



Pick n Play

**Corporate
Governance
Report**

'25

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We produce a suite of publications tailored to meet our stakeholders' specific information requirements. Our reports comply with the reporting frameworks detailed in the table below.

Corporate Governance Report (CGR)

A review of the Group's commitment to good corporate governance in implementing its strategy and governance framework. The report also includes our notice of the AGM and the Board committee reports.

Annual Financial Statements (AFS)

The audited Group and Company AFS for Pick n Pay Stores Limited for FY25. The report includes our Audit, Risk and Compliance Committee and Directors' report.

Integrated Annual Report (IAR)

A review of the Group's strategy, material matters, risks and opportunities and our operational and financial performance for the financial year. The report includes relevant extracts of the FY25 Annual Financial Statements, disclosure on environmental and social sustainability, our governance structures and remuneration report.

Notice of Annual General Meeting (AGM)

Notice of the 2025 AGM to be held on 5 August 2025, and the proxy voting form.

Sustainability reporting

The Group provides an ESG summary in a separate chapter in its IAR "Managing our sustainability impacts". We also provide a separate ESG data-book on our website which details our ESG performance against key indicators aligned with investor and analyst expectations. Please refer to www.picknpaymesters.co.za/sustainability-reports-and-policies

Our reports comply with the following reporting standards and frameworks:

	IAR	AFS	CGR	AGM
The International Integrated Reporting Framework	✓			
The Companies Act, No 71 of 2008, as amended (Companies Act)	✓	✓	✓	✓
The JSE Listings Requirements	✓	✓	✓	✓
The King IV Report on Corporate Governance™ for South Africa, 2016 (King IV) ¹	✓	✓	✓	✓
International Financial Reporting Standards (IFRS)	✓	✓		✓
Global Reporting Initiative's (GRI) Standards				

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Reflections from our lead independent director

James Formby
Lead Independent Director

The Group entered the financial year in a difficult position. FY24 had been an exceptionally tough year for Pick n Pay. We were facing structural weaknesses in our core supermarket business, new leadership getting to grips with the scale of the challenge, and declining morale across the business. As a result, the Group's liquidity position was precarious, our share price was under pressure, and many of our key stakeholders were asking hard questions about the future of the business.

It was a time that demanded honesty, courage and urgent action. And while the challenges were immense, there was a clear sense of alignment and shared conviction at Board level about what needed to be done. By the close of FY24, we had reached agreement on a debt standstill with our lenders and committed to a comprehensive two-step Recapitalisation Plan. The time had come to execute. It was not about short-term fixes or quick wins. It was about preserving and rebuilding one of South Africa's most iconic retailers for long-term success.

From the outset, the Board committed to a rigorous and credible process to restore the Group's financial stability and strategic focus. We knew this would involve complex trade-offs, candid discussions and bold decisions. The two-step Recapitalisation Plan was complex and ambitious, and the timeline to deliver it was extraordinarily tight. Some stakeholders outside the business doubted whether it could be achieved. Yet, through resolve and exceptional teamwork, we delivered it.

The Rights Offer in August 2024 and the successful listing of Boxer in November 2024 were both multiple times over-subscribed and together raised R12.5 billion. This was an extraordinary outcome by any measure, achieved through consistent engagement with shareholders, advisors and regulators, and underpinned by the credibility of the process itself. It allowed us to repay all interest-bearing debt by the end of 2024 and to secure new, prudent working capital facilities. We now have the liquidity required to invest meaningfully in the Pick n Pay turnaround.

We are equally proud of what was achieved for Boxer. The IPO was not only a strategic milestone for the Group but a moment of immense pride for everyone connected to the Boxer business. It provided Boxer with the governance, financial independence and support it needed to pursue its growth plans as a listed entity. We formed a strong, independent Board with the experience and entrepreneurial mindset to guide Boxer in this next phase of its journey. The market's confidence in Boxer, evidenced by the support from shareholders and the participation of the International Finance Corporation, has reaffirmed the strength and relevance of its value proposition in South Africa.

We are not chasing short-term gains. Our strategy is deliberate, methodical, and disciplined, focused on securing the long term sustainability of a business that is so important to millions of South Africans.

Throughout this process, the Board did not operate in isolation. We worked hand in hand with our corporate advisors, legal counsel and most importantly, with the incredible talent inside our business. I thank my fellow directors, who committed a great deal of time and energy to our many meetings. I also want to acknowledge the extraordinary effort and resilience of our management teams who, even under immense pressure, never lost focus on the day-to-day running of the business. Pick n Pay continued to implement its strategic reset, improving sales, reducing operating losses, and regaining customer confidence. Boxer continued to deliver on its growth plan with characteristic discipline and energy.

We are under no illusions. Hard work lies ahead. But the foundations have been laid. Pick n Pay now has the funding, the leadership and the strategy it needs to rebuild. The turnaround is being led by CEO Sean Summers, whose leadership has brought renewed clarity, energy and retail focus to the business. We are deeply grateful that he has agreed to stay on until May 2028 to see Pick n Pay restored to profitability. His leadership has been instrumental in galvanising the business behind a common goal.

The Board remains fully committed to the turnaround of Pick n Pay. This is not a sprint. We are not chasing short-term gains. This is a deliberate, methodical and disciplined process designed to secure the long-term sustainability of an organisation that plays a critical role in the South African economy and in the lives of millions of South Africans. To this end, the Board supports the revision to the earnings guidance provided.

We also advanced our work to strengthen Board governance. We implemented changes to enhance the independence of our Board committees, began the process of retiring our longer-serving directors, and engaged a specialist firm to help us recruit new directors with the right experience, skills and values. Transformation remains a high priority, and we are committed to building a diverse, forward-looking Board. In June 2025, we welcomed Pooven Viranna to the Board and the Audit Committee. She brings valuable commercial and governance experience. We will bid farewell to David Friedland at the 2025 AGM after 12 years of outstanding service. His technical expertise was invaluable during the recapitalisation process, and we are deeply grateful for his contribution.

As we committed ahead of the Rights Offer, the Board has made tangible progress in strengthening its governance framework. This included a review and update of the Board Charter, a refresh of all committee mandates, and the formalisation of a clear engagement policy between Pick n Pay and Boxer. This policy safeguards the independence of the Boxer Board while protecting Pick n Pay's rights and responsibilities as the controlling shareholder.

Finally, I wish to acknowledge Gareth Ackerman, who will step down as Chair of the Board at the 2025 AGM after 15 years of service as Chair. Gareth will remain a valued member of the Board. He has given a lifetime of commitment to the Pick n Pay Group and to the principles established by his father, Raymond Ackerman. His integrity, depth of insight and unwavering commitment to the Group's purpose have shaped Pick n Pay into the values-based organisation it is today. It is an honour to succeed him as Chair, and I do so with humility and full recognition of the responsibility that comes with the role.

We enter FY26 stronger, more focused and more determined than ever. Our governance will remain rigorous. Our oversight will remain active. And our purpose remains unchanged: to guide Pick n Pay with responsibility and care as we work to restore its performance and build the trust and confidence of all our stakeholders.

James Formby
Lead independent director

30 June 2025

What the Board focused on in FY25

The Board remains committed to overseeing the Group in a transparent, equitable and responsible manner, acting in the balanced interests of all stakeholders. The Board recognises that long-term value creation depends on a clear strategy, effective risk management, sound financial stewardship, and a strong commitment to environmental and social sustainability. These elements are actively integrated into all Board decision-making.

Through rigorous, informed discussions, Directors provide strategic direction, uphold high standards of governance, and ensure strong leadership across the Group. Each Board member is mindful of their responsibility to act with integrity and to represent the interests of all stakeholders impartially and effectively.

The Board continues to endorse a materiality-based approach, underpinning its commitment to integrated reporting. This ensures that key issues, risks, and opportunities that materially impact the Group's performance across the short, medium and long term are transparently communicated. As a result, stakeholders are equipped with meaningful insights into the Group's operations and outlook.

Remaining accountable for the Group's overall performance, the Board actively monitors both material and emerging risks and opportunities. This enables the business to remain agile, relevant, and resilient in a constantly evolving environment.

Key Board and committee focus areas over the year included:

Recapitalisation Plan

Pick n Pay Rights Offer and Boxer IPO

The Board played a central role in overseeing the Rights Offer and Boxer IPO, with a strong focus on legal, governance, financial and disclosure standards. This included approving all key shareholder and regulatory documentation, engaging closely with advisors to ensure full compliance, and reviewing financial disclosures to support informed stakeholder investment decisions. The Board, supported by the Finance and Investment Committee (FIC), oversaw the Boxer Group reorganisation and inter-company arrangements to optimise the capital structure and liquidity of the newly listed entity. The Board also led the establishment of Boxer's governance frameworks, appointed the Boxer Board, and approved all IPO mechanics and pricing, ensuring the Group's long-term value creation and capital adequacy.

Liquidity and operational funding

The Board, supported by the FIC, oversaw lender engagement, covenant compliance and liquidity management under the debt Restructure Agreement. Once conditions were met and the debt was repaid, it guided the negotiation of new working capital facilities to support intra-month funding requirements.

Operations

CEO succession

The Board approved the extension of CEO Sean Summers' contract until May 2028. The extension ensures continuity and stability in the leadership team during a period of significant strategic transformation, and allows for a considered and deliberate succession and handover process.

Strategy

The Board oversaw the execution of Pick n Pay's new turnaround strategy, with a strong focus on restoring the performance of the core supermarket division. It ensured that strategic initiatives and performance targets remained reasonable, defensible and actionable, with revised targets and timelines as necessary. Key areas of focus included the store reset plan and revised operating standards to return to operational excellence. Additional priorities included range and assortment enhancements, marketing and promotions, and the evolution of the franchise model to support inclusive growth.

The Group also prioritised forging new strategic partnerships (for example, with FNB, ABSA and SARU) and strengthening existing ones, while continuing to drive systems resilience and digital innovation, including the potential exploration of new income streams.

The Board maintained oversight of strategic execution within the Group's high-growth Online and Pick n Pay Clothing divisions, as well as its majority-held Boxer trading subsidiary.

The Board approved capital allocations in support of the Group's strategic priorities and monitored return on investments to ensure disciplined execution.

The Board continues to explore opportunities to minimise risk and improve operating models in the Rest of Africa operations, particularly in Botswana and Zambia. The company-owned operations in Zambia have significantly improved over the past two years, with stronger sales growth and improved profit margins.

Risk and compliance

The Board provided active oversight in building the maturity of the Group's combined assurance framework (including risk and compliance management). It assessed the robustness of the risk management programme, the relevance of identified material risks, and the effectiveness of mitigation strategies, with a specific focus on data and systems security and cybercrime. The Board monitored emerging risks and ensured these were factored into strategic planning and decision-making.

The Board also reviewed the work undertaken to strengthen the Boxer combined assurance framework and to build skills and experience in the Boxer internal audit and risk and compliance teams to enable these functions to move forward independently from Pick n Pay.



People, culture, diversity

Diversity

The Board monitored efforts to achieve workforce diversity at all levels, ensuring fair pay and non-discrimination in recruitment and remuneration. Analysis showed no pay disparities by gender or race. The Board will continue focusing on retaining and upskilling employment equity employees, especially in senior roles, and removing barriers to entry.

Leadership and people

The Board focused on attracting and retaining scarce skills, strengthening succession pipelines, and rebuilding regional leadership structures. Initiatives included re-establishing regional teams, appointing senior leaders, launching the "I Love Pick n Pay" campaign, and implementing customer service and other critical training programmes.

Governance

Board appointments and retirements

In May 2024, Gareth Ackerman announced his intention to retire and to step down as Chair of the Board, following the release of the Group's 2025 financial results. The Board is pleased to confirm that James Formby, currently serving as lead independent director, will succeed Gareth as Chair of the Board, effective from the conclusion of the Annual General Meeting on 5 August 2025. James will step down from the Audit, Risk and Compliance Committee at that time, and as Chair of the Finance and Investment Committee at the end of FY26 (he will remain a member of this committee). It is further noted that James Formby intends to step down as the Chair of Boxer at the end of FY26. The Boxer Board has resolved that Sean Summers will be appointed Chair of Boxer at that time. As part of the ongoing Board renewal, Pooven Viranna was appointed to the Board and Audit Committee in June 2025, and David Friedland will retire at the 2025 AGM. The Board intends to onboard further independent non-executive directors over the coming months.

Board committees

Committee structure and membership are assessed annually. To support stronger Board independence, Suzanne Ackerman stepped down as Chair of the Social, Ethics and Transformation Committee, with independent non-executive director Haroon Bhorat assuming the role in May 2025.

Governance frameworks and policies

The Board, led by the NomGov and SETC, reviewed and updated the Group's governance framework and approved a revised Board Charter, revised Committee Terms of Reference, and a formal engagement policy to guide engagement between the two independent boards of Pick n Pay Stores Limited and Boxer Retail Limited. The Board also approved several updates to Group-wide ethics and governance policies.

ESG and BBBEE – performance and reporting

The Board continued to oversee ESG progress and reporting. ESG disclosures are now included within the Integrated Annual Reports of Pick n Pay and Boxer, replacing the previous stand-alone ESG report, driving greater transparency on material issues. Pick n Pay is evolving its ESG strategy around the founding principle of "doing good is good business" and embedding its values into sustainability efforts that drive value and attract customers. Some targets have been deferred to support the Group's turnaround priorities (please refer to page 69 of the FY25 Integrated Annual Report for further information). The Board, with SETC support, reviewed the decline in Pick n Pay's 2024 BBBEE rating, monitored corrective action and remains committed to improving the rating over the medium term.

Financial reporting

Response to JSE monitoring of financial statements

The Audit, Risk and Compliance Committee considered the findings in the JSE's report-back on proactive monitoring of financial statements in 2024 and confirmed that, where relevant, the Group had improved its Annual Financial Statements disclosure.

CEO and CFO sign-off on internal control

The Group's CEO and CFO have signed off on the internal financial control responsibility statement in terms of paragraph 3.84(k) of the JSE Listings Requirements, confirming that, to the best of their knowledge and belief, following due, careful and proper consideration, the Annual Financial Statements have been prepared in accordance with the accounting framework and are suitable for reliable economic decision-making.

Retail financial calendar – 53-week and pro forma disclosures

The Board reviewed the Group's application of the 53-week financial calendar in FY25 and assessed the clarity and appropriateness of related pro forma disclosures to ensure comparability of information.

Restatement of comparable financial information

The Board reviewed the retrospective correction of errors relating to IFRS 16 *Leases* and IAS 32 *Financial Instruments: Presentation*, the circumstances that led to the errors, and the corrective action taken.

Areas of significant judgement

The Board, supported by the Audit, Risk and Compliance Committee, focused on areas of significant judgement in the FY25 results, as detailed in the Group's accounting policies, set out in the Annual Financial Statements.

Our approach to corporate governance

Our ethical value system forms the cornerstone of the trusted relationships we maintain with our stakeholders. These relationships are grounded in mutual respect and the confidence that the Group will consistently act with integrity and in the best interests of all its stakeholders. As a responsible corporate citizen, we remain steadfast in our commitment to doing what is right.

The Board reaffirms its commitment to the corporate governance principles that have underpinned the Group's 58-year history. The Board provides ethical and effective leadership within a robust governance framework that is rooted in honesty, integrity and accountability. The Board remains fully aligned with the principles of the King IV Report on Corporate Governance, embracing integrated thinking and promoting corporate citizenship, stakeholder inclusivity, sustainable development and integrated reporting. Our values remain at the heart of how we lead.

Elected by our shareholders, the Board accepts overall accountability for the Group's strategic direction and long-term performance. We assess all material matters, risks and opportunities that influence sustainable value across the economic, social and environmental aspects of our business. We do so through the responsible management of our capitals and balanced stakeholder engagement.

The Board confirms that it has discharged its governance responsibilities in accordance with the Company's Memorandum of Incorporation, Corporate Governance Charter, King IV principles, the JSE Listings Requirements, the Companies Act and all relevant statutory and regulatory obligations for the financial year ended 2 March 2025 (FY25).

Our corporate governance philosophy and practices are aligned with the four governance outcomes advocated by King IV.

Ethical culture

An ethical culture remains integral to our purpose and strategy. We continue to evaluate and strengthen our governance structures in line with best practice and emerging regulatory developments to uphold this ethical foundation. During the year, the Board completed its annual review of the Group's Code of Ethics and its supporting suite of governance and ethics policies, with oversight from the Social, Ethics and Transformation Committee. These policies clearly define the conduct expected from all stakeholders, including the Board, management, employees, suppliers and business partners.

The Board provided oversight of the Group's ESG initiatives and assessed progress against our long-term environmental, social and governance goals. These included improved prevention of food waste, increased adoption of recyclable and compostable packaging, and the responsible management of resources.

Effective control

Our governance and compliance framework is grounded in the principles of accountability, fairness, transparency and ethical conduct. Delegation of specific areas of governance to Board committees ensures clarity of roles, effective oversight and the sound execution of responsibilities across the organisation.

The Board Charter and each committee's Terms of Reference provide clear checks and balances to avoid concentration of authority and to safeguard independence and objectivity in decision-making.

The Board undertook its annual evaluation process, assessing both its collective contribution and the individual performance of each director. For FY25, this process was facilitated by an independent service provider, with a specific focus on Board culture and competencies.

The outcome confirmed that the Board continues to effectively deliver on its mandate. In addition, the performance of each Board committee was assessed to ensure the Group benefits from a balanced mix of knowledge, skills, experience and diversity. We are confident that the non-executive directors contribute meaningfully, with the necessary time, insight and independence to fulfil their oversight roles.

Legitimacy

The Board remains responsible for promoting integrated thinking and fostering legitimate stakeholder relationships. This includes active oversight of engagement practices that promote inclusivity, responsiveness and long-term value creation. While day-to-day engagement is delegated to the executive team, the Board monitors all significant interactions and ensures a holistic approach that aligns with the Group's values and objectives.

Key stakeholder focus areas in FY25 included:

- Customer feedback mechanisms, including evaluations of service levels, price competitiveness, and product quality and innovation.
- Social investment into food security initiatives, education programmes and broader community development.
- Employee training and development, talent retention, succession and wellness.
- Supplier and landlord engagement, alongside efforts to support and integrate small and diverse businesses throughout our supply chain.
- Engagement with our Pick n Pay franchisees, including tailored assistance in tough trading conditions.
- Transparent financial reporting and consistent engagement with shareholders and retail analysts to explain the Group's operational and financial trajectory.
- Shareholder participation at the AGM, ensuring access to AGM minutes, and enabling all directors to be present and available to address governance queries. In addition, we ensure that the Group's external audit partner attends the AGM to provide direct accountability to shareholders.

Good performance

Governance structures ensure diligent oversight and assurance over strategy execution and operational performance. The Board held rigorous engagements during FY25 to critically assess strategic progress, financial and non-financial performance and the Group's risk profile.

Through effective governance and oversight, we aim to preserve the integrity of all financial and operational disclosures. We are committed to producing reports that are timely, accurate and transparent, providing stakeholders with the confidence to make informed assessments of the Group's current performance and long-term prospects.



Our governance structure

The Board is confident that the Group's governance framework, supported by its Board committees, administrative structures, and compliance systems and processes, is a contributor to long-term value creation. The framework is built on clear principles that emphasise:

- Accountability to stakeholders
- Ethical leadership and sound and effective decision-making
- Robust risk management and mitigation
- Transparent and integrated reporting
- Remuneration practices that attract and retain talent and align with the Group's strategy and transformation objectives

This governance approach is reviewed regularly to ensure that the Group continues to demonstrate ethical leadership, good corporate citizenship, and long-term business sustainability. In shaping its governance practices, the Board is guided by the principles of King IV, the Companies Act, and the JSE Listings Requirements. These standards help ensure that best governance practices are embedded throughout the organisation.

The role of the Board

The Pick n Pay Stores Limited Board accepts responsibility for the performance of the Group. It provides oversight and guidance by evaluating material and emerging risks and opportunities, helping to keep the business strategy agile and aligned with long-term objectives. The Board recognises that sustained value creation depends on a combination of strategic clarity, strong risk oversight, environmental and social responsibility, and financial discipline.

During FY25, the Board:

- Advanced on its commitment to the planned retirement of long-serving independent non-executive directors through the normal director rotation process
- Confirmed that all independent non-executive directors continue to meet the independence criteria defined by King IV, the Companies Act, and the JSE Listings Requirements
- Oversaw risk processes that effectively mitigated threats and limited their impact on business operations
- Reaffirmed support for materiality-driven reporting, ensuring that key issues, risks, and opportunities are communicated transparently
- Reviewed its internal evaluation process and found it continues to support improved performance and effectiveness
- Confirmed that the Company Secretary has the appropriate qualifications, skills, and experience to fulfil the role effectively

Board meeting attendance

		Standard meetings	Additional meetings
The Board remains committed to managing the Group with transparency, accountability and fairness, always acting in the best interests of stakeholders. The Board meets at least four times a year, with full attendance expected at all standard meetings, with additional ad hoc meetings held as required.	Gareth Ackerman	4/4	6/6
	Jonathan Ackerman	4/4	6/6
	Suzanne Ackerman	4/4	6/6
	Haroon Bhorat	4/4	4/6
	Mariam Cassim ¹	1/1	–
In FY25, the Board met ten times, reflecting the demands of the Recapitalisation Plan. The Board achieved 100% attendance for its standard meetings and the 2024 Annual General Meeting, with high attendance across its additional meetings.	James Formby	4/4	6/6
	David Friedland	4/4	6/6
	Aboubakar Jakoet	4/4	5/6
	Audrey Mothupi-Palmstierna	4/4	6/6
	Lerena Olivier	4/4	6/6
Beyond scheduled meetings, directors remained actively engaged through regular financial and operational updates. They also took part in various forums with senior management, gaining deeper insight into the Group's performance, risks and priorities.	David Robins ²	1/1	–
	Sean Summers	4/4	6/6
	Annamarie van der Merwe	4/4	6/6

¹ Resigned 5 July 2024.
² Retired 27 August 2024.

The Board remained highly engaged throughout the year, supporting strong governance and timely, informed decision-making.

The Executive Committee and operational governance

The Board delegates the day-to-day management of the Group to the Executive Committee, which is appointed by the Board and consists of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). This committee functions as the Group's Chief Operating Decision Maker (CODM), holding collective responsibility for the operational execution of the Group's strategy and for driving sustainable value creation for all stakeholders.

Throughout the 2025 financial period, the Executive Committee has continued to meet regularly, providing strategic direction and oversight across all aspects of the business.

The CEO is accountable for:

- Implementing and executing the Group's approved strategy, policies and operational plans
- Acting as the primary link between executive management and the Board
- Ensuring the effective day-to-day management of operations in alignment with long-term objectives
- Leading the executive team in delivering efficient and ethical business performance
- Establishing and maintaining appropriate internal controls to support effective risk management and regulatory compliance

The CFO is accountable for:

- Leading the Group's financial, risk and compliance functions
- Ensuring adherence to financial regulations, statutory obligations and governance standards
- Supporting transparency and accountability in financial reporting and decision-making
- Applying sound financial management and accounting practices across the business
- Working closely with the CEO and Board to protect and enhance the Group's financial sustainability and long-term value

The roles and responsibilities of the executive directors are clearly defined within the Board Charter. The Group's governance framework also includes a detailed limits of authority policy, which identify matters for which the CEO and/or CFO have final decision-making power and those which require formal approval by the Board. In turn, the CEO has delegated specific authority to the wider executive management team to support agile and responsible decision-making in their respective areas of operation. To support this delegation and ensure appropriate oversight, several formal governance structures are in place at executive and senior manager levels.

The CEO is further mandated by the Board to ensure that the executive management team operates within a clearly defined framework of internal controls, risk management protocols and governance practices. This supports the effective, efficient and ethical functioning of the Group at every level and ensures that operational decisions are aligned with the Group's values, strategy and long-term sustainability goals.

FY25 Board committees

The Board prioritises informed, transparent and robust deliberation in order to uphold strong governance, effective leadership and strategic oversight. In FY25, the Board was supported by the Executive Committee and five dedicated Board committees. These structures promote role clarity, accountability and the effective execution of authority across the Group's operations.

Each committee operates under a clearly defined mandate, as set out in the Board Charter and individual committee Terms of Reference, which are publicly available at www.picknpayinvestor.co.za/governance.php. The Terms of Reference outline the roles, responsibilities and powers delegated to each committee to enable effective governance.

To maintain alignment with evolving best practice and regulatory standards, the Board Charter and committee Terms of Reference are reviewed on an annual basis. This process ensures that all governance frameworks remain relevant, functional and consistent with the principles of King IV. The work of each committee contributes meaningfully to the Board's ability to exercise sound judgement, guide long-term value creation and discharge its governance duties with transparency and accountability.



Group Audit, Risk and Compliance Committee (GARCC)

FY25 membership	Meeting attendance
A Jakoet (Chair)	3/3
H Bhorat	3/3
J Formby	3/3
D Friedland	3/3
A Mothupi-Palmstierna	3/3

The Committee provides independent oversight of the Group's risk management, legal and regulatory compliance, financial reporting, internal controls, and both internal and external audit processes. It also acts as a key link between the Board and the Group's auditors, ensuring clear communication and strong assurance processes. From FY26, the Committee will meet at least four times annually. David Friedland will retire at the 2025 AGM, and shareholders will be asked to approve the appointment of independent non-executive director Pooven Viranna as a member of the Committee.

Finance and Investment Committee (FIC)

FY25 membership	Standard meetings	Additional meetings
J Formby (Chair)	4/4	12/12
H Bhorat	4/4	9/12
D Friedland	4/4	11/12
A Jakoet	4/4	11/12

Effective 27 May 2024, the Treasury Sub-committee was reconstituted as the Finance and Investment Committee, a formal standing committee of the Board. The FIC provides oversight of the Group's balance sheet, including liquidity, capital investment and treasury activities. It works closely with the GARCC on matters relating to the Group's funding structure and going concern assessments. The FIC also monitors financial risk, lender relationships, working capital, and investment decisions to support financial resilience and long-term value creation. The additional meetings held during the year reflect the significant demands of the Group's Recapitalisation Plan.

Remuneration Committee (RemCom)

FY25 membership	Standard meetings	Additional meetings
A Mothupi-Palmstierna (Chair)	3/3	2/2
G Ackerman	3/3	–
H Bhorat	3/3	1/2
J Formby	3/3	1/2
A Jakoet	3/3	1/2

The Committee ensures that the Group's remuneration philosophy and practices are fair, transparent and aligned with its strategic priorities and values. The Committee oversees performance-based reward structures that drive sustainable value creation, support talent development and retention and reinforce a high-performance culture across the Group. It is committed to equitable pay, responsible executive remuneration, structured succession, and incentives that are both competitive and aligned with shareholder interests. The additional meetings held during the year reflect the focus on retention and reward during a year of transformation.

Nominations and Corporate Governance Committee (NomGov)

FY25 membership	Standard meetings	Additional meetings
A van der Merwe (Chair)	3/3	4/4
J Formby	3/3	4/4
A Jakoet	3/3	3/4
A Mothupi-Palmstierna	3/3	2/4

The Committee is responsible for identifying and assessing candidates for appointment to the Board and its committees, and for ensuring that Board structures, governance practices and procedures remain effective and aligned with evolving local and international best practices. In addition to its scheduled meetings, the Committee holds ad hoc engagements with non-executive directors to discuss succession planning, Board composition and committee membership. The additional meetings held during the year reflect the significant demands of the Board succession plan.

Social, Ethics and Transformation Committee (SETC)

FY25 membership	Standard meetings	Additional meetings
S Ackerman (Outgoing Chair)	3/3	1/1
J Ackerman	2/3	1/1
H Bhorat (Incoming Chair)	3/3	1/1
D Robins ¹	1/1	–
A van der Merwe	3/3	1/1

¹ Retired 27 August 2024.

The Committee ensures the Group's values are embedded across the business and that its ESG, social and transformation priorities support long-term, sustainable growth. It promotes ethical conduct, monitors social and environmental impact, and champions diversity and inclusion. The Committee aligns the Group's ESG strategy with relevant UN SDGs and helps build stakeholder trust through responsible corporate citizenship and sound governance. To support the Group's commitment to stronger committee independence, Suzanne Ackerman stepped down as Chair of the SETC, with Haroon Bhorat appointed as Chair from 26 May 2025. Suzanne remains a valued member of the Committee.

Independent Board Committee

FY25 membership
J Formby (Chair)
H Bhorat
D Friedland
A Jakoet
A Mothupi-Palmstierna
A van der Merwe

The Independent Board Committee comprises only independent non-executive directors, chaired by the lead independent director. This Committee is not a key standing committee and is convened only for major regulated transactions or investment decisions. No formal meetings were held in FY25. Pooven Viranna was appointed as an independent non-executive director on 1 June 2025.

Executive Committee

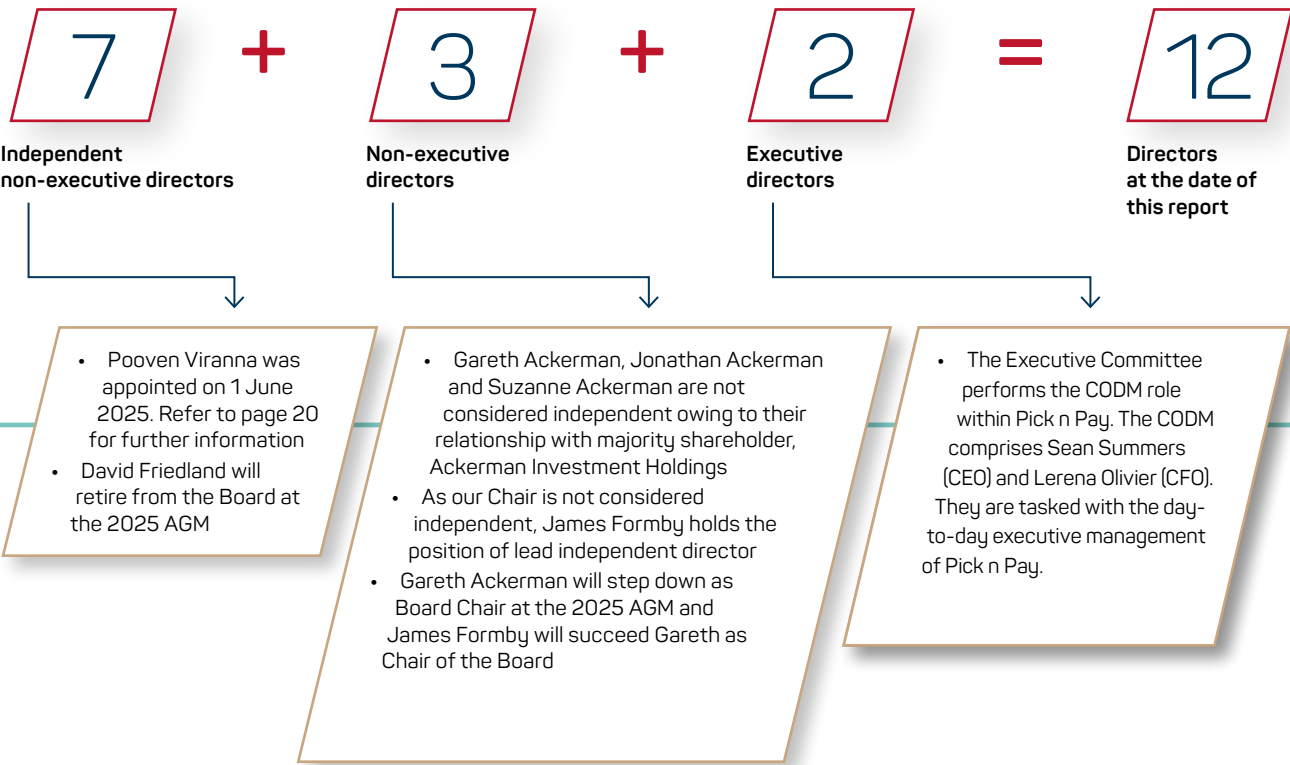
FY25 membership
S Summers (CEO)
L Olivier (CFO)

The Committee is tasked with implementing the strategy of the Board and serves as the Group's CODM. The Committee manages the Group's day-to-day retail operations, including management of the Group's information technology and information security, to ensure sustainable value creation for all stakeholders.

Board composition – June 2025

Our directors are experienced and principled individuals who bring strong, independent thinking to the Board. The Group has deliberately appointed directors who are actively engaged in the business world and are able to offer insight across a range of areas, including retail operations, finance, accounting, IT and digital, legal and regulatory matters. Their practical knowledge and sound judgement continue to strengthen the Board’s oversight and strategic direction. Further information on our directors can be found on page 16.

The Board is satisfied that its composition offers a well-balanced mix of knowledge, skills, experience, diversity and independence. It remains committed to ongoing renewal and continues to evolve its structures to support effective governance. Recent changes have enhanced the independence of its committees, ensuring they remain well-positioned to support the Board in its oversight responsibilities.



The Board Charter and individual committee Terms of Reference ensure a clear balance of power and authority on the Board, preventing any single director from having unfettered decision-making powers. The governance structure is regularly reviewed to ensure the Board exercises effective and ethical leadership, acts as responsible corporate citizen, and makes decisions that ensure the sustainability of operations.



Board diversity – June 2025

The Group derives strength from having a Board made up of individuals with a wide range of backgrounds, perspectives and experiences. Diversity in gender, race, culture, age, skills and professional expertise is actively considered when shaping the composition of the Board and planning for succession.

Skills relevant for the Board:

Retail operations

Experience in the South African retail industry, including in marketing, buying, supply chain logistics and digital commerce.

Digital and data

Proven ability to implement digital technologies and systems and to leverage customer and operational data analytics to drive business performance.

Financial expertise

Strong knowledge of financial accounting, reporting standards, internal controls and the critical evaluation of financial performance and disclosures.

Capital and treasury management

Experience in managing cash flow, working capital, liquidity, debt and capital allocation, with a focus on optimising return on investment.

Risk oversight

Expertise in enterprise risk management, including the development and execution of frameworks to identify, mitigate and respond to material risks.

Legal and regulatory compliance

Understanding of commercial law, governance regulations and compliance requirements within complex trading environments.

Human capital and remuneration

Skilled in designing and implementing remuneration policies that support performance, equity and talent retention.

Corporate governance

Extensive knowledge of governance practices and codes, with practical experience in applying them in listed companies or large, complex organisations.

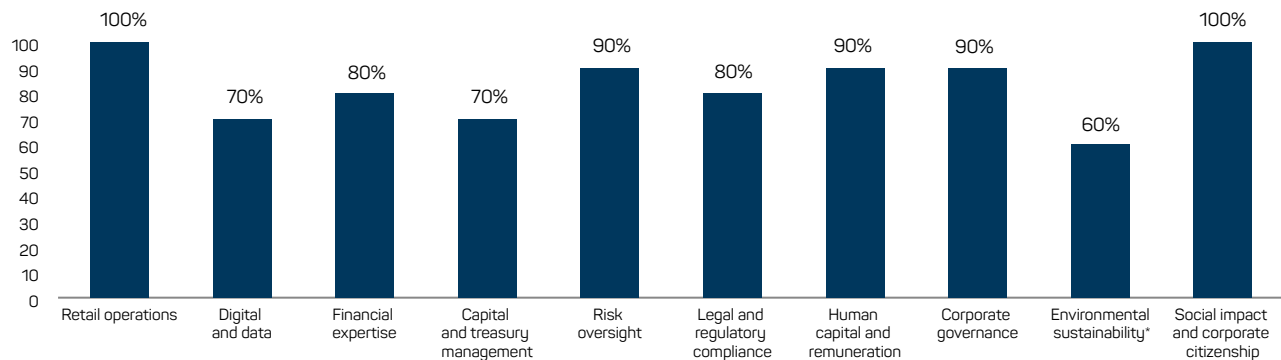
Environmental sustainability

A developing or working knowledge of climate change, biodiversity loss and related environmental risks, along with insight into responsible sourcing and strategies to reduce organisational impact through emissions reduction, energy and water efficiency, and waste management.

Social impact and corporate citizenship

Involved in developing and overseeing social investment programmes focused on upliftment, ethical governance, and measurable impact.

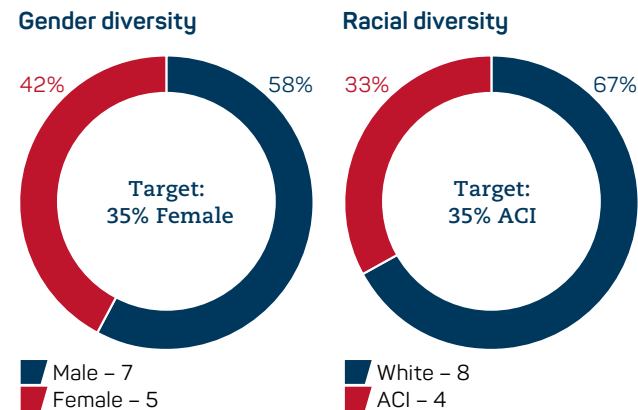
Board skills and experience



* All Board members took part in an environmental and climate change training session in FY25, facilitated by the Institute of Directors of South Africa.

Gender and racial diversity

To support more inclusive leadership, the Board has set targets of at least 35 percent female and 35 percent African, Coloured or Indian (ACI) representation.



The Board achieved its gender diversity target, but has not achieved its race diversity target. The Board continues to pursue a formal Board recruitment process to ensure strong succession for long-serving independent non-executive directors, with a commitment to increasing our gender and race diversity.

Majority shareholder influence

The Board implemented key reforms in FY25, designed to strengthen its independence and better reflect the expectations of a broad and diverse stakeholder base. Ackerman Investment Holdings (Pty) Ltd (AIH), the Group's largest shareholder, reduced its voting rights below 50%, relinquishing its position as the controlling shareholder.

In parallel, the Group reduced the influence of the Ackerman family at Board and committee levels. Gareth Ackerman will step down from the Board Chair role at the FY25 Annual General Meeting and be succeeded by lead independent director (LID) James Formby, in a transition designed to further enhance impartiality in Board leadership. The change reflects a maturing governance model that continues to value experience and legacy while embracing the benefits of fresh, independent leadership.

Gareth Ackerman, Jonathan Ackerman and Suzanne Ackerman are not classified as independent due to their relationship with AIH and their indirect shareholdings in the Company. They bring valuable institutional knowledge and decades of retail experience. Their continued presence ensures continuity and long-term perspective, while no longer occupying Chair or committee Chair positions.

The Group also launched a formal director succession plan during the year. The plan aims to address extended director tenure and bring fresh perspectives to the Board. It includes the planned retirement of long-serving directors and the appointment of new members with the necessary skills and independence, including strengthened representation on the Group Audit, Risk and Compliance Committee.

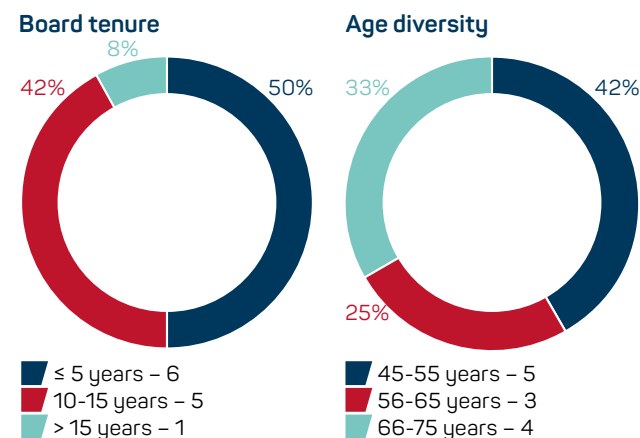
Lead independent director

As the Board Chair is not considered independent, and to safeguard against any potential perception of conflict between the majority shareholder and other shareholders, the Board has appointed an independent non-executive director to serve as lead independent director (LID). The LID provides objective leadership and counsel to the Board in instances where the Chair may be conflicted, without

diminishing the authority or role of the Chair. In addition, the LID serves as a key point of contact for the broader investment and stakeholder community, offering a channel for concerns related to governance, board conduct or perceived conflicts of interest. James Formby has served as LID since July 2023, providing steady and principled leadership during a period of meaningful governance transition. His role has been instrumental in supporting the Board through structural reforms and changes in leadership, while maintaining stability, continuity and stakeholder confidence.

Board director tenure

The Board maintains a considered balance between the experience of long-standing directors and the fresh perspectives brought by more recently appointed members. Our long-serving non-executive directors are widely respected across corporate South Africa and provide valuable insight into the South African economic landscape, particularly within the retail, property and financial sectors. Their institutional knowledge and commitment to robust, constructive debate continue to strengthen Board deliberations. Notwithstanding the important contribution of these directors, the Board recognises the value of ongoing renewal and has committed to the phased retirement of longer-serving members through the normal course of annual director rotations. This structured approach is aimed at introducing new skills and diverse perspectives, ensuring that the Board remains dynamic, responsive and well equipped to guide the Group into the future.



King IV does not consider the length of a non-executive director's term in office as a determinant of independence. However, the Group's policy remains that all independent non-executive directors who have served on the Board for more than nine years retire by rotation at the end of every year instead of the standard three-year term of office.

Director appointment and rotation

At least one-third of non-executive directors retire at each AGM, including long-serving directors who serve one-year terms, in terms of the Company's MOI and the Board's Corporate Governance Charter. This enables shareholders to hold directors to account and to appoint directors to the Board who shareholders believe will ensure long-term sustainable value creation for all stakeholders. When filling vacancies, the Board seeks and appoints qualified individuals who reflect a diverse range of skills and professional backgrounds and who represent the gender, race and ethnic diversity of the communities we serve. This is guided by the Group's diversity policies, as well as ensuring that the Board enjoys representation across all elements of sector experience.

Independence of non-executive directors

At the end of each term of office, whether one year or three years, the independent non-executive directors and the Chair jointly evaluate directors' independence.

1 year

3 years

The Company Secretary distributes an annual questionnaire, which gauges the independence of each non-executive director.

We consider factors such as:

- The director's involvement with other companies
- External directorships held
- Relationships with material suppliers and competitors
- Material contracts with the Group, if any
- Whether the director had been employed by the Group in an executive capacity during the preceding three years
- Whether the director's fees represented a material part (10% or more) of their wealth or income
- Whether the director's shareholding in the company represented a material part of their wealth or income
- Long tenure (> nine years)

The questionnaire is completed by each non-executive director and submitted to the Chair for consideration.

Following a discussion between the Chair, the Company Secretary and each director, the Chair reports to the Nominations and Corporate Governance Committee as to independence.

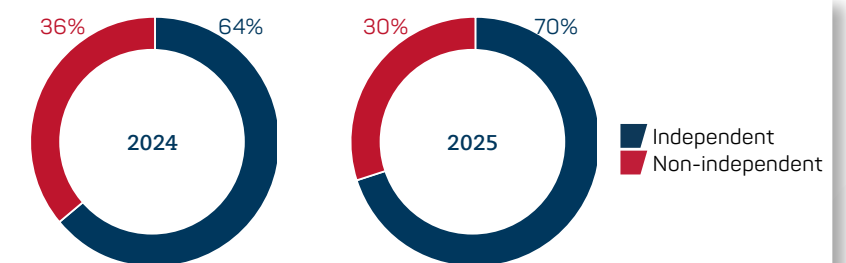
The Nominations and Corporate Governance Committee interrogates the Chair's report before making a recommendation to the Board for a final decision regarding the independence of each non-executive director.

By mutual consent, the director may be considered for re-election.

If so agreed, that director will be nominated for re-election by shareholders at the Company's AGM.

Non-executive directors

All directors regularly declare their directorships and commercial interests to the Board. Transparency of commercial interests ensures that directors can be seen to be free from any business or other relationship that may interfere materially with his or her capacity to act in an independent manner.



Evaluation of performance and independence

It is common practice for the Board to regularly evaluate its overall performance and contribution to the Group, including the individual performance of each director. As a result of the many activities occupying the attention of the Board during FY25 as well as the focus on a refresh of the Board, an independent recruitment specialist conducted a culture survey to assess the current and desired boardroom environment. The results of the survey, together with a composition review, not only informed the recruitment process for new Board members, but also highlighted aspects for strengthening to create the desired culture over time. The Board, on recommendation from the Nominations and Governance Committee, agreed that the culture survey would be done in lieu of a formal, externally facilitated evaluation of the Board's performance for FY25. Directors declare their directorships and commercial interests to the Company Secretary, with these declarations regularly updated and noted at Board meetings. This transparency ensures directors are free from any business or relationship that might interfere with their independence.

The Board is confident that this internal evaluation process enhances its performance and effectiveness. The Board is satisfied that the independent non-executive directors meet the independence criteria established by King IV, the Companies Act, and the JSE Listings Requirements.

Risk governance

Risk governance and management remain integral components of the Group's broader governance framework. The Group takes a proactive approach to identifying, evaluating and mitigating business-specific risks across all operational and strategic areas, including emerging risks and those stemming from the external environment. Responsibility for the design, implementation and ongoing monitoring of the Group's risk management plan is formally delegated to management, with oversight retained by the Board.

The Group's enterprise-wide risk management approach ensures that all business areas are aligned with a consistent risk philosophy and strategy. This enables a structured and forward-looking response to both immediate and long-term risks. The overall risk profile of the Group strengthened during the period under review, primarily driven by the successful implementation of the two-step Recapitalisation Plan.

The Group's combined assurance model is reviewed by the Audit, Risk and Compliance Committee and tabled with the Board twice annually. This process ensures that the Board is satisfied with the nature, scope and adequacy of assurance received across all material areas of risk, including financial, operational and compliance domains.

Statutory, legislative and regulatory compliance is managed through a structured and integrated compliance framework. The Group's annual compliance monitoring plan is reviewed and approved by the Audit, Risk and Compliance Committee and provides independent assurance that the business is tracking material legislation and maintaining the necessary controls to manage compliance risk effectively.

The Board is satisfied that the Group's risk management processes have been successfully managed during the year under review. For further detail on the Group's material risks and opportunities, please refer to pages 32 to 41 of the 2025 Integrated Annual Report.

Information technology (IT) governance

The Board retains overall responsibility for information technology (IT) governance, and regularly reviews and approves IT-related policies to guide strategic direction, compliance and ethical use. The operational management of IT is delegated to the CEO, who is supported by the Chief Information Officer. Together, they ensure that appropriate governance structures, systems and internal controls are in place to support the secure, efficient and effective use of technology across the Group.

A dedicated Information, Risk and Privacy Office oversees the Group's compliance with the Protection of Personal Information Act (POPIA) and manages ongoing information security and data privacy initiatives. This office works closely with business unit risk officers to ensure that risks related to information assets are identified, assessed and addressed in line with evolving legal and regulatory requirements.

The Audit, Risk and Compliance Committee provides ongoing oversight of IT governance, including the evaluation of IT control environments, system developments, cybersecurity, risk mitigation and resource optimisation. The Committee regularly reviews IT-related risks and ensures that material systems and processes are subject to independent assurance through both internal and external audit programmes.

The Board remains committed to ensuring that the Group's use of technology is ethical, responsible and compliant with all applicable laws and regulations, while enabling innovation, operational resilience and long-term value creation.

Company Secretary

Vaughan Pierce BA (LLB) (LLM) has served as Company Secretary of the Pick n Pay Group since March 2024.

The Company Secretary assists the Board in fulfilling its functions and is empowered by the Board to perform his duties. To manage the Board process, the Company Secretary, directly or indirectly:

- Assists with director induction and supports ongoing director development and education
- Alerts directors to relevant laws and amendments
- Provides guidance on the discharge of director duties, responsibilities, and powers
- Assists the Chair in coordinating and administering Board operations
- Advises on compliance with the Company's Memorandum of Incorporation and all applicable legislation
- Serves as a central source of guidance and assistance for the Board
- Provides secretarial services for Board committees as needed

Directors have unlimited access to the Company Secretary's advice and services through personal interaction, electronic communication, and Board and committee meetings. If needed, the Company Secretary can seek support from the Head of Legal and Compliance and external professional corporate governance resources.

Based on the Board's formal assessment, the Board confirms that the Company Secretary possesses the necessary qualifications, competence, and expertise for the role.



Our Board of directors

as at June 2025

The Board has broad local and international retail experience. All Board members are conscious of their obligation to act with integrity and as representatives of all our stakeholders.

Non-executive Chair

Gareth Ackerman (67)

An executive at Pick n Pay for 15 years until 1999, Gareth headed up various divisions and served as Joint Group Managing Director and the Managing Director of Pick n Pay Group Enterprises. He was appointed to the Board in 1990 as an executive director, until becoming a non-executive director in 1999. From 2002 to 2010 Gareth was Chair of Pick n Pay Holdings Limited, which at that time was the ultimate holding company of the Group. In 2010 he was appointed non-executive Chair of Pick n Pay Stores Limited. Among his other involvements, Gareth is co-chair of the Consumer Goods Council of South Africa (CGCSA) and GS1 SA and is previous co-chair of the International Consumer Goods Forum. As Co-Chair of the CGCSA, Gareth has led industry-wide sustainability and climate change initiatives. He launched the CGCSA's Sustainability and Climate Change Dialogue Series, aimed at fostering collaborative industry responses to environmental challenges. Under his leadership, Pick n Pay became one of the founding signatories of the South African Plastics Pact, committing to ambitious 2025 targets for reducing plastic waste and transforming the national plastic packaging system. Gareth sits on the Board of Business Unity South Africa and was a trustee of the Masisizane Fund and was a member of the global board of the Young Presidents' Organization (YPO). He is a member of the board of advisors of UJ Business School and a Trustee of WWF SA. He is an associate Fellow at Green Templeton College, University of Oxford. Gareth chairs the Ackerman Family interests.

Committee membership: Remuneration



BSocSci, CMS and AMP (Oxon)

- Appointed 1990
- Years of service to the Group: 41
- Years of service on the Board: 35

Executive directors

Sean Summers (71)

Sean Summers worked for the Group between 1974 and 2007, rising through the ranks to become Managing Director in 1996, and CEO in 1999. He left the Group in 2007 and advanced his career in international retailing. He has a unique understanding of the Pick n Pay and Boxer businesses and South African grocery retailing and was reappointed as CEO of the Pick n Pay Group in September 2023.



Chief Executive Officer

- Appointed 2023
- Years of service to the Group: 35
- Years of service on the Board: 2

Lerena Olivier (49)

Lerena joined the Group 14 years ago, taking responsibility for Group financial reporting and the finance team. During her more than 20 years of experience in JSE-listed companies in the retail sector, Lerena has gained expertise across a number of key business areas, including corporate finance, risk management, strategy, debt restructuring, corporate actions, information systems, governance and compliance, value-added and retail-related financial services, accounting and tax.



Chief Finance Officer (CFO) CA(SA)

- Appointed 2019
- Years of service to the Group: 14
- Years of service to the Board: 5



Non-executive directors

Suzanne Ackerman (62)

Following broad executive experience in the Group, Suzanne was appointed Director of Transformation in 2007. In addition to her executive contribution to the Group, she was appointed to the Board as a representative of the controlling shareholder in March 2010. Suzanne retired as an executive director on 31 March 2022, on which date she was appointed to the Board as a non-executive director. Suzanne holds the position of International Professor of Practice at the Rutgers School of Business-Camden (United States), where she lectures to undergraduate and graduate students and members of the business community in New Jersey and Philadelphia. Suzanne also remains active in many areas of philanthropy across different sectors of society. In particular, she is a passionate proponent of enterprise development and acts as advisor and mentor to the Pick n Pay Enterprise Development division. Suzanne is the Founder and a Trustee of the Feed the Nation Foundation, Chair of the Ackerman Pick n Pay Foundation, a Trustee of the David Sussman Community Forum and a Trustee of the Smile Foundation. Suzanne has been a driving force behind Pick n Pay's longstanding partnership with WWF and SASSI, championing responsible seafood procurement and marine conservation initiatives. She has also led biodiversity and environmental awareness campaigns through the Pick n Pay School Club, promoting youth engagement in climate action and environmental stewardship. Her leadership in these initiatives, combined with her broader advocacy for social and environmental upliftment, earned her selection as a Fellow of the prestigious First Movers Fellowship Programme at the Aspen Institute for Business and Society.

Committee membership: Social, Ethics and Transformation (Outgoing Chair)



BA, Fellow: Aspen Business Institute; First Movers; International Professor of Practice, Rutgers School of Business-Camden

- Appointed 2010
- Years of service to the Group: 30
- Years of service on the Board: 15
- As executive director: 12
- As non-executive director: 3

Jonathan Ackerman (58)

Returning to South Africa after studying and working in the USA, Jonathan joined the Group in 1992. Over a distinguished career with the Group, Jonathan held key leadership roles, most notably in marketing and store operations. Jonathan was appointed to the Board as a representative of the controlling shareholder in March 2010, and as the Group's Director of Values he ensured that the well-being of customers was the primary motivating factor for any strategic decision taken in the Group. During his tenure as Marketing Executive at Pick n Pay, Jonathan Ackerman spearheaded several sustainability-focused initiatives, including energy efficiency programmes, waste reduction projects, and the promotion of sustainable consumer behaviour. Post his executive role, he has continued to champion environmental causes through various philanthropic initiatives, with a particular focus on climate change mitigation and environmental sustainability. Jonathan retired as an executive director on 31 March 2023 and has served as a non-executive director from that date.

Committee membership: Social, Ethics and Transformation



BA Marketing

- Appointed 2010
- Years of service to the Group: 32
- Years of service on the Board: 15
- As executive director: 13
- As non-executive director: 2

Independent non-executive directors

Haroon Borat (56)

Haroon is Professor of Economics and Director of the Development Policy Research Unit at the University of Cape Town. He is currently a member of the Presidential Economic Advisory Council (PEAC), established in 2019 by President Ramaphosa. Haroon is the Independent Non-Executive Chair of Sygnia Asset Management and serves as the Co-Chair of its Investment Committee. Haroon is also Chair of the Nimble Group. Haroon is a Non-Resident Senior Fellow at the Brookings Institution – the world's leading global think tank. He was recently invited to join the UCT College of Fellows. He is a member of the executive committee of the International Economic Association. His career appointments include serving as an economic advisor to former Minister of Finance Pravin Gordhan and to former presidents Thabo Mbeki and Kgalema Motlanthe, formally serving on the Presidential Economic Advisory Panel. Haroon has played an active role in advancing research on sustainable development and the Just Transition. As part of his work at the University of Cape Town, is currently leading multiple projects on measuring the scale and cost of the Just Transition as well as projects on the economic impact of the renewables industry, supported by Oxford University, the Africa Climate Foundation and Ninety One. These projects serve as a key contribution to the national policy dialogue around climate change and inclusive economic growth.



PhD in Economics

- Appointed 2020
- Years of service on the Board: 5
- Other listed company directorships: Sygnia Asset Management Limited

Committee membership: Social, Ethics and Transformation (Incoming Chair); Group Audit, Risk and Compliance; Finance and Investment; Remuneration; Independent Board

James Formby (55)

James was appointed to the Board in October 2022, following his retirement as CEO of the RMB group. James had a successful 25-year career with RMB, holding a number of senior leadership roles over his tenure including in corporate finance and investment banking. James' transactional skills and his ability to structure large corporate deals made him a core member in many BBEE transactions, IPOs, de-listings, mergers, debt restructures and disposals over his tenure with RMB. As CEO, James played a significant role in developing RMB's strategy.



Lead independent non-executive director

CA(SA); Masters in Philosophy in Management Studies

- Appointed 2022
- Years of service on the Board: 3
- Other listed company directorships: Vukile Property Fund Limited

Committee membership: Finance and Investment (Chair); Independent Board (Chair); Group Audit, Risk and Compliance; Remuneration; Nominations and Corporate Governance

Aboubakar (Bakar) Jakoet (69)

Following his 34-year career in the finance team of the Group, Bakar retired as CFO and executive director in September 2019. Given his extensive experience in retail, strategy, tax and finance, the Group is privileged to retain his expertise and experience in his capacity as a non-executive director.



CA(SA)

- Appointed 2019 as a non-executive director
- Years of service to the Group: 39
- Years of service on the Board: 14
- As executive director: 9
- As non-executive director: 5
- Other listed company directorships: Oceana Group Limited and Sygnia Asset Management Limited

Committee membership: Group Audit, Risk, and Compliance (Chair); Finance and Investment; Remuneration; Nominations and Corporate Governance; Independent Board

David Friedland (71)

David was the audit engagement partner and lead/relationship partner at Arthur Andersen and KPMG for several listed companies, as well as large owner-managed companies, principally in the retail sector. David served on the Boards of Investec Limited and Investec plc until August 2022. David will retire from the Board at the 2025 AGM.



CA(SA)

- Appointed 2013
- Years of service on the Board: 12
- Other listed company directorships: The Foschini Group Limited

Committee membership: Group Audit, Risk and Compliance; Finance and Investment; Independent Board

Audrey Mothupi-Palmstierna (55)

Audrey is a seasoned executive entrepreneur with 25 years' business experience in successfully leading and innovating numerous local and global financial services businesses. Audrey is currently the Chief Executive Officer of South African based SystemicLogic Group, a global financial innovation, data, and technology company in which she took a majority shareholding in 2014. The company has a proven track record for delivering practical solutions to clients across a wide range of industries and geographies, helping them improve productivity and profitability, and has acquired businesses such as Knowledge Factory in 2019, to enable them to provide end-to-end data analytics solutions. Audrey was awarded Female CEO of the Year for Best Financial Innovation & Technology Disruptor CEO (South Africa) in 2022.



BA (Hons)

- Appointed 2013
- Years of service on the Board: 12
- Other listed company directorships: Life Healthcare Group

In addition to her listed company directorships, Audrey serves as an independent non-executive director on the boards of Kagiso Tiso Holdings (Pty) Ltd, and Kagiso Media (Pty) Ltd Group. She previously served on the board of Altona Plc.

Audrey holds numerous leadership positions including G100 Global Chair – AI/Data and Cybersecurity. Audrey is a Fellow of the Africa Leadership Initiative (ALI), a board member of the International Women's Forum of South Africa (IWFSa), a member of the International Women's Forum (IWF), and a SIGAWomen Global Mentor and Council Member.

Committee membership: Remuneration (Chair); Group Audit, Risk, and Compliance; Nominations and Corporate Governance; Independent Board

Annamarie van der Merwe (61)

Annamarie is the Executive Chair of the FluidRock Governance Group, a business that she co-founded 17 years ago. Annamarie has been a corporate lawyer and company secretary of companies in the listed environment for more than 30 years. She was until late 2020 a member of the King Committee on Corporate Governance for South Africa and was actively involved in the writing of King II, III and IV with a particular focus on the sections dealing with the functioning of boards and responsibilities of directors. Annamarie serves as a member of the JSE Advisory Committee. She is a well-known presenter of workshops on issues such as board effectiveness, good corporate governance and statutory duties and liabilities faced by boards and individual directors. Annamarie acted as a facilitator for the IoDSA for more than 16 years and currently chairs the board of the Bureau of Food and Agricultural Policy NPC (BFAP) as well as the Vastfontein Community Transformation NPC. Annamarie is ISO 37000-certified in Governance of Organizations and is widely recognised for her expertise in ESG, sustainability and governance. She regularly presents workshops and training sessions on these topics to boards and governance professionals, helping organisations strengthen their sustainability and Board oversight.



B.Juris, LLB, LLM, EMP

- Appointed 2020
- Years of service on the Board: 5

Committee membership: Nominations and Corporate Governance (Chair); Social, Ethics and Transformation; Independent Board

Pooven Viranna (50)

Pooven is a seasoned finance executive with over 25 years of experience spanning telecommunications, FMCG, healthcare, technology, and financial services, with a strong track record across the African continent. She has held senior roles at large listed and multinational organisations, where she provided strategic leadership in financial management, corporate governance, risk oversight, and business strategy, while also taking overall responsibility for the co-ordination and effectiveness of both internal control frameworks and external audit processes. She currently serves as the Lead Independent Director of Evolution Credit, where she chairs the Audit Committee, and as a Non-Executive Director of the Oceana Group, where she is a member of the Remuneration and Audit Committees. She previously served as a member of the Accounting Practices Committee of the South African Institute of Chartered Accountants.

Committee membership: Group Audit, Risk and Compliance; Independent Board

CA(SA)

- Appointed 2025
- Other listed company directorships: Oceana Group Limited

Vaughan Pierce (42)

Vaughan served as Senior Legal Advisor for the Group for 13 years. During his tenure, he performed a number of other key roles, including as Vice Chairperson of the Pick n Pay Medical Aid Scheme and as Trustee on the Ackerman Pick n Pay Foundation and Feed the Nation Foundation. Vaughan assumed the role of Executive for ESG for the Group two years ago, and he continues to oversee the integration of environmental, social and governance considerations across the Group's operations.

BA, LLB, LLM

- Appointed 2024
- Years of service to the Group: 14

Wendy Ackerman

Raymond and Wendy Ackerman founded Pick n Pay in 1967. Their remarkable partnership, based on shared values of consumer sovereignty and ethical business practices, built one of South Africa's most successful and beloved retail brands. Raymond's visionary leadership has left a lasting legacy. Wendy continues to inspire with her indomitable spirit and unwavering support and dedication to the people of Pick n Pay and Boxer.

Honorary Life President

Directors' report

Pick n Pay Stores Limited Group

Nature of the business

Pick n Pay Stores Limited is an investment holding company that is domiciled and incorporated in the Republic of South Africa and listed on the JSE and A2X, the recognised securities exchanges in South Africa. The Group comprises subsidiaries that engage in the retail of food, health and beauty products, general merchandise, clothing, liquor and additional value-added-services, throughout Africa, on an owned and franchised basis. The Group also acquires and develops strategic retail and distribution sites. Noteworthy subsidiaries are presented in note 16 to the Group Annual Financial Statements.

Overview of operations and financial results

The Group provides an overview of its operational and financial performance for the 2025 financial period (FY25) in the "Review of Operations" presented on pages 24 to 28 of the Group Annual Financial Statements.

The Group manages its retail operations on a 52-week trading calendar basis where the financial reporting period always ends on a Sunday. To ensure calendar realignment, the inclusion of a 53rd week of trading is required approximately every six years. The Group reports on a 53-week basis in FY25, for the financial period ended 2 March 2025.

Going concern

The Board of directors (the Board) has performed a formal review of the Company and its subsidiaries' ability to continue trading as going concerns in the foreseeable future. As part of this review, the Board has considered the impact of the current economic environment, reviewed current trading trends, interrogated the Group's forward-looking financial forecasts, considered the adequacy of insurance covers and assessed the Group's solvency and liquidity post the successful execution of the two-step Recapitalisation Plan. The Board is satisfied as to the Group's ability to continue as going concern for the foreseeable future and has concluded that the presentation of the Group and Company Annual Financial Statements on a going concern basis is appropriate.

Solvency and liquidity

In accordance with the requirements of the Companies Act, the Group ensures that it complies with the liquidity and solvency requirements before any dividend payment and provision of financial assistance.

Shareholder distribution

Dividend payments were suspended in FY24 in response to the financial losses incurred. The Board will consider resuming shareholder distributions once it is satisfied that the Group's cash generation is sufficiently strong and sustainable. The previously communicated dividend cover range of 1.5 to 1.8 times headline earnings per share will be reviewed at that time.

Share capital and treasury shares

	FY25	FY24
Listed ordinary shares, no par value		
Authorised	828 500 000	800 000 000
Issued	745 657 130	493 450 321
Unlisted B shares, no par value		
Authorised	361 500 000	1 000 000 000
Issued	325 426 164	259 682 869

Rights Offer

The Company concluded a fully underwritten, renounceable rights offer share issue ("rights offer") during August 2024, which raised gross proceeds of R4.0 billion. The rights offer consisted of an offer of 252 206 809 new ordinary shares at a subscription price of R15.86 per share. The rights offer raised R3.9 billion of new equity capital, net of transaction costs of R0.1 billion. The details of the special resolutions required to effect the rights offer and amend the authorised Ordinary and B share capital of the Company are set out below.

Treasury shares

At period end, 9 945 786 shares (2024: 10 796 047 shares) of Pick n Pay Stores Limited were held within the Group to settle future obligations under the Group's employee share scheme.

Shareholders

Details of the Group's shareholder analysis at 2 March 2025 are set out on pages 120 and 121 of the Group's FY25 Annual Financial Statements.

Further details of the Group's share capital and treasury shares, including all movements for the period under review are disclosed in notes 21 and 22 of the Group's annual financial statements.

Borrowings

Total borrowings

The Group's overall level of debt (including bank overdrafts and overnight borrowings) decreased from R11.4 billion in FY24 to R1 150 million at the close of FY25.

Net funding

The Group's net funding position (defined as total borrowings net of cash and cash equivalents) moved from a net debt position of R6 062 million in FY24 to a net cash position of R4 178 million at the close of FY25. Refer to the review of operations in the Group Annual Financial Statements for further information on the Group's net funding position.

Legal proceedings

The Company and its subsidiaries were not involved in any legal or arbitration proceedings during FY25 that may have, or have had, a material effect on the financial position of the Group. The Company is not aware of any such proceedings that are pending or threatened.

Special resolutions

Extraordinary General Meeting – 26 June 2024

The following special resolutions were approved by Ordinary and B shareholders, as applicable, at the Extraordinary General Meeting held on 26 June 2024, enabling the Company to proceed with its R4.0 billion Rights Offer as the first step in its two-step recapitalisation plan. In line with the Company's dual-class share structure, certain resolutions required approval by Ordinary Shareholders only, B Shareholders only, or by both classes of shareholders voting together, in accordance with the requirements of the Companies Regulations and the Company's Memorandum of Incorporation (MOI).

Conversion of par value Ordinary shares to no par value Ordinary shares

All authorised Ordinary Shares (issued and unissued) were converted from par value shares of 1.25 cents each to no par value shares. This enabled the Company to create new Ordinary Shares as required for the Rights Offer.

Increase in authorised Ordinary share capital

The authorised Ordinary Share capital was increased from 800 million to 10 billion shares through the creation of 9.2 billion new Ordinary Shares, ranking pari passu with existing shares. This ensured the Company had sufficient share capital to execute the Rights Offer and to retain flexibility for future issuances.

Increase in authorised B share capital

In order to preserve the B Share ratio post the Rights Offer, the authorised B Share capital was increased from 1.0 billion to 5.3 billion shares through the creation of 4.3 billion new B Shares.

MOI amendments – Share Capital

Shareholders approved the required amendments to the MOI to reflect the above changes to the authorised Ordinary and B Share capital.

MOI amendments – B Share Terms

Amendments were approved to the terms and conditions of the B Shares, to allow greater flexibility in reducing the B Share ratio in response to "Adjustment Events", including the Rights Offer.

MOI amendments – Director Rotation

Amendments were approved to align the MOI provisions on director retirement by rotation with the Company's corporate governance charter and to avoid excessive rotation of long-serving directors.

Authority to issue shares pursuant to the Rights Offer with voting power equalling or exceeding 30% of the voting power of existing shares

Shareholders authorised the Board, in terms of section 41(3) of the Companies Act, to issue shares under the Rights Offer that may result in new shares carrying voting rights equalling or exceeding 30% of the voting power of existing shares.

Annual General Meeting – 27 August 2024

At the Annual General Meeting (AGM) held on 27 August 2024, shareholders approved the following special resolutions as proposed in the Notice to the AGM. These resolutions are aligned with the requirements of the Companies Act and the Company's Memorandum of Incorporation.

Non-executive Directors’ fees for the 2025 and 2026 annual financial periods

Shareholders approved the proposed fees payable to non-executive directors for FY25, mainly reflecting a 5% annual increase fees. The Chair of the Board elected to waive this increase, while the Lead Independent Director received a 25% increase in recognition of his extended responsibilities. Shareholders also approved a CPI-linked increase in directors' fees for FY26.

Additional once-off non-executive director fees to be paid in 2025

Shareholders approved the payment of once-off fees to three non-executive directors – James Formby, David Friedland and Aboubakar Jakoet – in recognition of additional work undertaken in support of the Group's liquidity management, debt restructure, and the formulation of the two-step recapitalisation plan. Each director received a fee equivalent to that of a member of the Audit, Risk and Compliance Committee.

General authority to provide financial assistance to related or inter-related parties

In terms of section 45 of the Companies Act, shareholders authorised the Board to provide financial assistance to related or inter-related companies or entities, subject to the relevant statutory requirements and the Company's MOI.

General authority to repurchase Company shares

Shareholders granted the Company and its subsidiaries a general authority to acquire Company shares, subject to compliance with the Companies Act, the MOI, and the JSE Listings Requirements. The authority is limited to 5% of the Company's issued share capital in any one financial year.

Extraordinary General Meeting – 1 October 2024

The following special resolutions were approved by Ordinary and B shareholders, as applicable, at the Extraordinary General Meeting held on 1 October 2024, reducing the authorised Ordinary and B share capital of the Company post the successful conclusion of the Rights Offer, and affecting the related amendments to the MOI. In line with the Company's dual-class share structure, certain resolutions required approval by Ordinary Shareholders only, B Shareholders only, or by both classes of shareholders voting together, in accordance with the requirements of the Companies Regulations and the Company's Memorandum of Incorporation (MOI).



Decrease in authorised Ordinary share capital

The authorised Ordinary Share capital was decreased from 10 billion shares to 828.5 million shares. This ensured that the unissued Ordinary Shares in the share capital of the Company constituted no more than 10% of the total number of authorised B Shares post the Rights Offer.

Decrease in authorised B share capital

The authorised B Share capital was decreased from 5.3 billion shares to 361.5 million shares. This ensured that the unissued B Shares in the share capital of the Company constituted no more than 10% of the total number of authorised Ordinary Shares post the Rights Offer.

MOI amendments – Share Capital

Shareholders approved the required amendments to the MOI to reflect the above changes to the authorised Ordinary and B Share capital.

Directors

Details of the directors who served on the Board during the period and any changes at reporting date are provided below. The biographical details of the current directors, including Board committee membership, will be published in the Integrated Annual Report later in the year and are available on the Company's website at: www.picknpayinvestor.co.za.

Name	Designation	Role change
Current directors		
Sean Summers	Executive – CEO	
Lerena Olivier	Executive – CFO	
Gareth Ackerman	Non-executive – Chair	Committee changes – refer below
Jonathan Ackerman	Non-executive	Committee changes – refer below
Suzanne Ackerman	Non-executive	Committee changes – refer below
Haroon Borat	Independent non-executive	Committee changes – refer below
James Formby	Independent non-executive	Committee changes – refer below
David Friedland	Independent non-executive	Committee changes – refer below
Aboubakar Jakoet	Independent non-executive	Committee changes – refer below
Audrey Mothupi-Palmstierna	Independent non-executive	
Annamarie van der Merwe	Independent non-executive	Committee changes – refer below
Previous directors		
Mariam Cassim	Independent non-executive	Resigned – 5 July 2024
David Robins	Non-executive	Retired – 27 August 2024

Board Committee Changes during FY25

The following Board Committee changes occurred were approved and effected on 24 May 2024:

- Gareth Ackerman stepped down from the Nominations and Corporate Governance Committee and the Treasury Committee
- Annamarie van der Merwe was appointed Chair of the Nominations and Corporate Governance Committee, with James Formby appointed as a new member. Suzanne Ackerman, Haroon Borat and David Friedland stepped down
- Haroon Borat was appointed to the Social, Ethics and Transformation Committee, replacing David Robins
- The Treasury Committee was reconstituted as the Finance and Investment Committee, with James Formby as Chair and Haroon Borat, David Friedland and Aboubakar Jakoet as members
- The Corporate Finance Committee was renamed the Independent Board Committee, comprising only independent non-executive directors and chaired by James Formby

Board Committee Changes after year-end

The following Board and Committee changes occurred after 2 March 2025:

- Pooven Viranna was appointed to the Board as an independent non-executive director effective 1 June 2025, and will serve on the Group Audit, Risk and Compliance Committee from that date, subject to her election by shareholders at the 2025 AGM.
- Suzanne Ackerman stepped down as Chair of the Social, Ethics and Transformation Committee, effective 26 May 2025 and was replaced as Chair by independent non-executive director, Haroon Borat. Suzanne will continue to serve as a member of the Committee.
- The Board announced that David Friedland would retire from the Board with effect from the 2025 AGM.
- The Board announced that Gareth Ackerman would retire as Chair of the Board at the 2025 AGM, in line with the commitment made to shareholders in May 2024. Gareth will remain on the Board as a non-independent non-executive director. Gareth will continue to serve on the Remuneration Committee and will join the Finance and Investment Committee. Lead independent director James Formby will succeed Gareth Ackerman as Chair. It is important to note, that in support of this succession, James Formby has indicated his intention to step down as Chair of the Boxer Retail Limited Board – the Group's 65.6% held subsidiary – at the end of the 2026 financial year. The Boxer Board has resolved that Sean Summers will become Chair of Boxer at that time.

Director retirement and rotation

In May 2024 the Board initiated a process for long-serving independent non-executive directors to rotate and retire in the ordinary course of board appointments over a period of 12 to 18 months. The Board, supported by the Nominations and Corporate Governance Committee has followed a formal recruitment process over the past year, culminating in the appointment of independent non-executive director, Pooven Viranna, effective 1 June 2025 (please refer above). As part of this Board refresh, David Friedland will retire from the Board at the 2025 AGM, to be held in August 2025, and Audrey Mothupi-Palmstierna is expected to retire from the Board at the 2026 AGM.

In terms of the Company's MOI, at least one-third of Board directors are required to retire by rotation at each Annual General Meeting (AGM) and may offer themselves to shareholders for re-election. In determining which director shall retire, the Board considers the requirements of the Companies Act, the Listings Requirements, the Board's Corporate Governance Charter and the length of time that each director has served since last election by shareholders. It is noted that non-executive directors are required to retire after three years and, in terms of the corporate governance charter, long-serving directors who have served on the Board for more than nine years are required to retire annually.

The directors listed below offer themselves for election or re-election at the 2025 annual general meeting. Details of each director standing for election or re-election will be available in the Notice of AGM, expected to be published at the end of June 2025.

Independent non-executive

Pooven Viranna	Election, following Board appointment on 1 June 2025
David Friedland	Retirement
Suzanne Ackerman	Retirement and re-election after a three-year term
Aboubakar Jakoet	Retirement and re-election after a three-year term
Audrey Mothupi-Palmstierna	Retirement and re-election after a one-year term

Directors' remuneration, interest in shares and related party transactions

The remuneration paid to the directors of the Company during the period under review is set out in note 4 of the Group annual financial statements and note 2 of the Company annual financial statements.

Over the reporting period, the directors of the Company beneficially held ordinary shares in the Company. Details of the shareholding can be found in note 4 of the Group annual financial statements and note 8 of the Company annual financial statements. There have been no further changes to the directors' interests between the end of the reporting period and the date of the Directors' Report.

During the period, no directors had any material interests in contracts with the Company or any of its subsidiaries that gave rise to a conflict of interest. Related party transactions, in terms of the IFRS Accounting Standards, between the Company or its subsidiaries, and the directors or their associates, are disclosed in note 31 of the Group annual financial statements.

Company Secretary

Vaughan Pierce BA (LLB) (LLM) was appointed as Company Secretary of the Pick n Pay Group effective 14 March 2024. Vaughan had previously served as Senior Legal Advisor for the Group for 13 years. During his tenure he performed a number of other key roles, including as Vice Chairperson of the Pick n Pay Medical Aid Scheme and as Trustee on the Ackerman Pick n Pay Foundation and Feed the Nation Foundation. Vaughan leads the Group's Environmental, Social and Governance (ESG) division.

Audit, risk and compliance committee

We draw your attention to the Group Audit, Risk and Compliance Committee report on pages 25 to 32, where the Committee Chair sets out the responsibilities of the Committee and how it has discharged these responsibilities during the period.

Events subsequent to the reporting date

The directors are not aware of any other material events that have occurred between the reporting date and the date of approval of the financial statements, other than those that are listed in the Group audited annual financial statements. Please refer to note 37 of the Group audited annual financial statements for further information.

Gareth Ackerman <i>Chair</i>	Sean Summers <i>Chief Executive Officer</i>
25 May 2025	25 May 2025
Lerena Olivier <i>Chief Finance Officer</i>	
25 May 2025	



Aboubakar Jakoet
Chair: Audit, Risk and Compliance Committee

Report of the Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee (the Committee) is pleased to present its report for the financial period ended 2 March 2025 (FY25). This report was prepared in accordance with the requirements of the Companies Act, No 71 of 2008, as amended (the Companies Act), the King IV™ Report on Corporate Governance for South Africa and King Code of Governance Principles (King IV), the JSE Limited Listings Requirements (Listings Requirements), International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board and other applicable regulatory requirements.

Committee Chair statement

FY25 was a pivotal year for the Group, marked by the successful implementation of the two-step Recapitalisation Plan and heightened focus on restoring performance in the core Pick n Pay supermarket business. In this context, the Committee provided independent oversight of financial reporting integrity, liquidity and solvency management, control effectiveness and regulatory compliance.

The Committee supported the execution of the Group's Rights Offer and the JSE listing of Boxer Retail Limited (Boxer IPO). Working closely with legal counsel, professional advisors, external auditors and our JSE sponsor, the Committee ensured that all required shareholder approvals were obtained, all regulatory requirements were met, and that all disclosures in the Rights Offer Circular, Pre-listing Statement and related presentations were fair, accurate and complete. Strong collaboration between the Pick n Pay and Boxer Audit, Risk and Compliance Committees underpinned governance throughout the Boxer IPO process.

In addition, the Group appointed a new JSE Sponsor during the year. The Committee was satisfied that management worked closely with both the outgoing and incoming sponsors to ensure a smooth transition, uninterrupted regulatory compliance and continued alignment with the Group's obligations under the JSE Listings Requirements.

Monitoring debt covenant compliance and liquidity was a priority during the year, with the Committee working closely with the Finance and Investment Committee (FIC) to ensure that the Group's obligations under its debt standstill agreement were met.

Our assurance work focused on strengthening internal control discipline, advancing financial reporting transparency, reinforcing our commitment to ethical conduct and sound governance, and stakeholder confidence.

On behalf of the Committee, I acknowledge the exceptional workload carried by the Group's finance team during the year, and commend the care, diligence and expertise with which they fulfilled their responsibilities under demanding circumstances. I extend my sincere thanks to management, our assurance providers and my fellow Committee members for their dedication and contribution during a year of significant governance focus and delivery.

Mandate and responsibility of the Committee

The Board has delegated to the Committee the statutory responsibilities prescribed under the Companies Act, the JSE Listings Requirements and other applicable legal and regulatory frameworks. These include independent oversight of the Group's financial reporting, internal controls, risk management systems, compliance processes and assurance frameworks.

In fulfilling its mandate, the Committee plays an essential role in promoting sound governance, ethical conduct and well-informed decision-making. Through its work, the Committee supports the Board in safeguarding the Group's assets, protecting stakeholder interests and sustaining long-term value creation.

Key responsibilities of the Committee

The Committee's responsibilities are broad in scope, focused on strengthening the Group's governance, accountability and long-term resilience. These include:

- **Integrity of financial reporting** – ensuring that the Group's internal and external reporting, including its annual financial statements, integrated annual report and corporate governance report, are accurate, reliable and prepared in accordance with all applicable accounting and disclosure standards.
- **Financial resilience** – reviewing the Group's capital position, liquidity and solvency, and confirming that the going concern assumption applied in the Annual Financial Statements is appropriate and robust. The Committee is supported by the Finance and Investment Committee in this regard.
- **Risk oversight** – monitoring the Group's overall risk management strategy and framework, including the objective assessment of the effectiveness of the Group's risk management framework to identify, evaluate and mitigate material and emerging risks in line with the Group's risk appetite.
- **Combined assurance** – overseeing the effectiveness and independence of both internal and external assurance providers and promoting a coordinated and risk-based approach to combined assurance across the Group.
- **Regulatory and ethical compliance** – monitoring compliance with applicable laws and regulations, including the Companies Act and JSE Listings Requirements, and supporting a culture of ethical conduct and responsible corporate citizenship.

The Committee supports the Board in upholding ethical leadership, strong governance and informed oversight. It focuses on maintaining robust internal controls and overseeing accurate financial and integrated reporting.

The Committee's mandate and responsibilities are outlined in its Terms of Reference (TOR), which are aligned to the Companies Act and King IV principles. The Committee's TOR and formal annual workplan were reviewed and updated during the year to ensure alignment with the Group's evolving risk profile, strategic priorities and regulatory obligations.

Committee governance

The Committee plays an active role in evaluating key risks, assurance outcomes and compliance controls to support the Group's long-term sustainability and value creation.

The Committee is composed solely of independent non-executive directors, nominated annually by the Board and elected by shareholders at the AGM. Independence is assessed as part of the Board's formal annual evaluation process. The Board has acknowledged shareholder concerns regarding Committee tenure and how this can impact the perception of Committee independence. To address this, long-serving members will retire over the next 12-24 months in the ordinary course of annual director rotations. In addition, the Board has appointed Ms Pooven Viranna as an independent non-executive director and Committee member, effective 1 June 2025. David Friedland will retire at the 2025 AGM after a decade of dedicated service.

All Committee members meet the requirements of section 94 of the Companies Act and possess the financial acumen and experience necessary to fulfil their duties effectively. The curriculum vitae of each Committee member will be included in the 2025 Notice of AGM. Committee fees are approved by shareholders and disclosed in the Group's Remuneration Report.

The Committee Chair reports to the Board at least four times a year, highlighting the key items deliberated by the Committee and those requiring specific Board attention or approval. The Committee Chair also formally engages with the Chair of the Boxer Retail Limited Audit Committee at least four times a year to align on any material governance matters relating to that majority-held trading subsidiary.



Committee composition and meeting attendance

The Committee met three times in respect of the FY25 year. Meetings were attended by standing invitees, including the Chair of the Board, Chief Executive Officer, Chief Finance Officer, external and internal auditors, the Group Head of Risk and Compliance and senior members of the finance team. In addition, the Committee held closed sessions with the external and internal auditors to support independent engagement. Formal minutes of each Committee meeting are made available to all Committee and Board members through a secure online Board reporting platform.

Going forward, the Committee will meet at least four times per year, with additional meetings convened as necessary.

Member	Qualifications and experience	Meeting Attendance
Aboubakar Jakoet (Chair)	A chartered accountant with extensive experience in the retail industry, having previously served as the Group's CFO.	3/3
Haroon Borat	Professor of Economics and Director of the Development Policy Research Unit at the University of Cape Town. Haroon holds a PhD in economics and is a member of the Presidential Economic Advisory Council.	3/3
James Formby	A chartered accountant with a Master's in Philosophy in Management Studies. James had a distinguished 25-year career with financial services group Rand Merchant Bank, during which he held several leadership roles, including serving as CEO.	3/3
David Friedland	A chartered accountant with broad expertise in audit, risk and compliance, following a longstanding career as an audit engagement partner to major retail companies.	3/3
Audrey Mothupi-Palmstierna	Holds an Honours degree with senior leadership experience in financial services and digital innovation. Audrey is the CEO of the Systemic Logic Group.	3/3

The Committee's key focus areas and activities in FY25

The Group's two-step recapitalisation plan

The Committee played a key role in the successful implementation of the two-step Recapitalisation Plan including providing oversight of stakeholder engagement, project risk management, statutory compliance and financial and other disclosures. Key activities included:

- Review and approval of the EGM circulars required for the Rights Offer and Boxer IPO
- Review and approval of the Rights Offer Circular, including close engagement with local and international legal counsel, our external auditor, reporting accountant and JSE Sponsor to ensure legislative compliance
- Oversight of lender engagement and covenant requirements and ongoing assessment of the Group's liquidity position and working capital requirements
- Strong collaboration with the FIC to provide oversight of the reorganisation of the Boxer group of companies and the resultant inter-company transactions and pre-IPO dividend flows
- Comprehensive review of the Pre-Listing Statement and related stakeholder and analyst presentations to ensure all information provided was transparent, accurate, fair and balanced to enable informed investment decisions

The Committee is satisfied that both the Rights Offer and Boxer IPO was managed with transparency, accuracy and regulatory compliance.

Financial oversight and reporting

The Committee provided independent oversight of the Group's finance function and the accuracy, completeness and integrity of the Group's financial and integrated reporting during the year.

The focus in FY25 was on ensuring the transparency and quality of financial disclosures in a year that included the successful execution of the Group's two-step Recapitalisation Plan (note 34 of the Group Annual Financial Statements), a 53-week trading period, further impairments to the value of certain Pick n Pay supermarket assets related to the Group's store re-set programme (note 12), and the restatement of prior year financial disclosures related to errors identified in the recognition of IFRS 16 lease assets and liabilities, and in the recognition of certain trade receivables and trade payables balances (note 38).

Financial reporting

The Committee's oversight of financial reporting in FY25 focused on ensuring transparency and, accountability, and included the following activities:

- Reviewed budgets, cash flow forecasts, capital allocations and financial results.
- Interrogated financial Group and subsidiary performance, including significant variances from budget, with keen focus on sales and margin pressure, shrink and waste. Particular attention was given to the impact of cost growth exceeding sales growth during the year, placing pressure on profit margins and operating leverage.
- Evaluated performances across the Rest of Africa, and assessed plans to address operational challenges in Botswana, Namibia, Zambia and Zimbabwe.
- Evaluated the effectiveness of financial reporting controls and accounting systems, including an investigation into the circumstances leading to the prior year restatements and the corrective action taken.
- Reviewed the basis for determining materiality for external reporting.
- Assessed the appropriateness of key accounting policies, accounting estimates and the expanded segmental disclosure.
- Reviewed the consolidation of Boxer Retail Limited and the accounting of the non-controllable interest.
- Reviewed the impairment of supermarket assets necessitated by operating losses incurred and the store re-set programme.
- Reviewed the adequacy of provisions, including inventory and debtor provisions.
- Reviewed the Group's application of the 53-week financial calendar in FY25, and assessed the clarity and appropriateness of related pro forma disclosures to ensure comparability of information.
- Monitored compliance with IFRS Accounting Standards, the Companies Act, JSE Listings Requirements and King IV.
- Reviewed feedback received through the JSE's proactive monitoring process and confirmed that recommendations were appropriately considered in the Group's disclosures.
- Reviewed and approved all external reports, including trading updates, interim and annual results and related SENS announcements, ensuring fair, accurate and transparent disclosure to stakeholders.
- Evaluated the Group's tax status and tax compliance across all legal entities and reviewed the appropriate recognition of deferred tax assets.
- Reviewed the approach to integrated reporting, including environmental, social and governance disclosures, and considered the risks and factors that could impact the quality and credibility of the Integrated Annual Report.
- Validated the CEO and CFO attestations related to financial control and reporting integrity.

Based on the activities outlined above, the Committee is satisfied that the Group's financial and integrated reporting for FY25 was conducted with due care and integrity and that appropriate accounting, disclosure and governance standards were upheld.

The Committee is further satisfied that the Group's internal financial controls were effective and form a sound basis for the preparation of reliable financial statements.

Expertise of the CFO and finance function

The Committee assessed the capability and capacity of the Group's finance function. It concluded that Lerena Olivier has the appropriate experience and technical expertise for her continued appointment as Chief Finance Officer.

The Committee is also satisfied that the finance function as a whole has the necessary skills, resources and experience to meet the Group's reporting, compliance and commercial requirements.

Going concern

The Committee reviewed management's going concern assessment, which included scenario modelling and stress testing under various macro-economic and operational risk scenarios. Particular focus was given to the Group's liquidity position and capital structure throughout the execution of the Recapitalisation Plan. The Committee considered feedback from the Finance and Investment Committee (FIC), which conducted a detailed review of the Group's cash flow forecasts, treasury reports and performance against debt covenants. The FIC also reviewed the structure and adequacy of the Group's borrowing facilities, all related inter-Group financial assistance under section 45 of the Companies Act, and the Group's engagements with both short- and long-term funders.

Based on these FIC assessments and feedback, and acknowledging the strengthened and sufficiently capitalised balance sheet post the execution of the Recapitalisation Plan, the Committee recommended to the Board that the going concern basis of accounting remained appropriate for the preparation of the FY25 Annual Financial Statements.

Annual financial statements

The Annual Financial Statements for the 53 weeks ended 2 March 2025 were compiled under the supervision of the CFO, Lerena Olivier CA(SA). The Committee reviewed both the consolidated and separate Company Annual Financial Statements and concluded that, in all material respects, they complied with IFRS Accounting Standards and the Companies Act, and fairly presented the financial position and results of operations and cash flows for the reporting period.

The Committee recommended the Annual Financial Statements for approval by the Board on 25 May 2025.



Internal audit

The Committee provides independent oversight of the Group's internal audit function, which plays a vital role in supporting the integrity of the Group's internal control environment and broader combined assurance model. Internal audit operates independently of management, applying a risk-based methodology to identify and respond to key business risks as part of the Group's annual combined assurance programme. The internal audit function reports directly to the Committee and operates in accordance with the standards of the International Institute of Internal Auditors (IIA).

The Committee's oversight ensures that internal audit remains objective, independent, suitably resourced and appropriately focused on providing meaningful assurance across the Group. The internal audit function underwent an external independent quality review in FY25 and achieved an outstanding result. The Committee commends the team for this outstanding result.

Internal audit planning and resourcing

The Committee reviewed and approved the internal audit coverage plan and budget for the year ahead, ensuring alignment with the Group's key risks and strategic priorities. In so doing the Committee:

- Evaluated the adequacy of the proposed audit coverage and its alignment to the Group's principal risks, combined assurance framework and strategic priorities
- Assessed the sufficiency of internal audit resources, including budget and team capability, to deliver the approved plan
- Confirmed that the Head of Internal Audit possessed the necessary expertise, independence and experience to fulfil the role effectively
- Reviewed the skill, qualifications and independence of the broader internal audit team
- Met separately with the Head of Internal Audit to confirm the team received full cooperation from management, including unrestricted access to information and records
- Confirmed that internal audit staff operate in accordance with the IIA's professional standards and recognised industry ethics

The Committee is satisfied that the internal audit function is appropriately resourced, professionally led and operates independently in delivering its mandate.

Internal control and assurance

The Committee reviewed internal audit reports evaluating the adequacy of the Group's internal control environment. Areas of focus included financial controls, corporate governance processes, information systems and cyber-security and overall business risk management. The Committee:

- Reviewed significant internal audit findings, including internal control breakdowns, and interrogated management's response and the remedial action taken
- Monitored the ongoing integration of internal audit within the Group's broader combined assurance framework
- Received assurance that adequate accounting records were maintained and that internal controls were generally effective in safeguarding assets and preventing and detecting fraud
- Noted areas requiring targeted improvement and monitored corrective action
- Oversaw the ongoing development of internal audit's data analytics capability to enhance audit coverage and efficiency

The Committee is satisfied that the internal audit function provided timely, relevant and independent assurance over the Group's internal control environment, while continuing to evolve its capabilities to meet the needs of the business.

External audit

The Committee provides independent oversight of the Group's external audit process, supporting the integrity, transparency and reliability of the Group's financial reporting. Ernst & Young Inc. (EY) has served as the Group's external auditor since July 2015, following a formal tender process. The Committee annually evaluates whether a new tender process is required, considering audit quality, independence and market developments.

The Committee has not recommended audit rotation in FY26, prioritising stability in this critical role post the Boxer IPO, and will reassess the need for audit rotation in FY27. In terms of section 92 of the Companies Act, the designated audit partner must rotate after five consecutive financial periods. Tina Rookledge, who has served as the Group's designated audit partner since August 2020, will rotate as audit partner during FY26.

External auditor appointment and independence

The Committee undertook a thorough annual evaluation of EY's independence, competence and audit quality. Key activities included:

- Approved the FY25 external audit plan and scope to ensure adequate coverage of material matters and critical risk areas, including approval of the FY25 audit fees
- Reviewed EY's internal governance and independence processes
- Received and reviewed the auditor suitability information as required under the JSE Listings Requirements
- Assessed the independence of EY, Tina Rookledge (external audit partner Pick n Pay Stores Limited) and Matthew Brown (external audit partner Boxer Retail Limited) in accordance with the Companies Act, the Listings Requirements and relevant regulatory standards
- Engaged directly with both the Group and subsidiary audit partners to evaluate audit approach and coordination

The Committee is satisfied that EY remains independent, competent and compliant with applicable regulatory requirements, and has delivered audit services to the Group with the required quality, rigour and transparency.

Audit process and oversight

The Committee engaged actively with EY and management throughout the audit process to ensure that material risks and financial reporting matters were appropriately addressed. The Committee:

- Reviewed audit findings and recommendations and confirmed that no material unresolved issues remained at the time of approving the Annual Financial Statements
- Met separately with the external auditor to confirm full cooperation from management
- Considered any queries received relating to accounting practices, financial controls or financial reporting
- Monitored the effectiveness of the external audit process, including audit quality indicators, expertise, execution against the approved audit plan and stakeholder reporting standards
- Confirmed that no reportable irregularities were identified by EY under the Auditing Profession Act

The Committee is satisfied that the external audit process was effective, well-governed and appropriately responsive to the Group's operating and risk environment during the year.

Following its comprehensive evaluation of the external auditor's performance, independence and effectiveness during FY25, the Committee considered the continued appointment of Ernst & Young Inc. for the upcoming financial year.

Audit-related and non-audit services

The Committee reviewed all audit-related and non-audit services provided by the external auditor during the year to ensure that independence was maintained. All audit-related and non-audit services were pre-approved in accordance with the Group's policy. Audit-related services related to the Group's two-step Recapitalisation Plan and specifically the external assurance required in respect of certain financial information contained within the related shareholder circulars, totalling R17.6 million.

Significant Matters

The Committee considered the key audit matters reported in the external audit report on pages 8 to 15 of the Group's FY25 Annual Financial Statements and is satisfied that these matters have been appropriately addressed in the Annual Financial Statements.

Annual recommendation of re-appointment

Based on its annual assessment, the Committee recommended to the Board that EY be proposed for reappointment as the Group's external auditor for the FY26 financial year at the 2025 Annual General Meeting.



Risk and compliance

The Committee provides independent oversight of the Group's risk management and compliance functions, ensuring that material risks and regulatory obligations are appropriately identified, assessed, managed and monitored to support the Group's strategy and long-term value creation. The Group's risk and compliance frameworks are implemented by senior management, and guided by the Group Head of Risk and Compliance.

The Head of Group Legal serves as the Chief Risk Officer for the Group. PwC continues to support the Group in strengthening the maturity and implementation of its risk management and compliance frameworks. The day-to-day responsibility for risk and compliance remains with management, under the oversight of the Committee, with key risks integrated into the Group's combined assurance programme.

Key areas of focus in FY25

The Committee's key areas of oversight included the ongoing development of the Group's risk and compliance maturity programme and management's response to the Group's most material risks. Key activities included:

- Reviewed the Group's material existing and emerging risks, including management's mitigation plans, and assessed the ongoing development of the Group's risk and compliance maturity programme
- Reviewed and approved annual revisions to the Group's compliance framework, including Group-wide ethics, governance and limits-of-authority policies
- Monitored combined assurance activities to ensure that key risks were appropriately covered across assurance providers
- Evaluated the Group's internal audit findings from a risk perspective and reviewed management's corrective action
- Reviewed litigation reports, including material litigation matters and Competition Commission enquiries, to assess potential financial and reputational risks and the adequacy of management's legal risk mitigation strategies
- Assessed the composition, expertise, independence and adequacy of the Risk and Compliance function, and confirmed the suitability of the Group Head of Risk and Compliance
- Oversaw management's response to key operational and strategic risks, including:
 - › Talent attraction, retention and employee welfare
 - › Management of the store re-set programme and the impact on store labour
 - › Operational readiness for disruption in power or water supply
 - › Adequacy of security measures in the event of civil unrest
 - › Food safety and occupational health and safety standards
 - › The impact of global and local supply chain disruption, particularly on the Group's clothing division
 - › Cost control in a constrained economy
 - › Group insurance, including the adequacy of asset and business interruption coverage
 - › Franchise performance and franchise debt recoverability
 - › Systems stability and cyber risk
 - › Reputational risk related to ESG matters
 - › Social, political and economic developments in South Africa and other key African markets

The Committee is satisfied that the Group's risk management and compliance frameworks are effective and appropriately support the Group's ability to protect and create sustainable stakeholder value.

IT governance

The Committee reviewed and approved all material IT strategies, initiatives, policies and frameworks. It also approved IT investment principles to guide material IT investment decisions, ensuring system optimisation and continuous innovation. In addition, the Committee evaluated reports on the Group's IT risk profile, critical IT and cyber risks, and risk management processes, and is satisfied with the security and resilience of its systems, platforms and data.

Committee evaluation and re-election

The Committee's performance and effectiveness are assessed on an annual basis by the Board, assisted by the Nominations and Corporate Governance Committee. The Board's assessment was positive, with no concerns raised. The Board remains satisfied that the Committee members have the necessary skills and experience to discharge their duties and have done so effectively.

David Friedland will retire from the Board and step down from the Committee at the 2025 AGM. The Committee extends sincere thanks to David for his invaluable contribution over many years. In addition, the Board has announced that James Formby will take over from Gareth Ackerman as Chair of the Board from the 2025 AGM and, as such, James will not be put forward for re-election to the Committee. The remaining Committee members, including newly appointed independent non-executive director, Pooven Viranna, will be put to shareholders for formal election at the 2025 AGM. Further rotation and retirements will follow as suitable candidates are identified and appointed through the Board's formal succession programme.

The Committee is satisfied that it complied with, and discharged, all statutory duties in terms of section 94(7) of the Companies Act and the Listings Requirements, as well as with the functions and responsibilities assigned to it by the Board under its terms of reference and Committee mandate, for FY25.

Key focus areas for FY26

The Committee's focus areas for the next financial year will include:

- Execution of the Pick n Pay strategic plan and the associated execution risks
- Capital allocations to prioritise investment returns
- Emerging and accelerated risks, including increased cyber risk and potential labour disruption
- Ongoing progress in integrated reporting, including in ESG disclosures

Aboubakar Jakoet
Chair: Group Audit, Risk and Compliance Committee
25 May 2025



James Formby
Chair: Finance and Investment Committee

Report of the Finance and Investment Committee

The Finance and Investment Committee presents its report for the 2025 financial year. The Finance and Investment Committee was formally constituted as a full-standing committee of the Board in May 2024. It had previously operated as the Treasury Committee, a sub-committee of the Audit, Risk and Compliance Committee. Its constitution was a direct response to the financial and strategic demands facing the Group at the time, and the need for dedicated oversight of capital structure liquidity and solvency, investment planning and treasury risk.

Committee Chair statement

The Finance and Investment Committee ("FIC" or "the Committee") guided the successful execution of the two-step Recapitalisation Plan: the R4.0 billion Pick n Pay Rights Offer and the R8.5 billion Boxer IPO. These transactions were critical to restoring the Group's financial stability and positioning both Pick n Pay and Boxer businesses, including Pick n Pay Clothing, for long-term growth.

The transactions were large, complex and deeply inter-dependent, executed under significant time pressure and public scrutiny. The Committee met 16 times during the year – at least fortnightly, and weekly at critical moments – to provide rigorous oversight and support to management across every stage of delivery. We engaged actively with legal and financial advisors, regulators, shareholders and our JSE sponsors, working to ensure a credible, well-governed process.

The outcome was exceptional. Both transactions were significantly over-subscribed, a strong vote of confidence in the Group, the strategy, and the integrity of the process. The Boxer IPO was the largest new listing on the JSE in eight years, providing Boxer with the independence to pursue its next phase of growth. We commend the Boxer team for their achievement and their continued delivery against their long-term growth objectives.

Pick n Pay has emerged with a stronger balance sheet and a focused turnaround strategy. While the journey ahead remains challenging, the business is now in a far better position to rebuild momentum and deliver value for shareholders.

Throughout this period, the Committee remained committed to its broader mandate – overseeing the Group's capital structure, liquidity, working capital, investment decisions, and financial risk. We also supported the Audit, Risk and Compliance Committee in assessing the Group's going concern status and financial reporting integrity.

I extend sincere thanks to my fellow Committee members, and the executive teams of Pick n Pay and Boxer, for their dedication, resilience and professionalism. The work undertaken this year was technically demanding and deeply consequential. It has been a privilege to be part of such an important moment in the Group's history.

Committee mandate and scope

The FIC is responsible for overseeing the Group’s capital structure, funding and liquidity position, working capital efficiency, and treasury-related risks. It plays a vital role in supporting the Group’s long-term financial sustainability. In fulfilling its mandate, the Committee provides oversight of capital investment allocations, monitors cash flow and debt levels, and reviews financial strategy proposals, including investment and funding alternatives. It also provides input to the Audit, Risk and Compliance Committee on the Group’s solvency, liquidity and going concern assessments.

Committee governance

The FIC operates in terms of a Board-approved Terms of Reference, reviewed annually to ensure it remains aligned with the Board’s objectives. Although it is not a statutory committee under the Companies Act, it is a core component of the Group’s governance and financial oversight structures. The Committee comprises only independent non-executive directors, and is chaired by an independent director. Members are nominated by the Nominations and Corporate Governance Committee and appointed by the Board.

Committee composition and meeting attendance

The FIC met 16 times during the 2025 financial year, reflecting the significant demands of the Recapitalisation Plan. All meetings were duly convened in accordance with procedural and quorum requirements, with comprehensive meeting packs circulated in advance. Meetings were attended by Committee members, as well as standing invitees, including the Chief Executive Officer, Chief Finance Officer, and Head of Group Treasury. Additional members of management and external advisors attended as required. Minutes were prepared by the Company Secretary and circulated via the secure Board platform. Committee work was supported by strong executive engagement and inter-committee collaboration, particularly with the Audit, Risk and Compliance Committee.

FY25 membership	Standard meetings	Additional meetings
J Formby (Chair)	4/4	12/12
H Bhorat	4/4	9/12
D Friedland	4/4	11/12
A Jakoet	4/4	11/12

The Committee’s key focus areas and activities in FY25

Oversight of the two-step Recapitalisation Plan

Focus areas included:

Valuation and pricing strategy

Guided the Rights Offer pricing structure to meet Pick n Pay’s funding needs and ensure shareholder participation; oversaw Boxer’s IPO valuation to balance free float liquidity objectives with market credibility; provided input on IPO pricing guidance and stabilisation mechanism.

Execution and timeline management

Monitored the end-to-end delivery of both transactions, including underwriting arrangements, placement and offer agreements, and key execution milestones; tracked conditions precedent and ensured that timelines remained aligned across inter-dependent workstreams.

Capital structure and funding outcomes

Assessed the impact of both transactions on the Group’s capital structure and liquidity; oversaw the repayment of Pick n Pay’s interest-bearing debt; supported the design of Boxer’s post-IPO capital structure, including gearing levels, dividend policy and future funding capacity.

Disclosure, regulatory compliance and investor engagement

Reviewed all major shareholder and market communications, including shareholder circulars, Pre-Listing Statement, intention to float and other related SENS announcements; guided the investor engagement strategy, including cornerstone and BBBEE participation; reviewed all investor presentations and ensured regulatory and governance compliance across both processes.

Governance, incentives and cost

Oversaw legal and governance frameworks, including related-party participation and procedural integrity; reviewed transaction costs and fees.



Lender engagement and liquidity management

The Committee continued to oversee compliance with the terms of the Pick n Pay debt Restructure Agreement and closely monitored the Group’s cash flow, liquidity projections and lender engagements throughout the year. It also provided input on the introduction of long-term debt into Boxer as part of its pre-IPO restructure, and supported the negotiation of new working capital facilities for both Pick n Pay and Boxer to ensure alignment with the Group’s long-term capital structure and liquidity strategy. It also guided Pick n Pay on the optimal investment of surplus funds, post the IPO. These actions were critical in maintaining lender confidence, safeguarding operational liquidity, and enabling the successful execution of the recapitalisation on a stable and well-governed financial platform.

Going concern and financial resilience

The Committee supported the Audit, Risk and Compliance Committee in its assessment of the Group’s liquidity, solvency and going concern status. This included a detailed review of cash flow forecasts, funding adequacy, debt repayment capacity and covenant compliance. The Committee applied scrutiny to the Group’s financial position and resilience under various stress scenarios, ensuring that all assumptions were reasonable and aligned with the latest operational plans.

Capital investment

The Committee maintained oversight of the Group’s capital investment programme, ensuring that all proposed investments were aligned with strategic priorities and defined return thresholds, and remained within the Group’s funding and liquidity parameters. During the recapitalisation period, particular focus was placed on investment prioritisation, with the FIC directing capital to areas of highest strategic and financial impact, including Boxer, Pick n Pay Clothing, and Online. The Committee monitored capital expenditure against approved budgets and cash flow forecasts, to ensure disciplined execution and financial control.

Financial performance

The Committee continued to monitor the financial performance of Pick n Pay and Boxer against approved budgets and forecasts, with a focus on key drivers of profitability, liquidity and balance sheet strength, including working capital management, and the valuation of the Group’s property portfolio.

Rest of Africa

The Committee provided strategic oversight of the Group’s Rest of Africa operations, supporting management in optimising the regional footprint and ensuring alignment with long-term return and risk objectives – including the restructuring of the Botswana business from a franchise model to a corporate entity.

Committee governance

The Committee approved its new formal Terms of Reference in FY25 and developed a structured annual work plan aligned with its mandate. This work plan guided the Committee’s focus areas and meeting agendas for the year. The Committee will review and refine both documents annually to ensure continued alignment with the Group’s strategic and financial priorities.

Committee evaluation

The Board is satisfied that the Committee members possess the appropriate skills and experience to fulfil their responsibilities and have discharged their duties effectively.

The Committee is satisfied that it has effectively discharged all responsibilities assigned to it by the Board under its Terms of Reference and formal mandate for FY25.

Key areas of focus for FY26

- Treasury management and liquidity
- Working capital management
- Financial performance against budgets and medium-term forecasts
- Review of key milestones in the delivery of the Pick n Pay turnaround

James Formby

Chair: Finance and Investment Committee

30 June 2025



Annamarie van der Merwe
Chair: Nominations and Corporate Governance Committee

Report of the Nominations and Corporate Governance Committee

The Nominations and Corporate Governance Committee (“NomGov” or “the Committee”) is pleased to present its report for the 2025 financial year. The report is prepared in accordance with the Companies Act, the JSE Listings Requirements, and the King IV Report on Corporate Governance. It outlines the Committee’s mandate and governance oversight activities, with a particular focus on Board composition, executive succession, and the ongoing strengthening of the Group’s governance frameworks.

Committee Chair statement

The Committee was reconstituted in May 2024 with a new Chair and refreshed membership. This governance shift marked an important milestone in strengthening the Committee’s independence and ensuring it was able to provide impartial guidance through a period of substantial change.

I was honoured to take up the role of Committee Chair, supported by deeply experienced, independent directors. The restructure ensured that the Committee was well-positioned to oversee the demanding governance requirements of FY25, particularly the execution of the two-step Recapitalisation Plan and the establishment of a fully independent Boxer Board and independent Boxer governance framework.

This was certainly no ordinary year. The Pick n Pay Rights Offer and Boxer IPO were complex and highly regulated transactions that required rigorous oversight and governance input from the NomGov at every stage of execution, including in reviewing shareholder circulars, assessing procedural integrity, evaluating and recommending directors to the Boxer Board, and aligning Boxer’s new independent governance framework and policies with best practice.

The Recapitalisation Plan was not just a financial reset for the Group, but a critical opportunity to reset corporate governance. The Committee supported the Group in revising its Memorandum of Incorporation post the Rights Offer and the reduction in majority shareholder control, modernising its suite of governance policies, and aligning the governance frameworks of Pick n Pay and Boxer to a consistent and robust standard. Nowhere was this more evident than in our work with Boxer – ensuring its readiness for the listed environment, with the right people, policies and structures in place from day one.

Following the successful IPO, Boxer Retail Limited now operates with its own independent Board and Nominations and Governance Committee. We remain committed to maintaining alignment on key governance matters. To this end, I have a formal standing invitation to attend the Boxer NomGov meetings, and the Chairs of the Pick n Pay and Boxer NomGov Committees will meet at least twice a year to discuss matters of mutual interest and to support ongoing collaboration on Group-wide governance principles and policy alignment.

As we look ahead, I remain confident in the Committee’s ability to support the Board in building a modern, diverse, and resilient leadership foundation. Governance is not just about compliance; it is about ensuring that the Group is led with integrity, foresight and accountability in the service of all stakeholders.



Committee mandate

The NomGov is a formally constituted committee of the Board of Pick n Pay Stores Limited, operating under a mandate aligned with the Companies Act, the JSE Listings Requirements, King IV, and the Company’s Memorandum of Incorporation. Its primary responsibility is to ensure that the Group’s leadership structures and governance frameworks are fit for purpose and support the long-term success of the business. The NomGov is mandated by the Board to:

- Oversee the composition, independence, diversity, and performance of the Board and its committees
- Ensure robust succession planning for the Board, executive leadership and the Company Secretary
- Guide the development, implementation and continuous improvement of the Group’s corporate governance policies and frameworks
- Review and assess the effectiveness of governance structures across the Group and throughout major transactions
- Evaluate the performance of the Board, its committees, and individual directors
- Make recommendations to the Board regarding appointments, re-appointments, removals, and the overall skills and experience matrix

Committee governance

Following its reconstitution in May 2024, the Committee is now composed entirely of independent non-executive directors. The current Committee composition has brought renewed focus, fresh perspective, and enhanced independence to the Group’s governance oversight. The Committee is governed by a formal Terms of Reference. These Terms are reviewed annually by the Committee and the Board to ensure they remain aligned with evolving regulatory obligations and governance standards.

Committee meeting attendance

The Committee is required to meet at least three times per year. However, given the governance intensity associated with the Group’s Recapitalisation Plan, the Committee met formally seven times during the 2025 financial year. These additional meetings were essential to ensure thorough engagement on strategic governance matters, including the refresh of the Pick n Pay Board and the formation of the Boxer Retail Limited Board and governance structures ahead of its IPO. Meetings were attended by Committee members and, where necessary, supported by senior management, legal counsel and independent advisors. Key decisions and recommendations were tabled at subsequent Board meetings for discussion and ratification.

FY25 membership	Standard meetings	Additional meetings
A van der Merwe (Chair)	3/3	4/4
J Formby	3/3	4/4
A Jakoet	3/3	3/4
A Mothupi-Palmstierna	3/3	2/4

The Committee’s key focus areas and activities in FY25

Governance of the Recapitalisation Plan

The Committee played a key role in ensuring governance standards were maintained throughout the execution of the Pick n Pay Rights Offer and the Boxer IPO. This included:

- Reviewing the disclosures of the shareholder circulars, EGM Notices, and the Boxer Pre-Listing Statement
- Ensuring regulatory compliance with the Companies Act, Listings Requirements and King IV and the respective Memorandums of Incorporation of each entity
- Confirming the procedural independence and governance integrity of both transactions
- Supporting the governance disclosures in investor communications and public announcements

Establishment of the Boxer Board and governance framework

The successful Boxer listing was underpinned by the formation of a strong Board and robust governance structure. The Committee was instrumental in:

- Identifying and recommending appointments to the Boxer Board and its committees.
- Approving Boxer’s Memorandum of Incorporation, Board Charter and committee Terms of Reference and key governance policies.
- Developing and approving a Group Governance Interaction Framework to support a structured and transparent relationship between the Pick n Pay Stores Limited and Boxer Retail Limited Boards. The framework safeguards the independence of the Boxer Board, and facilitates appropriate and timely consultation between the controlling shareholder and its majority-held subsidiary on key matters.
- Reviewed and approved key governance policies, including Boxer’s Code of Ethics, share dealing policy, conflicts of interest policy, and board diversity policy.
- Ensuring Boxer’s governance structures align with stakeholder expectations for a publicly listed entity.

This foundational work was critical to investor confidence and the successful execution of the IPO.

Refresh of Pick n Pay constitutional documents and governance frameworks

The Committee oversaw a governance refresh at Pick n Pay, including:

- The adoption of a new Memorandum of Incorporation post the Rights Offer and change in the B share control structure
- Full revision of the Board Charter and all committee Terms of Reference
- Review and approval of key governance policies, including:
 - › Code of Ethics
 - › Share dealing policy
 - › Conflicts of interest policy
 - › Limits of authority

The framework reinforces transparency, accountability and ethical leadership at every level of the Group.

Pick n Pay Board composition and leadership succession

The Committee advanced the Board's succession and transformation agenda through the:

- Appointment of an independent recruitment specialist to support Board refresh and succession planning
- Appointment of Pooven Viranna as an independent non-executive director and member of the Audit, Risk and Compliance Committee
- Recommendation of James Formby to succeed Gareth Ackerman as Chair of the Board

The independent recruitment specialist conducted a culture survey to assess the current and desired boardroom environment. The results of the survey, together with a composition review, informed the recruitment process for new Board members. The Committee agreed that the culture survey undertaken would replace a formal, externally facilitated evaluation of the Board's performance for FY25.

CEO succession and executive oversight

The Committee provided structured input into CEO succession planning and executive leadership oversight. Key deliverables included:

- Oversight of the extension of CEO Sean Summers' contract to May 2028
- Confirmation of CEO succession as a standing KPI in executive performance plans
- Emphasis on race and gender transformation in all senior appointments and pipeline development

Committee evaluation

As a result of the change in Committee composition through the course of the year, and the critical items on the Committee agenda, no formal performance evaluation was undertaken in FY25. A formal evaluation will resume in FY26.

The Committee is satisfied that it has effectively discharged all responsibilities assigned to it by the Board under its Terms of Reference and formal mandate for FY25.

Key areas of focus for FY26

- Further Board and executive succession planning
- Continued governance alignment across Pick n Pay and Boxer
- Implementation and periodic review of the updated governance policies
- Oversight of director rotation, tenure and diversity goals

Annamarie van der Merwe

Chair: Nominations and Corporate Governance Committee

30 June 2025



Remuneration Report

The success of the turnaround strategy depends fundamentally on the collective effort, morale and engagement of our more than 30 000 Pick n Pay employees. Our people are not only the foundation of the Group's success, but also the driving force behind our transformation.

Audrey Mothupi-Palmstierna
Chair: Remuneration Committee

Structure of the report

This report comprises three parts

- | | |
|----|--|
| 40 | PART 1: A letter from the Remuneration Committee Chair that summarises the manner in which the Remuneration Committee approaches remuneration governance, an overview of the remuneration outcomes for FY25, and key policy changes for FY26. |
| 44 | PART 2: Our remuneration philosophy, which sets out the main factors shaping our remuneration policies and our approach to executive remuneration and wider workforce pay |
| 51 | PART 3: The application of the remuneration policy during FY25 |

Members of the Committee

- A Mothupi-Palmstierna (Chair)
- G Ackerman
- H Bhorat
- J Formby
- A Jakoet

Part 1: Background statement

On behalf of the Remuneration Committee, I am pleased to present the Group's FY25 remuneration report, in compliance with best practice reporting as recommended by the King IV™ Report on Corporate Governance for South Africa 2016.

FY25 was a year of considerable transformation, marked by the successful execution of the Group's R12.5 billion two-step Recapitalisation Plan, a major strategic reset for Pick n Pay, and a renewed emphasis on operational delivery.

The Pick n Pay Rights Offer and the Boxer IPO have restored balance sheet strength, unlocked substantial value for shareholders, and provided the funds required to support the turnaround of the Pick n Pay supermarkets business. The success of both transactions reflects the exceptional efforts of the Pick n Pay and Boxer management teams, the professionalism of the process, and the confidence our Pick n Pay and Boxer shareholders have in our strategy and in our future prospects.

The Group's long-term strategy is anchored in two clear objectives: restoring Pick n Pay to sustainable profitability and accelerating the growth of Boxer. We are confident that the extensive work undertaken in preparation for the IPO has positioned Boxer to chart its course as an independent listed company. With a proven track record, a capable leadership team and solid foundations in place, Boxer is well equipped to continue delivering against its growth strategy.

In order to support the Boxer segment's growth ambitions the Remuneration Committee, together with the Boxer Remuneration Committee, worked on the formulation of the stand-alone Boxer remuneration framework, aligned to that of the Group. This framework includes the share-based IPO Admission Awards, designed to retain key talent post-listing and reward the Boxer team for performance aligned to the Boxer segments' strategic objectives. For more detail on the Boxer remuneration framework, refer to the Boxer remuneration report on their website at www.boxerinvestor.co.za.

Our focus is now firmly on the successful execution of the Pick n Pay strategy. This strategy is clearly articulated across five strategic priorities, all designed to rebuild trading momentum, enhance operational execution, and improve overall efficiency. These priorities provide a practical and structured roadmap to stabilise the business and reposition Pick n Pay for long-term success. Each strategic priority is supported by targets and timelines that are realistic, can stand up to scrutiny, and are fully supported by the resources required for successful implementation.

The Remuneration Committee will remain agile and responsive to any remuneration challenges that may arise during this period of strategic transformation. We will also remain particularly alert to retention risks to ensure we continue to attract and retain the right talent throughout this critical phase.

Encouragingly, and despite the demands of the recapitalisation, we have begun to see early positive momentum within Pick n Pay. Our Pick n Pay supermarkets have returned to like-for-like sales growth, supported by improvements in product range, pricing, operational execution, and customer service. These are clear indicators of a credible and cohesive plan, a focused business and a united management team. That said, there is still more to do, and we must deliver with greater consistency. Importantly, our high-performing Pick n Pay Clothing and Online businesses once again delivered solid results this year, both building on a strong FY24 performance. Both remain strong contributors to our performance and continue to represent compelling elements of the broader Pick n Pay investment story.

The Committee recognises that the success of the turnaround strategy depends fundamentally on the collective effort, morale and engagement of our more than 30 000 Pick n Pay employees. Our people are not only the foundation of Pick n Pay's success, but also the driving force behind our transformation. In FY25, the business took meaningful steps to reset its leadership structures, reinvigorate a sense of purpose and belonging, and embed a high-performance culture grounded in accountability, capability and consistent execution. Looking ahead, the Remuneration Committee will focus on ensuring that our reward framework is aligned to these objectives, with particular emphasis on effective incentivisation at store level, ongoing talent development, and targeted retention strategies. We are committed to fostering an inclusive and empowering culture that attracts, motivates and retains the right talent, and that enables our teams to deliver with pride and purpose at every level of the business.

One of the Pick n Pay segment's strategic objectives is to reset our store estate, which includes conversions of stores between Pick n Pay, Boxer and franchise, and the closure of underperforming stores. This is an ongoing initiative to modernise our Pick n Pay store estate and enhance overall profitability of stores across the network. As a Remuneration Committee, we are acutely aware of the impact of such action on our employee morale, and are focused on implementing structures which can boost morale and create incentive opportunities for store-level staff to ensure that workplace culture is prioritised and, ultimately, our customer experience is maximised.

FY25 remuneration outcomes

The Group delivered a much-improved FY25 result, with a loss before tax and capital items (PBTAE) of R237 million compared to a loss of R1.4 billion in FY24. The recovery was driven by a R1.0 billion year-on-year reduction in the Pick n Pay segment trading loss, supported by a net funding interest expense reduction as the recapitalisation made its initial impact on debt service costs.

The Boxer segment grew trading profit by 19.7% year-on-year and achieved its super stretch STI target. The Boxer management team received IPO Admission Awards and implemented a new LTI structure as part of the IPO process.

Although the Pick n Pay profit target for the payment of the short-term incentive (STI) was exceeded, the sales target was not met. As a result, a modest STI pool was allocated to the Pick n Pay segment's management team. The in-flight LTI awards were also under pressure for the Pick n Pay team. The RSP3 three-year CAGR HEPS target was not met, resulting in more than 60% of this award being forfeited.

These outcomes in the Pick n Pay segment mean that the Remuneration Committee continues to face the challenge of supporting talent attraction and retention (particularly of scarce skills) while ensuring shareholder alignment with pay outcomes, particularly at executive level. To counter these risks, we have designed mechanisms which give the Pick n Pay segment the best chance of success in retaining talent, which we believe is vital for the continued success of the turnaround strategy. To this end, we have utilised the existing Cash Retention Incentive (CRI), focused on the retention of developing talent and the Executive Retention and Performance Incentive ("ERPI") introduced during FY25 for top management. The ERPI combines a retention element with a performance portion linked to clear KPIs. The Remuneration Committee believes that this practice was necessary as an interim measure while we journey towards profitability. This is an effective way of focusing executive behaviour on the required outcomes through the achievement of KPIs. Our intention is to move back towards a more market-aligned approach which represents a more traditional interpretation of "pay for performance"; our issue of RSP4 during FY25 as part of our traditional LTI programme is reflective of this.

2025: Implementation of the turnaround strategy

We are constantly working on improving our remuneration policy. During this period of stabilising the business, the Remuneration Committee was required to be agile, making tactical calls to secure key talent in support of the Group's strategic priorities. We have used our discretion circumspectly but have not shied away from actions that we have felt are in the best interests of the long-term sustainability of the Group. Our focus throughout the year has been to continue to stabilise the Pick n Pay business, with the right people, in the right positions. Attraction and retention of these skills will continue to be a key focus for us, with successors for key executives a top priority.

As part of this journey, the decision was made to work on reviewing the Pick n Pay STI and long-term incentive (LTI) schemes to ensure we are well positioned to attract and retain the right talent to take our business forward, and continue the growth trajectory beyond the turnaround phase. We intend to review these schemes during FY26, with a view to implementing in the year thereafter. We look forward to our shareholders' support as we navigate the journey of appropriate incentives during the turnaround phase, with the intention of aligning to more traditional structures once Pick n Pay has comfortably returned to profitability.

Remuneration governance

In line with best practice, the Remuneration Committee, which is appointed by the Board, has delegated authority in accordance with its terms of reference or charter, available on our website at www.picknpayinvestor.co.za.

The Remuneration Committee is mandated by the Board to ensure that the Group's remuneration policies and decisions are:

- Aligned to good corporate governance as set out in King IV
- Aligned to reward best practices, in order to attract, retain and motivate employees
- Fair, responsible and transparent, in rewarding individual, divisional and Group performance
- Aligned to the Group's business strategy and objectives
- Aligned with the interests of shareholders and value creation

The role and responsibility of the Remuneration Committee

The Remuneration Committee is responsible for ensuring that the Group remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. The Committee also assists the Board by ensuring that the Group's remuneration policies and practices are aligned to its objectives for value creation and are benchmarked to ensure fairness and competitiveness in attracting and retaining key talent and critical skills to deliver on business results. This is achieved by ensuring that an appropriate remuneration policy is in place, effectively implemented and aligned with the principles of good corporate governance and compliant with legislative and regulatory requirements and the needs of the Group. The remuneration policy must cover remuneration at all levels, including that of executive directors and non-executive directors.

Members and attendance at meetings

The Remuneration Committee meets at least three times a year, is chaired by an independent non-executive director and comprises only non-executive directors. In addition to the Committee members, the CEO, CFO and Chief People Officer of Pick n Pay and Boxer are invitees to Committee meetings. All are recused from the meeting when their individual remuneration is being discussed. Independent external advisors are invited to attend the meetings as and when required.

Attendance at meetings for FY25 was as follows:

Director	Standard	Additional
Audrey Mothupi-Palmstierna (Chair)	3/3	2/2
Gareth Ackerman	3/3	–
Haroon Borat	3/3	1/2
Aboubakar Jakoet	3/3	1/2
James Formby	3/3	1/2

Focus areas in FY25

During the year under review, the Remuneration Committee's main focus was on managing the risk associated with talent retention, which was identified as being a key enabler of the turnaround strategy. This included:

- Identification, retention and succession for key roles across the organisation, including securing a contract extension for the CEO.
- Leadership capability in the context of uncertainty and complexity.
- Flexible people-sourcing model to support a future-fit business.
- Employee engagement and compelling employee value proposition to attract and retain talent.
- Ability to mobilise and empower the workforce to respond rapidly to changing customer needs and the competitive landscape.
- Reshaping our operating model across stores, supply chain and support offices to be future fit. The primary focus of the restructuring of the business and leadership teams was to have a clear "command and control" structure, with transparent accountability and responsibilities. The second priority was to fill the structure with experienced, competent and passionate leaders who can implement an effective and sustainable turnaround strategy.
- Cultivation of talent: renewed focus on sourcing and developing talent for stores and offices. A stand-alone talent acquisition team was formed from internal resources and is focused on supporting regions and sourcing better talent, more cost effectively.
- Supported the Boxer Remuneration Committee with the formulation of the stand-alone Boxer remuneration framework, including share-based IPO Admission Awards to Boxer's management teams. Refer to the Boxer Remuneration Report for full details.

In addition to these, the usual mandate was executed, including but not limited to:

- Benchmarking of total reward of the non-executive and executive directors and top management against a relevant identified comparator group of JSE-listed companies.
- Continued focus on gender and race pay equity to support fair and responsible pay.
- Review of the reward strategy and remuneration policy, including STI, LTI and ad hoc mechanisms, to ensure that it is relevant to the Group's current operating environment and to drive retention and a high-performance culture.
- Labour wage agreements: In May and June 2024, respectively, Pick n Pay and Boxer successfully concluded and signed three-year wage agreements for non-management bargaining unit employees. Pick n Pay's supply chain wage negotiations were also successfully concluded in June 2024 with an agreement over a two-year period, which will be renegotiated in 2026. The agreements not only align with inflation rates, ensuring that our employees' wages keep pace with the cost of living, but more importantly, they provide our employees with fair and competitive remuneration. These agreements grant the Group a level of stability that is essential as we navigate the critical years ahead. By securing predictable labour costs and fostering employee satisfaction, we are better positioned to focus on our strategic initiatives and achieve our long-term business objectives.
- In food retail, training plays a crucial role in enhancing overall customer experience, which is a central goal of the Group. Pick n Pay focused on frontline training, store management leadership and specialised training in fresh and service areas, in addition to strengthening its store management skills and succession planning. As Pick n Pay, we aim to equip all our employees with the skills and knowledge necessary to deliver better service and maintain high standards of product quality. Across all divisions, we have strengthened our partnership with the Wholesale and Retail SETA to support our investment in training to improve operational efficiency and foster a more knowledgeable and engaged workforce.

Achievement of policy objectives

The Remuneration Committee is satisfied that it has met its responsibilities in terms of its mandate and that the remuneration policy achieved its stated objectives.

Remuneration focus areas for FY26

Key focus areas for FY26 will include the following:

- Ongoing support of the future-fit business initiatives
- Review of the STI, ERPI and LTI to support the future strategy, prioritising improved customer service levels and productivity, while incorporating key strategic goals and financial targets
- A strong focus on remuneration and incentives at store level
- Integration of ESG in the remuneration framework
- Preparing for the new disclosures required in terms of the Companies' Act amendments, to the extent these become applicable
- Continued focus on succession across the Group's leadership structures, including the CEO
- Improving disclosures on income equality and gender and race pay equity

Shareholder engagement

Considering our shareholders' views on remuneration

The Remuneration Committee maintains strong relationships with shareholders and strives to be transparent in our remuneration approach. I encourage all our shareholders to continue to engage with the Board and me on remuneration and other strategic matters, so that shareholder concerns continue to be reflected in the decisions made. The Remuneration Committee values open and constructive engagement with shareholders to ensure that they are informed when voting on the Group's remuneration policy and the application thereof. Please direct all comments and queries to our Company Secretary via email to companysecretary@pnp.co.za.

We will take the following steps if 25% or more of the total votes exercised by shareholders at the AGM are against the remuneration policy or implementation report:

- A SENS announcement will be issued requesting shareholders to engage on their specific concerns
- Dissenting shareholders will be invited to one-on-one meetings to engage on their concerns

The shareholder concerns and report on the outcomes of the engagement and measures taken will be reported on in the next remuneration report.

Shareholder non-binding voting outcomes

Percentage vote in favour (%)	2024	2023	2022	2021
Remuneration policy	71.6%	79.6%	75.6%	74.3%
Implementation report	73.9%	75.8%	78.1%	63.2%
Directors' fees	84.3%	83.9%	82.0%	80.7%

There has been a decline in the support received from shareholders over the past two years, and in FY24 the remuneration policy and implementation report received less than 75% of shareholder votes. As a result, we engaged with shareholders on a one-on-one basis. The outcome of the engagement and measures taken is detailed on the next page.



Key issues raised by shareholders and addressed by the Board

Concerns/issues raised	Response
The potential dilution due to the share incentive scheme	The share scheme limit was amended in 2014 to limit the issue of new shares to fund share scheme obligations to 5% of the issued share capital.
The CEO received an award of restricted shares, for which the performance targets were not clear, and shareholders were unable to ascertain whether they had adequate stretch	Refer to page 53 for detail on CEO awards and related performance targets.
Prospective disclosure requested in respect of the performance targets for the STI	Prospective disclosure of the STI performance targets is not provided as this information is deemed market-sensitive. We will disclose the achievement of targets on a retrospective basis. Refer to page 52.
Long-term tenure of NEDs and independence of the Remuneration Committee	The Board acknowledges shareholder concerns around the long tenure of certain independent non-executive directors and its potential impact on the perception of Board and committee independence. In response, the Board has implemented a formal succession plan, under which long-serving Board members will retire over the next 12 to 24 months and new directors will be appointed. As part of this process, Ms Pooven Viranna was appointed as an independent non-executive director in June 2025, and Mr David Friedland will retire at the 2025 AGM. Further changes affecting the composition of the Remuneration Committee will be communicated in due course.
Minimum shareholding requirement for the executive management team	The Group extended its MSR policy applicable to the CEO to include the CFO during the year. The Remuneration Committee will consider and assess the feasibility of extending the MSR to the other members of the senior executive team in the future. Refer to page 48 for more detail.
The Chair fee is considered too high relative to market benchmarks	The previous Chair fee reflected Gareth Ackerman's extensive retail experience, his leadership in the Group's social and environmental governance, and his active engagement across the retail industry. In response to shareholder feedback, the fee has been reduced to align with market benchmarks and will apply from August 2025 with the appointment of the new Chair.

The role of independent external advisors

The Remuneration Committee ensures that the Group remains up to date with evolving legislation and remuneration practices across the retail industry through ongoing training, research and monitoring. Independent and objective expert advice is obtained as required, including in respect of industry benchmarking and the fair and transparent structure of variable short-term and long-term benefits in order to drive performance and achieve retention.

The Group utilises the services of REMchannel, PricewaterhouseCoopers, Bowmans and 21st Century for various remuneration-related consulting services.

The Remuneration Committee is satisfied that these remuneration specialists all provided objective and independent advice and services to the Group.

In conclusion

The Remuneration Committee's role has been pivotal in striking the right balance between attracting, motivating and retaining employees in a challenging market and aligning remuneration outcomes with operational performance and shareholder interests. It is not an easy balance to achieve, and I hope that shareholders are able to see how we have applied careful judgement in the application of our remuneration policies in order to achieve fair and reasonable outcomes. I trust that our commitment to listen carefully to our shareholders, and amend our policies and actions where necessary, was evident in the constructive engagements we held with shareholders. The Remuneration Committee will continue to review and evolve the Group's remuneration policies in a measured and responsible manner that considers the needs of all stakeholders.

I would like to thank the Board, the Remuneration Committee members, its advisors and management for their support and efforts during the year, and we look forward to your support at the upcoming AGM.

Audrey Mothupi-Palmstierna
Chair: Remuneration Committee

30 June 2025



Part 2: Our Remuneration Policy

The Group is committed to building a diverse, high-performing team that is fairly rewarded and motivated to achieve its strategic objectives across the short, medium, and long term. Our remuneration framework is designed to ensure fair, responsible and balanced compensation. It recognises the achievement of short-term goals while also encouraging long-term, sustainable value creation.

As part of the listing of Boxer Retail Limited, we developed a stand-alone transparent, performance-driven remuneration framework that supports long-term value creation and fair pay for Boxer. This is detailed in Boxer's stand-alone remuneration report which can be found at www.boxerinvestor.co.za. The rest of the remuneration policy in this section is focused on the Pick n Pay segment.

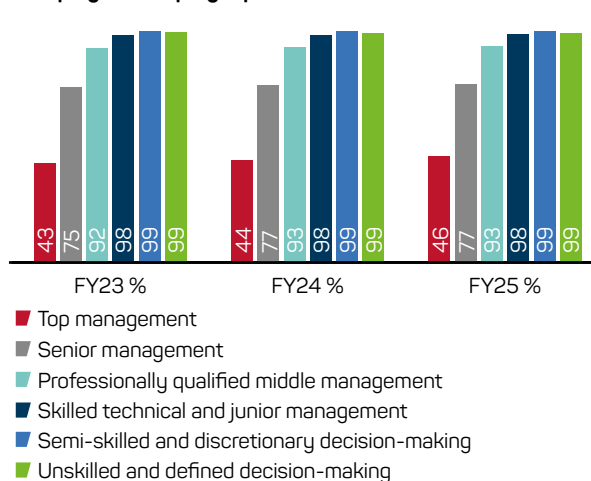
Remuneration principles

The interests of our team are aligned with those of our stakeholders through governance practices based on four key principles:

1. Promoting diversity and building talent

- Pick n Pay provides equal opportunities to people from all walks of life to ensure our team adequately reflects the communities we serve
- Remuneration packages are benchmarked at all employment grades and are designed to attract, develop, motivate and retain employees
- Pick n Pay's employment equity representation at the various occupational levels is consistent with FY24

Employment equity representation



3. Fair and responsible remuneration

- Pick n Pay is committed to fair and responsible remuneration for all employees, in line with market benchmarks
- We provide adequate opportunities for development and career progression by providing training programmes and bursaries and study grants for further education
- There is equal opportunity for growth and development, and employees are recognised and advanced based on performance

2. Efficient and productive workforce

- Pick n Pay is committed to building a culture that rewards high performance
- The Pick n Pay strategy recognises that effective leadership, capable teams, and a future-fit operating model are critical enablers of success – with people central to building a high-performance culture and delivering sustainable, customer-led growth
- Regular reviews of operational effectiveness ensure efficiency and cost discipline are achieved through ongoing improvements in operational structures
- Greater focus is being placed on having a robust performance management process that is aligned to reward outcomes
- Performance targets increasingly focus on key measures of employee efficiency and productivity

4. Responsible executive remuneration

- Executive directors and senior managers are fairly remunerated for creating and delivering sustainable shareholder value over the short, medium and longer term, in line with Pick n Pay's strategic objectives
- The executive team is not unduly rewarded where performance does not meet expectations
- The Remuneration Committee strives to find a reasonable balance to retain key executives and attract quality executives from outside the business, to ensure delivery against Pick n Pay's strategic objectives
- The long-term share incentive scheme aligns executive and shareholder interests and promotes a culture of executive share ownership
- The Group focuses on ESG initiatives that reduce cost, enhance efficiency, unlock revenue or benefit the communities we serve. These include energy and water savings, waste reduction, inclusive procurement, food security and poverty alleviation. These initiatives are incorporated into the performance conditions for the achievement of variable remuneration to incentivise shared value creation across all the Group's stakeholders.

Fair and responsible remuneration

Pick n Pay is committed to a total reward offering built on a foundation of fair and responsible pay that is linked to our remuneration policy of pay for performance.

Pick n Pay assesses remuneration as fair and responsible in the context of the following criteria:

- Fair and responsible in terms of compliance with relevant legislation
- Fair and responsible for the role performed (internal equity)
- Fair and responsible in terms of market benchmarks (external equity)
- Fair and responsible in terms of agreements with labour unions
- Fair and responsible in terms of long-term sustainability

Equal pay for work of equal value

Pick n Pay is committed to equal pay for work of equal value and does not discriminate based on race, ethnicity, or gender. Salaries are benchmarked annually using the REMchannel survey to ensure external competitiveness at both national and retail levels. Internal equity is maintained by regularly assessing pay gaps across similar roles and aligning salaries with our job grading system. Unjustifiable pay disparities are addressed during the annual salary review, with adjustments guided by an income disparity pay mandate and capped at a set percentage. Particular attention is given to African, Coloured, Indian, and female employees, as well as roles requiring scarce or critical skills.

Benchmarking remuneration to the market

Guaranteed and variable remuneration at each employment grade are benchmarked annually against industry norms to ensure employees are remunerated competitively in relation to the broader employment market and the retail industry specifically. Remuneration is generally positioned at the market median. Key or scarce skills and high performers are remunerated at the upper quartile of the market. Independent experts assist with remuneration benchmarking for executives and top management, to ensure that decisions are objective and fair.

Executive director

Annual benchmarking of guaranteed and variable remuneration paid to senior leadership to a comparator group of large JSE-listed companies to ensure our executives are remunerated fairly and in line with the market. Comparator companies for benchmarking:

Clicks Group Limited; TFG Limited; Truworths International Limited; Mr Price Group Limited; Shoprite Holdings Limited; Pepkor Holdings Limited; Spar Group Limited; Woolworths Holdings Limited.

Employees below executive director

REMchannel's national surveys are used to benchmark remuneration annually against the national and retail markets.

Non-management bargaining unit (NMBU) employees

Pick n Pay undertakes collective bargaining for wages and benefits, with national labour union negotiation committees. Pick n Pay has 71.4% employees belonging to a labour union. Employees remunerated under contractual agreements with labour unions are paid in accordance with agreed hourly pay scales and additional benefits, without any differentiation based on race, gender or disability. Negotiations with our labour unions consider:

- Statutory minimum wage requirements in South Africa and the retail sector. The current minimum wage in South Africa is R28.79 per hour as of 1 March 2025.
- Individual job categories as defined in the SD9¹ regulation, as well as the Basic Conditions of Employment Act.
- The economic environment, including the inflation outlook.
- Additional benefits provided for the well-being of our employees.
- Affordability, with a particular focus on the projected percentage increase in like-for-like sales growth relative to the percentage wage increase and the increase in other costs, to determine whether the wage increase is affordable for Pick n Pay, or whether it is likely to reduce our overall competitiveness and our capacity to offer greater value to customers through lower prices.

Remuneration framework

Pick n Pay's remuneration framework is structured around a balanced mix of fixed remuneration and variable performance-linked incentives. Guaranteed remuneration ensures market competitiveness and fairness, while short- and long-term variable components are designed to drive performance, reward achievement, and align behaviour with strategic priorities. This integrated approach supports the retention and motivation of a high-performing team and reinforces long-term value creation for stakeholders.

¹ Sectoral determination 9 – refers to Sectoral Determination 9, which falls under the Basic Conditions of Employment Act (BCEA). This sectoral determination sets the legally binding minimum employment conditions for workers in the wholesale and retail sector.

Fixed remuneration

Purpose	Fixed salaries and benefits across Pick n Pay are set at levels that are competitive with the rest of the market. This enables Pick n Pay to attract, motivate and retain the right calibre of diverse people to achieve our strategic business objectives.	
Fixed salaries	<ul style="list-style-type: none">Tailored to reflect the skills, competencies and experience required for the roleRemuneration is directly linked to formal annual performance assessmentsAnnual increases are based on the performance of the individual and their pay positioning in line with the approved salary increase mandate	
Benefits	<ul style="list-style-type: none">Healthcare benefitsLeaveBursaries and study grantsRetirement funding	<ul style="list-style-type: none">Insured benefitsLong-service awardsOther benefits at store level

Variable remuneration

Variable incentives are designed to retain, reward and incentivise performance over one- (STI) to two- to three-year (LTI) periods. Variable benefits are closely linked to achieving Pick n Pay segment, divisional operating units and individual performance objectives. The basis for calculating STIs and LTIs is formulaic in nature. Participation in variable incentive schemes is subject to the discretion of the Remuneration Committee and documented in the relevant scheme rules. The Remuneration Committee may exercise discretion to award ex gratia payments where it is considered strategically prudent to do so, or elect to moderate or withhold incentives where individual performance does not warrant an award.

Aligning variable pay with delivering the Pick n Pay strategy

Pick n Pay’s variable incentive structures are currently under review to ensure that the incentives effectively align with Pick n Pay’s turnaround strategy. The policy outlined in this section relates to FY26. The execution of Pick n Pay’s strategy is measured against KPIs within its key strategic focus areas.

Short-term incentive

Annual STI

Purpose	The annual short-term bonus scheme aims to drive short-term performance in a measured and sustainable way. The scheme incentivises the achievement of Pick n Pay's financial and non-financial targets as set out in Pick n Pay's plan for the coming year, while retaining key skills and talent over the longer term.	
Participation	CFO, top, senior and middle management employees are eligible to participate. Employees must be in Pick n Pay's employ for at least four months of the financial year, with the bonus applied pro rata. Fixed-term employees are not eligible to participate in the STI, with the exception of the CEO, who will be eligible from FY27.	
Operation	The value of the short-term bonus paid to each participant is determined through a balanced scorecard of Group and Pick n Pay segment performance (as relevant) and individual KPIs. Performance targets are determined and communicated to participants annually in advance.	
STI allocation multiple	The STI allocation percentages are reflected as a multiple of monthly TGP or fixed salary, as applicable, and are set in line with the seniority of each role. The STI allocation multiple for the CEO and CFO is 6x at target and 8x at stretch.	
Financial performance score	60% of the STI is subject to the attainment of turnover growth and EBITDA* performance conditions. Previous performance conditions were linked to profit before tax and exceptional items (PBTAE). EBITDA* is now considered more appropriate as it eliminates the year-on-year interest savings as a result of the Recapitalisation Plan, and focuses management on operational improvements that will drive the delivery of the FY28 trading profit after lease interest break even target of the Pick n Pay segment. STI financial performance targets for the CEO, CFO and certain Group employees are a balanced blend of Pick n Pay and Boxer performance targets. Boxer performance targets are detailed in their remuneration report. No vesting occurs for performance below threshold.	
	Pick n Pay measure	Weighting
	Turnover growth	40%
	EBITDA* before exceptional items	60%
	Total	100% – this has a 60% weighting overall in the calculation of the STI

Individual financial and non-financial performance score	40% of the STI is subject to the attainment of financial, non-financial and ESG performance conditions, as relevant to each participant’s individual role within Pick n Pay and critical to the achievement of the turnaround strategy.
Settlement and vesting period	The STI is settled in cash after the end of the financial year, once the attainment of performance conditions is known.

* EBITDA pre-IFRS 16 as per page 130 of the FY25 Integrated Annual Report.



Short-term incentive (continued)

STI for store-level management

Participation	Qualifying employees at store level. Employees must be in Pick n Pay’s employ for at least four months of the financial year, with the bonus applied pro rata.
Operation	These incentives are directly linked to short-term store sales and profit targets. These bonuses have been simplified and refocused to ensure that the store management teams are focused on the key in-store metrics that drive overall profitability.

Long-term incentive

Executive Retention and Performance Incentive scheme (ERPI)

Purpose	The primary objectives of the ERPI scheme are to drive performance and retain key talent at executive and top management levels over the critical early turnaround phase.
Participation	Executives and employees in the key leadership team who are deemed critical to the delivery of the Pick n Pay turnaround strategy.
Operation	The ERPI award is split into two equal parts, a retention portion and a performance portion. The retention portion equated to 50% of the individual’s TGP at the date of award. This was an upfront payment with a 24-month lock-in period. Should an employee resign at any point during the 24-month lock-in period, they will be obligated to pay back the full retention payment. The performance portion is the remaining 50% of an individual’s TGP at the date of award. This portion of the awards is subject to two to three specific performance measures aligned with the turnaround strategy of Pick n Pay. The performance portion is paid in varying instalments linked to the attainment of the specified performance conditions at key milestones.
ERPI allocation multiple	The value of the award is equal to an employee’s annual TGP.
Financial and non-financial performance score	Performance conditions vary by ERPI participant linked to the strategic priorities under the Pick n Pay turnaround strategy. These include the successful execution of the Pick n Pay Rights Offer and Boxer IPO, alongside operational targets driving LfL sales growth, gross profit margin improvement, waste reduction, and efficiency gains.

LTI: Restricted Share Plan (RSP)

Purpose	The RSP recognises executive and top management employees who have a significant role to play in delivering Pick n Pay’s strategy and its long-term sustainable growth.	
Participation	Executives and top management participate in the scheme.	
Operation	The Remuneration Committee awards zero-strike RSP shares (forfeitable PIK shares) to participants.	
LTI allocation multiple	The value of shares awarded to participants is aligned to market benchmarks, each participant’s individual contribution to long-term value creation, and other relevant retention and attraction considerations. The LTI allocation multiples are reflected as a percentage of annual TGP and are set in line with the seniority of each role:	
	Grade	Maximum annual LTI allocation
	CEO	150%
	CFO	100%
	Top management	50% – 100%
Financial performance score	Financial performance conditions are linked to EBITDA*. Previous performance conditions were linked to PIK Group HEPS. EBITDA* is considered more appropriate for awards vesting in FY27 (RSP4). The amendment aligns with the drive towards increasing cash flow and supports Pick n Pay’s strategy to break even on EBITDA* in FY27 trading profit after lease interest by FY28 in the Pick n Pay segment. The intention is to return to a HEPS performance measure from FY29 onwards. Refer to page 53 for details of the performance conditions attached to the FY25 award (RSP4). Earnings targets for the CEO, CFO and certain Group employees are a balanced blend of Pick n Pay and Boxer performance targets. Boxer performance targets are detailed in their remuneration report.	
Gatekeeper clause	A limit on capital investment net of movements in working capital acts as a gatekeeper to ensure that EBITDA* targets are not reached through excessive capital investment.	
Limits and affordability	Share issues to fund long-term share incentives are limited to 5% of PIK’s issued share capital.	
Ownership rights	Participants have full voting rights over the period. Dividend rights are subject to the discretion of the Remuneration Committee, are deferred until vesting date, and are paid in direct proportion to the number of shares that vest.	

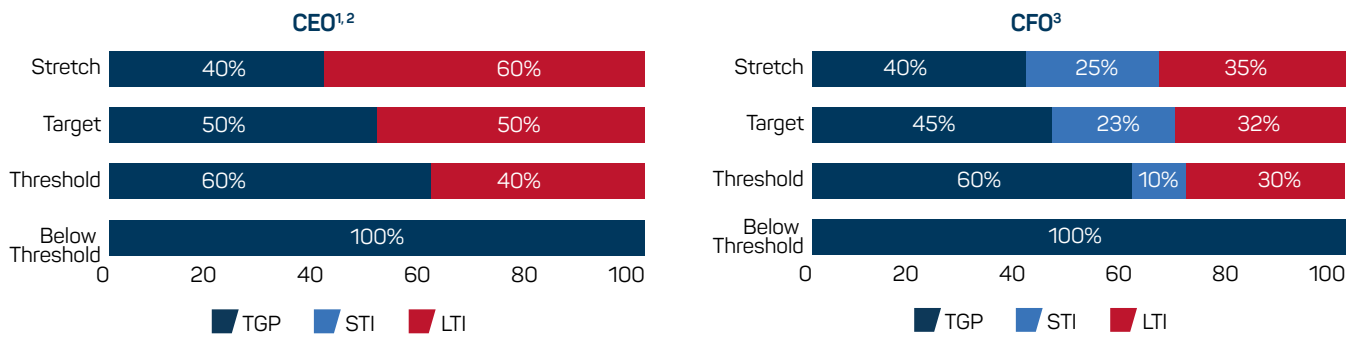
Cash Retention Incentive (CRI)

Participation	Key talent in middle management levels who are identified based on Pick n Pay’s employment equity and gender equity targets, through a formal performance management process. Awards are made on an annual basis, allowing participants to receive rolling annual awards as they progress through the business.
Operation	The cash award is based on a fixed multiple of each participant’s monthly cash salary and vests after a period of three years. Retention in a highly contested retail environment is the primary objective of the scheme and, as such, no performance conditions are attached. Vesting is only dependent on the employee remaining in the employ of Pick n Pay over the specified vesting period. If a participant leaves before the end of the vesting period all unvested cash awards will lapse, subject to good leaver provisions (such as retrenchment, ill health or disability).

* EBITDA pre-IFRS 16 as per page 130 of the FY25 Integrated Annual Report.

Remuneration mix

Remuneration is balanced between fixed remuneration and variable incentives to align employee and shareholder interests over the long term. To achieve a high-performance culture, a higher proportion of variable remuneration is applied to senior management employees, with a greater emphasis on total guaranteed pay (TGP) for middle and junior management. Variable remuneration consists of short-term incentives (STI) and long-term incentives (LTI) and is considered “at risk pay” as it is dependent on meeting performance targets that are closely aligned to Pick n Pay’s long-term strategic plan. Performance targets are set within Pick n Pay’s overall risk appetite, with the objective of being challenging but realistic, in order to achieve retention and drive performance in the broader context of Pick n Pay’s economic and trading environments.



¹ Under his contract of employment, the CEO is not eligible to receive an STI until FY27.

² The CEO was awarded 4 000 000 shares in FY25 under the Group's long-term share incentive scheme. Please refer to page 53 for further detail. The remuneration mix presented above includes the value of those awards on award date.

³ The ERPI is excluded from the remuneration mix presented above, as it was an ad hoc award to secure retention and drive performance during the period of strategic turnaround, and is not intended to be a permanent feature of the remuneration policy.

Governance measures

A number of measures are in place, allowing the Remuneration Committee to lapse, reduce unvested or recoup any past incentive payments. In addition, minimum shareholding requirements are in place to reinforce the importance of sustainable long-term performance and alignment.

Malus and clawback

Reduction or recoupment of incentives

The Board is entitled to adjust (malus) or recover (clawback) any performance-related short-term and long-term incentives previously paid to executives implicated in fraud, dishonesty or negligence. Trigger events for the application of either malus or clawback are set out in the policy and include:

- Fraud, dishonesty or negligence resulting in the misrepresentation of financial performance
- Errors or misstatements in financial results which result in greater remuneration outcomes
- Reputational damage

No incidents were identified in FY25.

Minimum shareholding requirements

The CEO and CFO are required to build up a minimum shareholding in their own name at a specified multiple of their TGP over a five-year period. The Committee will consider and assess the feasibility of extending the MSR to the other members of the senior executive team in the future.

The table below outlines the required level of shareholding as a percentage of TGP:

CEO	200%
CFO	100%

Service contracts and termination benefits

Executive directors and senior management are employed in terms of Pick n Pay’s standard contract of employment. They are only employed on fixed-term contracts under specific circumstances. Senior management is required to give a reasonable notice period of their intention to terminate their services, which varies from three to 12 calendar months. The CEO has a fixed-term contract until May 2028. The notice period for the CEO and CFO is six months.

Employment contracts do not provide for any exceptional benefits or compensation on the termination of employment. Certain managers who are considered key in carrying out Pick n Pay’s strategy are subject to contractual restraint of trade provisions. Termination, restraint of trade payments, or retirement gratuities may be made at the discretion of the Remuneration Committee.

Forfeiture and lapse of incentives

In addition to subjecting all incentives to performance conditions, incentives remain at risk if employment is terminated before the payment or vesting date, as shown below:

	Salary	Benefits	STI	LTI/CRI/ERPI
Voluntary resignation	Paid over notice period	Paid over notice period	Lapses	Unvested awards forfeited
Dismissal/termination	Paid until termination	Paid until termination	Lapses	Unvested awards forfeited
Early retirement from 55 years of age	Paid over notice period	Paid over notice period	Paid on normal payment date Pro rata for time served	Accelerated early vesting Pro rata for time served and performance conditions achieved
Normal retirement	Paid until retirement	Paid until retirement	Paid on normal payment date Pro rata for time served	Accelerated early vesting Pro rata for time served and performance conditions achieved
Retrenchment (voluntary or involuntary)	Paid until exit	Paid until exit Severance payments apply	Paid on normal payment date Pro rata for time served	Accelerated early vesting Pro rata for time served and performance conditions achieved

Application of the Remuneration Committee's discretion

The Remuneration Committee has several mechanisms to ensure that pay outcomes fairly reflect individual and business performance, as well as the broader economic and societal context. These include the use of malus and clawback provisions, good and bad leaver clauses, and the responsible application of discretion to override formulaic outcomes under both short- and long-term incentive schemes. Discretion is exercised within a robust framework that considers Pick n Pay’s overall financial and strategic performance.

Element	Feature	Ambit of the Remuneration Committee's discretion
STI and LTI	Eligibility	The Remuneration Committee has the discretion to determine the eligibility of participants in the STI and LTI scheme.
	Allocation percentages	The Remuneration Committee has the discretion to determine the allocation percentages of participants of the STI and LTI scheme.
	Performance conditions	The Remuneration Committee has the discretion to approve the performance conditions for both the STI and LTI scheme.
	Performance period	The Remuneration Committee has the discretion to determine the performance periods for both the STI and LTI awards.
	Change of control	On a change of control, the Remuneration Committee will assess to what extent the performance conditions have been met, and what pro rata awards will vest based on the performance and service delivered to date.
	Termination provisions	The Remuneration Committee has the discretion to accelerate the vesting terms under the following circumstances: <ul style="list-style-type: none">Change of control in terms of the STI and LTIGood leaver in terms of the STI and LTI Any discretion applied remains subject to Board approval.
	Malus and clawback	The Remuneration Committee has the discretion to make recommendations to the Board. The Board has the ultimate authority to apply the policy.
Discretionary payments	Ex gratia or lump sum payments	The Remuneration Committee has discretion to make such awards in certain circumstances, which include: <ul style="list-style-type: none">The adjustment of employee packages when a salary increase is inadequate;To address retention risks; and/orTo reward exceptional employees.
	Sign-on bonus	The Remuneration Committee has discretion to make such awards in certain circumstances, which include: <ul style="list-style-type: none">Circumstances where an incumbent would have lost the incentives they were due from their previous employee; and/orTo attract critical employees.

Non-executive directors' fees and remuneration

Non-executive directors do not have service contracts but serve under a formal letter of appointment from the Board and are re-elected by shareholders on a rotational basis. Fees are not linked to the performance of the Group or its share price and are paid six-monthly in arrears. Fees are not paid on a per-meeting basis, as full attendance is expected at standard Board and committee meetings. Non-executive directors do not receive performance-related bonuses and are not granted any share awards. Their services may be terminated without liability for compensation. Benchmarking is conducted on an annual basis to benchmark fees against a select peer group of South African JSE-listed companies, based on market capitalisation, turnover and total assets. Fees are proposed based on the benchmarked outcomes as well as other survey information available in the market. The Chief People Officer proposes the fees to the Remuneration Committee, who thereafter recommends the fees to the Board for final approval from shareholders. The table below sets out the remuneration principles applied for non-executive directors' fees. These principles form the underlying basis for the directors' fees tabled for shareholder approval – refer to page 54 for the detailed fees.

Chair	The Chair's fee reflects the active role Gareth Ackerman plays in the Group's corporate governance and in formulating overarching strategies. He does not play a day-to-day role in the executive management and administration of the business but makes himself available to the executive team in an advisory capacity. Looking forward, the Chair fee will be reduced in line with market benchmarks when James Formby succeeds Gareth Ackerman as Chair in August 2025.
Lead independent director and other directors	Directors' fees are market-related, based on relevant benchmarks, and commensurate with the time required for directors to fulfil their duties. Annual fees are not subject to attendance at meetings, as meetings are well attended.
Committee membership	The fees reflect the responsibilities taken on through the membership of Board committees.
Consultancy fees	The fees related to additional consultancy services to the Board and its committees are determined and approved by the Remuneration Committee on an ad hoc basis, considering the nature and scope of the services rendered.
Expenses	The Group settles all travel and accommodation expenses related to the work of the Board



Part 3: Implementation Report

Overview of the implementation of the remuneration policy

The implementation report outlines the key decisions made by the Remuneration Committee during FY25, including the measures taken to ensure fair and balanced remuneration in what has been a highly challenging and transformative year.

The Committee has applied the Group's remuneration policy consistently with prior years, unless otherwise stated, and remains fully aligned with the approved framework. The Committee implemented the ERPI during the year with awards made to a targeted small pool of talented and critical leadership, including the CFO. Please refer to page 47 for further information. No other ad hoc awards were made to the executives, senior management and middle management in the year under review.

A summary of remuneration paid to executive and non-executive directors is provided in the tables at the end of this section.

The Boxer segment's FY25 remuneration decisions were made under two governance frameworks: pre-listing under the Group's framework and post-listing under the stand-alone Boxer framework (aligned to the principles of the Group). The implementation of these policies during FY25 is detailed in the Boxer segment's stand-alone remuneration report. The rest of the remuneration policy in this implementation report is focused on the Pick n Pay segment.

Guaranteed pay

The Committee evaluated the overall value and composition of TGP in respect of the executive directors and all other senior managers. Executive and senior management remuneration is considered fair and competitive against market benchmarks, and appropriately reflects the role, experience and performance of each individual member of the senior management team.

	CEO Sean Summers		CFO Lerena Olivier	
	FY25 ¹ R'000	FY24 ¹ R'000	FY25 R'000	FY24 R'000
Fixed salary	24 900	10 000	5 947	5 683
Retirement and medical aid	–	–	256	267
Other benefits	–	–	–	36
Total guaranteed pay	24 900	10 000	6 203	5 986

¹ FY25 – 12 months' service; FY24 – 5 months' service.

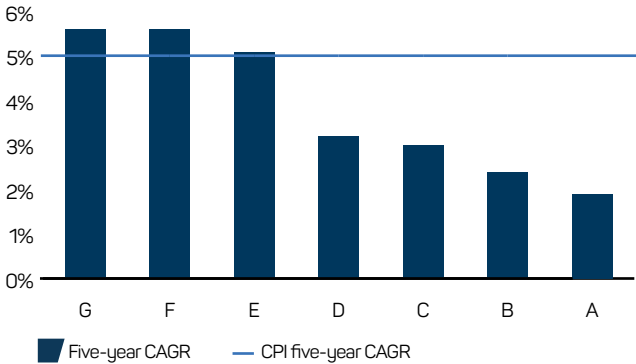
Annual salary increases

The following factors are considered in determining a fair, equitable and competitive salary increase:

- Pick n Pay performance and affordability
- Macro-economic environment
- Market benchmarking

Pick n Pay distributes salary increases on a matrix based on individual performance and pay positioning to ensure that we maintain and drive our pay for performance philosophy. Additional allocations are made to specifically address income disparities and narrow the pay gap. Income disparity increases take place annually in line with our commitment to close the pay gap, where necessary.

Indexed five-year CAGR increase per grade



Category	Grade	FY25 annual salary % increase	FY24 annual salary % increase
CEO	A	5.0%	–
CFO	A	5.0%	–
Top management	A&B	5.0%	3.5%
Senior and middle management	C&D	5.0%	3.5%
Junior management	E	6.0%	4.5%
Entry level and non-management	G&F	7.0%	4.5%

The increase for NMBU employees in FY25, as governed by labour union agreements, was an average of 6.5% to 8.0% (FY24: 6.7% to 8.0%).

Fair and responsible remuneration outcomes

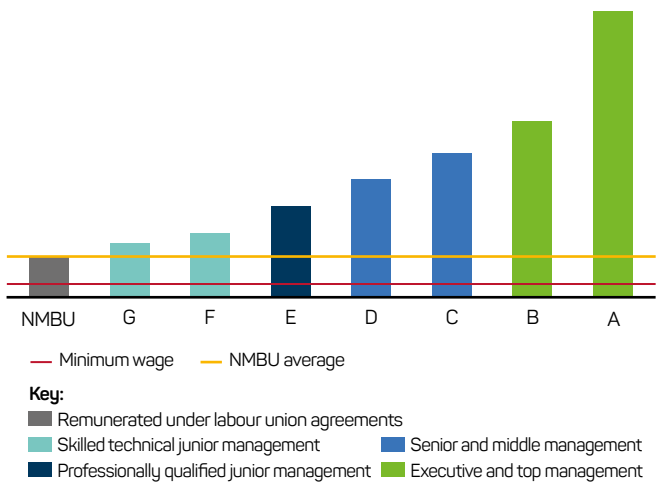
The income gap

Pick n Pay's statistical analysis of its income distribution across its full-time employees demonstrates large income disparity, driven by the high number of unskilled and semi-skilled workers employed across its retail store estate. This is reflective of norms in the retail industry, with higher levels of guaranteed and variable remuneration paid to skilled and senior management. The analysis does not yet consider variable-time employees. The significant variation in hours worked across the variable-time labour force does not allow for reasonable comparability.

The graph overleaf shows our average pay at the various employment grades within Pick n Pay and in line with our commitment to paying our employees terms and benefits over and above the legislated requirement, thus reflecting our commitment to provide employees with a market benchmarked pay and benefits to attain an acceptable standard of living. Our NMBU employees' average TGP is 57.3% higher than in the wholesale and retail sector.

The income gap (continued)

Representation of average remuneration by employment grade



In recent years, there has been an increased focus on pay gap reporting to bring into focus and promote a fairer and more equal society. In line with the Companies Act amendment bill and reporting requirements, Pick n Pay's pay gap methodology compares the average of the top 5% highest earners in Pick n Pay with the average of the lowest 5% permanent and fixed-term employees, giving us an income differential ratio of 18.29. The differential is lowered to 17.02 when the analysis is conducted against permanent employees only.

In addition, we also follow a systematic approach in our daily decision-making by ensuring that we have adequate remuneration processes in place to enable the business to make responsible pay decisions when promoting or appointing new employees. We ensure that our pay ranges are aligned to market benchmarks by matching jobs to similar jobs in the market and guidance is provided to the business in terms of the minimum salary to be offered.

Race and gender pay equity

We are committed to fair, equitable, and non-discriminatory remuneration practices across our operations. In a country with a complex socio-economic history, we recognise our responsibility not only to comply with the law, but also to lead in advancing equality and inclusion in the workplace.

Remuneration is determined based on the inherent requirements of the role, taking into account the level of responsibility, skills, experience, and individual performance. Pay decisions are not influenced by race, gender, or any other unjustified or discriminatory factor. We actively work to ensure that our pay structures are equitable, transparent, and consistently applied across all occupational levels.

The Remuneration Committee conducts annual statistical pay equity analyses to identify and address any unjustified disparities between employees performing work of equal value. These analyses are conducted across all levels and employment categories, with a focus on both race and gender dimensions. Where anomalies are identified, appropriate corrective action is taken.

We are mindful of the systemic inequities that persist in South Africa, and therefore, our commitment to pay equity is not limited to compliance, but extends to transformation. This includes aligning with the spirit and intent of the Employment Equity Act and supporting the advancement of women and historically disadvantaged individuals into more senior and better-remunerated roles.

As part of our broader transformation and human capital agenda, we continue to integrate pay equity considerations into our talent development, succession planning, and performance management processes. We also work closely with internal stakeholders, including the Employment Equity Forum, to ensure our practices are inclusive and progressive.

Looking ahead, the Remuneration Committee intends to strengthen disclosure in this area, in support of improved transparency and accountability. We remain resolute in our belief that pay equity is not only a moral and legal imperative, but also a business necessity for building an engaged and high-performing workforce.

Preparing for greater transparency

We support the intent of the Companies Amendment Act and are preparing to meet its new disclosure requirements. Once final regulations are in place, we will publish the information required in a format that is accurate, meaningful and consistent with practice across the listed market.

STI performance outcomes for FY25

A loss was forecast for FY25; therefore the STI KPIs for FY25 were linked to achieving diminishing losses, and growing sales, in line with the Pick n Pay turnaround strategy.

	Target	Actual achieved
Group sales growth	5.3%	3.2%
Group PBTAE	Loss of R600 million	Loss of R237 million (FY24: loss of R 1 421 million)

As the Group missed its sales target, but achieved its PBTAE target, the Remuneration Committee allocated a modest bonus pool for the reward and retention of key talent. The CEO, CFO and key management personnel did not participate in the reduced STI allocation.

Executive Retention and Performance Incentive for FY25

The CEO does not participate in this incentive. For the CFO, the performance portion of the ERPI award made in FY24 (50% of total award) has vested in full due to the achievement of the conditions set out below. The retention portion (50% of award) requires continued employment over the two-year service period.

Measure	Weighting	Value Rm*	Achieved	Comments
Retention	50%	1 993	In progress	Two-year service period
Performance				
Rights Offer	25%	996	✓	Stretch targets achieved, in respect
Boxer IPO	25%	996	✓	of timelines, subscription and value
Total		3 985		

* Expensed on a pro rata basis, with R2 989 000 recognised in FY25.

Performance conditions for all other ERPI participants are linked to strategic priorities under the Pick n Pay turnaround strategy. These include the successful execution of the Pick n Pay Rights Offer and Boxer IPO, alongside operational targets driving LfL sales growth, gross profit margin improvement, waste reduction, and efficiency gains. Achievement to date, at key milestones, has resulted in all awards with KPIs linked to the Rights Offer and IPO, and 60% of awards linked to Pick n Pay sales and profitability, vesting.

RSP3: awarded FY22, vested June 2025

60% of in-flight RSP3 awards were forfeited in FY24 as the HEPS targets could not be met over the three-year vesting period, ending June 2025. The remaining 40% of the awards were subject to the attainment of individual key performance indicators relevant to each participant. Following the assessment of management performance, 62% of the remaining awards vested, being 25% of the total. CFO, Lerena Olivier, received 40% of her RSP3 awards in June 2025.

CRI4: awarded FY25, vesting June 2027

	2025 award CRI4	2023 award CRI3
Number of employees	157	149
Vesting date	June 2027	June 2025
Female representation	48%	49%
ACI representation	54%	51%

RSP4: awarded FY25, vesting June 2027

Financial performance score	3.4 million shares were issued to 74 participants. The following performance conditions and weightings will be applied for the June 2027 vesting of RSP4. No vesting occurs for performance below threshold:				
	Pick n Pay measure	Weighting	Threshold (50% vesting)	Target (70% vesting)	Stretch (100% vesting)
	Personal KPIs	50%	Achievement 3 performance rating	Achievement of a 3+ performance rating	Achievement 4 performance rating
	EBITDA before exceptional items*	50%	50% reduction in FY25 EBITDA* losses by FY27	Linear achievement	EBITDA* at break even by FY27
A limit on capital investment net of movements in working capital acts as a gatekeeper clause to ensure that EBITDA* targets are not reached through excessive capital investment.					
Earnings targets for the CEO, CFO and certain Group employees are a balanced blend of Pick n Pay and Boxer performance targets. Boxer performance targets are detailed in their remuneration report. The RSP4 award to Lerena Olivier was issued on 30 June 2025. Lerena received 234 666 shares, with a vesting period of two years and performance conditions aligned with the RSP4 award as detailed above.					

* EBITDA pre-IFRS 16 as per page 130 of the FY25 Integrated Annual Report.

Restricted share plan awards: CEO

The Remuneration Committee awarded Sean Summers 4 000 000 performance-based RSP shares in July 2024. The performance conditions combine qualitative and quantitative performance indicators critical to the turnaround of the Pick n Pay supermarket business. The salient details of that share award is as follows:

Award date	Vesting date	Number of shares	Financial and non-financial Performance criteria
July 2024	October 2025	2 000 000	Pick n Pay leadership and operational structure implementation
July 2024	February 2027	1 000 000	Development of CEO succession plan
July 2024	February 2027	1 000 000	Stretch – FY27 EBITDA* break even. Threshold and target aligned with RSP4 metrics above

* EBITDA pre-IFRS 16 as per page 130 of the FY25 Integrated Annual Report.

The Board has extended the CEO's fixed-term service contract until May 2028. The extension ensures continuity and stability in the leadership team during a period of significant strategic transformation. It also allows for a considered and deliberate succession process, including a comprehensive handover period in due course. As part of this contract extension, the CEO will be eligible for further RSP shares in line with the Group's remuneration policy framework, subject to both financial and non-financial performance conditions. Further details will be provided on the award of these shares, which are expected to be aligned with the Group's annual RSP issue.

Non-executive directors’ fees

The Committee reviewed and recommended non-executive director remuneration to the Board, for shareholder approval at the AGM on 5 August 2025.

	FY26 proposed R	FY25 previously R	% change
Chair (including participation in all committees)	2 500 000 ¹	4 893 300	¹
Lead independent director (LID) (including participation in all committees)	1 687 500	1 687 500	–
Non-executive director	510 300	510 300	–
Chair of the Audit, Risk and Compliance Committee	441 000	441 000	–
Chair of the Remuneration Committee	234 150	234 150	–
Chair of the Social, Ethics and Transformation Committee	234 150	234 150	–
Chair of the Nominations and Corporate Governance Committee	234 150	234 150	–
Member of the Audit, Risk and Compliance Committee	110 600	110 600	–
Member of the Finance and Investment Committee ²	150 000	150 000	–
Member of the Remuneration Committee	110 600	110 600	–
Member of the Social, Ethics and Transformation Committee	110 600	110 600	–
Member of the Nominations and Corporate Governance Committee	105 000	105 000	–
Member of the Independent Board Committee ³	158 550	158 550	–

¹ Gareth Ackerman will retire as Board Chair at the close of the 2025 AGM. Gareth will receive a pro rata Chair fee for the six months served, based on the current annual fee of R4 893 300. James Formby will succeed Gareth as Board Chair, with a proposed annual fee of R2 500 000. The annual fee has been reduced following shareholder engagement, and is aligned with market benchmarks. James will receive a pro rata fee in FY26, based on his time in the role of LID and his time as Board Chair. The LID fee will fall away on his appointment as Chair.

² The Committee is chaired by the lead independent director, who does not receive an additional fee for chairing this committee.

³ The Committee comprises only independent non-executive directors and is chaired by the lead independent director, who does not receive an additional fee for chairing this committee. This committee is not a key standing committee and is convened only for major regulated transactions or investment decisions. In the event that this committee is convened during the financial period, fees paid shall not exceed the annual fees proposed in this special resolution number 1. No fees are paid if the Committee is not convened.



Total remuneration of executive directors

Details of the basic salary and GP (basic salary plus benefits) paid to executive directors and prescribed officers are set out in the tables that follow, with the face value of the vested incentive schemes included. The relevant table of unvested awards for each individual is also included.

	Fees for board meetings R'000	Fees for committee and other work R'000	Base salary R'000	Retirement and medical contri- butions R'000	Total fixed remune- ration R'000	ERPI R'000	Total remune- ration R'000	Long-term awards charges – current year ¹ R'000
Executive directors								
2025								
Sean Summers ²	–	–	24 900	–	24 900	–	24 900	40 198
Lerena Olivier	–	–	5 947	256	6 203	2 989	9 192	1 896
Total remuneration	–	–	30 847	256	31 103	2 989	34 092	42 094

¹ The long-term awards expense or recoupment is determined in accordance with IFRS 2 Share-Based Payments and IAS 19 Employee Benefits, and reflects the current year's charge or recoupment recorded in the Group's statement of comprehensive income. The fair value of awards are determined at grant date, and are recognised in the statement of comprehensive income over the period during which the employee becomes unconditionally entitled to the award (the vesting period). Dependent on the nature of the vesting criteria, long-term awards expense may be reversed and recouped by the Group if the vesting criteria are not met.

² Serves as a non-executive director of the Boxer Retail Limited Group, any fees earned in relation to this is paid to Pick n Pay Retailers Proprietary Limited.

	Fees for board meetings R'000	Fees for committee and other work R'000	Base salary R'000	Retirement and medical contri- butions R'000	Fringe and other benefits R' 000	Total fixed remune- ration R'000	Termination settlement ¹ R'000	Total remune- ration R'000	Long-term awards charges – current year ² R'000
Executive directors									
2024									
Sean Summers ³	–	–	10 000	–	–	10 000	–	10 000	–
Lerena Olivier	–	–	5 683	267	36	5 986	–	5 986	(1 413)
Jonathan Ackerman ⁴	–	–	126	16	119	261	–	261	141
Pieter Boone ³	–	–	7 880	532	1 127	9 539	15 776	25 315	(11 616)
Total remuneration	–	–	23 689	815	1 282	25 786	15 776	41 562	(12 888)

¹ Termination settlement in terms of contract of employment.

² The long-term awards expense or recoupment is determined in accordance with IFRS 2 Share-Based Payments and IAS 19 Employee Benefits, and reflects the prior year's charge or recoupment recorded in the Group's statement of comprehensive income. The fair value of awards are determined at grant date, and are recognised in the statement of comprehensive income over the period during which the employee becomes unconditionally entitled to the award (the vesting period). Dependent on the nature of the vesting criteria, long-term awards expense may be reversed and recouped by the Group if the vesting criteria are not met. Vesting criteria in respect of the RSP awards due to have vested in June 2024 and June 2025, were not fully met. As a result, and as directed by the Remuneration Committee, a portion of RSP long-term share awards were forfeited and the related expenses recouped by the Group in the prior reporting period.

³ Sean Summers replaced Pieter Boone as CEO, effective 30 September 2023.

⁴ Jonathan Ackerman retired as an executive director on 31 March 2023, and was appointed as a non-executive director on that date.

Total Remuneration of non-executive directors

	Directors' fees	Additional ad hoc fees ¹	Lead Independent Director	Audit, Risk and Compliance Committee	Finance and Investment Committee	Remuneration Committee	Social, Ethics and Transformation Committee	Nominations and Corporate Governance Committee	Total remuneration
Name	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
FY25									
Gareth Ackerman	4 893	-	-	-	-	-	-	-	4 893
Jonathan Ackerman	510	-	-	-	-	-	111	-	621
Suzanne Ackerman	510	-	-	-	-	-	234	26	770
Haroon Borhat	510	-	-	210	150	111	83	26	1 090
Mariam Cassim ²	170	-	-	70	-	-	-	-	240
James Formby ^{1,3}	-	210	1 688	-	-	-	-	-	1 898
David Friedland ¹	510	210	-	210	150	-	-	26	1 106
Aboubakar Jakoet ¹	510	210	-	441	150	111	-	78	1 500
Audrey Mothupi-Palmstierna	510	-	-	210	-	234	-	105	1 059
David Robins ⁴	255	-	-	-	-	-	28	-	283
Annamarie van der Merwe	510	-	-	-	-	-	111	201	822
Total	8 888	630	1 688	1 141	450	456	567	462	14 282
FY24									
Gareth Ackerman	4 893	-	-	-	-	-	-	-	4 893
Suzanne Ackerman	486	-	-	-	-	-	223	100	809
Haroon Borhat	486	-	-	200	-	105	-	100	891
Jonathan Ackerman ⁵	446	-	-	-	-	-	105	-	551
Mariam Cassim	486	-	-	200	-	-	-	-	686
James Formby	203	-	787	83	-	-	-	-	1 073
David Friedland	486	-	-	200	-	-	-	100	786
Aboubakar Jakoet	486	-	-	420	-	105	-	-	1 011
Audrey Mothupi-Palmstierna	486	-	-	200	-	223	-	100	1 009
David Robins	486	-	-	-	-	-	105	-	591
Annamarie van der Merwe	486	-	-	-	-	-	105	100	691
Jeff van Rooyen ⁶	-	-	563	-	-	-	-	-	563
Total	9 430	-	1 350	1 303	-	433	538	500	13 554

¹ Once-off fee approved by shareholders at the 2024 AGM to recognise the additional guidance provided by the directors in a number of critical areas, including liquidity management, the Group's debt restructure and the two-step Recapitalisation Plan.

² Mariam Cassim resigned as an independent non-executive director on 5 July 2024.

³ Serves as a non-executive director of the Boxer Retail Limited Group. Refer to the Boxer remuneration report for detail of fees earned.

⁴ David Robins retired as a non-executive director on 27 August 2024.

⁵ Jonathan Ackerman retired as an executive director on 31 March 2023, and was appointed as a non-executive director on that date.

⁶ Jeff van Rooyen retired on 19 July 2023.

Share awards held by executive directors

	Calendar year Granted	Award Grant Price R	Balance held as at 25 Feb 2024	Awarded	Balance held at 2 Mar 2025	Available for take up
FY25						
Sean Summers ¹ Restricted shares	2024	Nil	-	2 000 000	2 000 000	October 2025
	2024	Nil	-	2 000 000	2 000 000	February 2027
			-	4 000 000	4 000 000	
Lerena Olivier Share options	2019	58.05	80 000	-	80 000	Now
	2019	58.05	60 000	-	60 000	Now
	2019	58.05	60 000	-	60 000	September 2026
	2022	Nil	34 800	-	34 800	Vested 25 June 2025
			234 800	-	234 800	

¹ Sean Summers was awarded 4 million restricted shares under the Group's Restricted Share Plan during July 2024. The shares will vest in increments over three years, subject to the attainment of performance conditions.

² The RSP4 award to Lerena Olivier was issued on 30 June 2025. Lerena received 234 666 shares, with a vesting period of two years and performance conditions aligned with the RSP4 award as detailed on page 53.

Directors' interest in ordinary shares

	How held ¹	Balance held at 25 February 2024	Additions/ grants*	Disposals*	Balance held at 2 March 2025 ²	Beneficial/ non-beneficial interest ³
FY25						
Gareth Ackerman	direct	309	-	(309)	-	Beneficial
	indirect	1 748 776	997 716	-	2 746 492	Beneficial
	indirect	19 762	-	(19 762)	-	Non-beneficial
Ackerman Pick n Pay Foundation ⁴	indirect	101 900	52 081	-	153 981	Non-beneficial
Ackerman Family Investment Holdings Proprietary Limited ⁵	indirect	1	1	-	2	Non-beneficial
Ackerman Investment Holdings Proprietary Limited ⁶	indirect	124 677 237	64 657 759	-	189 334 996	Non-beneficial
Mistral Trust ⁷	indirect	3 000 000	1 533 300	-	4 533 300	Non-beneficial
Sean Summers	direct	-	644 456	(299 065)	345 391	Beneficial
	direct- RSP/FSP	-	4 000 000	-	4 000 000	Beneficial
Lerena Olivier	direct	96 150	66 928	-	163 078	Beneficial
	direct- RSP/FSP	34 800	-	-	34 800	Beneficial
Suzanne Ackerman	direct	120 528	-	(120 528)	-	Beneficial
	indirect	553 883	519 036	-	1 072 919	Beneficial
Jonathan Ackerman	direct	122 888	-	(122 888)	-	Beneficial
	indirect	865 055	672 201	-	1 537 256	Beneficial
	indirect	2 161	-	(2 161)	-	Non-beneficial
Aboubakar Jakoet	direct	8 764	1 236	-	10 000	Beneficial
	indirect ⁸	750 000	-	-	750 000	Beneficial
	indirect	13 059	936	-	13 995	Non-beneficial
David Friedland	indirect	34 188	17 473	-	51 661	Beneficial
James Formby	direct	4 000	2 130	-	6 130	Beneficial
	indirect	26 725	36 581	-	63 306	Beneficial

¹ Direct interests represent a holding in the director's personal capacity. Indirect interests represent a holding by a trust or a company (of which the director is a trustee or director/shareholder, as relevant), a spouse or minor children of directors.

² There have been no changes in the directors' interest in ordinary shares since 2 March 2025 up to the date of approval of the 2025 Group Integrated Annual Report, other than the vesting of RSP3 that added 18 618 shares to Lerena Olivier's direct holdings.

³ Beneficial interest represents an interest in shares in which a person is entitled to receive income payable in respect to that shareholding and/or obtain any benefit as a result of holding those shares. Non-beneficial interest represents an interest in shares in which a person will not benefit directly as a result of holding those shares.

⁴ The indirect non-beneficial interest in the Ackerman Pick n Pay Foundation represents the holdings of Gareth Ackerman and Suzanne Ackerman in their capacities as trustees.

⁵ The indirect non-beneficial interest in Ackerman Family Investment Holdings Proprietary Limited represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman.

⁶ The indirect non-beneficial interest in Ackerman Investment Holdings Proprietary Limited represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman.

⁷ The indirect non-beneficial interest in Mistral Trust represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman in their capacity as trustees and/or potential beneficiaries.

⁸ Defined as an indirect beneficial shareholding in terms of JSE classifications. However, the director only has a 10% shareholding in the company which holds these shares, does not exercise any control over the shares, and receives no direct benefit.

* Additions and disposals include transactions as a result of the rights offer. Refer to note 34 of the 2025 Group annual financial statements.

Directors' interest in B shares

FY25	How held ¹	Balance held at 25 February 2024	Additions	Disposals	Balance held at 2 March 2025 ²	Beneficial/ non-beneficial interest ³
Gareth Ackerman	direct	522	–	(522)	–	Beneficial
	indirect	3 227 861	988 143	–	4 216 004	Beneficial
	indirect	39 140	–	(39 140)	–	Non-beneficial
Ackerman Investment Holdings Proprietary Limited ⁴	indirect	246 936 847	64 052 544	–	310 989 391	Non-beneficial
Mistral trust ⁵	indirect	5 349 559	1 354 337	–	6 703 896	Non-beneficial
Suzanne Ackerman	direct	233 767	–	(233 767)	–	Beneficial
	indirect	926 084	563 315	–	1 489 399	Beneficial
Jonathan Ackerman	direct	243 307	–	(243 307)	–	Beneficial
	indirect	1 135 009	647 981	–	1 782 990	Beneficial
	indirect	4 280	–	(4 280)	–	Non-beneficial

¹ Direct interests represent a holding in the director's personal capacity. Indirect interests represent a holding by a trust or company (of which the director is a trustee or director/shareholder, as relevant), a spouse or minor children of directors.

² There have been no changes in the directors' interest in shares since 2 March 2025 up to the date of approval of the 2025 audited Group Integrated Annual Report.

³ Beneficial interest represents an interest in shares in which a person is entitled to receive income payable in respect to that shareholding and/or obtain any benefit as a result of holding those shares. Non-beneficial interest represents an interest in shares in which a person will not benefit directly as a result of holding those shares.

⁴ The indirect non-beneficial interest in Ackerman Investment Holdings Proprietary Limited represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman.

⁵ The indirect non-beneficial interest in Mistral Trust represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman in their capacity as trustees and/or potential beneficiaries.



Suzanne Ackerman
Outgoing Chair, Social, Ethics and Transformation Committee

Report of the Social, Ethics and Transformation Committee

The Social, Ethics and Transformation Committee presents its report for the 2025 financial year. This report has been prepared in accordance with the Companies Act (including Regulation 43 of the Companies Regulations) and is aligned with the King IV Report on Corporate Governance. It outlines the Committee's key areas of oversight and progress in promoting ethical leadership, responsible corporate citizenship, sustainable development, and transformation across the Group.

Committee Chair statement

Pick n Pay continued to execute its turnaround strategy in an increasingly complex and challenging operating environment. Throughout this period, the Social, Ethics and Transformation Committee ("SETC" or "the Committee") played a vital role in ensuring that the Group's recovery efforts remained grounded in ethical conduct, stakeholder inclusivity and sustainability. Our work during the year focused on advancing our integrated ESG strategy, constructive stakeholder engagement and responsiveness, and driving transformation across the business.

During the first part of the year under review, the Committee exercised oversight over both Pick n Pay and Boxer. Following its separate JSE listing, Boxer now operates under a fully independent Board, with its own Social, Ethics and Transformation Committee. As a result, the focus of our Committee shifted more directly to Pick n Pay, particularly in terms of the development of an integrated ESG strategy within Pick n Pay. However, the alignment of ethical standards, corporate citizenship and transformation remains a shared priority. The two committee chairs will continue to meet regularly to stay abreast of relevant developments in both companies and to ensure alignment on shared values and principles.

In June 2024, we bade farewell to David Robins, who retired from the Committee after more than 10 years of dedicated service and over 30 years of remarkable contribution to the Group. I extend my heartfelt thanks to David for his wise counsel, steadfast integrity and unwavering support to both myself and the Group over the years.

In line with our ongoing commitment to governance best practice and independence, I elected to step down as Chair of the Committee, effective 26 May 2025. I am pleased to hand over the role to Professor Haroon Borat, who brings with him deep socio-economic insight and a long-standing commitment to inclusive growth and labour development in South Africa. Under his leadership, I am confident that the Committee will continue to guide the Group's ESG journey with a people-centred approach and analytical rigour.

As I step down from the Chair role, I want to express my sincere gratitude to every member of this Committee, past and present. Your shared commitment to our values of integrity, inclusion and impact has been the driving force behind our work. Together, we have made meaningful strides in embedding ethical leadership, social responsibility and sustainability at the heart of our business.

I am immensely proud of the progress we have made, particularly in championing transformation, building stronger community relationships and upholding the highest standards of ethical conduct. These achievements are the result of dedicated collaboration, thoughtful oversight and the support of our broader leadership team.

Thank you for the opportunity to serve, to learn and to contribute. I remain confident that this committee will continue to go from strength to strength, and I look forward to continuing to support its work in new ways.

As we look ahead, the SETC remains resolute in its mission to deepen stakeholder trust, advance ethical behaviour, and embed inclusive sustainability throughout the Group's value chain.

Transformation is not a choice. It is the only way to address historical inequality and build a better society. It is an imperative in the way we do business.

Committee mandate and scope

The SETC is mandated under the Companies Act to assist the Board in overseeing organisational ethics, responsible corporate citizenship, stakeholder engagement, and sustainable development. The Committee’s work is guided by a formal Terms of Reference, reviewed and approved annually by the Board.

The SETC plays a central role in embedding the Group’s values into long-term strategy and daily operations. It aligns the Group’s sustainability efforts with relevant United Nations Sustainable Development Goals (SDGs) and oversees key ESG priorities, including transformation, employment equity, stakeholder and consumer relationships, labour practices, and health and safety.

Its responsibilities are informed by the Companies Act, JSE Listings Requirements, King IV, and other applicable legislation and codes. The Committee also approves the stakeholder engagement strategy and monitors ethical and sustainable business practices across the Group.

Committee governance

The SETC is constituted as a statutory committee in accordance with the Companies Act and operates under a Board-approved Terms of Reference. Its composition, powers, and responsibilities align with King IV, the JSE Listings Requirements, and other governance standards. The Committee comprises only non-executive directors, nominated by the Board and elected by shareholders at the AGM.

The Chair reports to the Board after each meeting, raising any key issues for consideration. The Chair also engages at least three times annually with the Chair of the Social and Ethics Committee of Boxer, the Group’s majority-held subsidiary, to ensure alignment on material governance issues.

Committee composition and meeting attendance

The Committee met four times during the 2025 financial year. Meetings were attended by all members, as well as standing invitees, including the lead independent director and the senior executives responsible for ESG, Risk, Transformation, HR and Corporate Affairs. Committee work was supported by robust executive input and strong cross-functional Board committee collaboration, including particularly with the Remuneration Committee and Nominations and Corporate Governance Committee. All meetings followed the annual workplan and the procedural requirements outlined in the Committee’s Terms of Reference. Minutes were prepared by the Company Secretary and shared via the secure online Board platform.

FY25 membership	Standard meetings	Additional meetings
S Ackerman (Outgoing Chair)	3/3	1/1
J Ackerman	2/3	1/1
H Borat (Incoming Chair)	3/3	1/1
D Robins ¹	1/1	–
A van der Merwe	3/3	1/1

¹ Retired 27 August 2024.



The Committee’s key focus areas and activities in FY25

The Committee delivered on its approved workplan, providing strategic oversight across the Group’s ethics, sustainability, stakeholder and transformation agenda, with key focus areas including:

Embedding ESG into business strategy

A key area of Committee oversight in FY25 was the ongoing development of an integrated ESG strategy in Pick n Pay. The Boxer ESG strategy will evolve from what was in place when it was a wholly owned subsidiary within the Group, under the guidance and oversight of the Boxer SETC, with formal feedback in terms of its mandate. The Committee guided the continued roll-out of Pick n Pay’s ESG strategy, which is structured across four integrated pillars:

- Sustainable supply chain
- Reducing environmental impacts
- Investing in our people
- Supporting our communities

The ESG framework is embedded across Pick n Pay’s operational and governance structures, with implementation driven by the management team and overseen by the Board and its committees. In FY25, the business transitioned from a purely philanthropic model to one focused on scalable, profit-aligned impact that reinforces long-term resilience and stakeholder value with philanthropy still at its core.

For details on the progress delivered during the year, please refer to pages 54 to 57 of the FY25 Integrated Annual Report.

Driving transformation and equity outcomes

The Committee monitored the Group’s performance against its broad-based black economic empowerment (BBBEE) targets and employment equity plans. It oversaw initiatives aimed at advancing diversity and inclusion, closing income differentials and supporting transformation across leadership, workforce and procurement.

Strengthening responsible sourcing and supplier development

Oversight extended to the Group’s ethical sourcing practices, local procurement, food waste reduction and enterprise development. The Committee reviewed progress in building an inclusive supply chain and ensuring integrity in sourcing and supplier partnerships.

Guiding environmental responsibility

The Committee assessed the Group’s progress in reducing its environmental footprint through improved energy efficiency, emissions management, water stewardship, sustainable packaging and waste diversion. It also reviewed compliance with relevant environmental legislation and sustainability reporting obligations.

Overseeing labour practices and employee well-being

The Committee supported the execution of a Group-wide people strategy centred on employment equity, leadership succession, learning and development, and wellness. It reviewed internal health and safety audits and monitored measures to prevent discrimination and promote safe, inclusive workplaces.

Supporting community investment and stakeholder engagement

Pick n Pay’s stakeholder engagement strategy was approved by the Committee. In addition, oversight was provided for community investment programmes focused on food security, education, youth development and disaster response, delivered through trusted partners.

Monitoring ethics and conduct

The Committee tracked reports received via the Pick n Pay and Boxer whistle-blowing hotlines, reviewed updates on organisational ethics and monitored the enforcement of key policies including anti-bribery and corruption, conflicts of interest and whistle-blowing. The aim was to uphold a culture of integrity across the Group.

Reviewing public health and safety compliance

The Committee assessed reports relating to occupational health and safety, customer incidents and product recalls. It ensured that appropriate controls and escalation mechanisms were in place to address risks ethically and effectively.

Committee evaluation and re-election

The Board is satisfied that the Committee members possess the appropriate skills and experience to fulfil their responsibilities and have discharged their duties effectively. The existing members of the committee will be put forward to shareholders for election at the 2025 AGM. Please refer to page 77 for further information.

The Committee is satisfied that it has fully complied with its statutory duties in terms of the Companies Act and the Listings Requirements, and that it has effectively discharged all responsibilities assigned to it by the Board under its Terms of Reference and formal mandate for FY25. It remains committed to supporting the Group’s ethical, inclusive and sustainable growth.

Key focus areas for FY26

- Monitoring the ongoing development and integration of the ESG strategy
- Compliance with ethics policies and ongoing ethics training
- Transformation and employment equity, with a focus on improving the BBBEE scorecard
- Greater oversight over gender and race pay parity
- Promoting inclusive skills development and measuring learning impact
- Guiding community investment to maximise societal return
- Overseeing stakeholder engagement outcomes and reputational risk

Suzanne Ackerman
Outgoing Chair: Social, Ethics and Transformation Committee
30 June 2025



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Shareholders' information



Analysis of ordinary shareholders

as at 2 March 2025

Shareholder spread	Number of shareholders	%	Number of shares	%
1 – 1 000 shares	24 741	81.4	2 733 816	0.4
1 001 – 10 000 shares	4 136	13.6	13 822 857	1.8
10 001 – 100 000 shares	1 113	3.7	33 120 306	4.4
100 001 – 1 000 000 shares	324	1.1	90 600 921	12.2
1 000 001 shares and over	72	0.2	605 379 230	81.2
Total	30 386	100.0	745 657 130	100.0

Public/Non-public shareholders	Number of shareholders	%	Number of shares	%
Non-public shareholders	15	0.1	210 728 295	28.3
Ackerman Investment Holdings Proprietary Limited	1	0.0	189 334 996	25.4
Pick n Pay Retailers Proprietary Limited	1	0.0	260 000	0.0
Shares held on behalf of RSP participants	1	0.0	7 970 840	1.1
Pick n Pay Stores Employee Share Purchase Trust	1	0.0	1 714 948	0.2
Directors of Pick n Pay Stores Ltd	8	0.0	6 760 228	1.0
The Mistral Trust	1	0.0	4 533 300	0.6
Ackerman Pick n Pay Foundation	1	0.0	153 981	0.0
Ackerman Family Investment Holdings Proprietary Limited	1	0.0	2	0.0
Public shareholders	30 371	99.9	534 928 835	71.7
Total	30 386	100.0	745 657 130	100.0

Beneficial shareholders holding 1% or more	Number of shares	%
Ackerman Investment Holdings Proprietary Limited	189 334 996	25.4
Government Employees Pension Fund	135 604 821	18.2
Allan Gray	47 190 443	6.3
Fidelity	44 949 133	6.0
M&G Investments	34 428 608	4.6
Alexforbes	22 377 992	3.0
Sanlam	20 206 530	2.7
Vanguard	19 406 891	2.6
Government Pension Fund – Norway	15 001 567	2.0
Old Mutual	12 848 355	1.7
Pick n Pay Retailers Propriety Limited	8 230 840	1.1



Analysis of B shareholders

as at 2 March 2025

Shareholder spread	Number of shareholders	%	Number of shares	%
100 001 – 1 000 000 shares	1	16.7	244 484	0.1
1 000 001 shares and over	5	83.3	325 181 680	99.9
Total	6	100.0	325 426 164	100.0

Public/Non-public shareholders	Number of shareholders	%	Number of shares	%
Non-public shareholders[#]	5	83.3	325 181 680	99.9
Ackerman Investment Holdings Proprietary Limited	1	16.7	310 989 391	95.6
Gareth Ackerman	1	16.7	4 216 004	1.3
Johnathan Ackerman	1	16.7	1 782 990	0.5
Mistral Trust	1	16.7	6 703 896	2.1
Suzanne Ackerman	1	16.7	1 489 399	0.4
Public shareholders	1	16.7	244 484	0.1
Total	6	100.0	325 426 164	100.0

Beneficial shareholders holding 1% or more [#]	Number of shares	%
Ackerman Investment Holdings Proprietary Limited	310 989 391	95.6
Gareth Ackerman	4 216 004	1.3
Mistral Trust	6 703 896	2.1

[#] Includes direct and indirect holdings. Refer to note 4.3 of the Group's FY25 Annual Financial Statements for further information.

The holders of B shares are entitled to the same voting rights as holders of ordinary shares, but are not entitled to any rights to distributions by the Company or any other economic benefits. All B shares are stapled to certain ordinary shares.

Notice of Annual General Meeting

Notice is hereby given of the 57th Annual General Meeting (**AGM**) of the shareholders of Pick n Pay Stores Limited (the **Company**) for the 2025 annual financial period.

The AGM will be conducted entirely by electronic communication, with the meeting starting at **08h30** on **Tuesday, 5 August 2025**.

Please register for the AGM via the Lumi electronic platform at www.smartagm.co.za.

The procedure to be followed by shareholders or their duly appointed proxies (**participants**) who wish to participate electronically in the AGM is set out in detail under the heading “Electronic participation” on page 74. The Board of directors of the Company (the **Board**) has established that the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the AGM is 25 July 2025. Accordingly, the last day to trade in the Company's shares to be recorded in the Company's securities register to be entitled to participate and vote at the AGM will be 22 July 2025.

Each of the ordinary and special resolutions set out below may be proposed and passed, with or without modification or amendment, at the AGM or at any postponement or adjournment of the AGM. The resolutions are proposed in terms of the Companies Act, No 71 of 2008, as amended (the **Companies Act**), the Memorandum of Incorporation of the Company (the **MOI**) and/or the JSE Listings Requirements.

Relevant dates

Record date to receive this Notice of AGM	Friday, 27 June 2025
Last day to trade to be entitled to participate and vote	Tuesday, 22 July 2025
Record date to be entitled to participate and vote	Friday, 25 July 2025
Recommended latest date to lodge forms of proxy by 08h30 on	Friday, 1 August 2025
Recommended latest date to register to attend AGM by 08h30 on	Friday, 1 August 2025
Electronic AGM at 08h30 on	Tuesday, 5 August 2025

Voting thresholds

Ordinary resolutions require the approval of at least 50% of the voting rights plus 1 vote exercised on the resolutions. Special resolutions require the approval of at least 75% of the voting rights exercised on the resolutions. Matters put before shareholders to consider by way of non-binding advisory vote do not have a voting threshold, but will require shareholder engagement if a 75% majority is not achieved.

PART I

Presentation of the consolidated and separate audited Annual Financial Statements, the Directors' report, the Remuneration Report and the reports of the Audit, Risk and Compliance Committee and the Social, Ethics and Transformation Committee for the 2025 annual financial period.

- The 2025 consolidated and separate audited Annual Financial Statements and the 2025 Integrated Annual Report of the Company and its subsidiaries (the **Group**) are published on the Group's website, www.picknpayinvestor.co.za or can be requested from the Company Secretary at companysecretary@pnp.co.za
- Extracts of the consolidated audited Annual Financial Statements of the Group are set out in the CFO Report and the Additional Information section of the Integrated Annual Report
- The audited Annual Financial Statements have been distributed together with this Notice
- The Remuneration Report has been distributed together with this Notice
- The Directors' report on the Company and its subsidiaries is set out in the consolidated audited Annual Financial Statements and in the Corporate Governance Report
- The Audit, Risk and Compliance Committee's report and the Social, Ethics and Transformation Committee's report of the Group are set out in the Corporate Governance Report, published on the Group's website at www.picknpayinvestor.co.za



PART II

Ordinary resolutions

1. Ordinary resolution number 1

Reappointment of external auditors

Ernst & Young Inc. are the auditors of the Company, having been appointed as such on 27 July 2015. Tina Rookledge was designated as the audit partner on 5 August 2020 and will be rotated as audit partner during the current financial year.

The Audit, Risk and Compliance Committee has considered the continued independence of the auditors and concluded that there is no reason to believe that the auditors acted with impaired independence at any time, and that the audit quality for the 2025 financial year was satisfactory.

The Audit, Risk and Compliance Committee has recommended the reappointment of Ernst & Young Inc. as the Company's external auditors, with audit partner rotation to be executed during the 2026 financial year.

Ordinary resolution number 1

“RESOLVED that Ernst & Young Inc. is hereby reappointed as the external auditors of the Company.”

2. Ordinary resolutions number 2.1 to 2.4

Appointment of directors

Curricula vitae of directors to be elected or re-elected, as the case may be, are presented from page 75.

In May 2024, the Board initiated a process for long-serving independent non-executive directors to rotate and retire in the ordinary course of Board appointments. The Board, supported by the Nominations and Corporate Governance Committee, has followed a formal recruitment process over the past year, culminating in the appointment of a new independent non-executive director, Pooven Viranna, effective 1 June 2025. As part of this Board refresh, David Friedland will retire from the Board at the 2025 AGM and Audrey Mothupi-Palmstierna is expected to retire from the Board at the 2026 AGM. The Board extends sincere thanks to David for his dedicated service and valuable contribution over ten years.

In terms of the Company's MOI, at least one-third of Board directors are required to retire by rotation at each AGM and may offer themselves to shareholders for re-election. In determining which directors shall retire, the Board considers the requirements of the Companies Act, the JSE Listings Requirements, the Board Charter and the length of time that each director has served since the last election by shareholders. It is noted that non-executive directors are required to retire after three years – and long-serving independent non-executive directors who have served on the Board for more than nine years are required to retire annually – and may offer themselves to shareholders for re-election.

The Nominations and Corporate Governance Committee considered the independence of all non-executive directors categorised as independent. After consideration of several relevant factors, the Committee concluded that the classification of Haroon Borhat, James Formby, David Friedland, Aboubakar Jakoet, Audrey Mothupi-Palmstierna, Annamarie van der Merwe and Pooven Viranna as independent is appropriate. As representatives of the controlling shareholder, Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman are not considered to be independent.

The Board is satisfied that the Board and each Board committee functions effectively and that there is an appropriate mix of knowledge, skill, experience and diversity with sufficient capacity to execute duties effectively.

Based on the performance and contribution of the directors that retire by rotation and the experience that they bring to the Board, together with their insights into various aspects of the business, the Board recommends the election of the directors set out below.

Being eligible, the directors listed below offer themselves for election or re-election, as the case may be:

Non-executive director	Designation	Detail
Pooven Viranna	Independent	Election, following Board appointment on 1 June 2025
Aboubakar Jakoet	Independent	Retirement and re-election after a three-year term
Audrey Mothupi-Palmstierna	Independent	Retirement and re-election after a one-year term
Suzanne Ackerman	Non-independent	Retirement and re-election after a three-year term

Shareholders are requested to consider and, if deemed fit, elect Pooven Viranna, Aboubakar Jakoet, Audrey Mothupi-Palmstierna and Suzanne Ackerman by way of passing the separate ordinary resolutions set out below:

Ordinary resolution number 2.1

Election of Pooven Viranna as an independent non-executive director

"RESOLVED that Pooven Viranna be and is hereby elected as an independent non-executive director of the Company for a maximum 3 (three) year term".

Ordinary resolution number 2.2

Re-election of Aboubakar Jakoet as an independent non-executive director

"RESOLVED that Aboubakar Jakoet be and is hereby re-elected as an independent non-executive director of the Company for a maximum 3 (three) year term".

Ordinary resolution number 2.3

Re-election of Audrey Mothupi-Palmstierna as an independent non-executive director

"RESOLVED that Audrey Mothupi-Palmstierna be and is hereby re-elected as an independent non-executive director of the Company for a 1 (one) year term".

Ordinary resolution number 2.4

Re-election of Suzanne Ackerman as a non-executive director

"RESOLVED that Suzanne Ackerman be and is hereby re-elected as a non-executive director of the Company for a maximum 3 (three) year term".

3. Ordinary resolutions numbered 3.1 to 3.4

Appointment of Audit, Risk and Compliance Committee members for the 2026 annual financial period

Curricula vitae of directors proposed to be elected to the Audit, Risk and Compliance Committee are presented from page 76.

As described above, the Board has initiated a process for its long-serving independent non-executive directors to rotate and retire in the ordinary course of Board appointments. As part of this process, Pooven Viranna was appointed to the Board and Audit, Risk and Compliance Committee on 1 June 2025, David Friedland has retired from the Board and the Committee, and further changes will be made over the next 12 (twelve) months, including the retirement of long-serving director Audrey Mothupi-Palmstierna at the 2026 AGM.

Shareholders are requested to consider and, if deemed fit, elect Aboubakar Jakoet, Haroon Bhorat, Audrey Mothupi-Palmstierna, and Pooven Viranna as members of the Audit, Risk and Compliance Committee by way of passing the separate ordinary resolutions set out below. If appointed, Aboubakar Jakoet will act as Chair of this Committee. James Formby will replace Gareth Ackerman as Board Chair after the close of the 2025 AGM. As such, James Formby will step down from the Audit, Risk and Compliance Committee and has not been put forward to shareholders for reappointment.

Ordinary resolution number 3.1

Appointment of Aboubakar Jakoet as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Aboubakar Jakoet be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2026 annual financial period, subject to his re-election as a director of the Company in terms of ordinary resolution 2.2."

Ordinary resolution number 3.2

Appointment of Haroon Bhorat as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Haroon Bhorat be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2026 annual financial period."

Ordinary resolution number 3.3

Appointment of Audrey Mothupi-Palmstierna as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Audrey Mothupi-Palmstierna be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2026 annual financial period, subject to her re-election as a director of the Company in terms of ordinary resolution 2.3."

Ordinary resolution number 3.4

Appointment of Pooven Viranna as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Pooven Viranna be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2026 annual financial period, subject to her election as a director of the Company in terms of ordinary resolution 2.1."



4. Ordinary resolutions numbered 4.1 to 4.4

Appointment of Social, Ethics and Transformation Committee members for the 2026 annual financial period

Curricula vitae of directors proposed to be elected to the Social, Ethics and Transformation Committee are presented from page 77.

In accordance with the amendments to the Companies Act, 71 of 2008, as introduced by the Companies Amendment Act, 16 of 2024, the appointment of members to the Social, Ethics and Transformation Committee must now be approved by shareholders at the Annual General Meeting.

Shareholders are requested to consider and, if deemed fit, elect Suzanne Ackerman, Jonathan Ackerman, Haroon Bhorat and Annamarie van der Merwe as members of the Social, Ethics and Transformation Committee by way of passing the separate ordinary resolutions set out below. If appointed, Haroon Bhorat will replace Suzanne Ackerman as Chair of this Committee.

Ordinary resolution number 4.1

Appointment of Suzanne Ackerman as a member of the Social, Ethics and Transformation Committee

"RESOLVED that Suzanne Ackerman is hereby elected as a member of the Social, Ethics and Transformation Committee of the Company for the 2026 annual financial period, subject to her re-election as a director of the Company in terms of ordinary resolution 2.4."

Ordinary resolution number 4.2

Appointment of Jonathan Ackerman as a member of the Social, Ethics and Transformation Committee

"RESOLVED that Jonathan Ackerman be and is hereby elected as a member of the Social, Ethics and Transformation Committee of the Company for the 2026 annual financial period."

Ordinary resolution number 4.3

Appointment of Haroon Bhorat as a member of the Social, Ethics and Transformation Committee

"RESOLVED that Haroon Bhorat be and is hereby elected as a member of the Social, Ethics and Transformation Committee of the Company for the 2026 annual financial period."

Ordinary resolution number 4.4

Appointment of Annamarie van der Merwe as a member of the Social, Ethics and Transformation Committee

"RESOLVED that Annamarie van der Merwe be and is hereby elected as a member of the Social, Ethics and Transformation Committee of the Company for the 2026 annual financial period."

PART III

ADVISORY VOTES

5. Non-binding Advisory votes numbers 1 and 2

Remuneration policy and implementation for the 2025 annual financial period

The directors table the remuneration report for the 2025 annual financial period. The remuneration policy and implementation reports are set out in the remuneration report, which can be found on pages 96 to 116 in the Integrated Annual Report, available on the website at www.picknpayinvestor.co.za.

Advisory vote number 1

Endorsement of the remuneration policy

"RESOLVED that, by way of a non-binding advisory vote, the remuneration policy of the Company, as outlined in the remuneration report, is endorsed."

This is a non-binding advisory vote to enable shareholders to express their views on the remuneration policy adopted by the Company. In terms of the JSE Listings Requirements and King IV, if 25% (twenty-five per cent) or more of the voting rights exercised are cast against this resolution, the Board will invite dissenting shareholders to engage with the Remuneration Committee on their concerns. The manner and timing of such engagement will be set out in the voting results announcement.

Advisory vote number 2

Endorsement of the implementation of the remuneration policy

"RESOLVED that, by way of a non-binding advisory vote, the remuneration implementation report of the Company, as outlined in the remuneration report, is endorsed."

This is a non-binding advisory vote to enable shareholders to express their views on the Company's remuneration implementation report. In terms of the JSE Listings Requirements and King IV, if 25% (twenty-five per cent) or more of the voting rights exercised are cast against this resolution, the Board will invite dissenting shareholders to engage with the Remuneration Committee on their concerns. The manner and timing of such engagement will be set out in the voting results announcement.

PART IV

SPECIAL RESOLUTIONS

6. Special resolution number 1

Directors' fees for the 2026 and 2027 annual financial periods

Shareholders resolved by special resolution at the 2024 AGM to increase directors' fees by CPI for the 2026 annual financial period (FY26). Notwithstanding this approval, the Board proposes that the directors' fees remain unchanged for the 2026 annual financial period, to support the cost and efficiency efforts being undertaken by the Group.

"RESOLVED, as a special resolution, that the directors' fees, to be paid to the directors in their capacity as directors only, for the 2026 annual financial period, be as follows:

	FY26 proposed R	FY25 previously R	% change
Chair (including participation in all committees)	2 500 000 ¹	4 893 300	¹
Lead independent director (LID) (including participation in all committees)	1 687 500	1 687 500	–
Non-executive director	510 300	510 300	–
Chair of the Audit, Risk and Compliance Committee	441 000	441 000	–
Chair of the Remuneration Committee	234 150	234 150	–
Chair of the Social, Ethics and Transformation Committee	234 150	234 150	–
Chair of the Nominations and Corporate Governance Committee	234 150	234 150	–
Member of the Audit, Risk and Compliance Committee	110 600	110 600	–
Member of the Finance and Investment Committee ²	150 000	150 000	–
Member of the Remuneration Committee	110 600	110 600	–
Member of the Social, Ethics and Transformation Committee	110 600	110 600	–
Member of the Nominations and Corporate Governance Committee	105 000	105 000	–
Member of the Independent Board Committee ³	158 550	158 550	–

¹ Gareth Ackerman will retire as Board Chair at the close of the 2025 AGM. Gareth will receive a pro rata Chair fee for the six months served, based on the current annual fee of R4 893 300. James Formby will succeed Gareth as Board Chair, with a proposed annual fee of R2 500 000. The annual fee has been reduced following shareholder engagement, and is aligned with market benchmarks. James will receive a pro rata fee in FY26, based on his time in the role of LID and his time as Board Chair. The LID fee will fall away on his appointment as Chair.

² The Committee is chaired by the lead independent director, who does not receive an additional fee for chairing this committee.

³ The Committee comprises only independent non-executive directors and is chaired by the lead independent director, who does not receive an additional fee for chairing this committee. This Committee is not a key standing committee and is convened only for major regulated transactions or investment decisions. In the event that this committee is convened during the financial period, fees paid shall not exceed the annual fees proposed in this special resolution number 1. No fees are paid if the Committee is not convened.

It is further resolved that the directors' fees be increased by CPI for the 2027 annual financial period (FY27). Where applicable, directors' fees are exclusive of VAT."

Reason for and effect of special resolution number 1

The reason for special resolution number 1 is to obtain shareholder approval for the remuneration of each of the non-executive directors of the Company, in accordance with section 66(9) of the Companies Act. The passing of this special resolution will have the effect of approving the remuneration of each of the directors of the Company, in accordance with section 66(9) of the Companies Act. This authority will be in place for a period of 2 (two) years from the date of adoption of this special resolution number 1 or until superseded by another special resolution, whichever period is shorter.



7. Special resolution number 2

General approval to repurchase the Company's own shares

"RESOLVED, as a special resolution, that the Company, or any of its subsidiaries, be and is hereby authorised, by way of a general approval, to acquire issued shares of the Company from time to time, upon such terms and in such amounts as the directors may determine, subject to the MOI, the Companies Act, and the JSE Listings Requirements as amended from time to time, provided that such acquisitions shall not exceed 5% (five per cent) of the Company's issued share capital in any one financial year."

Additional requirements imposed by the JSE Listings Requirements

It is recorded that the Company or its subsidiaries may only make a general acquisition of shares, if the following JSE Listings Requirements are met:

- Any such acquisition of shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company or its subsidiaries and the counterparty or in any other manner approved by the JSE;
- The general approval shall only be valid until the Company's next AGM, or for 15 (fifteen) months from the date of passing of this special resolution, whichever period is shorter;
- An announcement will be made as soon as the Company and/or its subsidiaries has/have acquired shares in terms of this authority constituting, on a cumulative basis, 3% (three per cent) of the number of shares of the class of shares acquired in issue at the time of granting of this general approval and for each 3% (three per cent) in aggregate of the initial number of that class of shares acquired thereafter, which announcement shall contain full details of such acquisitions as required by paragraph 11.27 of the JSE Listings Requirements;
- In determining the price at which shares are acquired by the Company or its subsidiaries in terms of this general approval, the maximum price at which such shares may be acquired may not be greater than 10% (ten per cent) above the weighted average of the market value at which such shares are traded on the JSE, as determined over the 5 (five) business days immediately preceding the date of the acquisition of such shares by the Company or its subsidiaries;
- At any point in time, a company may only appoint one agent to effect any repurchase(s) on the company's behalf;
- A resolution by the Board authorising the repurchase, that the Company passed the solvency and liquidity test, and that since the test was done, there have been no material changes to the financial position of the Group; and
- The Company and/or its subsidiaries may not repurchase any shares, in terms of this authority, during a prohibited period, as defined in the JSE Listings Requirements, unless there is in place a repurchase programme where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE prior to the commencement of the prohibited period.

Statement by the Board of directors of the Company

Pursuant to the JSE Listings Requirements, the Board hereby states that:

- the intention of the directors is to utilise the general approval to repurchase shares in the capital of the Company if, at some future date, the cash resources of the Company are in excess of its requirements or there are other good grounds for doing so. In this regard, the directors will take account of, inter alia, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company and the interests of the Company;
- in determining the method by which the Company intends to repurchase its securities, the maximum number of securities to be repurchased and the date on which such repurchase will take place, the directors will only make repurchases if, at the time of the repurchase, they are of the opinion that:
 - the Group will, after the repurchase, be able to pay its debts as they become due in the ordinary course of business for the 12 (twelve) month period following the date of the repurchase;
 - the consolidated assets of the Group, fairly valued and recognised and measured in accordance with the accounting policies used in the latest audited financial statements, will, after the repurchase, be in excess of the consolidated liabilities of the Group for the 12 (twelve) month period following the date of the repurchase;
 - the issued share capital and reserves of the Group will, after the repurchase, be adequate for the ordinary business purposes of the Group for the 12 (twelve) month period following the date of the repurchase; and
 - the working capital available to the Group will, after the repurchase, be adequate for the ordinary business purposes of the Group for the 12 (twelve) month period following the date of the repurchase;
- the repurchase shall only be effected if the Board has, at the time of the repurchase, passed a resolution authorising the repurchase in terms of sections 48 and 46 of the Companies Act and it reasonably appears that the Group has satisfied the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group.

Reason for and effect of special resolution number 2

The reason for special resolution number 2 is to grant the Company a general authority, in terms of the JSE Listings Requirements, for the acquisition by the Company or any of its subsidiaries of shares issued by the Company, which authority shall be valid until the earlier of the next AGM of the Company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority shall only be valid until the Company's next AGM, or for 15 (fifteen) months from the date of passing of this special resolution, whichever period is shorter. The passing of this special resolution will have the effect of authorising the Company or any of its subsidiaries to acquire shares issued by the Company.

The Board may exercise its powers under this resolution to buy back shares from employees who are exercising their share options or electing to sell their shares that have vested under the Group's restricted share plan (RSP) and to cover share scheme obligations, including the RSP.

Save as aforesaid, the Board has no specific intention, at present, for the Company to repurchase any of its shares, but considers that such a general authority should be put in place should an opportunity present itself to do so during the year, which the Board deems to be in the best interests of the Company and its shareholders, taking prevailing market conditions and other factors into account.

8. To transact other business that may be transacted at an annual general meeting**Notes to the notice of Annual General Meeting****A. General instructions and information**

In addition to the notice and proxy, this document contains:

- Details of the directors of the Company on pages 90 to 94 in the IAR;
- The curricula vitae of directors standing for election or re-election, as the case may be, on page 75;
- The curricula vitae of directors nominated for election as members of the Audit, Risk and Compliance Committee and the Social, Ethics and Transformation Committee on page 76 to 77;
- The remuneration report from page 96 in the IAR; and
- The directors' interest in shares on page 115 in the IAR.

The Integrated Annual Report, and the consolidated audited Annual Financial Statements, are published on the Group's website, www.picknpayinvestor.co.za, or can be requested from the Company Secretary at companysecretary@pnp.co.za.

B. Material changes

Other than the facts and developments reported in terms hereof and in the Integrated Annual Report, there are no material changes to the Group's financial or trading position, nor are there any material legal or arbitration proceedings (pending or threatened) that may affect the financial position of the Group between the 2025 financial period-end and 30 June 2025.

C. Directors' responsibility statement

The directors, whose names are given in the Board of directors' section in the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information provided and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the Integrated Annual Report and this document contain all information required by law and the JSE Listings Requirements.

D. Major shareholders

Shareholders are referred to pages 133 to 134 of the IAR for details of major shareholders.

E. Share capital

Shareholders are referred to page 21 in the CGR for details of the Company's share capital.

**F. Entitlement to participate in and vote at the AGM in person or by proxy**

All shareholders (including both ordinary and B shareholders) are entitled to participate in and vote at the AGM and are encouraged to do so.

The Company is pleased to offer shareholders or their duly appointed proxies an online voting facility during the AGM via the Lumi platform at www.smartagm.co.za.

If you hold certificated shares (i.e. have not dematerialised your shares in the Company) or are registered as an "own name dematerialised shareholder" (i.e. have specifically instructed your Central Securities Depository Participant (CSDP) to hold your shares in your own name in the Company sub-register) then:

- you may participate in and vote at the AGM; alternatively
- you may appoint an individual as a proxy (who need not be a shareholder of the Company) to participate in and vote in your place at the AGM by completing the attached form of proxy. It is recommended for administrative reasons that the proxy form be returned to the transfer secretaries, Computershare Investor Services Proprietary Limited (Computershare), the details of which are set out in note 5 of the form of proxy (attached), by no later than 08h30 on Friday 1 August 2025. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Should the proxy form not be received by the time stipulated above, the form of proxy may still be delivered to the transfer secretaries, Computershare, via email at proxy@computershare.co.za before the proxy exercises any shareholder rights at the AGM.

Unless revoked before then, a signed proxy form shall remain valid at any adjournment or postponement of the AGM and the proxy so appointed shall be entitled to vote, as indicated on the proxy form, on any resolution (including any resolution which is amended or modified) at such AGM or any adjournment or postponement thereof.

Please note that:

- any shareholder of the Company that is a company may authorise a person to act as proxy at the AGM. Please also note that section 63(1) of the Companies Act requires that persons wishing to participate in the AGM (including a company's representative) must provide reasonably satisfactory identification before they may participate; and
- if you are the owner of dematerialised shares (i.e. have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE's electronic settlement system, Strate) held through a CSDP or broker (or their nominee) and are not registered as an "own name dematerialised shareholder", then you are not a registered shareholder, but your CSDP or broker (or their nominee) would be. You must provide your CSDP or broker with your voting instructions in the manner and at the time stipulated in your custody agreement. Alternatively, if you wish to participate in the AGM in person, you will need to request your CSDP or broker to provide you with the necessary authority in terms of your custody agreement.

CSDPs, brokers or their nominees recorded in the Company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of Strate should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to participate in and vote at the AGM or by completing the attached form of proxy in accordance with the instructions thereon. For administrative purposes, it is recommended that the proxy form be returned to the transfer secretaries, Computershare, the details of which are set out below under the heading "Electronic participation" by no later than 08h30 on Friday, 1 August 2025.

In order to allow the voting preferences of all shareholders to be taken into account, voting will be conducted via poll and shareholders will have one vote in respect of each share held.

G. Identification

In terms of section 63(1) of the Companies Act, all AGM participants are required to provide identification to the reasonable satisfaction of the transfer secretary, as follows:

- Participants who register to participate in the AGM using the online registration method, by uploading the relevant documentation via the online registration portal; or
- Participants who register to participate in the AGM via email, by submitting the relevant documentation by email to proxy@computershare.co.za.

The transfer secretary must be reasonably satisfied that the right of that person to participate in and vote at the AGM as a shareholder or a proxy or representative of a shareholder has been reasonably verified. Acceptable forms of identification include valid South African driver's licences, green barcoded identity documents or barcoded identification smart cards issued by the South African Department of Home Affairs, and passports.

H. Electronic participation

Shareholders or their duly appointed proxies who wish to participate in the AGM via electronic communication (participants) must follow the instructions for registration, attendance and participation set out below. The electronic participation form can be found as an insert in this notice of Annual General Meeting.

- a. Registration to attend the AGM
- (i) Register online by no later than 08h30 on 1 August 2025 using the online registration portal at www.smartagm.co.za to, among other things, allow the transfer secretary to arrange the participation of the shareholder at the AGM.
 - (ii) Register via email by no later than 08h30 on 1 August 2025 by making a written application to participate via electronic communication, by email to proxy@computershare.co.za, in order for the transfer secretary to, among other things, arrange such participation for the shareholder at the AGM.
 - (iii) Apply to Computershare by delivering the duly completed participation form to:
 - First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196;
 - Posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the participant); or
 - Emailing it to: proxy@computershare.co.zaso as to be received by Computershare by no later than 08h30 on 1 August 2025.

NOTE: Shareholders wishing to participate in and/or vote at the AGM and who register after 08h30 on 1 August 2025, may still register after this time provided, however, that for those shareholders to participate in and/or vote at the AGM, those shareholders must be verified and registered (as required in terms of section 63(1) of the Companies Act) by uploading their relevant verification documentation as more fully set out above under Identification before the commencement of the AGM.

- b. Computershare will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act. If the request is validated, further details will be provided on using the electronic communication facility to participate electronically in the AGM.
- c. The meeting facilitators will, by email, inform participants who duly notified Computershare by no later than 17h00 on 4 August 2025 of the relevant details through which participants can participate electronically.
- d. The cost of electronic participation in the AGM is for the expense of the participant and will be billed separately by the participant's own service provider.
- e. The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.
- f. The Company cannot guarantee there will not be a break in electronic communication that is beyond its control.

By order of the Board

Vaughan Pierce
Company Secretary

Pick n Pay Stores Limited
30 June 2025



Curricula vitae of directors to be elected

Pick n Pay Stores Limited Board

Pooven Viranna

CA(SA)
Independent non-executive director

Member of the Audit, Risk and Compliance Committee and Independent Board Committee

Pooven is a seasoned finance executive with over 25 years of experience spanning telecommunications, FMCG, healthcare, technology, and financial services, with a strong track record across the African continent. She has held senior roles at large listed and multinational organisations, where she provided strategic leadership in financial management, corporate governance, risk oversight, and business strategy, while also taking overall responsibility for the co-ordination and effectiveness of both internal control frameworks and external audit processes. She currently serves as the Lead Independent Director of Evolution Credit, where she chairs the Audit Committee, and as a Non-Executive Director of the Oceana Group, where she is a member of the Remuneration and Audit Committees. She previously served as a member of the Accounting Practices Committee of the South African Institute of Chartered Accountants.

Other listed company directorships: Oceana Group Limited

Aboubakar Jakoet

CA(SA)
Independent non-executive director

Chair of the Audit, Risk, and Compliance Committee, member of the Finance and Investment Committee, Remuneration Committee, Nominations and Corporate Governance Committee and Independent Board Committee

Following his 34-year career in the finance team of the Group, Bakar retired as CFO and executive director in September 2019. Given his extensive experience in retail, strategy, tax and finance, the Group is privileged to retain his expertise and experience in his capacity as a non-executive director.

Other listed company directorships: Oceana Group Limited, Sygnia Asset Management Limited

Audrey Mothupi-Palmstierna

BA (Hons)
Independent non-executive director

Chair of the Remuneration Committee, and member of the Audit, Risk, and Compliance Committee, Nominations and Corporate Governance Committee and Independent Board Committee

Audrey is a seasoned executive entrepreneur with 25 years' business experience in successfully leading and innovating numerous local and global financial services businesses. Audrey is currently the Chief Executive Officer of South African based SystemicLogic Group, a global financial innovation, data, and technology company in which she took a majority shareholding in 2014. The company has a proven track record for delivering practical solutions to clients across a wide range of industries and geographies, helping them improve productivity and profitability, and has acquired businesses such as Knowledge Factory in 2019, to enable them to provide end-to-end data analytics solutions. Audrey was awarded Female CEO of the Year for Best Financial Innovation & Technology Disruptor CEO (South Africa) in 2022.

In addition to her listed company directorships, Audrey serves as an independent non-executive director on the boards of Kagiso Tiso Holdings (Pty) Ltd, and Kagiso Media (Pty) Ltd Group. She previously served on the board of Altona Plc.

Audrey holds numerous leadership positions including G100 Global Chair – AI/Data and Cybersecurity. Audrey is a Fellow of the Africa Leadership Initiative (ALI), a board member of the International Women's Forum of South Africa (IWfSA), a member of the International Women's Forum (IWF), and a SIGAWomen Global Mentor and Council Member.

Other listed company directorships: Life Healthcare Group

Suzanne Ackerman

BA, Fellow: Aspen Business Institute; First Movers; International Professor of Practice, Rutgers School of Business–Camden
Non-executive director

Member of the Social, Ethics and Transformation Committee

Following broad executive experience in the Group, Suzanne was appointed Director of Transformation in 2007. In addition to her executive contribution to the Group, she was appointed to the Board as a representative of the controlling shareholder in March 2010. Suzanne retired as an executive director on 31 March 2022, on which date she was appointed to the Board as a non-executive director. Suzanne holds the position of International Professor of Practice at the Rutgers School of Business–Camden (United States), where she lectures to undergraduate and graduate students and members of the business community in New Jersey and Philadelphia. Suzanne also remains active in many areas of philanthropy across different sectors of society. In particular, she is a passionate proponent of enterprise development and acts as advisor and mentor to the Pick n Pay Enterprise Development division. Suzanne is the Founder and a Trustee of the Feed the Nation Foundation, Chair of the Ackerman Pick n Pay Foundation, a Trustee of the David Sussman Community Forum and a Trustee of the Smile Foundation. Suzanne has been a driving force behind Pick n Pay's longstanding partnership with WWF and SASSI, championing responsible seafood procurement and marine conservation initiatives. She has also led biodiversity and environmental awareness campaigns through the Pick n Pay School Club, promoting youth engagement in climate action and environmental stewardship. Her leadership in these initiatives, combined with her broader advocacy for social and environmental upliftment, earned her selection as a Fellow of the prestigious First Movers Fellowship Programme at the Aspen Institute for Business and Society.

Audit, Risk and Compliance Committee

Pick n Pay Stores Limited

Aboubakar Jakoet

CA(SA)
Independent non-executive director

Chair of the Audit, Risk, and Compliance Committee, member of the Finance and Investment Committee, Remuneration Committee, Nominations and Corporate Governance Committee and Independent Board Committee

Following his 34-year career in the finance team of the Group, Bakar retired as CFO and executive director in September 2019. Given his extensive experience in retail, strategy, tax and finance, the Group is privileged to retain his expertise and experience in his capacity as a non-executive director.

Other listed company directorships: Oceana Group Limited, Sygnia Asset Management Limited

Haroon Bhorat

PhD in Economics
Independent non-executive director

Chair of the Social, Ethics and Transformation Committee, Member of the Finance and Investment Committee, Remuneration Committee and Independent Board Committee

Haroon is Professor of Economics and Director of the Development Policy Research Unit at the University of Cape Town. He is currently a member of the Presidential Economic Advisory Council (PEAC), established in 2019 by President Ramaphosa. Haroon is the Independent Non-Executive Chair of Sygnia Asset Management and serves as the Co-Chair of its Investment Committee. Haroon is also Chair of the Nimble Group. Haroon is a Non-Resident Senior Fellow at the Brookings Institution – the world's leading global think tank. He was recently invited to join the UCT College of Fellows. He is a member of the executive committee of the International Economic Association. His career appointments include serving as an economic advisor to former Minister of Finance Pravin Gordhan and to former presidents Thabo Mbeki and Kgalema Motlanthe, formally serving on the Presidential Economic Advisory Panel. Haroon has played an active role in advancing research on sustainable development and the Just Transition. As part of his work at the University of Cape Town, is currently leading multiple projects on measuring the scale and cost of the Just Transition as well as projects on the economic impact of the renewables industry, supported by Oxford University, the Africa Climate Foundation and Ninety One. These projects serve as a key contribution to the national policy dialogue around climate change and inclusive economic growth.

Other listed company directorships: Sygnia Asset Management Limited

Audrey Mothupi-Palmstierna

BA (Hons)
Independent non-executive director

Chair of the Remuneration Committee, and member of the Audit, Risk, and Compliance Committee, Nominations and Corporate Governance Committee and Independent Board Committee

Audrey is a seasoned executive entrepreneur with 25 years' business experience in successfully leading and innovating numerous local and global financial services businesses. Audrey is currently the Chief Executive Officer of South African based SystemicLogic Group, a global financial innovation, data, and technology company in which she took a majority shareholding in 2014. The company has a proven track record for delivering practical solutions to clients across a wide range of industries and geographies, helping them improve productivity and profitability, and has acquired businesses such as Knowledge Factory in 2019, to enable them to provide end-to-end data analytics solutions. Audrey was awarded Female CEO of the Year for Best Financial Innovation & Technology Disruptor CEO (South Africa) in 2022.

In addition to her listed company directorships, Audrey serves as an independent non-executive director on the boards of Kagiso Tiso Holdings (Pty) Ltd, and Kagiso Media (Pty) Ltd Group. She previously served on the board of Altona Plc.

Audrey holds numerous leadership positions including G100 Global Chair – AI/Data and Cybersecurity. Audrey is a Fellow of the Africa Leadership Initiative (ALI), a board member of the International Women's Forum of South Africa (IWFSa), a member of the International Women's Forum (IWF), and a SIGAWomen Global Mentor and Council Member.

Other listed company directorships: Life Healthcare Group

Pooven Viranna

CA(SA)
Independent non-executive director

Member of the Audit, Risk and Compliance Committee and Independent Board Committee

Pooven is a seasoned finance executive with over 25 years of experience spanning telecommunications, FMCG, healthcare, technology, and financial services, with a strong track record across the African continent. She has held senior roles at large listed and multinational organisations, where she provided strategic leadership in financial management, corporate governance, risk oversight, and business strategy, while also taking overall responsibility for the co-ordination and effectiveness of both internal control frameworks and external audit processes. She currently serves as the Lead Independent Director of Evolution Credit, where she chairs the Audit Committee, and as a Non-Executive Director of the Oceana Group, where she is a member of the Remuneration and Audit Committees. She previously served as a member of the Accounting Practices Committee of the South African Institute of Chartered Accountants.

Other listed company directorships: Oceana Group Limited



Social, Ethics and Transformation Committee

Pick n Pay Stores Limited

Suzanne Ackerman

BA, Fellow: Aspen Business Institute; First Movers; International Professor of Practice, Rutgers School of Business–Camden
Non-executive director

Member of the Social, Ethics and Transformation Committee

Following broad executive experience in the Group, Suzanne was appointed Director of Transformation in 2007. In addition to her executive contribution to the Group, she was appointed to the Board as a representative of the controlling shareholder in March 2010. Suzanne retired as an executive director on 31 March 2022, on which date she was appointed to the Board as a non-executive director. Suzanne holds the position of International Professor of Practice at the Rutgers School of Business–Camden (United States), where she lectures to undergraduate and graduate students and members of the business community in New Jersey and Philadelphia. Suzanne also remains active in many areas of philanthropy across different sectors of society. In particular, she is a passionate proponent of enterprise development and acts as advisor and mentor to the Pick n Pay Enterprise Development division. Suzanne is the Founder and a Trustee of the Feed the Nation Foundation, Chair of the Ackerman Pick n Pay Foundation, a Trustee of the David Sussman Community Forum and a Trustee of the Smile Foundation. Suzanne has been a driving force behind Pick n Pay's longstanding partnership with WWF and SASSI, championing responsible seafood procurement and marine conservation initiatives. She has also led biodiversity and environmental awareness campaigns through the Pick n Pay School Club, promoting youth engagement in climate action and environmental stewardship. Her leadership in these initiatives, combined with her broader advocacy for social and environmental upliftment, earned her selection as a Fellow of the prestigious First Movers Fellowship Programme at the Aspen Institute for Business and Society.

Jonathan Ackerman

BA Marketing
Non-executive director

Member of the Social, Ethics and Transformation Committee

Returning to South Africa after studying and working in the USA, Jonathan joined the Group in 1992. Over a distinguished career with the Group, Jonathan held key leadership roles, most notably in marketing and store operations. Jonathan was appointed to the Board as a representative of the controlling shareholder in March 2010, and as the Group's Director of Values he ensured that the well-being of customers was the primary motivating factor for any strategic decision taken in the Group. During his tenure as Marketing Executive at Pick n Pay, Jonathan Ackerman spearheaded several sustainability-focused initiatives, including energy efficiency programmes, waste reduction projects, and the promotion of sustainable consumer behaviour. Post his executive role, he has continued to champion environmental causes through various philanthropic initiatives, with a particular focus on climate change mitigation and environmental sustainability. Jonathan retired as an executive director on 31 March 2023 and has served as a non-executive director from that date.

Haroon Bhorat

PhD in Economics
Independent non-executive director

Chair of the Social, Ethics and Transformation Committee, Member of the Finance and Investment Committee, Remuneration Committee and Independent Board Committee

Haroon is Professor of Economics and Director of the Development Policy Research Unit at the University of Cape Town. He is currently a member of the Presidential Economic Advisory Council (PEAC), established in 2019 by President Ramaphosa. Haroon is the Independent Non-Executive Chair of Sygnia Asset Management and serves as the Co-Chair of its Investment Committee. Haroon is also Chair of the Nimble Group. Haroon is a Non-Resident Senior Fellow at the Brookings Institution – the world's leading global think tank. He was recently invited to join the UCT College of Fellows. He is a member of the executive committee of the International Economic Association. His career appointments include serving as an economic advisor to former Minister of Finance Pravin Gordhan and to former presidents Thabo Mbeki and Kgalema Motlanthe, formally serving on the Presidential Economic Advisory Panel. Haroon has played an active role in advancing research on sustainable development and the Just Transition. As part of his work at the University of Cape Town, is currently leading multiple projects on measuring the scale and cost of the Just Transition as well as projects on the economic impact of the renewables industry, supported by Oxford University, the Africa Climate Foundation and Ninety One. These projects serve as a key contribution to the national policy dialogue around climate change and inclusive economic growth.

Other listed company directorships: Sygnia Asset Management Limited

Annamarie van der Merwe

B.Juris, LLB, LLM, EMP
Independent non-executive director

Chair of the Nominations and Corporate Governance Committee and member of the Social, Ethics and Transformation Committee and Independent Board Committee

Annamarie is the Executive Chair of the FluidRock Governance Group, a business that she co-founded 17 years ago. Annamarie has been a corporate lawyer and company secretary of companies in the listed environment for more than 30 years. She was until late 2020 a member of the King Committee on Corporate Governance for South Africa and was actively involved in the writing of King II, III and IV with a particular focus on the sections dealing with the functioning of boards and responsibilities of directors. Annamarie serves as a member of the JSE Advisory Committee. She is a well-known presenter of workshops on issues such as board effectiveness, good corporate governance and statutory duties and liabilities faced by boards and individual directors. Annamarie acted as a facilitator for the IoDSA for more than 16 years and currently chairs the board of the Bureau of Food and Agricultural Policy NPC (BFAP) as well as the Vastfontein Community Transformation NPC. Annamarie is ISO 37000-certified in Governance of Organizations and is widely recognised for her expertise in ESG, sustainability and governance. She regularly presents workshops and training sessions on these topics to boards and governance professionals, helping organisations strengthen their sustainability and Board oversight.

Form of proxy

FOR COMPLETION BY SHAREHOLDERS WHO HAVE NOT YET DEMATERIALISED THEIR SHARES OR WHO HAVE DEMATERIALISED THEIR SHARES WITH “OWN NAME” REGISTRATION ONLY

For use at the Annual General Meeting (**AGM**) of shareholders of Pick n Pay Stores Limited (**the Company, alternatively PIK**) to be conducted entirely by electronic communication as permitted by the Companies Act, No 71 of 2008, as amended, and by the Company’s Memorandum of Incorporation at 08h30 on Tuesday, 5 August 2025 and at any adjournment or postponement thereof.

All terms defined in the Notice of AGM to which this form of proxy is attached shall bear the same meanings herein.

Note: If your dematerialised shares in PIK are held through a Central Securities Depository Participant (**CSDP**) or broker, and you have not provided the nominee with a general mandate to act on your behalf at shareholder meetings, and you want to participate in the electronic AGM in person, please contact your CSDP or broker.

Note: voting will be performed by way of a poll so each validated participant will be entitled to vote.

I/We (block letters)

(the registered shareholder)

I/We (block letters)

(the beneficial shareholder – insert details of beneficial shareholder only if different to the registered shareholder)

of (address)

Telephone: Work ()Telephone: Mobile ()

being the holder/s of (insert number of shares)ordinary shares in the Company,

hereby appoint (refer to note 1)

1. or failing him/her,
2. or failing him/her,
3. the Chair of the AGM,

as my/our proxy to act for me/us and on my/our behalf at the AGM which will be held for the purpose of considering and, if deemed fit, passing the resolutions to be proposed thereat and at any adjournment or postponement thereof, and to vote for or against the resolutions and/or abstain from voting, in respect of the ordinary shares in PIK registered in my/our name/s in accordance with the instructions set out below.

Please indicate the instructions to your proxy with an “X” in the spaces provided below. In the absence of such indication, the proxy will be entitled to exercise his/her discretion in voting.

If you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares held in respect of which you wish to vote (see note 3).

		Number of votes (one vote per ordinary share)		
Resolution	Description	In favour of	Against	Abstain
Ordinary resolution number 1	Reappointment of external auditors			
Ordinary resolution number 2.1	Election of Pooven Viranna as an independent non-executive director			
Ordinary resolution number 2.2	Re-election of Aboubakar Jakoet as an independent non-executive director			
Ordinary resolution number 2.3	Re-election of Audrey Mothupi-Palmstierna as an independent non-executive director			
Ordinary resolution number 2.4	Re-election of Suzanne Ackerman as a non-executive director			
Ordinary resolution number 3.1	Appointment of Aboubakar Jakoet as a member of the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.2	Appointment of Haroon Bhorat as a member of the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.3	Appointment of Audrey Mothupi-Palmstierna as a member of the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.4	Appointment of Pooven Viranna as a member of the Audit, Risk and Compliance Committee			
Ordinary resolution number 4.1	Appointment of Suzanne Ackerman as a member of the Social, Ethics and Transformation Committee			
Ordinary resolution number 4.2	Appointment of Jonathan Ackerman as a member of the Social, Ethics and Transformation Committee			
Ordinary resolution number 4.3	Appointment of Haroon Bhorat as a member of the Social, Ethics and Transformation Committee			
Ordinary resolution number 4.4	Appointment of Annamarie van der Merwe as a member of the Social, Ethics and Transformation Committee			
Advisory vote number 1	Endorsement of the remuneration policy			
Advisory vote number 2	Endorsement of the implementation of the remuneration policy			
Special resolution number 1	Directors’ fees for the 2026 and 2027 annual financial periods			
Special resolution number 2	General approval to repurchase Company shares			

I give permission to my CSDP to disclose to the Company how my votes have been cast, should the Company request such information from my CSDP. Yes ☐

Please note: if an X is not inserted into the box, it will be taken that permission has been declined and that the CSDP will not be permitted to disclose to the Company how the votes have been cast.

Signed aton2025

Signature

(Authority of signatory to be attached if applicable – see note 7)

Assisted by me (where applicable – see note 9)Telephone: ()

Please also read the notes overleaf.

Summary of shareholder’s rights in respect of proxy appointments

Please note that in terms of section 58 of the Companies Act:

- this proxy form must be dated and signed by the shareholder appointing the proxy;
- you may appoint an individual as a proxy, including an individual who is not a shareholder of the Company, to participate in and speak and vote at a shareholders’ meeting on your behalf;
- your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this proxy form;
- this proxy form must be delivered to the Company, or to the transfer secretaries of the Company, namely Computershare Investor Services Proprietary Limited, before your proxy exercises any of your rights as a shareholder at the AGM;
- the appointment of your proxy will be suspended at any time to the extent that you choose to act directly and in person in the exercise of any of your rights as a shareholder at the AGM;
- the appointment of your proxy is revocable unless you expressly state otherwise in this proxy form;
- as the appointment of your proxy is revocable, you may revoke the proxy appointment by (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the transfer secretaries of the Company. Please note that the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy’s authority to act on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the Company and the proxy as aforesaid;
- if this proxy form has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company’s Memorandum of Incorporation to be delivered by the Company to you will be delivered by the transfer secretaries of the Company to you or your proxy, if you have directed the Company to do so, in writing and paid any reasonable fee charged by the Company for doing so;
- your proxy is entitled to exercise, or abstain from exercising, any voting right of yours at the AGM, but only as directed by you on this proxy form;
- the appointment of your proxy remains valid only until the end of the AGM or any adjournment or postponement thereof or for a period of 6 (six) months, whichever is shortest, unless it is revoked by you before then on the basis set out above.

The proxy form shall be valid and shall apply to any adjournment or postponement of the AGM to which it relates and shall apply to any resolution proposed at the AGM to which it relates and to such resolution as modified or amended, including any such modified or amended resolution to be voted on at any adjourned or postponed meeting of the AGM to which the proxy relates, unless the proxy is revoked before the adjourned or postponed meeting.

Notes

- The person whose name stands first on the proxy form and who is present at the AGM will be entitled to act as a proxy to the exclusion of those whose names follow thereafter.
- If no proxy is inserted in the spaces provided, then the Chair shall be deemed to be appointed as the proxy to vote or abstain as the Chair deems fit.
- A shareholder’s instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. If there is no clear indication as to the voting instructions to the proxy, the proxy form will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all of the shareholder’s votes exercisable at the AGM.
- A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy. A proxy shall be entitled to demand that voting take place on a poll.
- Proxy forms must be lodged at the registered office of the Company, Pick n Pay Office Park, 101 Rosmead Avenue, Kenilworth, Cape Town, 7708, or posted to the Company Secretary at PO Box 23087, Claremont, 7735, or lodged with or posted to the transfer secretaries, Computershare Investor Services Proprietary Limited, First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, or Private Bag X9000, Saxonwold 2132 or email: proxy@computershare.co.za.
- For administrative purposes, it is recommended that proxy forms be received or lodged by no later than 08h30 on Friday, 1 August 2025, being 2 (two) business days before the AGM to be held at 08h30 on Tuesday, 5 August 2025. Proxy forms must be lodged before the commencement of the AGM.
- Documentary evidence establishing the authority of a person signing this proxy form in a representative capacity must be attached to this proxy form unless previously recorded by the Company Secretary or waived by the Chair of the AGM if he/ she is reasonably satisfied that the right of the representative to participate and vote has been reasonably verified. CSDPs or brokers registered in the Company’s sub-register voting on instructions from beneficial owners of shares registered in the Company’s sub-register, are requested that they identify the beneficial owner in the sub-register on whose behalf they are voting and return a copy of the instruction from such owner to the Company Secretary or to the transfer secretaries, Computershare Investor Services Proprietary Limited, First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, or Private Bag X9000, Saxonwold 2132, together with this form of proxy.
- Any alteration or correction made to this proxy form must be initialled by the signatory/ies but will only be validly made if such alteration or correction is accepted by the Chair of the AGM.
- A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company Secretary.

Participation in the AGM via electronic communication

Shareholders or their duly appointed proxies who wish to participate in the AGM via electronic communication (participants) must follow the instructions for registration, attendance and participation set out below. The electronic participation form can be found as an insert in this Notice of AGM.

- a. Registration to attend the AGM
- (i) Register online by no later than 08h30 on Friday, 1 August 2025 using the online registration portal at www.smartagm.co.za to, among other things, allow the transfer secretary to arrange the participation of the shareholder at the AGM.

(ii) Register via email by no later than 08h30 on Friday, 1 August 2025 by making a written application to participate via electronic communication, by email to proxy@computershare.co.za in order for the transfer secretary to, among other things, arrange such participation for the shareholder at the AGM.

(iii) Apply to Computershare by delivering the duly completed participation form to:

a. First Floor, Rosebank towers, 15 Biermann Avenue, Rosebank 2196;

b. Posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the participant); or

c. Email to: proxy@computershare.co.za

so as to be received by Computershare by no later than 08h30 on Friday, 1 August 2025.

NOTE: Shareholders wishing to participate in and/or vote at the AGM and who register after 08h30 on Friday, 1 August 2025 may still register after this time provided, however, that for those shareholders to participate in and/or vote at the AGM, those shareholders must be verified and registered (as required in terms of section 63(1) of the Companies Act) by uploading their relevant verification documentation, as more fully set out in the Notice of AGM under section G Identification, before the commencement of the AGM.

- b. Computershare will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act. If the request is validated, further details will be provided on using the electronic communication facility to participate electronically in the AGM.

Important notice

The service provider shall, by no later than 17h00 on Monday, 4 August 2025, notify participants who have delivered valid notices as per this form by email of the relevant details through which the participants can participate electronically.

The application to participate in the AGM electronically will only be deemed successful if this application form has been completed fully and signed by the participant.

APPLICATION FORM
Full name of participant:
ID number:
Email address:
Mobile number:
Telephone number:
Name of CSDP or broker (dematerialised shares):
Contact number of CSDP or broker:
Contact person at CSDP or broker:
Number of share certificates (certificated shares):
Signature:
Date:

Terms and conditions for participation in the AGM via electronic communication

The cost of electronic participation in the AGM is for the expense of the participant and will be billed separately by the participant's own service provider.

The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.

Pick n Pay Stores Limited cannot guarantee there will not be a break in electronic communication that is beyond its control.

Participant's name:

Signature:Date:



Corporate information

Shareholders' diary

February

Trading update
Annual financial period-end

May

Publication of annual financial results
Annual financial results roadshow

June/July

Publication of Integrated Annual Report

August

Trading update
Annual General Meeting
Interim financial period-end

October

Publication of interim financial results
Interim financial results roadshow

Please consult our website <https://www.picknpayinvestor.co.za/> for the latest published dates.

Pick n Pay Stores Limited

Registration number: 1968/008034/06
JSE and A2X share code: PIK
ISIN: ZAE000005443

Board of directors

Executive

Sean Summers (CEO)
Lerena Olivier (CFO)

Non-executive

Gareth Ackerman (Chair)
Suzanne Ackerman
Jonathan Ackerman

Independent non-executive

Haroon Borat
James Formby
David Friedland
Aboubakar Jakoet
Audrey Mothupi-Palmstierna
Annamarie van der Merwe
Pooven Viranna

Registered office

Pick n Pay Office Park
101 Rosmead Avenue
Kenilworth
Cape Town 7708
Tel: +27 21 658 1000
Fax: +27 (0)86 675 1475

Postal address

PO Box 23087
Claremont
Cape Town 7735

Registrar

Computershare Investor Services
Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
Tel: +27 11 370 5000

Postal address

Private Bag X9000
Saxonwold 2132

JSE Limited sponsor

Rand Merchant Bank
(a division of FirstRand Bank Limited)
1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton 2196

Auditors

Ernst & Young Inc.

Principal bankers

ABSA Limited
Rand Merchant Bank
(a division of FirstRand Bank Limited)

Corporate advisors

Rand Merchant Bank
(a division of FirstRand Bank Limited)

Company Secretary

Vaughan Pierce
Email address: companysecretary@pnp.co.za

Promotion of Access to Information Act

informationofficer@pnp.co.za

Investor relations

Stephen Carrott
Email address: stephencarrott@pnp.co.za

Website

Pick n Pay: www.pnp.co.za
Pick n Pay Clothing: www.picknpayclothing.co.za
Pick n Pay investor relations: www.picknpayinvestor.co.za

Customer careline

Pick n Pay

Tel: +27 860 30 30 30
Email address: customercare@pnp.co.za

Boxer

Customer website: www.boxer.co.za
Investor relations website: www.boxerinvestor.co.za
Tel: +27 860 02 69 37
Email address: customercare@boxer.co.za



Pick n Pay Online

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asap!

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home

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Clothing

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