Remuneration Report

3 April 2022 – 1 April 2023

2023

mr price group limited

Start >

Remuneration & Nominations Committee Report

The main impact of this committee's deliberations on the group's value creation elements is reflected below:

CAPITALS: H, I, F
STAKEHOLDERS
STRATEGIC PILLARS
BUSINESS ACTIVITIES
SUSTAINABLE DEVELOPMENT GOALS: 8 Decent work and economic growth; 10 Reduced inequalities

KING IV™ GOVERNANCE OUTCOMES
Ethical Culture **Effective control**

Chair: Mark Bowman
Members: Keith Getz (retiring by rotation on 30 August 2023), Lucia Swartz, Nigel Payne

The committee is constituted as a committee of the board and has been delegated responsibility for overseeing the development of the remuneration policy and its implementation within the group and the nominations activities of the board. The committee mandate is available on the group's website at www.mrpricegroup.com.

The committee members, their qualifications and experience, the number of meetings held and attendance at meetings is detailed in the board report on pages 127, 128 and 138.

Role

The board aims to deliver the most desirable outcomes and practices that appropriately balance the interests of all stakeholders in a transparent and integrated manner, while overseeing the composition and performance of the board and its committee. The committee oversees the group's approach to remuneration to maintain fair, equitable and responsible remuneration in line with the group's strategy. In addition, the committee is responsible for ensuring that remuneration processes are consistent and aligned, thus ensuring the talent required to achieve the group's vision and strategy is attracted, motivated, retained and rewarded.

The committee's remuneration report is structured as follows:

Committee statement
The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2023 financial year, including duties in terms of the Companies Act, JSE Listings Requirements and King IV™.

Background Statement

Letter from the chair:

On behalf of the committee, I am pleased to present the group's Remuneration and Nominations Committee report for the 2023 financial year. Transparent and comprehensive reporting of directors' remuneration is an essential element of good corporate governance. This report contains a detailed overview of director remuneration as well as an overview of the wider workforce remuneration. The main objective of our remuneration policy is to attract, motivate, retain and reward top retail talent to deliver superior results. We take pride in a balanced approach to creating long term, sustainable value for investors while delivering a high-quality service for customers, a great place to work for our people and a meaningful, positive impact on the communities we operate in.

Performance and impact on remuneration
The April 2022 floods in KwaZulu-Natal as well as the ongoing, unprecedented loadshedding, inflation and rising interest rates, among other things, have led to more uncertainty and challenges to the country's economic recovery. Despite these challenges, the group's business model has proven resilient to date, underpinned by its differentiated cash-based, omni-channel, fashion-value retailer offering as well as the acquisition of Studio 88. The group has recognised the fight for key talent, critical and scarce skills. Although the group did not meet its financial objectives, this resulted in generally the non-payment of short-term incentives (STIs) to associates, however, there have been certain qualifying associates who received STIs based on key talent, critical and scarce skills. There were also some store associates and store managers who received monthly retail incentives. The group pays salaries in line with the market median of the approved comparator group and it rewards outperformance through its variable pay structures. The information included on remuneration structures is for group divisions prior to the recently concluded acquisitions. Power Fashion, Yuppiechef and Studio 88 have been excluded from this report as the group works through integration plans and timelines where affordability will be considered.

An "at a glance summary" of the policy changes together with remuneration outcomes for executive directors for the year is provided below. Full details are disclosed in the implementation report on pages 213 to 220.

Total guaranteed pay adjustments
Total guaranteed pay (TGP) for executive directors was found to be below that of the market median for the comparator group of JSE-listed companies of similar size and industry. This was conducted in May 2023 by independent remuneration advisors, PwC. Increases in line with market positioning and inflation will be awarded.

Non-executive director fees
Non-executive director benchmarking was not conducted in 2023. Increases were aligned to inflation and the group's budget guideline for associates.

2023 bonus outcomes
Due to the group not meeting its financial objectives, STIs were not paid out. However, certain qualifying associates who were key talent, critical and scarce skills were paid an STI.

2023 LTI vesting outcomes
Due to the non-fulfilment of the performance conditions, none of the FSP performance awards and share option awards granted in November 2018 and February 2019 with a performance period ending 31 March 2023 will vest.

December bonus
The December bonus is paid at the discretion of the group, depending on a number of factors including, but not limited to, the trading results and profitability of the group with escalation linked to tenure. However, over the past few years, this benefit has always been paid out, even in December 2020 amid the uncertainty of the COVID-19 pandemic. It has become the norm that the December bonus is treated as guaranteed, and as such, historically, it was incorporated in the associates TGP. This was not ideal as it was perceived as though the December bonus had no performance conditions, however, the committee views the December bonus as an important tool in its fair pay journey and to recognise long serving employees for their commitment and dedication to the company. As a first step to align to shareholders, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) were moved from receiving their December bonus by converting this into their respective basic salary for FY2023. There was no impact on TGP which already included the December bonus component. It was ensured that the parameters used in the determination of STIs and LTIs were also reviewed so that the CEO and CFO were not worse or better off as a result of this amendment to their remuneration structure. There was no change to the December bonus structure for the rest of the associates within the group, but this will be considered under a broader remuneration evaluation project which commenced in FY2023.

Remuneration for the year ahead
The following approach will be taken for the forthcoming year:

- TGP – adjustments will be considered for critical and scarce skills, high performers as well as to address remuneration anomalies
- Wage gap analysis will be conducted post implementation of new job grading system
- Review of the group's remuneration philosophy — moving towards flexible total reward with an emphasis on the retention of key talent, critical and scarce skills
- Review of current fixed pay structure and conversion to cost to company salary structure, creating flexibility
- Bonus targets and structure – may be reviewed to align with the group's pay for performance remuneration philosophy and the newly-implemented Paterson grading system
- LTI targets and structure – may be reviewed for LTI considerations given risk. The group's broad based incentive scheme is not funded by shareholders.
- Integration and alignment of the Paterson grading system and methodology, which is a credible and widely-used job evaluation system

Remuneration governance and the committee

THE KEY FOCUS AREAS FOR THE REPORTING PERIOD WERE:

Executive remuneration:

- Approval of the CEO and CFO's December bonus conversion
- Approval of total packages for executive directors
- Approval of STI structure with performance criteria linked to financial performance, strategic KPIs and leadership. The on-target and maximum percentages for the STI were reduced to take the inclusion of the December bonus in basic salary into account
- Approval of LTI awards and performance conditions, including, on the recommendation of the Social, Ethics, Transformation and Sustainability (SETS) Committee, the SETS scorecard (sustainability key performance indicators (KPIs)) applicable to LTIs. The face value allocation percentages of the LTIs were reduced to take the inclusion of the December bonus in basic salary into account
- Review and approval of STI and LTI outcomes for the period ending 1 April 2023

Associate remuneration:

- Review of fair and responsible remuneration with an emphasis on equal pay for work of equal value
- Review of remuneration and benefit structures of new acquisitions
- Incentive design for acquisitions, taking into account growth trajectory and talent retention
- Review of all current associate benefits across the group
- Flexible benefits in the form of flexible retirement savings, affording associates greater flexibility to structure their retirement contributions while ensuring they receive sound financial advice and support
- Standardised STI structures across the group, including aligning STI structures to the grading system to ensure appropriate link to divisional and company performance across the different levels
- Implementation of the Paterson job evaluation system

Other activities:

- The ongoing board refresh and skills focus including identifying potential suitable new directors
- Addressing the potential impact of the macro economy, including among others, inflation and rising interest rates, on the organisation's performance and possible consequences on remuneration and retention. Associates were provided with additional wellness support
- Engaging with and responding to shareholder remuneration questions ahead of the August 2022 AGM

FUTURE AREAS OF FOCUS:

- Continue to simplify the group's benefits offering, with the aim of offering associates a hybrid salary structure that provides them with flexibility to structure their remuneration packages to suit their unique needs and circumstances
- Optimise current benefits across the group
- Entrench and align the new Paterson job evaluation system for grade reviews across the group
- Continue to evaluate pay structures throughout the group with a focus on critical and scarce skills
- Review the group's new acquisitions Power Fashion, Yuppiechef and Studio 88, in relation to the group's remuneration policy and structures
- Develop the group's fair pay principles and align the pay of critical and strategic talent in a fair and responsible manner
- Reconsider the group's reward principles in light of pay mix, striking an appropriate balance between fixed remuneration and performance-based remuneration (STI and LTI)

External advisors

During the year external remuneration advisors PwC, REMchannel (Pty) Ltd and 21st Century provided the following services to the group's remuneration function, as needed to provide the necessary inputs for consideration by the committee:

- Remuneration reporting (PwC and REMchannel)
- Executive director remuneration benchmarking (PwC)
- Remuneration benchmarking (21st Century and REMchannel)

The consultants provided their services objectively and were independent throughout the engagements.

Voting and shareholder engagement

Stakeholder engagement is one of the group's key strategic pillars, of which shareholders and the investment community are its primary stakeholders. Its ability to deliver sustained value depends on these relationships and the contributions and activities of shareholders. The committee encourages and appreciates feedback from shareholders on remuneration matters. The issues raised are then tabled at committee meetings and are duly considered when reviewing the remuneration policy and disclosure of its implementation.

The group's key value of Partnership was displayed throughout the year as the group communicated frequently and transparently with shareholders ahead of the 2022 AGM and will again do so ahead of the August 2023 AGM.

The voting trend in support of the remuneration policy is above 75% and has significantly improved since 2019 but the level of support for policy implementation is disappointing, considering the extent of active engagement and the policy and implementation changes that are effected by the committee as a consequence, as well as continuous improvement on explanations and disclosure:

Financial year	Policy (in favour)	Implementation (in favour)
2019	49.66%	42.28%
2020	72.09%	72.57%
2021	83.08%	59.85%
2022	78.17%	51.91%

Following the 2022 AGM voting outcome for the implementation of the group's remuneration policy, a SENS announcement was released on 25 August 2022 inviting shareholders to advise on their reasons for their dissenting votes. Feedback and concerns received from shareholders in respect of FY2022 remuneration implementation and the committee's response, including adjustments made to policy and implementation in the reporting period, are as follows:

Shareholder feedback	Actions taken
The CEO was granted a once-off share award in FY2022 and the award is not subject to performance conditions	As mentioned in the FY2022 report, after the conclusion of a total remuneration benchmarking exercise, the CEO's guaranteed pay was lagging the market. The remuneration committee did not think that it was appropriate to increase his guaranteed pay to the median, but instead made an award of forfeitable shares. A number of safeguards were implemented as part of the award. The shares are forfeitable subject to a five-year vesting period, therefore if the CEO's employment is terminated for cause before the five-year vesting period, he will forfeit the award. If his employment is terminated without cause, he will receive a pro-rata portion of the award. In line with the group's remuneration policy, the award is subject to malus and clawback provisions. Lastly, unlike an adjustment in guaranteed pay, the award is directly linked to long-term shareholder interests via the forfeitable shares awarded.
Use of loyalty bonus without performance conditions	The annual December bonus serves two purposes: 1. It acts as a 13th cheque. This bonus is not awarded over and above an employee's salary, but rather is a deferred portion of their TGP which is paid out to them in December. 2. It serves as a long service award. 100% of an employee's monthly salary is paid out after 10 years of service. The committee views this as an important tool in its fair pay journey and to recognise long-serving employees for their commitment and dedication to the company. The annual December bonus was converted into the basic salary of executive directors in FY2023, and as this was already part of their TGP, it will not result in variable pay being worse or better off as a result of this change.
Disclosures around the strategic and personal performance measures, which determine the majority of bonus awards, remain insufficient, concerns remain regarding the assessment of performance against these measures	The committee considered the concerns of shareholders. Prospective disclosure of performance targets is deemed as being price sensitive. The committee evaluated the performance of the CEO and CFO for FY2023. However, the STI structure for FY2023 was not applicable due to negative earnings growth. In part 2 on pages 206 to 207 the target setting process is expanded on.
Equal weighting for financial, strategic, and personal targets used in the STI. The personal performance measure is considered subjective and therefore the weight should not equal financial or strategic measures. In addition, HEPS contribution (87% of financial targets) to financial targets increases the risk of higher STI as mergers and acquisitions (M&A) activity increases	The execution of the group strategy encompasses a number of factors, including financial performance, delivery on KPIs and the role that leaders play in building engaged and high performing teams, use of opportunities to address under-representation, succession management, being exemplary in living the group's values and creating a culture where associates thrive. These elements of leadership are reflected as personal performance. Financial, strategic and leadership (personal performance) targets are seen as equally important in achieving our vision. It is for this reason that the committee deems it important to assign equal weightings for these three elements in the annual STI. Despite this structure, STIs will not be paid in a negative growth earnings environment as experienced in FY2023.

Closing remarks
The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2023 financial year and that the remuneration philosophy achieved its stated objectives. The committee further confirms that there were no deviations from the remuneration policy during the year.

The group is committed to a sustainable, fair and responsible remuneration policy that aligns all stakeholders' interests. We trust the adjustments made during the reporting period sufficiently address shareholder concerns and we can count on your continued constructive support.

Mark Bowman
Committee Chair

Remuneration Policy

Overview
At the heart of the business, the group's purpose is to be Your Value Champion. This is supported by rewarding associates with a total remuneration mix that drives Passion, Value and Partnership, which are key enablers of group success. The group's remuneration policy is to reward all associates for their contribution to its performance, taking into consideration an appropriate balance between guaranteed and variable (short- and long-term) remuneration components.

The group's remuneration philosophy recognises that its successful years are a direct result of its associates' efforts. Thus, its stance is to generously and equitably reward high performance. Conversely, in years where the group is faced with headwinds, the focus shifts to maintaining fixed costs at reasonable levels with little or no variable pay awarded to associates. Hence the group takes the approach of rewarding outperformance through its variable pay structures. Being a value retailer, the group aims to remunerate all associates at the market median on TGP for its comparator group and rewards superior performance through STIs and LTIs when targets are achieved. This enables associates to exceed the market median on total earnings. Pay ranges are benchmarked against the comparator group's market median, allowing a tolerance band of 20% below and above this measure. Benchmarking is conducted on both a retail and national level for stores and head office respectively. Bespoke surveys are conducted to cater for niche market skills, and consideration is applied to remunerate at a higher benchmark. The group subscribes to a pay for performance principle while still ensuring that associates' fixed pay aligns with the chosen comparator group's market median.

Since performance-related incentives form a material part of the remuneration structure, ongoing performance feedback is vital. As part of a broader performance enablement framework, associates participate in career and development conversations annually, focusing on work achievements, learning and development needs aligned to their values and intrinsic beliefs. This enables the group to understand its talent and their aspirations in order to foster mobility and manage succession proactively. The group has recently launched a further element in the formalised framework which encourages leaders and their teams to have frequent check-ins to ensure they stay aligned, engaged and feel supported to deliver what is expected, at their best.

There is strong alignment of the types of benefits offered to the various levels of permanent associates. The group can justify areas where differentiation has been applied, specifically where consideration has been given to the position's seniority, job requirements and the need to attract and retain key talent, critical and scarce skills. The remuneration policy as it applies to all associates, except for Power Fashion, Yuppiechef and Studio 88, who are not yet fully integrated into group remuneration structures, is set out below, followed by an in-depth overview of the arrangements applicable to executive directors. The group plans to undertake a detailed evaluation of its total reward philosophy and various components to drive operational performance and the achievement of the group's vision. This includes the reconsideration of the pay mix, striking a balance between fixed remuneration and performance-based remuneration.

Fair and responsible remuneration
Remuneration is not influenced by race, creed or gender, with the emphasis on equal pay for work of equal value. To ensure that the group provides remuneration that is fair, appropriate and responsible, it conducts an annual internal benchmarking exercise. Every second year, the group engages an external remuneration consultant to conduct external benchmarking. The committee (and the board) is acutely aware of the global issue regarding fair and responsible remuneration between management and junior level employees. The majority of associates within the group are in entry level positions due to the group's self-service retail model. The group believes that its unique and inclusive approach to short- and long-term remuneration enables the best possible outcomes, is substantively fair, and is applied consistently throughout the group. The group has taken a stance to review all of its remuneration offerings including but not limited to its suite of employee benefits, to ensure that each benefit is optimised for associates which is a future focus area.

One of the group's core values is Partnership, with the most important partnership being with Mr Price Group associates. In promoting increased employee ownership of the group, as well as in acting as a fair and responsible employer and actively contributing toward broad-based black economic empowerment (B-BBEE), the group adopted Mr Price Group Limited Partners Share Scheme in 2006. The shares are offered to participating associates for free. Associates receive dividends and are entitled to vote at the AGM. This scheme is reviewed periodically to ensure that it is still relevant and appropriate. The group's broad based incentive scheme is funded by the company and not shareholders.

Partners Share Scheme

NUMBER OF PARTICIPANTS	NUMBER OF SHARES
12 632	4 159 348

Paid out in dividends since the inception of the scheme **R316 million**

Paid out in dividends during the last financial year **R36 million**

Average total dividend per associate paid out during the last year **R2 829**

ACI ownership

93%

Average value held by associate

R47 481

Overview of Remuneration Offering to all Associates and Summary Policy Changes

Type of remuneration	Element	Overview	Eligibility	Payment/performance period	Policy changes
Fixed	Basic salary plus benefits	A basic salary plus a range of contributions, allowances and benefits.	All associates.	Monthly.	No changes.
	Annual December bonus	To reward tenure and acts as a retention mechanism.	All permanent associates (excluding executive directors).	Payable annually in December. Minimum of 20% and maximum of 100% of monthly basic salary based on tenure.	The CEO and CFO's December bonus was converted into their respective basic salary for FY2023. No changes for other associates.
	Short-term incentive				
Variable	Short-term incentive (STI)	To motivate and reward associates for the achievement of the group's short-term performance targets.	All permanent associates.	Payable annually to eligible associates. Store and distribution centre (DC) associates may be eligible for retail incentives in line with operational target achievement.	On-target and maximum percentages for the CEO and CFO were reduced to factor the addition of the December bonus into basic salary as noted above. (This was done to ensure that the overall total reward was not increased as a result). No further changes.
	Long-term incentive				
	Partners Share Scheme	To promote increased employee ownership of the group, as well as to act as a fair and responsible employer, and to actively contribute towards B-BBEE, the group implemented the Mr Price Group Limited Partners Share Scheme in 2006.	All permanent employees graded as semi-professionals receive a once-off award after one year service. They receive the dividends for these share awards.	Retain employees over the duration of their career. Awards vest upon death or retirement.	No changes.
	Long-Term Incentive Plan (LTIP)	The LTIP comprises various instruments (as explained on page 207).	Professionals and above.	Vesting occurs after a three-year period subject to conditions (as explained on page 207).	The face value allocation percentages for the CEO and CFO were reduced to factor the addition of the December bonus into basic salary (as noted under STIs above). This was done to ensure that the overall total reward was not increased as a result. Return on net worth (RONW) measurement criteria was amended to an absolute target. Total Shareholder Return (TSR) was replaced with a targeted Cash Conversion ratio. The amendments were only applicable to awards made in FY2023.
Wealth at risk	Shareholding in the company is encouraged by an uplift in the standard annual LTI allocation which is equally split between share appreciation and performance awards.	Shares (directly or indirectly held) and vested but unexercised options are considered. If the value thereof is in excess of 300% (in the case of executive directors) and 200% (in the case of executives) annual guaranteed remuneration, the standard LTI allocation is increased by 10% for the year.	Executive directors and executives.	Not applicable.	No changes.

Note: Power Fashion, Yuppiechef and Studio 88 have alternate remuneration structures to that of the group

Total Guaranteed Package (TGP) Policy

Elements comprising TGP and eligibility	Purpose	Description
Basic Salary Applicable to all associates	To offer competitive market-related basic salaries that attract and retain high-calibre associates capable of crafting and executing the business strategy. Basic salaries for all associates, including executive directors, are benchmarked against the market median.	Remuneration is reviewed annually on 1 April taking into consideration: • Job content and grades, including roles and responsibilities, complexities and decision-making ability • Internal equity • External competition • Consumer price inflation • Individual competence and performance • Affordability • Critical and scarce skills
Retirement Fund Contributions Applicable to all permanent associates	To ensure the financial wellbeing of associates and their dependants by enabling them to save for retirement.	Defined contribution scheme: Retirement fund contributions are calculated as a percent of an associate's salary and includes risk and funeral benefits.
Medical Aid Contributions Applicable to all permanent associates	To ensure the mental and physical wellbeing of associates and their dependants.	Medical aid and gap cover: • Voluntary membership is offered to associates on the plan of their choice, subsidised by the group. • Dedicated financial wellness and medical aid consultants assist associates to achieve what matters most to them at each life stage. • Medical aid and gap cover is reviewed annually.
Guaranteed Cash Allowances (in cash) Applicable to specific permanent associates	To provide a relevant and market-competitive suite of benefits which add value and enable associates to perform their duties.	Car allowance, cellphone allowance (where applicable).
Fringe Benefits (in kind) Applicable to specific permanent associates		Use of company car, petrol/fuel card, staff discount (where applicable).
December Bonus Applicable to all permanent associates (excluding executive directors where it has been factored into basic salary)	To reward tenure and acts as a retention mechanism.	Payable annually in December and calculated as a percent of monthly basic salary based on length of service as follows: 1 year service: 20% 2 years' service: 40% 3 years' service: 60% 4 years' service: 80% 10 years' service: 100%

Note: Power Fashion, Yuppiechef and Studio 88 have alternate remuneration structures to that of the group

Short-Term Incentive (STI) Policy

Component	Description
Overview	The aim is to ensure that a strong relationship exists between strategy execution and leadership, performance targets and remuneration thus enabling sustainable value creation.
Purpose	To motivate and reward associates for the achievement of the group's short-term performance in areas which they can influence.
Mechanics	The mechanics of the STI depend on the level and role of associates. Store associates have a retail incentive in place while other associates participate in a formulaic STI scheme. STI payments are not deferred and are payable annually in cash after the annual results are announced.
Formula	STIs are calculated with reference to each eligible associate's basic salary and the achievement of the performance conditions, reflecting the associate's contributions to the growth and development of their division and the group. The group aims to ensure that a well-balanced set of measurables is designed for each level of associate. Targets are tailored annually recognising prevailing economic and trading conditions. Strict eligibility criteria are applied. The STI is calculated based on a bottom-up additive methodology. An example of the formula used to calculate outcomes for executive directors is as follows: STI = Base salary x [(Financial performance x 33.3% weighting) + (Strategic KPI x 33.3% weighting) + (Leadership x 33.3% weighting)]
Allocations and quantum	Most of the award requires a substantial amount within target and maximum bracket outperformance and is therefore at risk. The table below reflects the bonus opportunity for executives at various levels of performance expressed as a percentage of annual basic salary:

	CEO and CFO		Trading Divisions		Centres of Excellence	
	Target	Max	Target	Max	Target	Max
Financial performance	38%	62%	57%	92%	31%	50%
Strategic KPIs	38%	62%	10%	17%	21%	33%
Personal performance	38%	62%	10%	17%	10%	17%
Total	**115%**	**185%**	**78%**	**125%**	**63%**	**100%**
Total (% of annual total guaranteed pay)[1]	85%	137%	54%	86%	43%	69%

Component	Description
	Values are represented as a percentage of annual basic salary which is considerably less than TGP. For example, the two executive directors' basic salary in FY2023 was 74% of TGP. This ratio should be borne in mind when considering the table above. Threshold level is based on judgement of the committee and will reflect the achievement of strategic KPIs and leadership displayed in order to execute the strategy of the business. Targets and maximum outperformance has been adjusted for the CEO and CFO to take into account the December bonus conversion. As part of the changes implemented for the FY2023 STI framework, thresholds between the various stretch levels were introduced to reward divisional management teams who fall short of their stretch targets. • If a trading division achieves 75% to the next stretch target, then consideration will be given to awarding 50% of the next stretch award • This is only applicable to the divisional profit element and for Stretch 1 and Stretch 2 • There is no threshold to the BHAG (big hairy audacious goal) stretch • This will only be applicable to divisional management teams in trading divisions (direct reports to managing directors)
Performance period	The performance period runs from 1 April to 31 March each year or as approved by the committee.
Performance conditions	The following performance conditions are used each carrying a weighted contribution: • Financial performance • Strategic KPIs • Personal performance
Termination of employment	Associates must be in the group's employ at the time of payment to receive incentive bonuses unless, due to specific circumstances, the committee has approved alternative arrangements.
Malus and clawback	Bonuses are subject to malus and clawback in line with the company's malus and clawback policy.

[1] An average basic salary to TGP ratio is used

Note: Power Fashion, Yuppiechef and Studio 88 have alternate remuneration structures to that of the group

STI performance measures applicable to executive directors for FY2024

Prospective disclosure of performance targets is deemed as being price sensitive, but the process of target setting together with the measures are addressed on the following page:

- Financial KPIs: ROE and HEPS growth are chosen as the financial metrics. There is a robust target setting process which takes into account, among other factors, previous year performance, market conditions and group strategy
- Strategic KPIs: A scorecard is utilised with different weightings for different factors which include, among other strategic and material initiatives, major initiatives and ESG considerations
- Personal KPIs: Leadership is reviewed at intervals during the year which include opportunities used to address under-represented groups in teams, ability to build and lead high performing teams, talent succession management, engaged teams, organisational design, living the group's values and compliance with the code of conduct.

Long-Term Incentive Policy

LTIs play a critical role in achieving strategic goals. In line with the group's core value of Partnership, share schemes appropriate to the various levels of associates are in place and are explained further here.

Partnership Scheme
The Partnership Scheme has been in use since 2006. A key factor of the Partnership Scheme is that it encapsulates the group's intentions regarding the ownership criteria of B-BBEE. Rather than entering into an ownership deal with external parties, the committee and board resolved to embrace the true spirit of B-BBEE and, subject to certain qualifying criteria, includes all associates employed in the Southern African Customs Union region, but excludes associates from Power Fashion, Yuppiechef and Studio 88.

Long-term Incentives
Additionally, the group uses LTIs to reinforce its pay for performance culture among not only executive management but also all associates who participate in the LTIs. The LTI plan and policy that was implemented in the 2021 financial year comprises a number of instruments, inter alia: conditional shares, forfeitable shares and share appreciation rights (SARs). The LTI policy allows the committee options to ensure the correct solution is used for varying circumstances. The instruments can be used to make a number of award types, such as performance awards, appreciation awards, retention awards, bonus awards and phantom share awards. This allows the group to make awards as and when its strategy requires. The instruments currently in use are explained in further detail below.

Award Type	Appreciation Awards	Performance Awards	Retention Awards (employment)
Instrument & application	Share appreciation rights (SARs): Rights over the appreciation in the share price are awarded. Each SAR has an award price. SARs will vest after satisfaction of the employment condition and performance conditions whereafter they can be exercised during an exercise period of two years.	Conditional share awards, delivered on the vesting date, based on the satisfaction of performance and an employment condition.	Retention awards can be made as conditional share awards delivered on the vesting date, based on the satisfaction of an employment condition.
Eligibility	Executive directors and divisional directors.	Executive directors and divisional directors.	Associates who are not directors.
Performance conditions & performance period	All SARs are subject to performance conditions (details set out on page 208), measured over a three-year performance period.	All conditional share awards are subject to performance conditions (details set out on page 208), measured over a three-year performance period. Further details on the performance conditions and targets used for executive directors are provided below.	There are no performance conditions applicable to retention awards.
Vesting period	Three-year vesting period and two-year exercise period following vesting.	Three years.	Three years.
Vesting levels	Binary vesting applies up to a maximum of 100%. There is an inherent performance hurdle of share price growth that is already attached to the SARs, and if this is not achieved, there is no vesting of awards.	Each performance measure has a vesting level and associated vesting percentage attached: • Below threshold: 0% vesting • Threshold: 80% vesting • Target: 100% vesting • Stretch 1: 150% vesting • Stretch 2: 200% vesting	Vesting is limited to 100% of the original number of awards granted.
Termination of employment	The rules for the LTI make a distinction between fault and no-fault terminations (including retirement). Unvested or unexercised awards are generally forfeited for a fault termination, while unvested awards for no-fault terminations are pro-rated for service and performance, up to the date of termination of employment.		
Malus and clawback	LTIs are subject to malus and clawback in line with the company's malus and clawback policy.		
Award quantum	The award quantum is dependent on the job level of a participant. The combined quantum for executive directors is as follows:		
	Position	SARs face value of award as a percent of TGP[1]	Performance awards face value as a percent of TGP[1]
	CEO	165%	165%
	CFO	143%	143%
	In addition, if an executive director or divisional director holds three and two times respectively of their TGP (exclusive of the December bonus) in shares (directly or indirectly held) or vested but unexercised share options, an uplift of 10% in the award quantum is given in any particular year.		

Note: Power Fashion, Yuppiechef and Studio 88 have alternate remuneration structures to that of the group

1 For LTIs the percentages were revised taking into consideration the December bonus conversion

LTI performance measures applicable to executive directors for the forthcoming period
The following performance conditions, targets and vesting levels are used for awards to be made in FY2024. The performance measures apply from 1 April 2023 to 31 March 2026.

Performance Awards (awarded as conditional shares)

Performance Conditions		HEPS	RONW	Sales Growth	Cash Conversion Ratio	Non-Financial Measures
		HEPS growth relative to Real HCE[1]	Targeted RONW[2]	Group sales growth relative to growth in Stats SA Sector D&E	Operating cash flow/ EBITDA	ESG scorecard
% of award		20%	20%	20%	20%	20%
% Vesting						
Threshold	80%	Real HCE + 5%	23%	Stats SA	70%	Improve 50% of metrics
Target	100%	Real HCE + 6%	24%	Stats SA + 1%	75%	Improve 60% of metrics
Stretch 1	150%	Real HCE + 7%	25%	Stats SA + 3%	80%	Improve 70% of metrics
Stretch 2	200%	Real HCE + 8%	26%	Stats SA + 5%	85%	Improve 80% of metrics

1 Real Household Consumer Spending - three-year compound annual growth rate

2 See notes to performance conditions below

Appreciation Awards (awarded as SARs)

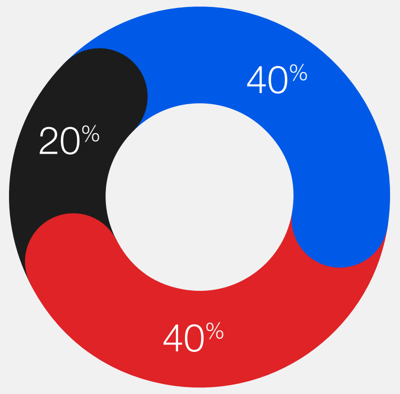
Performance conditions	HEPS
Measurement criteria	HEPS growth > Real household consumer spending + 3%. In addition to the non-market condition noted, the inherent performance hurdle of share price growth is already attached to the SARs.

Non-financial measures
Non-financial measures account for a 20% weighting of the performance awards. The ESG scorecard, as recommended by the group's SETS committee and approved by the Remuneration and Nominations Committee, sets out the 10 ESG metrics requiring improvement over the vesting period. These metrics are reflected overleaf on page 209.

Notes to the performance conditions:
The group is aware that organic concepts will provide a longer-term growth runway and create internal opportunity for career progression, however the initial start-up investment can dilute returns. It is for this reason that the return on net worth (RONW) measurement criteria was amended to an absolute target. It is believed that this brings greater clarity to the group and divisional leadership team regarding the threshold of expected return when making capital allocation decisions.

Sales growth is aligned to the company's growth strategy and ensures that the business does not make short-term profitability decisions at the expense of longer-term market share gains. Stats SA – Retail Sector D and E measures apparel and homeware sectors. Therefore, the group is measuring against a true benchmark and not against food, health or general merchandise.

Total shareholder return (a performance condition for awards made in FY2021 and FY2022) was replaced with a targeted cash conversion ratio (for awards made during the reporting period), which is being used by a number of the group's competitors. The group has a bold vision which will demand greater investment and it believes that its strategy is sound. The focus should be on cash generation to ensure the group can maintain its dividend policy, invest in new stores and revamps, launch organic concepts, and consider further acquisitions and concepts.



Environmental	• Reduction in single-use plastic shopper bags • Energy usage • Recycling • Sustainable materials
Social	• Preferential procurement and supplier development • Transformation • Workplace opportunities • Factory social compliance audits
Economic	• SA procurement • Supplier performance

Executive employment contracts

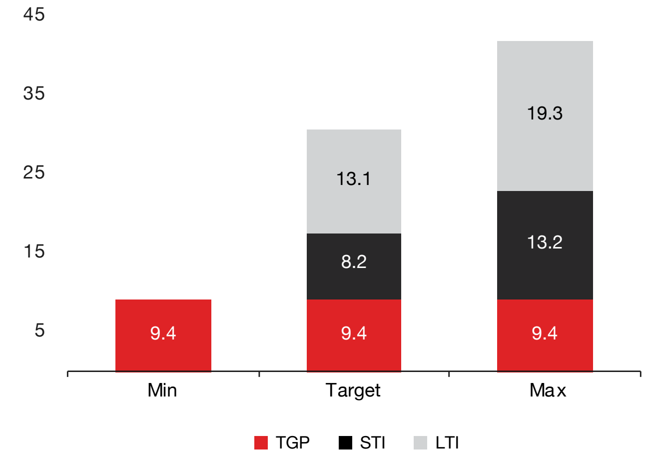
All associates sign a letter of employment stipulating their notice period. The contract may be terminated by either party giving written notice, which ranges from one month for a store or head office associate to six months for executive directors. Despite these provisions, either party may terminate the contract of employment without notice for any cause recognised in law or by agreement by both parties to waive the notice period. Contracts are also terminated in the event of dismissal, without the associate having an entitlement for compensation. Employment contracts do not contain provisions relating to the compensation of executives for a change of control of the group, providing neither balloon payments on termination or retirement, nor restraint of trade payments (although the latter may be contained elsewhere).

Component	Description
Termination of employment provisions	The group's incentive rules make a distinction between fault and no-fault terminations. Fault terminations are not eligible for STI and LTI payments while no-fault terminations such as retirement, disability and death may be considered.
Change of control payments	Employment contracts do not contain provisions relating to the compensation of executives for a change of control of the group.
Notice period	The contract may be terminated by either party giving written notice, which ranges from one month for a store or head office associate to six months for executive directors.
Ex-gratia payments	There are no balloon payments made on termination, retirement or restraint of trade.
Restraint of trade	Applicable to some/all executives by agreement.
Severance pay	The group's severance pay calculations are aligned to each operating region's labour regulations.
Garden leave	During any period after notice of termination of employment has been given by either party, the group may place the executive on garden leave.

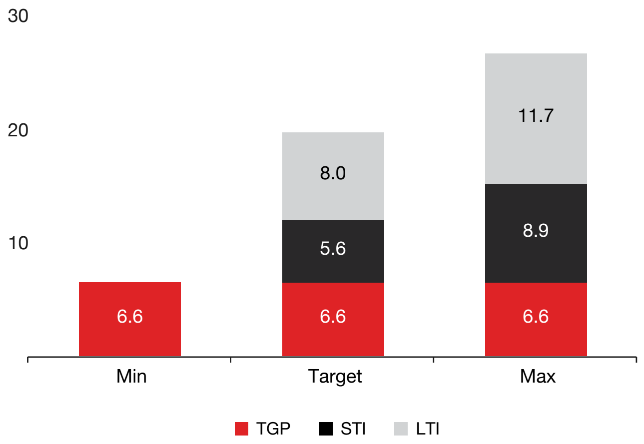
Pay for performance link

The **theoretical** scenario below shows the earnings potential for the CEO and CFO based on the STI and LTI targets.

CEO
Total Remuneration Composition
(R'm)



CFO
Total Remuneration Composition
(R'm)



TGP:	TGP for FY2024
STI min:	Assumes no performance conditions are met and therefore value is zero
STI target:	Assumes target level of performance
STI max:	Assumes performance conditions are achieved in full
LTI min:	Assumes no performance conditions are met and therefore value is zero
LTI target:	Expected values were used for share appreciation rights and conditional rights for these scenarios
LTI max:	For conditional shares, the maximum number of instruments granted in FY2024 multiplied by the face value on grant. For SARs, the maximum number of instruments granted in FY2024 multiplied by the cost of the value of the SAR

Benchmarking of total reward

Executive directors

Total remuneration comprising fixed and variable elements is benchmarked and aligned to the median of a customised comparator group of JSE-listed companies, which are selected using established principles and clear criteria relating to industry, earnings before interest, taxes, depreciation and amortisation (EBITDA), number of employees and turnover.

The survey was last performed in May 2023 by PwC and included the following 13 companies in the peer group (the peer group remained similar to the group used in 2022, except for Massmart who delisted and was replaced with RCL Foods):

- AVI Ltd
- Bid Corporation Ltd
- Clicks Group Ltd
- Dis-Chem Pharmacies Ltd
- Pepkor Holdings Ltd
- Pick n Pay Stores Ltd
- RCL Foods
- Shoprite Holdings Ltd
- The Foschini Group Ltd
- The SPAR Group Ltd
- Tiger Brands Ltd
- Truworths International Ltd
- Woolworths Holdings Ltd

The CEO's TGP is below the 25th percentile of the comparator group, while the CFO's TGP is between the 25th and 50th percentile of the comparator group. On a total remuneration basis (TGP + STI + LTI), the actual pay of the CEO is between the 50th and 75th percentile; while the CFO's total remuneration is above the 75th percentile. On an on-target basis the CEO is between the 50th and 75th percentile while the CFO is positioned above the 75th percentile of the comparator group.

Divisional directors
Total remuneration comprising fixed and variable elements is benchmarked and aligned annually to the national and/or retail market median depending on functional area. The group subscribes and submits data to the annual REMchannel remuneration survey which is used as the data source for South Africa.

Malus and clawback
The committee has in place a malus and clawback policy with a view to further align the interests of associates with the long-term interests of the group and all interested stakeholders and to ensure that excessive risk-taking is mitigated. The malus and clawback policy applies equally to all STI and LTI awards, with malus applicable prior to the payment or vesting of an award and clawback applicable for a period of three years post-payment or vesting of an award.

Following written recommendation from the committee, the board may act to adjust (malus) or recover (clawback) incentive remuneration where substantiated, and as agreed by the committee, for reasons including but not limited to:
- Contributing to or being responsible for material financial misstatements
- Personal dishonesty, fraud or gross misconduct
- Instructing, directly or indirectly, any person to act fraudulently, dishonestly or negligently

Minimum shareholding requirement
The group does not currently have a formal minimum shareholding requirement policy in place. However, where executive directors and divisional directors hold 300% and 200% of their annual TGP (excluding the December bonus), divided by the lower of the 30-day VWAP or the closing share price of the day before the award respectively in shares (directly or indirectly) or vested but unexercised options, their annual LTI award allocation will be uplifted by 10%. This practice encourages executives and divisional directors to acquire and hold shares in the company.

Non-Executive Directors (NEDs)

Component	Description
Fee structure	Fees are related to the skills, experience and time commitment to fulfil the respective duties and responsibilities of the board and committees. The group pays all-inclusive fixed NED fees (exclusive of VAT) and does not pay a base fee plus attendance fee per meeting as historically, attendance at meetings has been good and NEDs contribute as much outside of meetings as they contribute in meetings.
Other benefits or allowances	NEDs are reimbursed for travel-related costs incurred on official group business and receive discounts on purchases made in group stores. No other benefits are received.
Policy	Fees are generally benchmarked to the median to offer market-related fees that attract and retain high calibre NEDs.
Approach to benchmarking	Fees are benchmarked once every two years to the median of an identified comparator group of companies as selected for executive directors' remuneration. The benchmarking survey was last performed in April 2022 by remuneration advisors, PwC, using the same comparator group selected for the executive directors.
Performance evaluation	The performance of non-executive directors is reviewed annually via peer evaluation, which includes evaluation by the board chairman and lead independent director. Effective from the 2019 reporting period, the board implemented an additional mechanism which provides the chairman with the means to deduct a maximum of 20% of a NEDs annual fee in the event of non-performance, and specifically for meeting non-attendance. Since implementing this measure, the chairman has had no reason to exercise this discretion.
Terms of appointment	NEDs do not have service contracts but receive letters of appointment, and shareholders vote for their appointment in the first AGM following their appointment. Further as required by the JSE Listings Requirements, each NED retires by rotation at least every three years at the AGM and shareholders vote for NEDs who stand for re-appointment (as recommended by the committee) and retire by rotation every three years. Shareholders vote for their re-appointment at the AGM.
Approval and payment of fees	Fees, exclusive of VAT, are proposed to committee by management per the group's remuneration policy and based primarily on the benchmarking survey as well as other contributing factors, and are detailed in the notice of AGM for approval at the forthcoming AGM. Fees are paid quarterly in advance.

NED fees for FY2023 (Rand)

	Main Board	Audit and Compliance	Remuneration and Nominations	Social, Ethics, Transformation and Sustainability	Risk and IT	Total
SB Cohen	908 776	-	-	-	-	**908 776**
SA Ellis	430 303	-	-	-	-	**430 303**
D Naidoo	430 303	349 617	-	109 964	137 441	**1 027 325**
NG Payne[1]	1 867 122	-	-	-	-	**1 867 122**
K Getz	430 303	-	113 449	188 140	-	**731 892**
LA Swartz	430 303	-	113 449	109 964	-	**653 716**
MJ Bowman	631 047	171 154	227 695	-	-	**1 029 896**
M Chauke	430 303	171 154	-	-	-	**601 457**
JA Canny	430 303	-	-	-	137 441	**567 744**
Total	**5 988 763**	**691 925**	**454 593**	**408 068**	**274 882**	**7 818 231**

1 The board chairman's fee is an all-inclusive fee that includes committee membership. The chairman is a member of the Remuneration and Nominations Committee and chairs the Risk and IT Committee.

NED fees FY2024
The below table sets out the proposed NED fee increases for FY2024 (effective 1 April 2023).

The proposed increases are in line with the group's remuneration policy to remunerate non-executive director roles in line with the market median of the comparator group. Special resolution 1 for the approval of NED fees is in the notice of AGM.

Committee Member	Fees FY2023[1]	Fees FY2024	Percentage Increase
Independent non-executive chair of the board[2]	1 867 122	1 969 813	5.5%
Honorary chair of the board	908 776	958 759	5.5%
Lead independent director of the board	631 047	665 754	5.5%
Non-executive directors	430 303	453 969	5.5%
Audit and Compliance Committee chair	349 617	368 846	5.5%
Audit and Compliance Committee members	171 154	180 567	5.5%
Remuneration and Nominations Committee chair	227 695	240 218	5.5%
Remuneration and Nominations Committee members	113 449	119 689	5.5%
Social, Ethics, Transformation and Sustainability Committee chair	188 140	198 488	5.5%
Social, Ethics, Transformation and Sustainability Committee members	109 964	116 012	5.5%
Risk and IT Committee members	137 441	145 000	5.5%

1 Full year equivalent
2 The board chair, as the chair of this committee, earns a "bundled fee" and as such does not earn a separate committee chair fee

Remuneration Implementation Report

Annual salary review
The group considered a weighted average of 5.9% increase on basic salary. The average increase was 4.5% and the balance was used as a top up to address key talent, critical and scarce skills. The average increase for executive directors and NEDs was 5.5%.

STI outcomes for FY2023
Performance awards are made to associates based on their contributions during the year. Group, divisional and individual performance are all taken into account when determining the quantum of the award. For executive directors, the award is split equally between strategic KPIs, leadership and financial measures which include HEPS growth. For the target and outcome, these are measured on an individual basis.

The committee evaluated the performance of the CEO and CFO. However, due to the negative earnings growth the STI structure for FY2023 was not applicable.

The respective vesting achievement resulted in the following STI outcomes for FY2023:

Name	Base salary (A)	Weighted outcome (B)	Final STI (A x B)
Mark Blair	6 775 524	-	-
Mark Stirton	4 581 396	-	-

LTI vesting outcomes for FY2023
Performance awards are made to associates based on their contributions during the year. Group, divisional and individual performance are all taken into account when determining the quantum of the award.

LTI awards granted during FY2023
LTI awards were allocated to eligible associates under the LTI scheme in November 2022. The performance period applies from 1 April 2022 to 31 March 2025. Details of the targets applicable to the awards made during FY2023 are disclosed below. Please refer to the table of unvested LTIs on pages 217 to 220 for details on the number of awards.

Appreciation awards (SARs):
SARs issued to executive and divisional directors have a performance hurdle of HEPS growth above real household consumer spending (HCE) + 3% to vest. This is in addition to the inherent performance hurdle of share price growth that is already attached to the SARs. The full performance conditions have been disclosed in the remuneration policy.

Performance awards (conditional rights to shares):
The conditional rights have five performance conditions that are all equally weighted. A threshold level, target level, stretch 1 and stretch 2 of performance are included in each measure which include:

- Headline earnings per share growth relative to real household consumer spending (Target: Real HCE + 6%)
- Targeted return on net worth (Target: 24%)
- Sales growth (Target: Stats SA + 1%)
- Cash conversion ratio (Target: 75%)
- Non-financial measures (Target: Improve 60% of ESG metrics per the ESG scorecard)

Summary and Analysis of Executive Director Remuneration

Total single figure remuneration

Mark Blair Total Remuneration (R'000)	FY2023	FY2022
	CEO	
	1 Apr 2022 – 31 Mar 2023 (12 months)	1 Apr 2021 – 31 Mar 2022 (12 months)
Annual Basic Salary (ABS)	6 776	5 957
Retirement Fund Contribution	1 338	1 275
Medical Aid Contribution	198	190
Guaranteed Cash Allowances	456	434
Fringe Benefits	224	79
December Bonus[1]	0	496
Total Guaranteed Package (TGP)	**8 992**	**8 430**
Short-term Incentives (STI)	**0**	**11 615**
Dividends (FSP Plans)	1 676	1 572
Share and Share Option Valuation[2]	0	1 968
Group Forfeitable Share Plan	0	32 931
Long-term Incentives (LTI)	**1 676**	**36 472**
Total Remuneration	**10 667**	**56 517**

1 The CEO and CFO's December bonus was converted into their respective basic salary for FY2023
2 Refer to pages 217 to 218 for further detail on the valuation of Shares and Share Option awards

Mark Stirton Total Remuneration (R'000)	FY2023	FY2022
	CFO	
	1 Apr 2022 – 31 Mar 2023 (12 months)	1 Apr 2021 – 31 Mar 2022 (12 months)
Annual Basic Salary (ABS)	4 581	3 845
Retirement Fund Contribution	942	847
Medical Aid Contribution	254	242
Guaranteed Cash Allowances	392	356
Fringe Benefits	184	74
December Bonus[1]	0	256
Total Guaranteed Package (TGP)	**6 354**	**5 620**
Short-term Incentives (STI)	**0**	**6 408**
Dividends (FSP Plans)	418	380
Share and Share Option Valuation[2]	0	185
Long-term Incentives (LTI)	**418**	**565**
Total Remuneration	**6 772**	**12 593**

1 The CEO and CFO's December bonus was converted into their respective basic salary for FY2023
2 Refer to pages 219 to 220 for further detail on the valuation of Shares and Share Option awards

LTI vesting outcomes during FY2023

Due to the non-fulfilment of the group financial performance conditions, 0% of the EFSP performance awards and 0% of the share option awards granted in November 2018 and February 2019 with a performance period ending 31 March 2023 will vest. The group's policy is to follow the principle established (and legislated) in the UK where remuneration is reflected as "receivable" in the final reporting period of the applicable performance measurement period. Awards with no performance conditions, other than continued service of the associate, are disclosed in the relevant reporting period in which the awards are made.

FY2023	Vesting Condition	Award Date	Vesting Date	Performance Measurement Years	HEPS CAGR		% of Award Vesting	Performance Hurdle Achieved	LTIs receivable at fair value[1] / awarded at face value - R'000		
Award Type					Required for Vesting	Achieved			Mark Blair	Mark Stirton	Total
Share Options	Performance Related	22-Nov-18	22-Nov-23	FY2023	6.0%[2]	1.9%	0%[3]	Not achieved: HEPS growth < CPI+1%	-	-	-
EFSP	Performance Related	22-Nov-18	22-Nov-23	FY2023	6.0%[4]	1.9%	0%[3]	Not achieved: HEPS growth < CPI+1%	-	-	-
Share Options[5]	Performance Related	20-Feb-19	20-Feb-24	FY2023	6.0%[2]	1.9%	0%[3]	Not achieved: HEPS growth < CPI+1%	-	-	-
EFSP[5]	Performance Related	20-Feb-19	20-Feb-24	FY2023	6.0%[4]	1.9%	0%[3]	Not achieved: HEPS growth < CPI+1%	-	-	-
Total Excluding Dividends									**-**	**-**	**-**
Dividends									1 676	418	2 094
Total									**1 676**	**418**	**2 094**

FY2022	Vesting Condition	Award Date	Vesting Date	Performance Measurement Years	HEPS CAGR		% of Award Vesting	Performance Hurdle Achieved	LTIs receivable at fair value / awarded at face value – R'000		
Award Type					Required for Vesting	Achieved			Mark Blair	Mark Stirton	Total
Share Options	Performance Related	28-Nov-17	28-Nov-22	FY2022	5.3%	7.1%	100%	Fully achieved: HEPs growth ≥ CPI+1%	1 386	131	1 517
EFSP	Performance Related	28-Nov-17	28-Nov-22	FY2022	6.3%	7.1%	40%	Partially achieved: HEPs growth ≥ CPI+2%	582	55	637
GFSP	Employment Related	27-May-21	27-May-26	n/a	-	-	-	-	32 931	-	32 931
Total Excluding Dividends									**34 900**	**185**	**35 085**
Dividends									1 572	380	1 952
Total									**36 472**	**565**	**37 037**

1 IFRS 2 value actuarial valuation (refer pages 217 to 220)
2 For Share Option awards allocated effective from November 2018, the board approved a revised hurdle structure that required HEPS growth over the vesting period in excess of CPI as follows: HEPS CAGR < CPI+1%: 100% forfeited. HEPS CAGR ≥ CPI+1%: 33% vests, 67% forfeited. HEPS CAGR ≥ CPI+2%: 66% vests, 34% forfeited. HEPS CAGR ≥ CPI+3%: 100% vests, 0% forfeited. The exercise period is five years
3 The vesting criteria has been challenging and all targets were not met
4 For EFSP performance awards allocated effective from November 2018, the board approved a revised hurdle structure that required HEPS growth over the vesting period in excess of CPI as follows: HEPS growth < CPI+1%: 100% forfeited. HEPS growth ≥ CPI+1%: 20% vest, 80% forfeited. HEPS growth ≥ CPI+2%: 40% vest, 60% forfeited. HEPS growth ≥ CPI+3%: 60% vest, 40% forfeited. HEPS growth ≥ CPI+4%: 80% vest, 20% forfeited. HEPS growth≥ CPI+5%: 100% vest
5 Award was a once-off award made to the incoming CEO and CFO at the time upon their appointment

ED Participation in Awarded LTIs (closing balances)	Mark Blair	Mark Stirton
Mr Price Executive Share Trust (Options)	-	15 891
Mr Price Executive Director Share Trust (Options)	528 097	98 566
Mr Price Executive Forfeitable Share Plan (excl GFSP)	72 938	19 756
Mr Price Executive Forfeitable Share Plan (GFSP)	171 000	42 121
Mr Price Group Long-Term Incentive Plan - Conditional Rights	260 395	140 748
Mr Price Group Long-Term Incentive Plan - Share Appreciation Rights	260 395	140 748

Summary of LTI schemes

Options, Shares and Rights	Type of Instrument	Number of Participants	Number of Options/Shares Total[1]
Partners Share Trust	Shares	12 632	4 159 348
General Staff Share Trust	Options	1 616	2 057 226
Senior Management Share Trust	Options	153	1 290 707
Executive Share Trust	Options	37	1 115 092
Executive Director Share Trust	Options	5	1 155 647
Executive Forfeitable Share Plan[2]	Shares	29	168 186
Executive Forfeitable Share Plan (Executive Directors)[2]	Shares	5	353 605
Conditional Rights awards (Executive Directors & Executives)	Rights	52	1 694 195
Share Appreciation Rights awards (Executive Directors & Executives)	Rights	52	1 694 195
Conditional Rights awards	Rights	5 678	1 756 025

1 The lapsed number of instruments are not included in the total number of instruments
2 Includes GFSP

Details of the Interest of Executive Directors in Long-Term Incentives:
Share Options, EFSP Shares, Conditional Rights and Share Appreciation Rights

Executive Director	Position held	Date of award	Share price at award date	Face value at award date (R'000)	Vesting / exercise date	HEPS CAGR% required for vesting	Instruments held at the beginning of the year	Instruments awarded and accepted	Instruments vested/exercised during the year	Instruments lapsed during the year	Instruments held at end of the year	Cash receipts during year (R'000)	Fair value at the end of the year (R'000) [5,6,7]
Mark Blair													
EFSP Employment	CFO	28-Nov-17	R 188	-	28-Nov-22		7 047	-	7 047	-	-	1 200	-
EFSP Performance	CFO	28-Nov-17	R 188	-	28-Nov-22		7 047	-	2 819	4 228	-	480	-
EFSP Employment	CFO	22-Nov-18	R 232	1 410	22-Nov-23		6 084	-	-	-	6 084	-	861
EFSP Performance	CFO	22-Nov-18	R 232	1 410	22-Nov-23	Note 1	6 084	-	-	-	6 084	-	-
EFSP Employment	CEO	20-Feb-19	R 210	3 548	20-Feb-24		16 908	-	-	-	16 908	-	2 394
EFSP Performance	CEO	20-Feb-19	R 210	3 548	20-Feb-24	Note 1	16 908	-	-	-	16 908	-	-
EFSP Employment	CEO	22-Nov-19	R 165	2 224	22-Nov-24		13 477	-	-	-	13 477	-	1 908
EFSP Performance	CEO	22-Nov-19	R 165	2 224	22-Nov-24	Note 1	13 477	-	-	-	13 477	-	-
GFSP	CEO	27-May-21	R 193	32 931	27-May-26		171 000	-	-	-	171 000	-	24 212
Total				**47 295**			**258 032**	**-**	**9 866**	**4 228**	**243 938**	**1 679**	**29 376**
Share Options	CFO	22-Nov-14	R 223	12 378	22-Nov-19		55 608	-	-	-	55 608	-	-
Share Options	CFO	28-Nov-17	R 188	14 412	28-Nov-22		76 510	-	-	-	76 510	-	-
Share Options	CFO	22-Nov-18	R 232	15 312	22-Nov-23	Note 2	66 058	-	-	-	66 058	-	-
Share Options	CEO	20-Feb-19	R 210	38 522	20-Feb-24	Note 2	183 588	-	-	-	183 588	-	-
Share Options	CEO	22-Nov-19	R 165	24 145	22-Nov-24	Note 2	146 333	-	-	-	146 333	-	-
Total				**104 769**			**528 097**	**-**	**-**	**-**	**528 097**	**-**	**-**
Conditional Rights	CEO	27-Nov-20	R 148	13 201	31-May-24	Note 3	89 466	-	-	-	89 466	-	7 601
Conditional Rights	CEO	26-Nov-21	R 196	15 177	26-Nov-24	Note 3	77 436	-	-	-	77 436	-	6 579
Conditional Rights	CEO	25-Nov-22	R 171	15 945	25-Nov-25	Note 4	-	93 493	-	-	93 493	-	7 943
Total				**44 323**			**166 902**	**93 493**	**-**	**-**	**260 395**	**-**	**22 122**
Share Appreciation Rights	CEO	27-Nov-20	R 148	13 201	31-May-24	Note 8	89 466	-	-	-	89 466	-	-
Share Appreciation Rights	CEO	26-Nov-21	R 196	15 177	26-Nov-24	Note 8	77 436	-	-	-	77 436	-	-
Share Appreciation Rights	CEO	25-Nov-22	R 171	15 945	25-Nov-25	Note 8	-	93 493	-	-	93 493	-	-
Total				**44 323**			**166 902**	**93 493**	**-**	**-**	**260 395**	**-**	**-**

1 For EFSP performance awards allocated effective from November 2018, the board approved a revised hurdle structure that required HEPS growth over the vesting period in excess of CPI as follows: HEPS growth < CPI+1%: 100% forfeited. HEPS growth ≥ CPI+1%: 20% vest, 80% forfeited. HEPS growth ≥ CPI+2%: 40% vest, 60% forfeited. HEPS growth ≥ CPI+3%: 60% vest, 40% forfeited. HEPS growth ≥ CPI+4%: 80% vest, 20% forfeited. HEPS growth≥ CPI+5%: 100% vest

2 For Share Option awards allocated effective from November 2018, the board approved a revised hurdle structure that required HEPS growth over the vesting period in excess of CPI as follows: HEPS CAGR < CPI+1%: 100% forfeited. HEPS CAGR ≥ CPI+1%: 33% vests, 67% forfeited. HEPS CAGR ≥ CPI+2%: 66% vests, 34% forfeited. HEPS CAGR ≥ CPI+3%: 100% vests, 0% forfeited. The exercise period is five years

3 Performance conditions required for vesting is a five performance measure (HEPS, RONW, Sales Growth, Absolute TSR and Non-Financial Measures)

4 Performance conditions required for vesting is a five performance measure (HEPS, Targeted RONW, Sales Growth, Cash Conversion Ratio and Non-Financial Measures)

5 Fair Value of EFSP Performance and Conditional Rights determined using 20 day VWAP and expected vesting outcome

6 Fair Value of EFSP Employment determined using 20 day VWAP

7 Fair Value of Share Options and Share Appreciation Rights determined using IFRS 2 Fair Value Actuarial Valuation. This value takes into account estimated vesting % based on the likelihood of achieving the performance condition

8 Performance conditions required for vesting is HEPS growth > Real HCE+3%

Details of the Interest of Executive Directors in Long-Term Incentives:
Share Options, EFSP Shares, Conditional Rights and Share Appreciation Rights

Executive Director	Position held	Date of award	Share price at award date	Face value at award date (R'000)	Vesting / exercise date	HEPS CAGR% required for vesting	Instruments held at the beginning of the year	Instruments awarded and accepted	Instruments vested/exercised during the year	Instruments lapsed during the year	Instruments held at end of the year	Cash receipts during year (R'000)	Fair value at the end of the year (R'000) [5,6,7]
Mark Stirton													
EFSP Employment	Corporate Financial Director	28-Nov-17	R 188	-	28-Nov-22		663	-	663	-	-	113	-
EFSP Performance	Corporate Financial Director	28-Nov-17	R 188	-	28-Nov-22		663	-	265	398	-	45	-
EFSP Employment	Corporate Financial Director	22-Nov-18	R 232	185	22-Nov-23		800	-	-	-	800	-	113
EFSP Performance	Corporate Financial Director	22-Nov-18	R 232	185	22-Nov-23	Note 1	800	-	-	-	800	-	-
EFSP Employment	CFO	20-Feb-19	R 210	899	20-Feb-24		4 284	-	-	-	4 284	-	607
EFSP Performance	CFO	20-Feb-19	R 210	899	20-Feb-24	Note 1	4 284	-	-	-	4 284	-	-
EFSP Employment	CFO	22-Nov-19	R 165	791	22-Nov-24		4 794	-	-	-	4 794	-	679
EFSP Performance	CFO	22-Nov-19	R 165	791	22-Nov-24	Note 1	4 794	-	-	-	4 794	-	-
GFSP	CFO	20-Feb-19	R 210	8 838	20-Feb-24		42 121	-	-	-	42 121	-	5 964
Total				**12 589**			**63 203**	**-**	**928**	**398**	**61 877**	**158**	**7 363**
Share Options	Corporate Financial Director	28-Nov-17	R 188	1 357	28-Nov-22		7 204	-	-	-	7 204	-	-
Share Options	Corporate Financial Director	22-Nov-18	R 232	2 014	22-Nov-23	Note 2	8 687	-	-	-	8 687	-	-
Share Options	CFO	20-Feb-19	R 210	9 761	20-Feb-24	Note 2	46 518	-	-	-	46 518	-	-
Share Options	CFO	22-Nov-19	R 165	8 588	22-Nov-24	Note 2	52 048	-	-	-	52 048	-	-
Total				**21 719**			**114 457**	**-**	**-**	**-**	**114 457**	**-**	**-**
Conditional Rights	CFO	27-Nov-20	R 148	7 237	31-May-24	Note 3	49 046	-	-	-	49 046	-	4 167
Conditional Rights	CFO	26-Nov-21	R 196	7 944	26-Nov-24	Note 3	40 529	-	-	-	40 529	-	3 443
Conditional Rights	CFO	25-Nov-22	R 171	8 728	25-Nov-25	Note 4	-	51 173	-	-	51 173	-	4 347
Total				**23 908**			**89 575**	**51 173**	**-**	**-**	**140 748**	**-**	**11 957**
Share Appreciation Rights	CFO	27-Nov-20	R 148	7 237	31-May-24	Note 8	49 046	-	-	-	49 046	-	-
Share Appreciation Rights	CFO	26-Nov-21	R 196	7 944	26-Nov-24	Note 8	40 529	-	-	-	40 529	-	-
Share Appreciation Rights	CFO	25-Nov-22	R 171	8 728	25-Nov-25	Note 8	-	51 173	-	-	51 173	-	-
Total				**23 908**			**89 575**	**51 173**	**-**	**-**	**140 748**	**-**	**-**

1 For EFSP performance awards allocated effective from November 2018, the board approved a revised hurdle structure that required HEPS growth over the vesting period in excess of CPI as follows: HEPS growth < CPI+1%: 100% forfeited. HEPS growth ≥ CPI+1%: 20% vest, 80% forfeited. HEPS growth ≥ CPI+2%: 40% vest, 60% forfeited. HEPS growth ≥ CPI+3%: 60% vest, 40% forfeited. HEPS growth ≥ CPI+4%: 80% vest, 20% forfeited. HEPS growth≥ CPI+5%: 100% vest

2 For Share Option awards allocated effective from November 2018, the board approved a revised hurdle structure that required HEPS growth over the vesting period in excess of CPI as follows: HEPS CAGR < CPI+1%: 100% forfeited. HEPS CAGR ≥ CPI+1%: 33% vests, 67% forfeited. HEPS CAGR ≥ CPI+2%: 66% vests, 34% forfeited. HEPS CAGR ≥ CPI+3%: 100% vests, 0% forfeited. The exercise period is five years

3 Performance conditions required for vesting is a five performance measure (HEPS, RONW, Sales Growth, Absolute TSR and Non-Financial Measures)

4 Performance conditions required for vesting is a five performance measure (HEPS, Targeted RONW, Sales Growth, Cash Conversion Ratio and Non-Financial Measures)

5 Fair Value of EFSP Performance and Conditional Rights determined using 20 day VWAP and expected vesting outcome

6 Fair Value of EFSP Employment determined using 20 day VWAP

7 Fair Value of Share Options and Share Appreciation Rights determined using IFRS 2 Fair Value Actuarial Valuation. This value takes into account estimated vesting % based on the likelihood of achieving the performance condition

8 Performance conditions required for vesting is HEPS growth > Real HCE+3%

mr price group limited

Administration and Contact Details

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Tel: 011 370 5000

Domicile and Country of Incorporation

Republic of South Africa

Sponsor

Investec Bank Limited

Registration Number

1933/004418/06

Independent Auditors

F2023 Ernst & Young Inc
F2024 Deloitte and Touche