THE FOSCHINI GROUP LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1937/009504/06)
Share code: TFG
ISIN: ZAE000148466
("**TFG"** or "**the Company**")

RESULTS OF ANNUAL GENERAL MEETING

At the annual general meeting of The Foschini Group Limited held yesterday, 2 September 2021, all the ordinary and special resolutions were passed by the requisite majority of votes, cast by way of poll in each case.

The Company's total number of ordinary shares in issue eligible to vote is 328,766,358 and the total number of shares represented in person or by proxy at the meeting was 273,068,142 representing 83.06% of the eligible shares.

The voting results of the Resolutions were as follows:

	Total shares cast disclosed as a percentage in relation to the total number of shares voted at the meeting			Total shares in issue eligible to vote	
	For (%)	Against (%)	Total (number)	Shares voted (%)	Shares abstained (%)
Ordinary resolution no.1: Presentation of annual financial statements	99.90%	0.10%	272,461,419	82.87%	0.18%
Ordinary resolution no.2: Re-appointment of external auditor	99.09%	0.91%	272,876,372	83.00%	0.06%
Ordinary resolution no. 3: Re-election of Ms B L M Makgabo-Fiskerstrand as a director	89.37%	10.63%	272,877,086	83.00%	0.06%
Ordinary resolution no. 4: Re-election of Mr E Oblowitz as a director	89.55%	10.45%	272,875,222	83.00%	0.06%
Ordinary resolution no. 5: Re-election of Prof F Abrahams as a director	75.91%	24.09%	272,877,152	83.00%	0.06%
Ordinary resolution no. 6: Election of Mr E Oblowitz as a member of the Audit Committee	90.79%	9.21%	272,875,892	83.00%	0.06%
Ordinary resolution no. 7: Election of Ms B L M Makgabo-Fiskerstrand as a member of the Audit Committee	88.60%	11.40%	272,877,086	83.00%	0.06%
Ordinary resolution no. 8: Election of Mr R Stein as a member of the Audit Committee	57.56%	42.44%	272,875,702	83.00%	0.06%
Ordinary resolution no. 9: Election of Ms N V Simamane as a member of the Audit Committee	60.64%	39.36%	272,877,152	83.00%	0.06%
Ordinary resolution no. 10: Election of Mr D Friedland as a member of the Audit Committee	99.87%	0.13%	272,875,222	83.00%	0.06%
Ordinary resolution no. 11: Non-binding advisory vote on remuneration policy*	63.92%	36.08%	272,875,886	83.00%	0.06%
Ordinary resolution no. 12: Non-binding advisory vote on remuneration implementation report*	55.83%	44.17%	272,875,886	83.00%	0.06%

Special resolution no. 1: Non-executive director remuneration	97.64%	2.36%	272,875,686	83.00%	0.06%
Special resolution no. 2: Financial assistance	97.59%	2.41%	272,875,952	83.00%	0.06%
Ordinary resolution no. 13: General authority	100.00%	0.00%	272,875,952	83.00%	0.06%

The special resolution/s will, where necessary, be lodged for registration with the Companies and Intellectual Property Commission in due course.

*The primary responsibility of the Remuneration Committee is to ensure an effective remuneration policy is approved and implemented, as developed and proposed by management. By implication, the Remuneration Committee is also responsible for defending an effective and appropriate remuneration policy, aligned with the strategic, operational and risk mitigation imperatives of our business.

The responsibility of shareholders is to act as a responsible investor and vote at the AGM on an informed basis on the remuneration policy and its implementation, as well as other resolutions.

Whilst we are grateful to those shareholders who supported at today's AGM the relevant resolutions relating to remuneration, in common with many other listed companies, we are disappointed with the voting outcome in respect of the Remuneration Policy and Remuneration Implementation Report. This voting outcome is below our expectations and also below the non-binding 75% voting thresholds. The % of votes received in favour of our remuneration resolutions reflects a skewed voting outcome as 7 out of our top 8 shareholders have voted in favour of our Remuneration Policy and 6 out of the top 8 have voted in favour of the Remuneration Implementation Report.

Our disappointment needs to be viewed in the context that over the past year, the Chairman of the Remuneration Committee, together with the Company Secretary and remuneration specialist, held multiple separate formal engagements with our largest shareholders. This engagement process, initiated at the behest of the Chairman of our Remuneration Committee, was specifically established to pro-actively discuss, upfront, all key features presented in the Remuneration Report and to elicit their guidance and input into the design of all proposed significant changes to the Remuneration Policy, prior to implementation of any such changes.

Indeed, none of these engagements highlighted areas of disagreement, that weren't adequately addressed.

It may well be that certain institutions and shareholder bodies have different teams for shareholder consultation and voting decisions. If so, we call upon these organisations to ensure that those responsible for taking the voting decisions are adequately apprised of the consultations that have taken place.

These exchanges of ideas included the key principles to be considered by the Remuneration Committee in applying the Policy and the specific instances where the invocation by the Remuneration Committee of its discretion was deemed appropriate to ensure a fair and balanced overall outcome in the circumstances. Our view is that any remuneration committee that has not applied judgment in the last year and has not carefully considered the retention and cost of replacement aspects of key executives has not applied their mind or discharged their duty appropriately.

Whilst we envisaged that it would be impractical for the engagement process to facilitate the complete alignment of often-conflicting demands of all shareholders, it was, however, anticipated that this ongoing and transparent engagement process would yield the desired results of minimizing the risk of any misunderstanding and surprises by shareholders in relation to all remuneration matters for the year under review.

The main remuneration topics discussed during our communication process with shareholders included, inter alia, the introduction of the new Single Incentive Scheme and a Minimum Shareholding Requirement (MSR), retention mechanisms for key executives, as well as our proposals for managing both long- and short-term incentive outcomes, especially given the ongoing volatile and uncertain environment caused by the impact of COVID-19 on our global operations and ultimately on our trading results. The sharing with these shareholders as part of this communication process of targets, forecasts and any other market-sensitive information, likely to affect the price of our shares, was managed at all times, with utmost care and discretion, within the parameters of the JSE Listings Requirements and in compliance with corporate governance best practices.

In conclusion, we draw shareholders attention to the statement made by our Chairman, Michael Lewis, in his "Message from the Chairman" in this year's Integrated Annual Report, in which he said:

"In my statement last year I said: "We will always maintain appropriate governance over remuneration in which there is much public interest given the level of inequality in South Africa. But bearing in mind the disruption and very considerable hidden costs associated with the loss of skilled people to companies seeking talent to solve their own problems, our remuneration policy must be bold and competitive.

We ask shareholders and other stakeholders to consider and understand this point." We are grateful that this has been taken seriously. Unfortunately, competitors continue their efforts to tempt away TFG's deep bench of talent. As we continue to meet this challenge, my message from last year has even greater meaning and the continued support of our shareholders is even more important. There is a substantial invisible cost to the loss of skilled people and this must be kept in mind when considering how to vote on remuneration proposals. Shareholders can be confident that these proposals have gone through rigorous governance oversight and represent the best view of what is in the long-term interest of the Group."

Shareholders are invited to advise the Group of their reasons for their dissenting votes on the remuneration policy and the implementation of the remuneration policy by sending correspondence by email to the Group Company Secretary, Darwin van Rooyen (company_secretary@tfg.co.za), by 1 October 2021.

We welcome further engagement on these issues and, based on the feedback received, will schedule individual meetings with the relevant shareholders.

Cape Town
3 September 2021

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)