

## Governance report

At The Warehouse Group Limited (the Company) we are committed to high standards of corporate governance and believe it is a critical component in creating sustainable long-term value for our shareholders, building strong relationships with team members, improving the experience we offer our customers and contributes to our place within the wider community.

This statement gives an overview of the policies and processes that are in place throughout the Company that ensure best-practice standards of corporate governance are followed.

We support the NZX Corporate Governance Code 2017 (the NZX Code), which replaced the Best Practice Code from October 2017. This statement follows the structure of the new Code and addresses its recommendations. As at the date of the publication of this Annual Report, the Company considers its governance practices are substantially compliant with the NZX Code. The only exception is Recommendation 2.5 Measurements for Diversity and are explained in Our People section on pages 44-51.

This governance statement was approved by the Board on 20 September 2018 and is current as at that date.

The Company's constitution, the Board and committee charters, codes and policies referred to in this statement are available to view at [www.thewarehousegroup.co.nz/investor-centre/corporate-governance](http://www.thewarehousegroup.co.nz/investor-centre/corporate-governance)

### CODE OF ETHICAL BEHAVIOUR

*"Directors should set a high standard of ethical behaviour, model this behaviour, and hold management accountable for delivering these standards being followed throughout the organisation."*

The Company is committed to fostering the highest standards of ethical behaviour and good conduct. We believe this is at the heart of having a reputation as a trusted and respected company that promotes honesty, integrity and ethical conduct across the organisation in day-to-day behaviour and decision-making.

#### Code of Ethics

The Code of Ethics sets out the standards of conduct expected of everyone working at The Warehouse Group Limited including Directors, our people, contractors and other agents. The Code of Ethics provides a guide to the conduct that is consistent with the Company's values and behaviours, business goals and legal obligations, and outlines internal reporting procedures for any breaches. Sanctions for breaches may include serious disciplinary action, removal from office and dismissal as well as other remedies, all to the extent permitted by law and as appropriate given the specific circumstances. An introduction to the Code of Ethics forms part of the induction and training process of new employees. The Code is available on the Corporate Governance section of the website and the Company's intranet.

#### Securities Trading Policy

The Company is committed to transparency and fairness in dealing with all of its stakeholders and to ensuring adherence to all applicable laws and regulations. The Securities Trading Policy governs trading in the Company's securities by Directors, employees and other associated persons. The policy and timing of black-out periods is set out in the Securities Trading Policy, and can be found on the Corporate Governance section of the website.

### BOARD COMPOSITION AND PERFORMANCE

*"To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives."*

#### Responsibilities of the Board

The central role of the Board is to set the strategic direction, to select and appoint the Company's Group Chief Executive Officer (Group CEO) and to oversee the Company's management and business activities with the primary objective to create and continue to build, sustainable value for shareholders.

The Board has adopted a *Board Charter* which sets out how the Board will achieve its purpose. The Charter was last approved in April 2018 and is available in the Corporate Governance section of the website. Going forward it will be reviewed as required and at least every two years. The Board's responsibilities contained in the Charter include:

- set strategic direction and appropriate operating frameworks;
- monitor Management's performance within those frameworks;
- ensure there are adequate resources available to meet the Company's objectives;
- appoint and remove the Group CEO and oversee succession plans for the senior executive team;
- set criteria for, and evaluate the performance of, the Group CEO and approve his or her remuneration;
- approve and monitor financial reporting and capital management including the payment of dividends;
- monitor the financial solvency of the Company;
- subject to shareholder approval being granted, approve the appointment and retention of the external auditor;
- ensure that effective risk management procedures are in place and are being used;
- approve timely and balanced communication to shareholders;
- ensure, so far as is reasonably practicable, a safe and healthy working environment is provided and maintained for all employees, customers, contractors and visitors;
- promote and authorise ethical and responsible decision-making by the Company;
- ensure the Company has appropriate corporate governance structures in place including standards of ethical behaviour;
- annually review, approve and adopt the Diversity Policy and diversity objectives, and measure achievement against the objectives; and
- ensure that the Board is and remains appropriately skilled to meet the changing needs of the Company.

Day-to-day management and administration of the Company is undertaken by the Group CEO in accordance with the strategy, plans and delegations approved by the Board. The Group CEO is assisted by the executive management team in delivering the Company's strategy. The Board has implemented appropriate procedures to enable management to undertake its delegated duties and for performance to be assessed. More information can be found in the Remuneration section on pages 111-113.

#### Chair

Joan Withers is Chair of The Warehouse Board and was first appointed in 2016. Mrs Withers is an independent, non-executive director. Mrs Withers' responsibilities include:

- providing leadership to the Board and to the Company;
- ensuring the efficient organisation and conduct of the Board;
- monitoring Board performance annually;
- facilitating Board discussions to ensure core issues facing the Company are addressed;
- briefing all Directors in relation to issues arising at Board meetings;
- facilitating the effective contribution and ongoing development of all Directors;
- promoting consultative and respectful relations between Board members and between the Board and Management; and
- chairing Board and shareholder meetings.

The Warehouse Group Limited charter states the Company's Chair must not be the same person who is the Company's Chief Executive Officer.

#### Director Appointments

Procedures for the appointment and removal of Directors are governed by the Company's constitution. The Corporate Governance and Nominations Committee is delegated with the responsibility of identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise. In doing so the Committee will seek to identify the necessary and desirable competencies that will ensure that any candidate it puts forward will enable the Board to:

- fulfil its responsibilities;
- represent a variety of skills, expertise, experience (including commercial and/or industry experience and diversity of backgrounds and thought); and
- competently address accounting, finance and legal matters.

## Governance report

During FY18 the Board has spent a significant amount of time at Board meetings considering initial recommendations of the Corporate Governance and Nominations Committee regarding potential candidates for appointment to complement the existing Board skill mix.

The terms and conditions of appointment are set out in a letter of appointment which details the Director's duties, term of appointment (subject to shareholder approval), expectations of the role and remuneration. A copy of the standard letter is available in the Corporate Governance section of the website.

In addition, the Company indemnifies and provides insurance to Directors in accordance with The Companies Act for certain claims which may be brought against them as Directors.

#### Board structure, skills and composition

The current Board comprises Directors with a mix of qualifications, skills and experience appropriate to the Company's existing operations and strategic directions. Qualifications and experience of individual Directors are detailed on pages 16 and 17.

#### Director induction and development

When appointed to the Board, all new Directors undergo a detailed induction programme to familiarise them with the Company's businesses and strategy.

Ongoing training includes briefings by senior management and guest speakers on relevant industry and competitive issues, occasional overseas study tours and site-visits. Directors are actively encouraged to attend regular Institute of Director (IOD) courses.

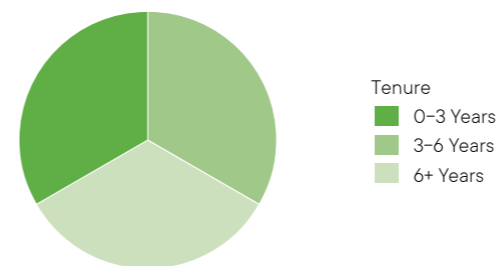
Directors and Board committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense.

#### Board tenure

The Constitution provides that the size of the Board should be between five and 10. Each year, one third of the Directors, or if their number is not a multiple of three then the nearest number to three, shall retire from office and may offer themselves for re-election at the annual meeting of shareholders. Directors to retire are those who have been longest in office since they were last elected or deemed elected.

The Board does not believe that any Director has served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company. The Board considers that Directors retain independence of character and judgement regardless of length of service.

Sir Stephen Tindall was granted a leave of absence from the Board in October 2017 until October 2018. Sir Stephen Tindall has decided to take a further 12 months leave of absence from his directorship of The Warehouse Group due to his current workload which includes the hosting of the 2021 America's Cup in Auckland, his ongoing work with The Tindall Foundation and investment vehicle KIW1 and involvement in some of his larger investments



NAME OF DIRECTOR	ORIGINALLY APPOINTED	LAST REAPPOINTED/ ELECTED
Joan Withers	23 September 2016	25 November 2016
Sir Stephen Tindall	10 June 1994	24 November 2017
Keith Smith	10 June 1994	24 November 2017
Antony (Tony) Balfour	15 October 2012	20 November 2015
John Journee	17 October 2013	25 November 2016
Julia Raue	23 September 2016	25 November 2016

including Lanzatech and Rocket Lab. Robbie Tindall will continue to act as his alternate on The Warehouse Group board. This extended leave of absence has been approved by the Board.

#### Director independence and conflicts

The Board's standards for determining the independence of a Director, including the requirements of the NZX Listing Rules, are set out in full in the Board Charter.

Under this criteria, the Board has a majority of independent Directors and the roles of Chair and Group Chief Executive Officer (CEO) are not exercised by the same person.

The Board consists of six Directors. Joan Withers (Chair), Keith Smith (Deputy Chair), Antony (Tony) Balfour, John Journee and Julia Raue are considered to be independent non-executive Directors. Sir Stephen Tindall, and his alternate director Robbie Tindall are not deemed to be independent by virtue of their shareholding in the Company. The Board assesses the independence of directors on their appointment and at least annually thereafter.

The Board is conscious of its obligations to ensure that Directors avoid conflicts of interest between their duty to the Company and their own interests. Where conflicts of interest do exist at law then the Director must disclose their interest. Directors and Team Members are required to minimise any potential conflicts in line with the Company's *Code of Ethics*.

#### Board evaluation

The Chair, with the assistance of appropriate external advisors, regularly assesses the performance of individual Directors whilst Directors also assess the collective performance of the Board and the performance of the Chair. A formal evaluation is regularly conducted with assistance from an outside facilitator.

#### Future Directors programme

Continuing the Company's commitment to supporting the next generation of governance talent in New Zealand, the Board appointed Mr Vena Crawley in August 2017 as part of the Future Directors initiative administered by the Institute of Directors in New Zealand. Mr Crawley attended the first Board meeting on 24 August 2017 and his appointment will continue through to the 2018 Annual Meeting. The Board is in the process of appointing another Future Director who will commence as soon as practicable after the 2018 Annual Meeting.

### BOARD COMMITTEES

*"The Board should use committees where this would enhance its effectiveness in key areas, while still retaining board responsibility."*

The Board has established committees that focus on particular areas of the Board's responsibilities and together ensure the efficient performance of the Board, and the achievement of Corporate Governance outcomes. The committees report to the full Board on all material matters and issues requiring Board decisions. From time to time, the Board may create ad hoc committees to examine specific issues on its behalf. As at the date of this statement, the Company has no other ad hoc committees.

#### Current committees

The current committee structure is set out in the table below.

After the 2017 Annual Meeting the Board reviewed the composition of committees and Keith Smith was appointed Chair of the Audit and Risk Committee, Joan Withers was appointed Chair of the Corporate Governance and Nominations Committee and Tony Balfour was appointed Chair of the People and Remuneration Committee.

In December 2017 the Board decided to introduce a Health, Safety and Wellbeing Committee to reflect the importance of health, safety and wellbeing within the governance framework.

#### Committee charters

All committees operate under formal charters which define the role, authority and operations of the committee and can be found in the Corporate Governance section of the website. Going forward charters are reviewed as required and at least every two years.

#### Takeover offer protocols

The Company has takeover protocols that meet the requirements of the 2017 NZX.

## Governance report

COMMITTEE	ROLES AND RESPONSIBILITIES	MEMBERSHIP	MEETINGS
People and Remuneration Committee	Review and make recommendations in relation to the human resources strategy, the Company's remuneration policies and practices and the remuneration and performance of the Group Chief Executive Officer.	Comprised of a majority of non-executive, independent Directors.  Current members: • Tony Balfour (Chair) • Joan Withers • Keith Smith • Robbie Tindall as alternate for Sir Stephen Tindall	At least twice a year.  Employees may only attend by invitation.
Corporate Governance and Nominations Committee	Ensure a high level of corporate governance through continuous monitoring of international corporate governance best practice as promulgated by the relevant authoritative bodies. Ensure that the board is populated with an appropriate mix of skills and experience who collectively provide the diversity of thought and judgement required.	Comprised of a majority of independent Directors.  Current members: • Joan Withers (Chair) • Keith Smith • Tony Balfour • Robbie Tindall as alternate to Sir Stephen Tindall • Group CEO, CFO and Company Secretary	At least twice a year.
Disclosure Committee	Support the Company in meeting its disclosure obligations as set out in the NZX Main Board Listing Rules, the Companies Act and any other applicable regulations by overseeing the Company's compliance with this Policy.	Comprised of the Chair, Deputy Chair, Chair of the Audit and Risk Committee, Group Chief Executive Officer, Chief Financial Officer, Disclosure Officer and Founder.  Current members: • Keith Smith (Chair) • Joan Withers • Robbie Tindall as alternate to Sir Stephen Tindall • Group CEO, CFO and Company Secretary	Held as required.
Audit and Risk Committee	Assist the Board to fulfil its risk and audit responsibilities.	Comprised of at least three independent Directors. The Chair will be independent and may not be the Chair of the Company.  Current members: • Keith Smith (Chair) • Joan Withers • John Journee • Julia Raue Keith Smith is a Fellow of the Chartered Accountants Australia and New Zealand (CAANZ)	At least three times each year.  Employees may only attend by invitation.
Health, Safety and Wellbeing Committee	Assist the Board to govern health, safety and wellbeing.	Comprised of all Directors  Chair • Julia Raue	At the discretion of the Committee Chair.

The table below reports attendance of members at Board and Board Committee meetings during the year ended 29 July 2018.

	BOARD	AUDIT AND RISK COMMITTEE	PEOPLE AND REMUNERATION COMMITTEE	CORPORATE GOVERNANCE AND NOMINATION COMMITTEE	HEALTH, SAFETY AND WELLBEING COMMITTEE <sup>3</sup>	DISCLOSURE COMMITTEE
<b>NUMBER OF MEETINGS</b>	<b>15</b>	<b>5</b>	<b>5</b>	<b>1</b>	<b>7</b>	<b>1</b>
Tony Balfour	14	1 <sup>1</sup>	5	1	6	
John Journee	15	5	2 <sup>1</sup>		7	1 <sup>1</sup>
Keith Smith	14	5	5	1	6	1
Sir Stephen Tindall <sup>2</sup>	2		2			
Robbie Tindall	13	4 <sup>1</sup>	1	1	7	
Joan Withers	15 <sup>1</sup>	5	5	1	7	1
James Ogden	5	2	2 <sup>1</sup>		1	
Vanessa Stoddart	5	2 <sup>1</sup>	3		1	
Julia Raue	15	5			7	

<sup>1</sup>Non-committee member in attendance <sup>2</sup>Leave of Absence October 2017 to October 2018 <sup>3</sup>Held in conjunction with Board meetings during FY18

## Governance report

### REPORTING AND DISCLOSURE

"The Board should demand integrity in financial and non-financial reporting and in the timeliness and balance of corporate disclosures."

The Board is committed to providing full and timely financial and non-financial information that is accurate, balanced, meaningful and consistent. As a listed company, keeping the market informed is a key component to ensure the securities are valued fairly.

#### Market Disclosure Policy

The Board has approved a *Market Disclosure Policy* which describes the processes designed to ensure that the Company meets its reporting and disclosure objectives and all disclosure obligations under the NZX Listing Rules.

To assist the Company with its Market Disclosure Policy, the Board has appointed a Disclosure Committee. The Committee is responsible for making decisions on what should be disclosed publicly under the Market Disclosure Policy. The Company Secretary is the Disclosure Officer of the Company and has responsibility for ensuring compliance with the continuous disclosure requirements, and overseeing and co-ordinating disclosure to the market.

#### Financial reporting

The Audit and Risk Committee oversees the quality and integrity of external financial reporting including the accuracy, completeness and timeliness of financial statements. The Committee is committed to providing balanced, clear and objective financial reporting.

It reviews half-yearly and annual financial statements and makes recommendations to the Board concerning accounting policies, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external and internal audit.

Management accountability for the integrity of the Company's financial reporting is reinforced by certification from the CEO and the CFO. The

CEO and CFO have provided the Board with written confirmation that the Company's financial report presents a true and fair view, in all material respects, of the Company's financial position for the year ended 29 July 2018, and that operational results are in accordance with relevant accounting standards.

#### Non-financial reporting

The Company's Corporate Governance section on the website includes all key governance documents including the Code of Ethics, Board and Committee Charters and relevant Company policies.

Communities and Environment are at the heart of the Company's culture. Our philosophy and achievements are outlined on pages 52-67. The Company reports annually its financial and non-financial contribution to the community, as well as audited figures on its greenhouse gas emissions. The Company's material environmental, economic and social risks are outlined on pages 62-67.

### REMUNERATION

"The remuneration of directors and executives should be transparent, fair and reasonable."

The Company's remuneration philosophy, policy and details regarding executives' remuneration (including remuneration components and performance criteria) are discussed on pages 111-113. The current Directors' fee pool limit is \$900,000, which was approved by the shareholders at the 22 November 2013 annual meeting of shareholders. Fees are paid for Board and committee roles as indicated below. Directors are reimbursed for reasonable travel and other costs associated with fulfilling his or her role. The Chair and Deputy Chair do not receive additional fees for membership of other Board committees.

The Board considers the advice of independent remuneration consultants when setting remuneration levels and will not be seeking any increase in the pool limit at the 2018 Annual Shareholders Meeting.

BOARD/COMMITTEE NAME	POSITION	FEES (PER ANNUM)
Board of Directors	Chair	\$166,000 <sup>1</sup>
	Deputy Chair	\$115,000 <sup>1</sup>
	Member	\$78,525
Audit and Risk Committee	Chair	\$15,000
	Member	\$7,500
People and Remuneration Committee	Chair	\$12,000
	Member	\$6,000
Health, Safety and Wellbeing Committee	Chair	\$12,000
	Member	-
Corporate Governance and Nominations Committee	Chair	-
	Member	-
Disclosure Committee	Chair	-
	Member	-

<sup>1</sup>Includes attendances at committee meetings

The fees paid to non-executive directors for services in their capacity as directors during the year ended 29 July 2018 totalling \$721,100 were paid as follows:

#### Actual Director Remuneration 2017/18

NAME OF DIRECTOR	BOARD FEES	AUDIT AND RISK COMMITTEE	PEOPLE AND REMUNERATION COMMITTEE	CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE	DISCLOSURE COMMITTEE	HEALTH, SAFETY AND WELLBEING COMMITTEE	OTHER COMMITTEES	SHARES AND OTHER PAYMENTS OR BENEFITS	TOTAL INDIVIDUAL REMUNERATION
Joan Withers (Chair)	\$166,000 (Chair)	- (member)	- (member)	- (Chair)	- (member)	- (member)	-	-	\$166,000
Keith Smith (Deputy Chair)	\$115,000 (Deputy Chair)	- (Chair)	- (member)	- (member)	- (Chair)	- (member)	-	\$8,000 <sup>2</sup>	\$123,000
James Ogden <sup>1</sup>	\$38,000	-	-	-	-	-	-	\$8,000 <sup>2</sup>	\$46,000
Tony Balfour	\$78,525	-	\$6,000 (Chair)	-	-	- (member)	-	-	\$84,525
Stephen Tindall <sup>3</sup>	\$78,525	-	\$6,000 (member)	-	- (member)	- (member)	-	-	\$84,525
Vanessa Stoddart <sup>1</sup>	\$37,000	-	-	-	-	-	-	-	\$37,000
Julia Raue	\$78,525	\$7,500 (member)	-	-	-	- (Chair)	-	-	\$86,025
John Journee	\$78,525	\$7,500 (member)	-	-	-	- (member)	-	-	\$86,025

<sup>1</sup>Retired November 2017 <sup>2</sup>Fees in their capacity as directors with the Company's discontinued Financial Services Business <sup>3</sup>Director fees on-paid to Robbie Tindall, Alternate Director

## Governance report

### RISK MANAGEMENT

*"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."*

#### Risk Management Framework

Risk is the chance of something happening that will have an impact on business objectives. Having established an acceptable risk tolerance, the Company's approach is to identify, analyse, evaluate and appropriately manage risk in the business.

The Company recognises three main types of risk:

- Operational risk – risk to earnings and reputation arising from inadequate or failed internal processes, people and systems or from external events;
- Business risk – risk to earnings and reputation from business event risk, legal, compliance or regulatory risk; and
- Market risk – risk to earnings and reputation arising from competitor activity, product risk and risk associated with changes in financial markets (such as interest rate, foreign exchange and liquidity risk).

#### Material risks identified

Information on material risks the business faces and how they are managed, is outlined on pages 68–71.

#### Risk management roles and responsibilities

The Board is responsible for reviewing and approving the Company's risk management strategy. The Board delegates day-to-day management of risk to the CEO who may further delegate such responsibilities to executive and other officers. Inherent in this delegation is the belief that responsibility for managing risks in the business is the domain of the business unit.

#### Risk monitoring and evaluation

While the Board of Directors is ultimately responsible for the risk management of the Company, the Audit and Risk Committee reviews the reports of management and the external and internal auditors on the effectiveness of systems for internal control, financial reporting and risk management. To assist in discharging this responsibility, the Board has in place a number of strategies designed to safeguard the Company's assets and interests and ensure the integrity of reporting. These reports include quarterly reviews of store audit results and quarterly reports on internal audit findings.

#### Health and safety

The Company's approach and process on health and safety initiatives can be found on pages 44–51.

### AUDITORS

*"The Board should ensure the quality and independence of the external audit process."*

#### Approach to audit governance

The independence of the external auditor is of particular importance to shareholders and the Board. The Audit and Risk Committee is responsible for overseeing the external audit of the Company. Accordingly, it monitors developments in the areas of audit and threats to audit independence to ensure its policies and practices are consistent with emerging best practice in these areas.

The Board has adopted a policy on audit independence, the key elements of which are:

- the external auditor must remain independent of the Company at all times and comply with the Chartered Accountants Australia and New Zealand (CAANZ) Code of Ethics;
- the external auditor must monitor its independence and annually report to the Board that it has remained independent;
- the audit firm is permitted to provide certain non-audit services, set out in the Audit and Risk Management Committee Charter, that are not considered to be in conflict with the preservation of the independence of the auditor; and
- the Audit and Risk Committee must approve significant permissible non-audit work assignments that are awarded to an external auditor, and the value of non-audit work must be reported at every Board meeting.

#### Engagement of the external auditor

The Company's external auditor is PricewaterhouseCoopers ("PwC"). PwC was appointed by shareholders at the 2004 Annual Meeting in accordance with the provisions of the Companies Act 1993 (Act). PwC is automatically reappointed as auditor under Section 200 of the Act.

#### Attendance at the Annual Meeting

PwC, as auditor of the 2018 Financial Statements, has been invited to attend this year's Annual Meeting and will be available to answer questions about the conduct of the audit, preparation and content of the auditors' report, accounting policies adopted by The Warehouse Group Limited and the independence of the auditor in relation to the conduct of the audit.

The Company's corporate legal advisers, Russell McVeagh, will also attend the Annual Meeting.

#### Internal audit

The Company has an internal audit function which is independent of the Company's external auditors. The internal audit function of the Company is undertaken by Ernst and Young and the Company's internal audit team. The respective internal audit teams report to and are directed by the Audit and Risk Committee.

Each year, the internal audit programme is approved by the Audit and Risk Committee. The programme of audit work considers the most significant areas of business risk in the Company and is developed following discussions with senior management, review of the business process model of the Company and consideration of the findings of the strategic risk assessment. The programme considers risks also in relation to major projects that are planned or currently under way.

The role of internal audit is to:

- assess the design and operating effectiveness of controls governing key operations, processes and business risks;
- provide the Board with an assessment, independent of management, as to the adequacy of the Company's internal operating and financial controls, business processes, systems and practices; and
- assist the Board in meeting its corporate governance and regulatory responsibilities.

### SHAREHOLDER RIGHTS AND RELATIONS

*"The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."*

The Company is committed to providing a high standard of communication to its investors. The Company believes effective communication achieved by equal access to timely, accurate and complete information allows investors to make informed assessments of the Company's value and prospects. Investor communication is governed by the *Shareholder Communication Policy*.

The Company has an investor relations programme which includes communication through:

- periodic and continuous disclosure to NZX;
- interim and annual reports;
- the Annual Shareholders' Meeting (ASM);
- the Company's website which includes financial and operational information, and key Corporate Governance information; and
- analyst and investor briefings and roadshows.

#### Engagement with investors

The Company values its dialogue with strategic stakeholders, institutional and retail investors, and believes effective engagement benefits both the Company and investors. ASMs, analyst and investor briefings and roadshows provide an important opportunity for this dialogue. Shareholders also have the opportunity to direct questions and comments through investor@twgoup.co.nz.

## Statutory Disclosures

#### Website

The Company's website contains a comprehensive set of investor-related material and data including NZX disclosures and media releases, interim and annual reports, share-price and dividend information, shareholder meeting materials and all of the Company's governance charters and policies.

#### Annual Shareholders Meeting (ASM)

The ASM provides an opportunity for Directors, the Group CEO, senior management and the Company's external auditor to meet shareholders and answer any questions they may have.

The ASM is held at a convenient time and location as well as being webcast to maximise participation. The 2018 ASM will be held on 23 November 2018. The Notice of Meeting will be circulated as soon as possible (at least 28 days before the meeting) and will be posted on the Company's website.

In accordance with the Companies Act and Listing Rules, the Company refers any significant matters to shareholders for approval at the ASM, and shareholders are given the opportunity to vote by proxy ahead of the meeting or by polling if attending the meeting in person.

#### Electronic communication

A key component of the Company's strategy is cost effectiveness and minimising the Company's impact on the environment. Therefore, in 2016 the Board moved to electronic reporting. We understand this does not suit everyone, so shareholders can request a hard copy of the annual or interim report to be mailed to them free of charge by contacting Computershare, our share registrar. We would also encourage shareholders to provide their email addresses to Computershare to enable them to receive all other shareholder materials electronically.

Computershare Investor Services Limited  
Telephone: +64 9 488 8777  
Email: investor@twgroup.co.nz

#### Difference in practice to the NZX Code

The Company believes it substantially complies with the 2017 NZX code, with the exception of Recommendation 2.5 Measurements for Diversity. The Board considers good progress has been made in respect of Diversity and Inclusion. While quantitative and qualitative measures are in place, the Company intends to enhance its quantitative measures going forward.

## Statutory Disclosures

### DISCLOSURES OF INTERESTS BY DIRECTORS

#### General disclosures

The following are particulars of general disclosures of interest given by the Directors of the Company pursuant to section 140(2) of the Companies Act 1993:

#### ANTHONY (TONY) BALFOUR

Director, Les Mills International Limited  
 Director, Methven Limited  
 Director, Mt Difficulty Wines Limited  
 Director, Real Journeys Limited and subsidiaries  
 Director, Silver Fern Farms Co-operative Limited

#### JOHN JOURNEE

Chairman, Flux Foundation Limited (resigned)  
 Chairman, Max Fashions Holdings Limited and subsidiary  
 Director, Southern Hospitality Limited (resigned)  
 Director, Vanishing Point Limited

#### KEITH SMITH

Chairman, Anderson & O'Leary Limited  
 Chairman, Goodman (NZ) Limited  
 Chairman, Healthcare Holdings Limited and subsidiaries  
 Chairman, Mobile Surgical Services Limited  
 Chairman, H J Asmuss & Co Limited and subsidiaries  
 Director, Community Financial Services Limited  
 Director, Electronic Navigation Limited (resigned)  
 Director, Enterprise Group Limited and subsidiaries  
 Director, Gwendoline Holdings Limited (non-trading)  
 Director, James Raymond Holdings Limited (non-trading)  
 Director, The Ascot Hospital & Clinics Limited and subsidiaries  
 Director, Mercury NZ Limited  
 Director, Tree Scape Limited  
 Director, Westland Co-operative Dairy Limited  
 Member, Advisory Board NZ Tax Traders Limited  
 Trustee, Cornwall Park Trust Board

#### JULIA RAUE

Director, Jade Software Corporation Limited  
 Director, Southern Cross Health Society  
 Director, Television New Zealand Limited  
 Director, Z Energy Limited  
 Director & Shareholder, Rowdy Consulting Limited  
 Member, Risk & Audit Committee of The Treasury

#### JOAN WITHERS

Chair, Mercury NZ Limited  
 Director, ANZ Bank New Zealand Limited  
 Director, On Being Bold Limited  
 Member, MBIE Economic Development Challenge Group  
 Trustee, Sweet Louise Foundation

#### SIR STEPHEN TINDALL

Founding Director, KEA New Zealand  
 Director, Branches Station Limited  
 Director, Byron Corporation Limited  
 Director, Foundation Services Limited  
 Director, Elliott Street No 5 Limited  
 Director, K One W One Limited  
 Director, K One W One (No.2) Limited  
 Director, K One W One (No.3) Limited  
 Director, K One W One (No.4) Limited  
 Director, Lake Pupuke Investments Limited  
 Director, Norwood Investments Limited  
 Director, No Holdings Limited  
 Director, The Gorse Company Limited  
 Director, Team New Zealand Limited  
 Director, America's Cup Event Limited  
 Trustee, Team New Zealand Trust  
 Trustee, The Tindall Foundation  
 Shareholder\*, Solar City Ltd  
 Shareholder\*, Velocity Made Good Holdings Ltd  
 Shareholder\*, Ask Nicely Ltd  
 Shareholder\*, Auror Ltd  
 Shareholder\*, Career Engagement Group Ltd  
 Shareholder\*, MEA Mobile Ltd  
 Shareholder\*, PicsOS Ltd  
 Shareholder\*, Qotient Group Ltd  
 Shareholder\*, SLI Systems Ltd  
 Shareholder\*, Snakk Media Ltd  
 Shareholder\*, Sportsground Ltd  
 Shareholder\*, TNX Ltd  
 Shareholder\*, 1Above Ltd  
 Shareholder\*, VWork Ltd

\*Indirect interest

#### ROBERT TINDALL (ALTERNATE DIRECTOR)\*

Trustee, The Tindall Foundation  
 Director, Foundation Services Limited  
 Director, Franklin Smith Limited  
 Director, K One W One Limited  
 Director, K One W One (No.2) Limited  
 Director, K One W One (No.3) Limited  
 Director, K One W One (No.4) Limited

#alternate to Sir Stephen Tindall

### INDEMNITY AND INSURANCE

In accordance with section 162 of the Companies Act 1993 and the constitution of the Company, the Company has provided insurance for, and indemnities to, Directors and employees of the Group and its subsidiaries for losses from actions undertaken in the course of their legitimate duties. The insurance includes indemnity costs and expenses incurred to defend an action that falls outside the scope of the indemnity.

## Statutory Disclosures

### DIRECTORS' SECURITY PARTICIPATION

#### Directors' shareholdings as at 29 July 2018

At 29 July 2018 the following directors, or entities related to them, held interests in the Company shares:

	BENEFICIAL INTEREST	BENEFICIAL INTEREST	NON-BENEFICIAL INTEREST	NON-BENEFICIAL INTEREST	RELATED PARTY	RELATED PARTY
	2018	2017	2018	2017	2018	2017
J Journee	172,000	172,000				
K R Smith	13,250	13,250	7,602,572	8,155,455	32,800	32,800
R J Tindall <sup>1</sup>	4,800	4,800	7,233,252	7,233,252	84,738,511	84,738,511
Sir Stephen Tindall	93,687,096	93,687,096	7,986,050	7,986,050	9,600	9,600
J Withers	8,914		1,797,697	2,350,580		

<sup>1</sup>Alternate director

Major shareholdings in which more than one Director has an interest in the same parcel of shares are as follows:

- Sir Stephen Tindall and Robert Tindall both hold an interest in 93,687,096 shares and other smaller parcels by virtue of their family relationship.

#### Share dealings by Directors

During the year, the Directors disclosed in respect of section 148(2) of the Companies Act 1993 that they acquired or disposed of a relevant interest in shares as follows:

SHARE TRANSACTION	DATE OF TRANSACTION	NUMBER OF ORDINARY SHARES ACQUIRED/(DISPOSED)	CONSIDERATION
J Withers and K R Smith as trustees of The Warehouse Management Trustee Company No.2 Limited	November 2017	(552,883)	Settlement of obligations under the executive share scheme
J H Ogden	November 2017	(59,000)	On market sale of shares at an average price of \$2.11 per share
K R Smith	December 2017	(4,530,947)	Nil, resignation as Trustee

## Statutory Disclosures

### SUBSIDIARY COMPANY DIRECTORS

The following people held office as Directors of subsidiary companies at 29 July 2018. Those who retired during the year are indicated with an (R).

COMPANY	DIRECTORS
1-Day Limited	K Nickels
1-Day Liquor	K Nickels
Bond and Bond Limited	B Moors, K Nickels
Boye Developments Limited	K Nickels, M Yeoman
Diners Club (NZ) Limited	M Yeoman, K Nickels, G Hansen (R), M Laing (R), J Ogden (R), K Smith (R), N Grayston (R)
Eldamos Investments Limited	P Judd, K Nickels, P Okhovat
Eldamos Nominees Limited	P Judd
Noel Leeming Finance Limited	B Moors
Noel Leeming Financial Services Limited	B Moors, K Nickels
Noel Leeming Furniture Limited	B Moors, K Nickels
Noel Leeming Limited	B Moors, K Nickels
Noel Leeming Group Limited	B Moors, K Nickels
The Book Depot Limited	K Nickels
The Warehouse Card Limited	K Nickels
The Warehouse Group Support Services Limited	P Judd, K Nickels
The Warehouse Group Investments Limited	N Grayston, T Kasbe, K Nickels, M Yeoman
The Warehouse Investments Limited	K Nickels
The Warehouse Limited	P Judd, K Smith, N Grayston, M Yeoman
The Warehouse Nominees Limited	K Nickels, B Moors
Torpedo7 Limited	P Okhovat, B Moors
TWGA Pty Ltd	I McGill, B Moors, K Smith, Sir Stephen Tindall
TWL Australia Pty Limited	I McGill, B Moors, K Smith, Sir Stephen Tindall
TWL Products Limited	B Moors
TWP No.1 Limited	P Judd, N Tuck
TWP No.3 Limited	P Judd, K Nickels, N Tuck
TWP No.4 Limited	B Moors, K Nickels
TWP No.5 Limited	B Moors, P Okhovat
TWP No.6 Limited	G Hansen (R), M Laing (R), J Ogden (R), K Smith, M Yeoman
Waikato Valley Chocolates Limited	N Craig, P Judd, M Razey, H Vetsch, J Adams (R), M Anderson
Warehouse Stationery Limited	P Judd, P Okhovat

## Statutory Disclosures

### TEAM MEMBERS' REMUNERATION

Grouped below, in accordance with section 211(1)(g) of the Companies Act 1993, are the number of Team Members or former Team Members, not being directors or former directors, who received remuneration and other benefits valued at or exceeding \$100,000 during the year under review.

Remuneration includes redundancy payments and termination payments made during the year to Team Members whose remuneration would not otherwise have been included in the table reported below.

Team Members also received share-based remuneration during the year as part of the Group's long-term incentive plans (refer note 14 to the financial statements). The amount attributed to share-based remuneration presented in the table below represents the value to the employee of the compensation determined using the share price on the date when share options were exercised by the Team Member and/or the share price on the date when share rights vested.

REMUNERATION (\$000)	EXCLUDING SHARE BASED REMUNERATION	INCLUDING SHARE BASED REMUNERATION	NUMBER OF TEAM MEMBERS	REMUNERATION (\$000)	EXCLUDING SHARE BASED REMUNERATION	INCLUDING SHARE BASED REMUNERATION	NUMBER OF TEAM MEMBERS
100 - 110	84	84	1	350 - 360	-	-	1
110 - 120	64	63	2	360 - 370	2	-	-
120 - 130	65	66	2	370 - 380	2	2	2
130 - 140	55	54	1	380 - 390	1	2	2
140 - 150	24	24	1	390 - 400	1	1	1
150 - 160	33	33	-	400 - 410	-	1	1
160 - 170	27	24	1	420 - 430	1	1	1
170 - 180	13	17	1	430 - 440	1	1	1
180 - 190	12	11	1	450 - 460	1	1	1
190 - 200	12	13	1	470 - 480	1	-	-
200 - 210	10	9	1	480 - 490	1	1	1
210 - 220	1	2	1	490 - 500	1	2	2
220 - 230	5	5	1	510 - 520	1	2	2
230 - 240	7	5	2	620 - 630	2	-	-
240 - 250	3	2	-	640 - 650	-	1	1
250 - 260	7	7	-	650 - 660	-	1	1
260 - 270	1	3	1	690 - 700	1	-	-
270 - 280	5	3	-	750 - 760	-	1	1
280 - 290	5	5	1	760 - 770	1	1	1
290 - 300	2	3	1	870 - 880	1	-	-
300 - 310	2	2	-	940 - 950	-	1	1
310 - 320	3	3	1	970 - 980	1	-	-
320 - 330	7	5	1	1040 - 1050	1	1	1
330 - 340	2	-	-	1100 - 1110	-	1	1
340 - 350	1	5	1	1780 - 1790	1	1	1

## Statutory Disclosures

### REMUNERATION REPORT

#### 1. Group CEO remuneration FY18

	BASE PACKAGE			PAY FOR PERFORMANCE			TOTAL REMUNERATION
	SALARY	TAXABLE BENEFITS	SUBTOTAL	STI	LTI	SUBTOTAL	
Nick Grayston	1,415	54	1,468	768		768	2,236

#### 2. 5 year summary of group CEO remuneration

YEAR	GROUP CEO	TOTAL EARNINGS	BASE	TAXABLE BENEFITS	STI	STI AS % OF MAXIMUM	LTI
FY18	Nick Grayston	2,236	1,415	54	768	96%	-
FY17	Nick Grayston	1,773	1,415	25	333	31%	-
FY16	Nick Grayston	1,398	934*	-	464*	66%	-
	Mark Powell	646	733	26	-	-	(103)
FY15	Mark Powell	1,594	1,263	38	-	-	293
FY14	Mark Powell	1,561	1,227	51	-	-	283

\*The FY16 base salary and STI payment for Nick Grayston were pro-rata based on his start date of November 2015.

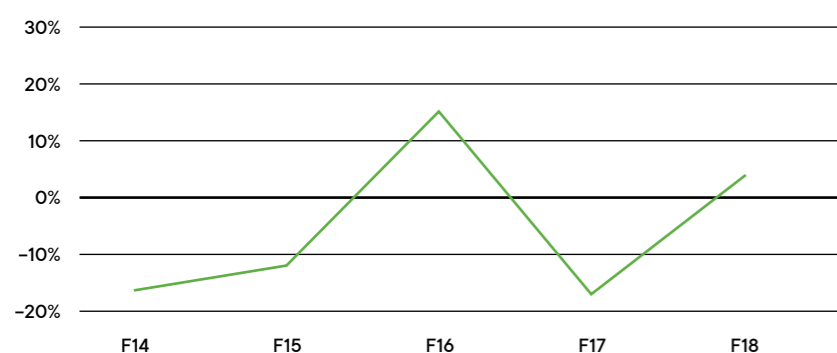
#### Explanation of the above items

- The FY18 STI figure for Nick Grayston represents a payment equivalent to 109% of this potential (96% of maximum potential) for delivery of financial and individual goals (see breakdown below).
- No LTI will be payable for Nick Grayston until October 2019 when the three-year performance cycle is completed.
- Nick Grayston joined the Group in November 2015 and replaced Mark Powell, who left at the end of January 2016 following a three-month handover period.
- Taxable benefits are the cash value of employer contributions to Kiwisaver contributions made before any employer superannuation contribution tax (ESCT) has been withheld.
- The LTI for Mark Powell was equity-settled share-based compensation and represents the annual expense recognised in the income statement for share rights granted to executives on the fair value of the share rights measured at grant date, which is likely to be different from the market value of the share rights at the date when and if the share rights vest.

#### 3. Breakdown of pay for performance (FY18)

	DESCRIPTION	PERFORMANCE MEASURES	PERCENTAGE ACHIEVED
STI	Set at 50% of base salary for On Target performance. Combination of financial and non-financial performance measures. For this to be payable, the Group must firstly achieve a gate opener of at least 80% of budgeted Adjusted NPAT and a minimum level of individual performance must be achieved.	<p><b>Financial Measures 70% weighting:</b> A combination of achieving EBIT targets for Group and Financial Services, reducing working capital, and reducing cost of doing business.</p> <p><b>Individual Measures 30% weighting:</b> Individual goals relate to delivery of strategic imperatives, delivering operational imperatives, health and safety, leadership and community.</p>	70% x 108%  30% x 110%
LTI	Cash-based scheme. Potential 50% of base salary for On Target performance for FY18.	100% weighting based on the three-year average Group Adjusted NPAT achieved, calculated as a percentage of the budgeted Group Adjusted NPAT. 50% of potential paid if >95% of target achieved, increasing to a maximum of 150% of potential for achievement of 125% of target.	To be set in September 2020

#### 4. 5 year summary of total shareholder return performance



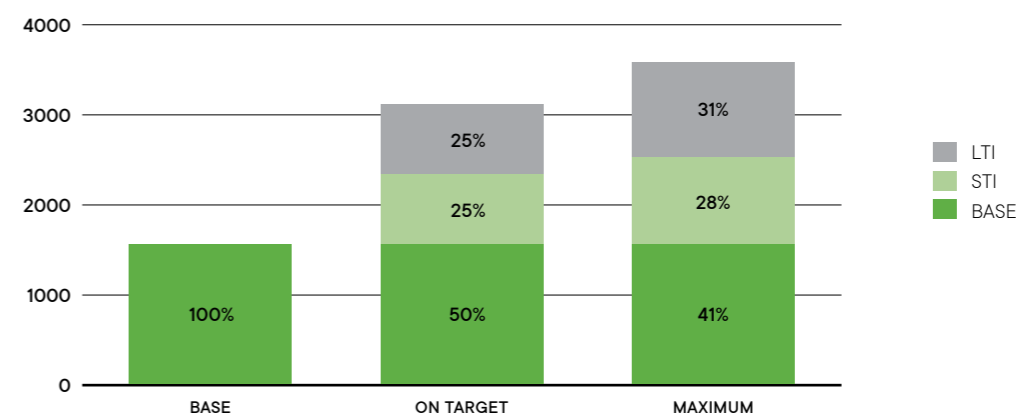
#### TOTAL SHAREHOLDER RETURN

FY14	-16.9%
FY15	-11.0%
FY16	15.2%
FY17	-18.9%
FY18	3.3%

## Statutory Disclosures

### REMUNERATION POLICY AND DISCLOSURES

#### 5. Potential Group CEO remuneration (FY19)



\$000	BASE PACKAGE			PAY FOR PERFORMANCE			TOTAL REMUNERATION
	SALARY	TAXABLE BENEFITS	SUBTOTAL	STI	LTI	SUBTOTAL	
Nick Grayston	1,432	64	1,487	716	716	1,432	2,919

**Explanation:** Base salary is set at \$1.432 million for the financial year. STI is 50% of base salary for On Target performance. The gate for payment is 95% of budgeted Group EBIT and this would result in an STI of 25% of base salary. A maximum of 68% of base salary is payable if 200% of individual goals are exceeded and 110% of budgeted EBIT is achieved. The STI is split: 70% based on Group financial results and 30% individual performance against goals. LTI is 50% of base salary, settled in cash, and is payable at the end of the three-year performance period. The gate for payment is 95% of budgeted Group Adjusted NPAT and this would result in LTI of 25% of base salary. A maximum of 75% of base salary is payable if 125% of budgeted Group Adjusted NPAT is achieved.

#### 6. Scheme Investments awarded to Group CEO

YEAR INVITED	% OF SALARY	SETTLEMENT	PERFORMANCE PERIOD	MEASURE
FY18	50%	Cash	August 2017 to July 2020	Three-year average Group Adjusted NPAT achieved calculated as a percentage of the budgeted Group Adjusted NPAT.
FY19	50%	Cash	August 2018 to July 2021	Three-year average Group Adjusted NPAT achieved calculated as a percentage of the budgeted Group Adjusted NPAT.

#### 7. Required disclosures per guidelines

DESCRIPTION	PERFORMANCE MEASURES
1. Group CEO Pay as a Multiple	35.8 measured on fixed remuneration. Median hourly rate of all Team Members is \$19.21 per hour.
2. TSR Methodology	Total Shareholder Return has been calculated as the movement in the share price during the period plus any dividends paid.
3. Board Discretion	The Board of Directors has not exercised any discretion with regards to Group CEO remuneration for FY18. Any payments made or forecasted are in line with contractual or scheme criteria.
4. Omissions	No information has been omitted relating to Group CEO remuneration.
5. Any Other Items	There are no other items payable payable to the Group CEO that are not disclosed.
6. Benefits	There are no benefits attributable to the Group CEO due to any loans made.
7. Withholdings	No part of the Group CEO remuneration has been withheld for any purpose.
8. Estimates	The potential package for Nick Grayston for FY19 has been calculated assuming 100% achievement of financial and individual goals for the STI. The Taxable Benefits relate to Kiwisaver contributions and assumes 100% payment of the STI.
9. Related Parties	No related parties are involved with the Group CEO remuneration.
10. Payments to Past Group CEOs	No additional payments were made to previous Group CEOs during FY18.
11. Fair Value Calculations	Refer to the Executive Long Term Plan note to the financial statements for details regarding the fair value calculation of equity-settled remuneration for the previous Group CEO.

## Statutory Disclosures

### TWENTY LARGEST REGISTERED SHAREHOLDERS AS AT 31 JULY 2018

	NUMBER OF ORDINARY SHARES	PERCENTAGE OF ORDINARY SHARES
Sir Stephen Tindall	93,687,096	27.01%
The Tindall Foundation Inc	73,920,496	21.31%
James Pascoe Limited	67,254,042	19.39%
Cash Wholesalers Limited	10,373,363	2.99%
Foodstuffs Auckland Nominees Limited	10,373,363	2.99%
Wardell Bros & Coy Ltd	10,373,363	2.99%
Citibank Nominees (New Zealand) Limited - NZCSD A/C	5,200,633	1.50%
Sir Stephen Tindall, JR Avery and B Mayo-Smith (as Trustees)	3,778,149	1.09%
RG Tindall, GM Tindall, Sir Stephen Tindall & Pupuke Trustee Limited (as Trustees)	3,455,103	1.00%
Accident Compensation Corporation - NZCSD	2,655,459	0.77%
HSBC Nominees (New Zealand) Limited - NZCSD	1,808,451	0.52%
JB Were (NZ) Nominees Limited	1,639,318	0.47%
HSBC Nominees (New Zealand) Limited - NZCSD	1,215,308	0.35%
The Warehouse Management Trustee Company No.2 Limited	781,822	0.23%
Stephen Robert Tindall and John Richard Avery and Brian Mayo-Smith	752,798	0.22%
FNZ Custodians Limited	700,466	0.20%
The Warehouse Management Trustee Company Limited	667,174	0.19%
James Raymond Holdings Limited	600,000	0.17%
Custodial Services Limited <A/C 4>	510,155	0.15%
Custodial Services Limited <A/C 3>	480,071	0.14%
	290,226,630	83.68%

<sup>1</sup>New Zealand Central Securities Depository Limited (NZCSD) is a depository system which allows electronic trading of members. As at 31 July 2018 total holdings in NZCSD were 11,723,026 or 3.38% of shares on issue.

### SUBSTANTIAL PRODUCT HOLDERS

According to notices given to the Company under the Financial Markets Conduct Act 2013, as at 29 July 2018, the substantial product holders in the Company and their relevant interests are noted below:

	RELEVANT INTEREST	DATE OF NOTICE
James Pascoe Limited	68,270,081	10 May 2018
Wardell Bros & Coy Limited, Cash Wholesalers Limited and Foodstuffs (Auckland) Nominees Limited	31,120,089	23 March 2007
Sir Stephen Tindall	84,141,524	19 March 2004
The Tindall Foundation	66,323,220	19 March 2004

## Statutory Disclosures

### DISTRIBUTION OF SHAREHOLDERS AND HOLDINGS AS AT 31 JULY 2018

SIZE OF SHAREHOLDING	NUMBER OF SHAREHOLDERS	PERCENTAGE	NUMBER OF SHARES	PERCENTAGE
1 - 1,000	3,886	36.61%	1,828,475	0.53%
1,001 - 5,000	4,372	41.19%	9,637,973	2.78%
5,001 - 10,000	1,135	10.69%	7,432,744	2.14%
10,001 - 100,000	1,140	10.74%	25,287,077	7.29%
100,000 and over	82	0.77%	302,656,851	87.26%
	10,615	100.00%	346,843,120	100.00%

#### GEOGRAPHIC DISTRIBUTION

	NUMBER OF SHAREHOLDERS	PERCENTAGE	NUMBER OF SHARES	PERCENTAGE
Auckland and Northland	4,062	38.27%	305,040,447	87.95%
Waikato and Central North Island	2,226	20.97%	11,789,440	3.40%
Lower North Island and Wellington	1,505	14.18%	7,661,823	2.21%
Canterbury, Marlborough and Westland	1,133	10.67%	16,159,712	4.66%
Otago and Southland	745	7.02%	3,635,243	1.05%
Australia	793	7.47%	1,402,285	0.40%
Other Overseas	151	1.42%	1,154,170	0.33%
	10,615	100.00%	346,843,120	100.00%

### DISTRIBUTION OF BONDHOLDERS AND HOLDINGS AS AT 31 JULY 2018

SIZE OF BONDHOLDING	NUMBER OF BONDHOLDERS	PERCENTAGE	NUMBER OF BONDS	PERCENTAGE
5,000 - 9,999	616	31.53%	3,866,000	3.08%
10,000 - 49,999	1,119	57.27%	20,457,000	16.37%
50,000 - 99,999	123	6.29%	7,698,000	6.16%
100,000 - 499,999	81	4.15%	11,657,000	9.33%
500,000 - 999,999	3	0.15%	1,636,000	1.31%
1,000,000 and over	12	0.61%	79,686,000	63.75%
	1,954	100.00%	125,000,000	100.00%

#### GEOGRAPHIC DISTRIBUTION

	NUMBER OF BONDHOLDERS	PERCENTAGE	NUMBER OF BONDS	PERCENTAGE
Auckland and Northland	778	39.82%	38,562,000	30.85%
Waikato and Central North Island	343	17.55%	46,988,000	37.59%
Lower North Island and Wellington	399	20.42%	16,066,000	12.85%
Canterbury, Marlborough and Westland	225	11.51%	3,087,000	2.47%
Otago and Southland	202	10.34%	20,188,000	16.15%
Australia	-	-	-	-
Other Overseas	7	0.36%	109,000	0.09%
	1,954	100.00%	125,000,000	100.00%

## Other Statutory Information

### STOCK EXCHANGE LISTING

The ordinary shares of The Warehouse Group Limited are listed on the New Zealand Stock Exchange (NZX).

### ORDINARY SHARES

The total number of voting securities of the company on issue on 31 July 2018 was 346,843,120 fully paid ordinary shares.

#### Holders of each class of equity security as at 31 July 2018

CLASS OF EQUITY SECURITY	NUMBER OF HOLDERS	NUMBER OF SHARES OR RIGHTS
Ordinary Shares	10,615	346,843,120
Share Rights	32	628,000

### RIGHTS ATTACHING TO SHARES

Clauses 20–22 of the Company's constitution set out the voting rights of shareholders. Ordinary shares in the Company each carry a right to vote on a poll at any general meeting of shareholders on any resolution. Holders of ordinary shares may vote at a meeting in person, or by proxy, representative or attorney. Voting may be conducted by voice, a show of hands or a poll. Each of the Company's ordinary shares entitles the holder to one vote.

### ON-MARKET SHARE BUY-BACKS

The Company is not, at the date of this annual report, undertaking any on-market share buy-backs.

### ESCROW

Apart from the shares held under the Staff Purchase Plan, the Company has no securities subject to an escrow agreement.

### DIVIDENDS ON ORDINARY SHARES

The Warehouse Group Limited has paid dividends on its ordinary shares every year without interruption since listing on the New Zealand Stock Exchange in 1994. The Group's current dividend policy was approved by the board in September 2015, commencing from the 2016 financial year. The Group's dividend policy is to distribute between 75% and 85% of the Retail Group's adjusted net profit to shareholders.

On 20 September 2018 the Directors declared a fully imputed final dividend of 6.0 cents per share bringing the total dividend for the year to 16.0 cents per share. The dividends will be fully imputed at a rate of 28.0% and will be paid on 6 December 2018 to all shareholders on the share register at the close of business on 23 November 2018.

The dividends declared for each of the last five financial years were as follows:

#### Cents per share

DIVIDENDS	2018	2017	2016	2015	2014
Interim	10.0	10.0	11.0	11.0	13.0
Final	6.0	6.0	5.0	5.0	6.0
Total	16.0	16.0	16.0	16.0	19.0

### AUDITOR

PricewaterhouseCoopers have continued to act as auditors of the Company, and have undertaken the audit of the financial statements for the 29 July 2018 year.

### DISCIPLINARY ACTION

The NZX has not taken any disciplinary action against the Company during the period under review.

### DONATIONS

In accordance with section 211(1)(h) of the Companies Act 1993, the Company records that it donated \$663,000 (2017: \$634,000) to various charities during the year. In line with Board policy, no political contributions were made during the year.

### NZX WAIVERS

Details of all waivers granted and published by NZX within or relied upon by the Company in the 12 months immediately preceding the date two months before the date of publication of this annual report are available on the Company's website [www.thewarehousegroup.co.nz](http://www.thewarehousegroup.co.nz)