefit for the individual and the total cost to the Company, consisting of a cash salary and benefits. These benefits include retirement benefits of between 7.5% and 10% of pensionable salary, an employee discount, and risk and insurance benefits.
Annual reviews	The annual review process assesses employee remuneration in relation to the market, as well as performance of the Group, so that necessary adjustments can be made in line with the Remuneration Policy, where warranted. The annual review commences in April and any changes become effective on 1 July.
Annual increases	Annual increases are determined based on the employee's role, affordability, inflation, personal and Company performance and relevant market benchmarks. The CEO annually proposes management increases to the Committee for approval. The Committee also annually reviews and approves Executive increases in terms of its mandate.
Positioning	Remuneration is generally positioned around the market median using the REMchannel surveys for employees below Executive level and the benchmarking comparator group for Executives, but this may be adjusted in order to attract scarce or critical skills given the Group's competitive position in the market.
Bargaining unit employees	
Components of remuneration	Employees in the bargaining unit receive a basic salary plus benefits.
Annual increases	Collective bargaining agreements with recognised unions for specific periods of time are in place. The mandates for union-negotiated increases are approved by the Committee. Wage negotiations were successfully concluded with SACCAWU (RSA employees within the bargaining unit) during May 2021 and a two-year agreement was signed. **31.93% SACCAWU** is represented by the majority union, namely SACCAWU.

STI

Description

Policy changes for FY 2022

A non-financial component is introduced to the STI scorecard of Executives and will comprise 20% of the overall weighting.

Overview

The Group operates an additive STI plan which incorporates financial measures (i.e. trading profit threshold and the Group achieving between 80% and 120% of target) and specific operational/business unit and Home Office department measures as communicated to each participant. The main purpose of the Group's STI plan is to align the interests of eligible employees with those of the shareholders and other stakeholders in the short term. The STI also serves to attract talent to key positions by means of appropriate and competitive remuneration.

Employees managed within stores (branch management) can choose to receive their bonuses either annually or quarterly.

Operation

At the beginning of the financial year an annual bonus pool provision is provided for, linked to trading profit performance. The provision is adjusted at year end based on actual performance against the trading profit target levels achieved at Group and divisional level. This ensures the scheme is self-funded and within affordability limits.

The following formula is used for senior Executives:

On-target STI (rand) value x [Group financial performance outcome x weighting + Group non-financial performance outcome x weighting]

The STI for all other employees is based on a combination of financial measures (Group and/or divisional) and non-financial measures (specific business unit measures).

On-target STI values

The on-target incentive rand values approved by the Committee are set with reference to the seniority of the participant. The following values applied to Executive Directors:

Position	FY 2022 On-target incentive R	FY 2021 On-target incentive R
CEO	11 900 000	10 700 000
CFO	3 640 000	2 400 000
Executive Director	2 365 000	2 250 000

Business performance measures (financial and non-financial) and score

Different measures are used depending on the seniority of the participant. Each measure has a threshold, target and stretch level that determines the final score assigned to business performance. The following measures are used for senior Executives. Owing to the commercial sensitivity in disclosing prospective profit targets, we opt to disclose the targets on a retrospective basis in part 3 of this report.

The following measures and weightings will be used for senior Executives for FY 2022:

Measures	Weighting %	Threshold	Target	Stretch
Group financial:	**80**	80% score	100% score	120% score
Trading profit	40			
Trading margin	12			
EBITDA margin	12			
Sales growth	8			
Inventory to sales ratio	8			
Group non-financial*:	**20**	80% score	100% score	120% score
Renewable energy (solar photovoltaic (PV) contribution)	10			
Waste recycling (plastics and cardboard recycling)	5			
Sustainable packaging (reusable, recycled and compostable)	5			

* Inclusion of the above ESG measures are in line with the Group's strategy to reduce carbon footprint, reducing electricity consumption and driving higher utilisation of recycling content from in-store packaging and wastage.

Payment

STIs are payable annually after being approved by the Committee and release of the audited financial statements. Any annual performance-related incentive payouts received under the STI plan are paid in cash.

DSTI

	Description
Overview	The DSTI is an additional incentive based on 75% of the awarded STI amount and aims to improve retention for key employees within middle management. As the value is based on the STI outcome, it reinforces the motivation for managers to achieve the STI performance criteria while encouraging them to remain with the Group.
Operation	The DSTI is a function of the STI outcome where the same achieved percentage outcome on the STI is applied to the DSTI value. The full DSTI value after the outcome has been determined, is deferred into cash or shares which vest after three years.
Quantum	75% of the awarded STI amount.
Settlement	Employees can elect to either receive the benefit in shares, or keep the incentive as cash, equal to the value of the incentive achieved. **Shares:** Where employees elect to receive the benefit in shares, these shares are purchased in the open market and cannot be traded during the three-year vesting period but carry dividend and voting rights. The value of the shares, on which participants must pay tax, is transferred to the employee after three years. Owing to tax implications and foreign exchange legislation, employees outside South Africa are not eligible to receive the award in shares. **Cash:** Following vesting, DSTIs are payable after being approved by the Committee and release of the audited financial statements.

LTI

	Description
Policy changes for FY 2022	DG Capital conducted a detailed review of the Executive share plan (ESP) LTI scheme during the year under review. As a result of the review the following changes were effected: 1) The face value quantum as a percentage of TGP across all categories were increased. 2) Current instruments in use, being performance shares, retention shares and matching (co-investment) shares including the mix per category were reviewed. 3) Performance conditions linked to the performance share award were reviewed. The overall outcome of the review highlighted that the existing face-value allocation quantum are low relative to the market across all categories. The current instruments, namely performance shares, retention shares and matching (co-investment) shares are in line with the market; however, the share award mix per category, in particular at the lower levels, are not aligned with the market. Participants within these lower levels require a higher weighting towards retention shares as they have less influence on the Group achieving the performance conditions compared to participants at the higher levels. In addition, a higher weighting towards retention shares can act as a retention mechanism at lower levels. The performance conditions include a non-financial measure relating to the achievement of Group EE targets. The current weighting and possibility of an additional ESG measure will be considered in FY 2022. The Committee reviewed the recommendations presented by DG Capital and approved changes for implementation in FY 2022.
Overview	The ESP was approved by the JSE and shareholders in 2012 and will remain in place. The ESP has been reviewed to ensure continued compliance with JSE Listing Requirements, best practice and minor updates to the termination of employment provision have been made to bring these provisions in line with leading practice and will be put to a vote at the upcoming AGM on 15 November 2021.

LTI

	Description
Operation	Qualifying participants receive three types of forfeitable shares based on a defined share award mix as approved by the Committee: 1) **Performance shares:** • Vesting is subject to continued employment and performance conditions measured over a three-year period. 2) **Retention shares:** • Vesting is subject to continued employment over a three-year period. 3) **Matching shares as a result of co-investment:** • Matching shares comprise 15% of the total value of a participant's award. • Participants have the choice to co-invest in the Company through the acquisition of co-investment shares in respect of which the participant then receives a matching award from the Company on a 1:1 basis. • Where a participant elects not to co-invest, the participant's annual LTI allocation is reduced by 15%. • There are four participation methods available to participants who want to participate in the co-investment and receive the Company match. The participants can acquire the co-investment shares using one of the following methods: – Purchase co-investment shares using their own cash or savings – Use existing Group shares that they own in their personal capacity – Commit shares that are upcoming for vesting under the previous LTI scheme – Financing arrangement via Investec Bank
Mix of instruments	The following share award mix per category was approved by the Committee:

Category	FY 2022 Performance shares %	FY 2022 Retention shares %	FY 2022 Co-investment shares (matching) %	FY 2021 Performance shares %	FY 2021 Retention shares %	FY 2021 Co-investment shares (matching) %
CEO	75	10	15	**75**	**10**	**15**
Senior Executives	70	15	15	**70**	**15**	**15**
Divisional and general managers	60	25	15	**65**	**20**	**15**
Senior management	35 – 50	35 – 50	15	**60**	**25**	**15**

Allocation percentages

The following allocation percentages based on TGP as approved by the Committee are applied based on face value:

Category	FY 2022 %	FY 2021 %
CEO	115	**100**
Senior Executives	85 to 110	**70**
General managers	70	**50**
Divisional managers	60	**50**
Senior management	20 to 49	**20 to 49**

LTI

	Description
Performance conditions and vesting levels	Further to the feedback received from our shareholders and as part of our journey of enhancing our disclosure practices, we have set out an overview of the performance conditions and targets for all in-flight LTI awards below. Performance against these targets will be set out in part 3 of this report as and when the different performance periods come to an end.

2019 awards

The performance conditions and targets applicable to the 2019 awards are as follows.

Performance measures	Weighting %	Stretch (100% vesting)
Return on invested capital (ROIC)	40	11.6%
Headline earnings per share (HEPS)	40	7%
Employment equity	20	100% of Department of Employment and Labour (DoEL)-approved plan

To qualify for the vesting of performance shares, the total weighted percentage achieved measured against the targets – across all three performance conditions – must be at least 80%. The performance measures are separately weighted; however, lower achievement in one measure can be compensated by a higher achievement in another measure.

Below is the incremental vesting table used to determine vesting of the performance shares.

Total weighted percentage achieved %	Vesting %*
<80	0.0
80	50.0
85	62.5
90	75.0
95	87.5
100	100
105	100

* LTI vesting is capped at 100% notwithstanding whether the total weighted performance achieved is more than 100%.

Performance conditions and vesting levels

2020

The Committee reviewed the performance conditions, vesting levels and targets in line with best market practice and the following targets were introduced for the 2020 awards during the year.

Performance measures	Weighting %	Below threshold (0% vesting)	Threshold (50% vesting)*	Target (75% vesting)*	Stretch** (100% vesting*)
Return on invested capital (ROIC) excluding IFRS 16	40	ROIC (excluding IFRS 16) < WACC	ROIC (excluding IFRS 16) = WACC	ROIC (excluding IFRS 16) > WACC +0.5%	ROIC (excluding IFRS 16) > WACC +1%
Adjusted diluted headline earnings per share (adjusted DHEPS)	40	Adjusted DHEPS growth < CPI	Adjusted DHEPS growth of at least CPI	Adjusted DHEPS growth of CPI +1%	Adjusted DHEPS growth of CPI +2%
Employment equity (EE)	20	<80% of DoEL-approved plan	80% of DoEL-approved plan	90% of DoEL-approved plan	100% of DoEL-approved plan

* Linear vesting applies between performance levels.

** Each performance measure is measured separately and capped at 100%.

LTI

	Description
Performance conditions and vesting levels 2021	**2021** The Committee decided to keep the same performance conditions, vesting levels and targets as applied to the prior year awards.

Performance measures	Weighting %	Below threshold (0% vesting)	Threshold (50% vesting*)	Target (75% vesting*)	Stretch** (100% vesting*)
Return on invested capital (ROIC) excluding IFRS 16	40	ROIC (excluding IFRS 16) < WACC	ROIC (excluding IFRS 16) = WACC	ROIC (excluding IFRS 16) > WACC +0.5%	ROIC (excluding IFRS 16) > WACC +1%
Adjusted diluted headline earnings per share (adjusted DHEPS)	40	Adjusted DHEPS growth < CPI	Adjusted DHEPS growth of at least CPI	Adjusted DHEPS growth of CPI +1%	Adjusted DHEPS growth of CPI +2%
Employment equity (EE)	20	<80% of DoEL-approved plan	80% of DoEL-approved plan	90% of DoEL-approved plan	100% of DoEL-approved plan

* Linear vesting applies between performance levels.

** Each performance measure is measured separately and capped at 100%.

ROIC excluding IFRS 16 and EE will be measured at the end of the final year (year three) and adjusted DHEPS is measured over a three-year period based on the compounded annual growth rate method (CAGR).

Share usage limit	The ESP rules limit the allocation of shares to 15 million in aggregate and 3.75 million shares per participant, representing approximately 3% and 0.5% of the current shares in issue respectively.
Committee discretion	The Committee may exercise its discretion in the following instances: • Reduce the award in whole or in part when malus is invoked • Under certain circumstances in the event of termination of employment • In dealing with forfeited shares

Malus and clawback policy

The Group's policy relating to malus and clawback applies to all recipients of short- and long-term incentive awards made on or after 1 July 2019.

The Committee – in its discretion and in terms of the Malus and Clawback Policy – may apply malus and/or clawback mechanisms to the STI and LTI awards where a trigger event as provided for in the policy has occurred. Malus is applied to reduce awards between the start of a performance period and payment (in the case of an STI) or vesting (in the case of an LTI), whereas clawback is applicable to recoup portions of awards for a period of up to three years post-payment or post-vesting, respectively.

Trigger events are set out in the Malus and Clawback Policy, which is available upon request, and include the following:

- Providing misleading information regarding the financial performance of the Group
- Fraud, dishonesty or misrepresentation of management accounts
- Error in management accounts or misstating of performance outcomes resulting in greater remuneration
- Reputational damage

Provisions for termination of employment and change of control

Reasons for termination	TGP		STI	DSTI	LTI
Voluntary resignation	Paid over the notice period or as a lump sum	May be provided during the notice period (as applicable) but will not be paid as a lump sum.	All cash payments will lapse and be null and void.	All cash payments or unvested shares will lapse and be null and void.	No vesting. All unvested awards will be forfeited.
Dismissal, termination for cause or early retirement or abscondment	Payment until termination	Benefits stop when employment ends.	All cash payments will lapse and be null and void.	All cash payments or unvested shares will lapse and be null and void.	No vesting. All unvested awards will be forfeited.
Involuntary retrenchment	N/A	Benefits stop when employment ends.	No accelerated payment. Payment will occur on normal payment date subject to a pro rata adjustment for time served.	**All unvested awards made prior to termination date:** Full accelerated vesting of shares or accelerated cash payments. **Current-year award:** Payment will occur on normal payment date subject to a pro rata adjustment for time served.	No vesting. All unvested awards will be forfeited.
Completion of a fixed-term contract	N/A	N/A	No accelerated payment. Payment will occur on normal payment date subject to a pro rata adjustment for time served.	N/A	N/A
Normal retirement	Paid for a defined period based on cause and local policy.	Benefits stop when employment ends.	No accelerated payment. Payment will occur on normal payment date subject to a pro rata adjustment for time served.	**All unvested awards made prior to termination date:** Full accelerated vesting of shares or accelerated cash payments. **Current-year award:** Payment will occur on normal payment date subject to a pro rata adjustment for time served.	**Retention and co-investment shares:** Accelerated early vesting. Unvested co-investment shares and retention shares will be pro-rated on the award date to take into account time to be served from date of award to date of retirement. Vesting of the co-investment shares is also subject to the fulfilment of the additional vesting condition. **Performance shares:** Pro-rated on award date to take into account time to be served from date of award to date of retirement. No early vesting – participant will continue to participate until vesting date.

REMUNERATION REPORT | continued

Reasons for termination	TGP		STI	DSTI	LTI
Death	Paid for a defined period based on cause and local policy.	Benefits stop when employment ends.	No accelerated payment. Payment will occur on normal payment date subject to a pro rata adjustment for time served.	**All unvested awards made prior to termination date:** Full accelerated vesting of shares or accelerated cash payments. **Current-year award:** Payment will occur on normal payment date subject to a pro rata adjustment for time served.	**Retention and co-investment shares:** Full accelerated vesting of all unvested retention shares and co-investment shares (vesting of the co-investment shares is subject to the fulfilment of the additional vesting condition). **Performance shares:** Accelerated pro rata vesting of performance shares adjusted for performance and time served during the vesting period.
Employer company ceasing to be a member of the Group	Depends on agreement.	Depends on agreement.	Depends on agreement.	N/A	**Retention and co-investment shares:** Accelerated pro rata vesting of a portion of the unvested retention shares and co-investment shares adjusted for time served during the vesting period (vesting of the co-investment shares is subject to the fulfilment of the additional vesting condition). **Performance shares:** Accelerated pro rata vesting, adjusted for performance and time served during the vesting period.
Ill health, injury or disability	Paid for a defined period based on cause and local policy.	Benefits stop when employment ends.	No accelerated payment. Payment will occur on normal payment date subject to a pro rata adjustment for time served.	No accelerated payment. Payment or vesting will occur on normal payment date subject to a pro rata adjustment for time served.	No early vesting of the retention shares, co-investment shares or performance shares – participant will continue to participate until vesting date and award will be pro-rated on the vesting date to take into account the time served during the vesting period.
Mutual separation	Paid over the notice period or as a lump sum.	May be provided during the notice period (as applicable).	Depends on agreement.	Depends on agreement.	Forfeit all unvested awards, subject to Committee discretion. Where discretion is applied, the maximum portion that will vest will be pro-rated for performance (for performance shares) and time served during the vesting period. Vesting of the co-investment shares is also subject to the fulfilment of the additional vesting condition.
Change of control (other than pursuant to a transaction or internal reconstruction)	Depends on agreement.	Depends on agreement.	Depends on agreement.	Depends on agreement.	Before the vesting date pursuant to the shares ceasing to be listed, the majority of the operations being merged with another company or the ESP being terminated. **Retention and co-investment shares:** Accelerated pro rata vesting adjusted for time served. Vesting of the co-investment shares is subject to the fulfilment of the additional vesting condition. **Performance shares:** Accelerated pro rata vesting adjusted for performance and time served. The portion of the award that does not vest on the change of control date will lapse.

Executive and senior management service agreements

Notice periods

The CEO and CFO hold permanent employment contracts that are subject to the following termination notice periods:

CEO – Six months

CFO – Six months

The Executive Director is on a post-retirement fixed-term contract and the termination notice period is one month.

Restraint of trade

The CEO, CFO and Executive Director's employment contracts are subject to the following restraint of trade provisions:

CEO – Two-year restraint of trade provision

CFO – One-year restraint of trade provision

Executive Director – One-year restraint of trade provision

Sign-on awards

In certain instances the Group may grant sign-on awards to an Executive Director or employee upon joining the Company in respect of the awards that the employee forfeited upon joining the Group. Sign-on awards are subject to repayment terms and conditions if the Executive Director or employee leaves within a predefined period.

Payments on termination of employment

The employment contracts of Executives do not compel the Group to make any payments in the event of termination of employment. Upon termination of employment, any payments to that Executive will be made in terms of legislation. The consequences of unvested variable remuneration will be governed by the rules of the incentive plans and the basis for the termination of employment.

Remuneration for Non-executive Directors

Non-executive Directors' (NED) fees reflect the Directors' roles and membership of the Board and its committees. NEDs receive a retainer fee for serving on the Board and the subcommittees; this retainer fee is reflective of the time required to prepare for and attend meetings. The Chairperson of the Board receives an all-inclusive fee. The NEDs do not take part in either the STI or the LTI. However, the Group pays for travel and accommodation expenses incurred to attend meetings.

NED fees are benchmarked against a JSE-listed comparator group comprising both Retail and Non-retail companies. The comparator group has been selected to represent both market sector as well as size and geography comparators.

The following 21 companies represent the NED comparator group:

Retail

- Clicks
- Dischem
- Massmart
- Mr Price
- Pepkor
- Pick n Pay
- Spar
- TFG
- Truworths
- Woolworths

Non-retail

- Aspen
- AVI
- Bid Corp
- Bidvest
- Capitec
- Exxaro
- MTN
- MultiChoice
- Sanlam
- Tiger Brands
- Vodacom

The Group's position is that, moving forward, the NED fees should be benchmarked against the upper quartile of the comparator group. This is justified since the Group's size metrics being at or above the upper quartile of the comparator group across a number of size comparison factors including market cap, number of employees, revenue and total assets.

The proposed committee Chairperson and membership fees broadly align with the median of the comparator group and, as stated previously due to the Group being at or above the upper quartile of the comparator group, the Group will look to increase these fees to the upper quartile in a phased approach over a period of time.

REMUNERATION REPORT | continued

The proposed NED remuneration fees (excluding VAT) are summarised as follows:

2020 (1 November 2019 to 31 October 2020)

The 2020 current fees were previously approved by shareholders and were paid to the respective NEDs after approval by shareholders at the AGM on 16 November 2020.

2021 (1 November 2020 to 31 October 2021)

The 2021 proposed fees require shareholder approval and will be paid to the respective NEDs should shareholders approve these fees. This approval is required as the Group has historically only requested shareholders to approve fees relating to the preceding year.

2022 (1 November 2021 to 31 October 2022)

The Group wishes to change its previous approach and, in line with general market practice, have shareholders approve fees to be paid for the current period. Hence the requirement to also approve fees for the upcoming period starting 1 November 2021. If approved, these fees will be paid to relevant NEDs quarterly in arrears.

Category	2022 proposed R	2021 proposed R	2020 current R	% change 2022/2021	% change 2021/2020
BOARD OF DIRECTORS					
Chairperson*	3 445 500	**3 313 000**	1 535 000	4.0	115.8
Lead Independent Director**	865 000	**832 000**	1 065 000	4.0	(21.9)
Non-executive Director***	501 000	**482 000**	470 000	3.9	2.6
AUDIT AND RISK COMMITTEE					
Chairperson	416 000	**380 000**	334 000	9.5	13.8
Member	215 000	**190 000**	169 000	13.2	12.4
REMUNERATION COMMITTEE					
Chairperson	281 000	**242 000**	203 500	16.1	18.9
Member	135 000	**115 000**	97 000	17.4	18.6
NOMINATIONS COMMITTEE					
Chairperson	220 000	**210 000**	203 500	4.8	3.2
Member	115 000	**108 500**	97 000	6.0	11.9
SOCIAL AND ETHICS COMMITTEE					
Chairperson	245 000	**220 000**	203 500	11.4	8.1
Member	123 000	**108 500**	97 000	13.4	11.9
INVESTMENT AND FINANCE COMMITTEE****					
Chairperson	281 000				
Member	135 000				

* The relatively large change in fee for the Chairperson of the Board represents a change to a single all-inclusive amount where the like-for-like increase is 71% since the previous chairperson fee was not all-inclusive. These proposed changes align the Board Chairperson's fee with the market upper quartile.

** The Lead Independent Director was previously required to perform a number of additional duties whilst a new independent Board Chairperson was being sought. Given the appointment of the new Board Chairperson, the Lead Independent fee (excluding committee chairpersonship and membership fees) has been adjusted accordingly.

*** The Non-Executive Director Board member fee is currently well aligned with the upper quartile hence an inflationary increase is proposed.

**** The Investment and Finance Committee Chairperson and Member fees are aligned to the Remuneration Committee fees.

The fees paid to NEDs during the reporting period are included in the Implementation Report below, while the proposed fees for the 2022 financial year are set out in the notice of AGM on page 98 of the Integrated Annual Report.

Part 3: Implementation Report

Compliance with the Remuneration Policy

The Committee has oversight of the Remuneration Policy and its implementation. This Implementation Report outlines how the Remuneration Policy was applied to prescribed officers including Executive, Non-executive and alternate Directors.

The Committee and the Board are satisfied with the implementation of the policy during FY 2021 without deviation, details of which are provided below. No discretionary payments under the STI or ESP were made. There were no circumstances which warranted the application of any malus or clawback provisions.

TGP adjustments

The Group comprises many subsidiaries operating in different markets, resulting in a large range of average remuneration increases primarily owing to differences in roles and inflation.

Executive Directors' increases relative to other employment categories:

	FY 2021 %	FY 2020 %
Pieter Engelbrecht	(0.3)	0.2
Anton de Bruyn	4.2	20.3
Ram Harisunker	6.3	5.0
Executives	7.1	5.5
Management	5.6	5.4
Bargaining unit (RSA)	8.27	8.3

The following increases were approved by the Committee during the year for FY 2021:

- The Group continues to structure its remuneration for Executives on average at the median of the market, depending on years of experience and individual performance. In benchmarking Executives against market data, it was necessary to make certain above-average increases that resulted in an overall increase of 6.3%.
- Executives who were promoted received an average increase of 12.1%.
- Management across the Group received an average increase of 5.3%, excluding promotions- and market-related adjustments.
- Employees in the bargaining unit in South Africa received an average annual bargaining unit increase of 8.27%.

STI outcomes for FY 2021

The following targets, together with the actual outcomes of the targets, applied to the Executive Directors during FY 2021:

Targets	Weighting	Threshold (80% achieved)	Target (100% achieved)	Stretch (120% achieved)	Actual outcome	Weighted vesting % achievement*
GROUP FINANCIAL:						
Trading profit	50%	80% of target	100% of target	110% of target	117%	60.0%
Trading margin	15%	4.9%	5.2%	5.5%	6.1%	18.0%
EBITDA margin	15%	8.7%	8.9%	9.1%	9.0%	15.0%
Sales growth	10%	7.5%	8.2%	8.6%	8.1%	8.0%
Food stock turn	5%	10x	12x	14x	12.5x	5.0%
Non-food stock turn	5%	1.6x	1.8x	2x	2.6x	6.0%
FINAL OUTCOMES	100%					112%

* No linear interpolation is applied between performance levels.

The final STIs payable to the Executive Directors was calculated as follows:

Name	On-target STI (rand) value (A) R	Group Financial performance outcomes (B) %	Outcome (A x B) R
Pieter Engelbrecht	10 700 000	112.0	11 984 000
Anton de Bruyn	2 400 000	112.0	2 688 000
Ram Harisunker*	2 250 000	107.3	2 413 980

* Ram Harisunker's STI payment is based on the Home Office criteria where 60% is linked to Group financial measures and 40% linked to business unit/operational measures.

LTI vesting outcomes for FY 2021

Prior to awards made in September 2019 LTI awards were made under the virtual option bonus (VOB) scheme. In terms of this scheme, awards were not subject to prospective performance conditions as performance was measured 'on the way in' and, as such, the vesting of the VOB award was subject to continued employment only. The awards vesting in terms of the VOB scheme are set out in the table of outstanding and settled LTIs. From September 2019 performance share awards in terms of the ESP are made subject to prospective performance conditions, with the performance period for the September 2019 award ending on 30 June 2022. There are therefore no LTI performance outcomes to be reported this year. We will report on the outcomes of the performance conditions of the 2019 performance share award in next year's report following the expiry of the performance period.

LTI awarded for FY 2021

Executive Directors will receive a combination of performance, retention and matching awards for FY 2021, with these awards being made in September 2021. The overall quantum allocated at face value are as follows:

	% of TGP				
Name	Performance shares %	Retention shares %	Matching (co-investment) shares %	Total %	Total LTI quantum R
Pieter Engelbrecht	86.2	11.5	17.3	115	19 950 000
Anton de Bruyn	77.0	16.5	16.5	110	7 260 000

Total single figure of remuneration

	Salary R	Benefits R	Other[1] R	Guaranteed package R	STI[2] R	LTI reflected[3,4] R	Qualifying dividends[5] R	Total single figure of remuneration R
Pieter Engelbrecht								
FY 2021	**16 121**	**463**	**231**	**16 815**	**11 984**	**–**	**1 083**	**29 882**
FY 2020	16 121	231	519	16 871	7 648	1 824	450	26 793
% change				(0.3)	56.7	–	140.7	11.5
Anton de Bruyn								
FY 2021	**3 955**	**317**	**264**	**4 536**	**2 688**	**355**	**312**	**7 891**
FY 2020	3 758	249	345	4 352	2 018	250	123	6 743
% change				4.2	33.2	41.8	154.4	17.0
Ram Harisunker								
FY 2021	**4 246**	**–**	**583**	**4 829**	**2 414**	**–**	**–**	**7 243**
FY 2020	4 033	–	509	4 542	2 083	–	–	6 625
% change				6.3	15.9	–	–	9.3

1. Other includes car allowance, subsistence allowance and employee discount rand value benefit.
2. The FY 2020 and FY 2021 short-term incentive is linked to performance in the 2020 and 2021 financial years respectively.
3. The long-term incentive reflected is calculated as follows:
   – Awards without prospective performance conditions (VOB, ESP: Retention shares and Co-investment shares) that are due to vest within 12 months after year end are included at the 30-day VWAP at year end.
   – Awards with prospective performance conditions (ESP: Performance shares) with a performance period ending in the current financial year are included at the 30-day VWAP at year end x actual vesting outcome.

   The LTI reflected in the 2020 annual report was R4.188 million for the CEO and R0.892 million for the CFO. These amounts have been restated based on the methodology explained above.
4. The FY 2021 and FY 2020 long-term incentive reflected included the VOB award made on 30 October 2018: tranche 1 (FY 2020: 27 October 2017: tranche 3) that will vest within 12 months after the financial year end. The value is based on the 30-day year-end VWAP of R155.12 (FY 2020: R107.53) x number of awards granted.
5. Dividends relating to each Executive's shares received during the FY 2020 and FY 2021 financial year were included in qualifying dividends for FY 2020 and FY 2021 respectively to the extent that the underlying shares have not been reflected in the single figure table.

Outstanding and settled LTIs

Name	Opening balance (number)	Granted during 2021 (number)	Forfeited during 2021 (number)	Vested during 2021 (number)	Closing balance (number)	Value of receipts during 2021[1] R	Estimated closing fair value[2] R
FY 2021							
P ENGELBRECHT							
VOB							
24 October 2017							
– Tranche 1	–	–	–	–	–	–	–
– Tranche 2	–	–	–	–	–	–	–
– Tranche 3	16 963	–	–	(16 963)	–	2 355 047	–
ESP (performance shares)							
5 September 2019	97 846	–	–	–	97 846	408 996	15 177 872
11 September 2020	–	94 757	–	–	94 757	396 084	7 349 353
ESP (retention shares)							
5 September 2019	13 047	–	–	–	13 047	54 536	2 023 851
11 September 2020	–	12 635	–	–	12 635	52 814	1 959 941
ESP (co-investment shares)							
5 September 2019	21 859	–	–	–	21 859	91 371	3 390 768
11 September 2020	–	18 956	–	–	18 956	79 236	2 940 455
TOTAL	149 715	126 348	–	(16 963)	259 100	3 438 085	32 842 239
A DE BRUYN							
VOB							
24 October 2017							
– Tranche 1	–	–	–	–	–	–	–
– Tranche 2	–	–	–	–	–	–	–
– Tranche 3	2 329	–	–	(2 329)	–	323 421	–
30 October 2018							
– Tranche 1	2 290	–	–	–	2 290	9 572	355 225
– Tranche 2	2 290	–	–	–	2 290	9 572	355 225
– Tranche 3	2 291	–	–	–	2 291	9 576	355 380
30 October 2019							
– Tranche 1	4 662	–	–	–	4 662	19 487	723 169
– Tranche 2	4 662	–	–	–	4 662	19 487	723 169
– Tranche 3	4 666	–	–	–	4 666	19 504	723 790
ESP (performance shares)							
5 September 2019	16 225	–	–	–	16 225	67 821	2 516 822
11 September 2020	–	21 121	–	–	21 121	88 286	1 638 145
ESP (retention shares)							
5 September 2019	3 474	–	–	–	3 474	14 521	538 887
11 September 2020	–	4 526	–	–	4 526	18 919	702 073
ESP (co-investment shares)							
5 September 2019	3 880	–	–	–	3 880	16 218	601 866
11 September 2020	–	4 526	–	–	4 526	18 919	702 073
Total	46 769	30 173	–	(2 329)	74 613	635 304	9 935 824

1. Value received reflects the dividends received during the year on unvested shares and the cash value earned on the settlement of shares.
2. Unvested shares are valued at the 30-day year-end VWAP of R155.12 (2020: R107.54). The performance share awards were adjusted for the expected vesting as follows:
   – 5 September 2019 – 62.5% in FY 2020 and 100% in FY 2021
   – 11 September 2020 – 50% in FY 2021

REMUNERATION REPORT | continued

Name	Opening balance (number)	Granted during 2020 (number)	Forfeited during 2020 (number)	Vested during 2020 (number)	Closing balance (number)	Value of receipts during 2020[1] R	Estimated closing fair value[2] R
FY 2020							
P ENGELBRECHT							
VOB							
24 October 2017							
– Tranche 1	–	–	–	–	–	–	–
– Tranche 2	16 955	–	–	(16 955)	–	2 222 727	–
– Tranche 3	16 963	–	–	–	16 963	26 456	1 824 031
ESP (performance shares)							
5 September 2019	–	97 846	–	–	97 846	312 129	6 575 863
11 September 2020	–	–	–	–	–	–	–
ESP (retention shares)							
5 September 2019	–	13 047	–	–	13 047	41 620	1 402 944
11 September 2020	–	–	–	–	–	–	–
ESP (co-investment shares)							
5 September 2019	–	21 859	–	–	21 859	69 730	2 350 498
11 September 2020	–	–	–	–	–	–	–
TOTAL	33 918	132 752	–	(16 955)	149 715	2 672 662	12 153 336
A DE BRUYN							
VOB							
24 October 2017							
– Tranche 1							
– Tranche 2	2 327	–	–	(2 327)	–	301 230	–
– Tranche 3	2 329	–	–	–	2 329	3 633	250 437
30 October 2018							
– Tranche 1	2 290	–	–	–	2 290	7 305	246 244
– Tranche 2	2 290	–	–	–	2 290	7 305	246 244
– Tranche 3	2 291	–	–	–	2 291	7 308	246 351
30 October 2019							
– Tranche 1	–	4 662	–	–	4 662	7 273	501 305
– Tranche 2	–	4 662	–	–	4 662	7 273	501 305
– Tranche 3	–	4 666	–	–	4 666	7 279	501 735
ESP (performance shares)							
5 September 2019	–	16 225	–	–	16 225	51 758	1 090 421
11 September 2020	–	–	–	–	–	–	–
ESP (retention shares)							
5 September 2019	–	3 474	–	–	3 474	11 082	373 559
11 September 2020	–	–	–	–	–	–	–
ESP (co-investment shares)							
5 September 2019	–	3 880	–	–	3 880	12 377	417 216
11 September 2020	–	–	–	–	–	–	–
Total	11 527	37 569	–	(2 327)	46 769	423 823	4 374 818

1. Value received reflects the dividends received during the year on unvested shares and the cash value earned on the settlement of shares.
2. Unvested shares are valued at the 30-day year end VWAP of R155.12 (2020: R107.54). The performance share awards were adjusted for the expected vesting as follows:
   – 5 September 2019 – 62.5% in FY 2020 and 100% in FY 2021
   – 11 September 2020 – 50% in FY 2021

Non-executive Director remuneration and composition

The table below sets out the fees paid to NEDs, excluding VAT, for the period from 1 November 2019 to 31 October 2020:

Name	Board fees 2020 R	Committee fees 2020 R	Total fees 2020 R	Total fees 2019 R
Wendy Lucas-Bull (appointed on 1 October 2020)	39 167		39 167	
Christo Wiese	1 535 000	300 500	1 835 500	1 494 000
Anna Mokgokong (appointed Lead Independent Director on 14 November 2019)	1 065 000	397 500	1 462 500	721 583
Alice le Roux	470 000	266 000	736 000	554 583
Joseph Rock	470 000	372 500	842 500	643 333
Johan Basson	470 000	431 000	901 000	1 011 000
Edward Kieswetter (resigned 6 May 2019)				713 000
Shirley Zinn (resigned 6 November 2019)				854 167
Jimmy Fouche (retired on 27 February 2019)				403 333