



CORPORATE 2024
GOVERNANCE REPORT



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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 FY24. 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 FY24 Annual Financial Statements, disclosure on environmental and social sustainability, our governance structures and remuneration report.

Annual General Meeting notice (AGM)

Notice of the 2024 AGM to be held on 27 August 2024, and the proxy voting form.

Sustainability Report (ESG)

This report details our ESG performance against indicators aligned with investor and analyst expectations and provides a high-level overview of our impact on the environment, society and economy.

Our reports comply with the following reporting standards and frameworks:

	IAR	AFS	CGR	AGM	ESG
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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Our governance

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Reflections from our Lead Independent Director

James Formby
Lead Independent Director



I joined the Group in October 2022, shortly after the implementation of the Ekuseni strategy. The Group was at a critical juncture. The Board had recognised increasing pressure in the Pick n Pay supermarkets business and the Group's new ambitious strategy, under the leadership of CEO Pieter Boone, sought to revitalise the brand with bold action.

Strategic initiatives included the development of the Pick n Pay QualiSave brand aimed at middle-to-lower-income customers, substantial capital investment in store refurbishments, and significant range reductions based on customer segmentation. The aim was a more modern and competitive supermarket offer, tailored to the customer served, while at the same time accelerating the expansion of its growth drivers Boxer, Pick n Pay Clothing and Online.

The Group remained stable throughout FY23, demonstrating resilience in the face of more difficult economic conditions and higher levels of load-shedding. The Group had not targeted improved profitability in FY23 as the strategy was still in its early stages, with considerable and planned upfront strategic investment costs. However, there were initial encouraging indications of sales uplift in the refurbished stores and the Group closed FY23 with a stable balance sheet, continued confidence in the strategy and intent to fund the strategic capital investment required with long-term debt.

Strategic challenges in FY24

Unfortunately, as FY24 progressed it became clear that the strategy was no longer delivering against key Pick n Pay performance targets. While the Group's Boxer, Clothing and Online businesses continued to deliver strong growth, Pick n Pay supermarket sales volumes came under further pressure in a highly contested market and profit margins were under severe pressure in Pick n Pay. The capital investment required to support Ekuseni was not generating the required returns and the Group was facing the dual challenge of falling earnings and rising debt. Several critical strategic issues began to emerge, including:

Range reductions – undertaken to streamline operations, frustrated Pick n Pay customers and diluted our margin mix, which became unaffordable for the Pick n Pay cost structure

Fresh produce – over-investment in uncompetitive fresh ranges resulted in higher levels of waste

Execution – accountability across the management team was not clear enough and staff efficiency measures over the years had eroded critical retail skills, particularly on the shop floor, leaving the operations team without the capacity or experience to deliver the strategy effectively

Brand relevance – strong market overlap between QualiSave and Boxer led to internal competition and confusion among customers



Board response and leadership change

At the July 2023 AGM, we announced that the Group expected to record the first interim loss in its history. The announcement marked a significant turning point for the Board. I assumed the role of Lead Independent Director at that time, on the retirement of Jeff van Rooyen, and the mood was sombre and deeply concerned.

In September 2023, we experienced the loss of our founder, Raymond Ackerman. His passing was a time of deep sadness and reflection for the Group and the Board was keenly aware of the need to protect the business and his incredible legacy. The Board had lost conviction in the Pick n Pay strategy and its execution and made the difficult decision to part ways with Pieter Boone and re-appoint Sean Summers as CEO. These decisions are never easy, and I commend the Board for taking decisive action just 15 months after the launch of the strategy.

This was also a time of deep introspection, reflecting on the reasons for Pick n Pay's weakened performance, which had not happened over 15 months, but over an extended period of time where capital investment, in-store execution, innovation and customer service had not been adequately prioritised.

Back to retail basics

Sean Summers' previous tenure with Pick n Pay had been immensely successful, with Pick n Pay positioned as the number one supermarket in South Africa under his leadership. His continued close relationship with Pick n Pay and the Ackerman family gave him a keen understanding of the challenges we faced.

Sean is first and foremost an operational CEO. He spent his initial months travelling around our stores, meeting with employees, franchisees, suppliers, landlords, and other key stakeholders. His hands-on approach and focus on the basics of retail have been instrumental in reigniting the energy and confidence of our people. Sean has developed a straightforward turnaround plan centred on improving customer service and getting the basics right. While the road to recovery is long, Sean's return has had a positive impact on the Group and we have already observed a tangible lift in energy, motivation and confidence. Pick n Pay is fundamentally a customer service business and all of our initiatives going forward are linked to one key theme: How can we serve our customers better? The Board has strong confidence in Sean's leadership, retail acumen, and ability to execute under challenging conditions.

In September 2023, we experienced the loss of our founder, Raymond Ackerman. His passing was a time of deep sadness and reflection for the Group and the Board was keenly aware of the need to protect the business and his incredible legacy.

Leadership development and succession planning

The Board recognises that the success of Pick n Pay does not rest on the shoulders of a single individual. Leadership development and succession planning are crucial cornerstones of Pick n Pay's turnaround. One of Sean's key performance indicators is the development of a strengthened leadership structure that reflects our commitment to race and gender transformation and he has delivered early progress in transforming the Group's operational structures to enhance regional decision-making, accountability, and agility. The future leaders of Pick n Pay will emerge from these structures, having played integral roles in the restoration of the business.

The role of the Board in a difficult year

I would like to thank the Board members for their support during such a tumultuous year, which required many more Board and committee meetings and significant time investment. Our committees have provided invaluable guidance, upholding corporate governance, ethical behaviour, and transparent financial reporting. They have been instrumental in guiding key engagements with our funders to secure covenant waivers and liquidity support, and in deliberating and approving a critical two-step Recapitalisation Plan for our Group. Many of our deliberations were highly complex and the decisions taken not without uncertainty and risk.

The demands of the debt restructure and Recapitalisation Plan are significant, and I have had the privilege of working closely with CFO Lerena Olivier and her Finance and Treasury team, providing guidance and oversight. I have been struck by the professionalism, skill and dedication of this team which has delivered a number of important milestones in the development of a sustainable capital structure for the Group. There is still a great deal of work ahead to deliver a successful Rights Offer and Boxer IPO, but I have every confidence in the ability of the team to get this done. I know too that they will provide incredible support to the Boxer team to ensure that Boxer is ready for its IPO and the additional demands of the listed environment.

I extend thanks to Gareth and the Ackerman family, who have provided steadfast support under the most difficult of circumstances. The loss of Raymond Ackerman has left a void, but through their loss the family has navigated a path towards a stronger Pick n Pay. The family has agreed that it is the right time to revitalise the Board and strengthen its independence. As such, Gareth and Suzanne have stepped down from our Nominations and Corporate Governance committee and Finance and Investment committees.

In addition, David Robins will retire from the Board at the 2024 AGM after 22 years of service and Gareth will step down as Chairman after the publication of the FY25 results, after 14 years in the role. We have further committed to retiring our long-serving independent non-executive directors over the next 12 to 18 months, in order to introduce new talent and fresh perspectives to the Board. These changes are important because they demonstrate the confidence the Ackerman family has in the Board, the management team and the turnaround strategy.

Looking forward

Notwithstanding the immense challenges of FY24, I remain cognisant of just how much has been achieved under difficult circumstances. I look forward with optimism for the future. The Group's enduring values, strong governance and committed and determined leadership team will guide us on the path to restoring Pick n Pay's growth, growing Boxer and sustaining long-term value creation.

James Formby
Lead Independent Director

26 June 2024

What the Board focused on in FY24

The Board is dedicated to managing the Group in a transparent, equitable and responsible manner, in the best interests of all stakeholders. The Board recognises that long-term strategy, the identification of material issues, effective risk management, commitment to social and environmental sustainability, and robust financial performance are all integral components of sustainable long-term value creation. The Board strives to maintain excellence in all these areas and to react rapidly and decisively when challenges arise.

Directors engage in thorough and informed discussions to provide clear direction, robust governance, and effective leadership for the Group. Every Board member is fully aware of their duty to act with integrity and to represent the interests of all stakeholders.

The Board endorses a materiality approach, focusing on integrated reporting that addresses the issues, risks, and opportunities with significant impacts on the Group's sustainable performance in the short, medium, and long-term. This approach ensures that stakeholders receive comprehensive reports that allow them to make well-informed assessments of the Group's performance and future prospects. The Board remains accountable for the Group's overall performance and steers the business by considering both material and emerging risks and opportunities. This ensures that our business strategy remains responsive, relevant and resilient.

Key Board and committee focus areas over the year included:

Operations

Critical assessment of the Ekuseni strategy

The Board increased its strategic and financial oversight over the course of the year, closely and critically assessing the performance of the business against financial and operational targets. It became increasingly important for the Board to understand whether under-performance in the Pick n Pay business could be attributed to the more difficult economic environment (factors outside of management control) or the emergence of potential strategic missteps and/or poor execution. The Board closely monitored the performance of the Pick n Pay supermarket business, including sales growth, gross profit margin evolution (including the impact of waste), expense control and stock holdings.

Leadership change

The Board effected a change of executive leadership, appointing Sean Summers as CEO on 30 September 2023. It was a difficult considered decision and followed significant Board deliberation. The Board considered Sean's previous successful tenure with the Group, his extensive local and international retail experience and his deep understanding of the challenges of the South African retail market. Further, the Board oversaw the development and implementation of the new streamlined senior management team and the new regional operating structures for Pick n Pay, bolstered by previous and seasoned Pick n Pay executives.

Strategy

The Board oversaw the development of the new strategy for Pick n Pay, including all the initiatives aimed at redressing the failings of the Ekuseni strategy. The strategy seeks to restore the Pick n Pay division to profitability over the medium-term, with financial targets that are reasonable, defensible and actionable, while advancing the growth of the Group's high-performing Boxer, Clothing and Online businesses.

Debt funding and liquidity

The Board guided and approved the raising of long-term debt to fund capital investment under Ekuseni, including the extension of the overall term profile of the Group's debt programme. As Group earnings deteriorated, the Board provided critical guidance and oversight in engagements with key funders to assure Group liquidity under covenant waiver and debt restructure agreements.

Capital assets

As earnings began to fall, the Board quickly scaled back on the Group's ambitious capital investment programme in Pick n Pay and prioritised critical capital spend only. Full capital investment allocations remained for high-yield Boxer and Clothing investments. One of the critical investments over the year included the acquisition of the Tomis Group, a state-of-the-art abattoir and meat processing and packaging business. The acquisition is expected to enhance the Group's fresh meat offer to Pick n Pay and Boxer customers and unlock vertical integration synergies across the Group's supply chain. The Board approved the sale of the Longmeadow distribution centre and two non-core shopping centres to boost Group liquidity, alongside the decision to lease rather than buy the new Eastport distribution centre.

Supply chain efficiency

The Board oversaw Pick n Pay's move from its Longmeadow distribution centre in Gauteng to the larger and more modern Eastport facility. The transition resulted in the once-off duplication of logistics costs and a short-term increase in inventory balances, but the move happened seamlessly without any disruption to the Pick n Pay supply chain. Going forward the Board will focus on the work required at the large-scale facility to deliver the required economies of scale.

Working capital management

The Board prioritised the close management of working capital to support liquidity initiatives and oversaw the careful and considered reduction of the Pick n Pay inventory overhang post the disappointing November and December trading period. Oversight extended to the careful and prudent provisioning of slow-moving inventory and outstanding franchise debt.

New interim franchise model

The Group worked closely with its Pick n Pay franchisees to modernise the terms and conditions of its long-standing franchise agreement to ensure mutually-beneficial and long-term sustainable growth for all. A new interim model has been implemented and will be refined over time through a collaborative process with our franchisees. The Group's relationships with its broader franchise community remains strong and constructive.



Performance of the Rest of Africa operations

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

Recapitalisation

The Board prioritised and approved the development of a critical recapitalisation plan in order to reduce Group debt and provide capital for investment into the Pick n Pay turnaround, while looking for opportunities to unlock shareholder value. The Board appointed independent corporate equity advisors through an RFP process, and subsequently considered and deliberated a number of recapitalisation alternatives. The Board approved a two-step Recapitalisation Plan in February 2024 – comprising a Rights Offer to existing shareholders (mid-2024) and the offer and listing of shares in the Group's Boxer business on the Main Board of the JSE (late-2024).

People, culture and 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.

Staff welfare, productivity and efficiency

The Group aims to build a sustainable business by enhancing productivity and efficiency, reducing duplication and creating long-term employment opportunities. The Board remained mindful of the impact that a succession of voluntary severance and other staff restructuring measures have had on staff morale and on skill and talent retention over the past few years. As such, the Board receives regular feedback on the results of staff surveys, the effectiveness of improved training and development programmes and the implementation of the Pick n Pay staff wellness programmes.

Governance

Board committees

Committee structure and membership were re-assessed. The allocation of non-executive directors to committees was reviewed and adjusted where it was felt they were best placed to make a contribution based on sector experience. Please refer to the Nominations and Corporate Governance Committee report for further information.

Governance frameworks and policies

The Board, guided by its Nominations and Corporate Governance Committee and Social, Ethics and Transformation Committee undertook a significant review of the Group's governance framework including its Board and Committee charters, Code of Ethics and all related employee and governance related policies. Our updated framework is close to finalisation and clearly sets out the behaviours we expect of our Board members and all our employees.

ESG performance and reporting

The Board continued to monitor the Group's progress against its ESG targets, including its environmental impacts and contribution to social upliftment. In addition to progress made against targets, the Board continued to guide improvements and transparency in external ESG reporting which reflect the Group's impact, both good and bad, on the environment and people. Improvements in reporting are informed by relevant codes, regulations and frameworks, including JSE Guidelines on Sustainability and Climate Disclosure. The decline in the financial performance of Pick n Pay resulted in a decrease in the ESG spend in that segment, aligned with the cost control measures undertaken in all areas.

Financial reporting

Proactive monitoring by the JSE 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 2023 and confirmed that, where relevant, the Group had improved its Annual Financial Statements disclosure.

CEO and CFO sign-off on internal financial 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, 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.

Comparable earnings

The equity accounted earnings of the Group's investment in its associate, TM Supermarkets, in Zimbabwe was accounted for under IAS 29 Financial Reporting in Hyperinflationary Economies. The Group's share of associate's income, recognised within profit before tax and headline earnings, included non-cash hyperinflationary accounting net monetary adjustments. The impact of hyperinflation accounting does not provide stakeholders with an accurate assessment of the Group's comparable year-on-year performance. As such, and in line with normal Group practice, the Group has excluded hyperinflation net monetary adjustments from its comparable earnings.

Segmental financial reporting

The Board approved new segmental financial reporting for its Pick n Pay and Boxer segments, augmenting previously provided segmental turnover information, with key earnings and balance sheet information.

Areas of significant judgement

The Board, supported by the Audit, Risk and Compliance Committee, focused on areas of significant judgement in the FY24 results, which included the R2.8 billion impairment against Pick n Pay store assets; the R633.7 million credit loss allowance against franchise debt (including a R201 million increase related to our Botswana franchise), the recoverability of deferred tax assets and the solvency assessment on a fair value basis.

Going concern

The Board conducted a formal assessment of the Company and its subsidiaries' ability to continue as going concerns. This included a detailed review of the Group's economic environment, medium-term budgets and cash flow forecasts, insurance adequacy, and available borrowing facilities.

Our approach to corporate governance

Our ethical value system has built strong relationships with stakeholders who recognise and support the Group as a responsible corporate citizen, with the confidence that we will do what is right.

The Board reaffirms its commitment to strong corporate governance, which has sustained the Group over the past 57 years. We provide effective and ethical leadership, maintaining a governance framework founded on honesty, integrity, and accountability.

The Board fully endorses the principles of King IV, including integrated thinking that supports corporate citizenship, stakeholder inclusivity, sustainable development and integrated reporting. Our commitment to integrity, competence, fairness, responsibility, transparency, and accountability aligns with our enduring values.

Elected by shareholders, the Board accepts overall accountability for the Group's performance. We consider all material issues, risks, and opportunities, measuring sustainable value across the economic, social, and environmental dimensions of our long-term strategy. This includes effective management of our capitals and balanced stakeholder engagement.

The Board is satisfied that it has fulfilled its responsibilities per the Company's Memorandum of Incorporation, Corporate Governance Charter, King IV, the JSE Listings Requirements, the Companies Act, and all applicable statutory and regulatory requirements for the financial year ended 25 February 2024 (FY24).

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

Ethical culture

An ethical culture remains the foundation of our core purpose, values, and strategy. We regularly review our governance structures to align with best practices and reflect regulatory changes, ensuring the maintenance of an ethical culture.

The Board conducted its annual review of the Group's Code of Ethics and all related ethics and governance policies with the support of the Social, Ethics, and Transformation Committee. The Code and related suite of ethics policies outline the key behaviours and actions expected from the Board, employees, suppliers, and business partners.

The Board oversaw the activities of the Group's ESG division and reviewed the Group's FY24 progress against its long-term ESG targets. These targets include reducing food waste, increasing recyclable packaging, managing water and energy usage, rolling out natural refrigerants, and reducing carbon emissions.

Effective control

The Group's governance and compliance framework is founded on the principles of accountability, transparency, ethical management, and fairness. The framework allows for specific areas of governance to be delegated to various Board committees, enhancing role clarity and the effective exercise of responsibilities within both the Board and the broader business.

The Corporate Governance 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 a responsible corporate citizen, and makes decisions that ensure the sustainability of operations.

The Board, supported by the Nominations and Corporate Governance Committee, conducted a comprehensive annual review of the Corporate Governance Charter and all Board Committee Terms

of Reference, aligning all with best practice. The updated Board corporate governance framework is close to completion and is expected to be approved in the coming weeks.

The Board annually evaluates its overall contribution to the Group and the individual performance of each director. In FY24, this included a formal peer-to-peer evaluation led by an independent corporate governance specialist, confirming that the Board met its objectives. Additionally, the effectiveness of each Board committee is assessed yearly, with support from the Nominations and Corporate Governance Committee. This ensures an appropriate mix of knowledge, skills, experience, and diversity, as well as adequate non-executive director capacity, allowing all directors to effectively fulfil their roles and contribute according to their unique strengths and diverse experiences.

Legitimacy

The Board retains overall responsibility for the concept of integrated thinking. The Board regularly reviews its stakeholder relationships with the aim of ensuring its approach is inclusive and balances the needs, interests and expectations of all stakeholders in the best interests of the Group. The implementation of effective stakeholder relationship management has been delegated to the executive management team.

Key areas of stakeholder focus included:

- Customer feedback on customer service, price competitiveness, product range and quality
- Corporate social investment into poverty and hunger relief efforts, educational initiatives and other social upliftment programmes
- Investment into employee training and development and oversight of indicators of overall employee wellness across the Group
- Engagements with key suppliers, landlords and service providers and our ongoing efforts to develop small and diverse businesses across the Group's value chain
- The quality of the Group's relationship with its Pick n Pay franchisees, including the support provided in difficult trading conditions and the reasonability of provisions against overdue franchise debt
- The transparency of internal and external financial reporting and engagement with shareholders and retail analysts on the Group's financial and operating performance
- Ensuring that shareholders can participate as effectively as possible in the AGM, making the minutes publicly available, and ensuring that all directors attend the AGM and are available to respond to shareholder questions as to how the Board executed its governance duties. In addition, ensuring that the designated partner of the external audit firm attends the AGM and is available to respond to shareholder questions
- Ensuring that the subsidiary companies in the Group operate as separate and independent juristic entities with delineated rights and roles

Good performance

There are well-entrenched structures within the Group to ensure that proper assurance and oversight are given to strategic and operational performance, and sustainable value creation. The Board undertook critical discussions during the year related to strategy, performance, governance and risk management. The Board ensures that the financial and operational reports issued by the Group are timely, accurate and transparent to enable stakeholders to make informed assessments of its performance and its longer-term prospects.

Our governance structure

The Board is confident that the Group's governance framework, supported by its Board committees and related administrative structures and compliance processes, contribute to value creation over the long term by emphasising:

- Accountability to stakeholders
- Sound leadership and effective decision-making
- Strong risk management and risk mitigation
- Comprehensive and transparent integrated reporting
- Remuneration policies focused on the development and retention of talent through incentivisation in line with the Group's strategic and transformation objectives

The Group's governance framework is regularly reviewed to ensure that it exercises effective and ethical leadership, conducts its affairs as a good corporate citizen and takes appropriate decisions to ensure the long-term sustainability of the business.

The Board considers the principles and key aspects of ISO 37000:2021 Governance of Organisations, alongside King IV, the Companies Act and the JSE Listings Requirements, with the aim of ensuring that best corporate governance practice remains in place.

The Pick n Pay Stores Limited Board

The Board assumes full accountability for the Group's performance, guiding and overseeing the business by considering both material and emerging risks and opportunities to ensure the business strategy remains relevant and responsive. The Board recognises that the strength of its strategy, the identification of material matters, effective risk management, commitment to social and environmental sustainability, and financial performance are integral to long-term value creation.

The Board

- Has a good balance between the experience of long-standing directors and the fresh insights from more recently appointed directors, and has committed to retire all long-serving independent non-executive directors in the normal course of director rotations over the next 12 to 18 months
- Is satisfied that the independent non-executive directors have met the criteria for independence as established by King IV, the Companies Act and the JSE Listings Requirements
- Confirms the Group's risk management, mitigation and monitoring processes were effective and limited the impact of risks on the business during FY24
- Supports the concept of materiality, which emphasises integrated reporting based on issues, risks and opportunities that could materially impact the performance of the business over the short, medium and long term
- Is satisfied that its internal evaluation process improves its performance and effectiveness
- Confirms the Company Secretary has the qualifications, competence and expertise necessary for the role

Board attendance

The Board ensures the Group is managed transparently, equitably, and responsibly for the benefit of all stakeholders. The Board meets at least four times a year, with 100% attendance at these standard meetings and full director attendance at the 2023 AGM.

Due to significant strategic and financial challenges in FY24, the Board held an additional seven formal meetings.

Despite many of these being called at short notice and conflicting with directors' existing commitments, attendance remained high. Additionally, directors received regular financial and operational updates and engaged more frequently with the senior management team through various forums.

	Standard meetings	Additional meetings
Gareth Ackerman	4/4	7/7
Jonathan Ackerman	4/4	7/7
Suzanne Ackerman	4/4	7/7
Haroon Borhat	4/4	5/7
Pieter Boone ¹	2/2	2/3
Mariam Cassim	4/4	3/7
James Formby	4/4	7/7
David Friedland	4/4	7/7
Bakar Jakoet	4/4	6/7
Audrey Mothupi	4/4	6/7
Lerena Olivier	4/4	7/7
David Robins	4/4	6/7
Sean Summers ¹	2/2	4/4
Annamarie van der Merwe	4/4	7/7
Jeff van Rooyen ²	2/2	1/1

¹ Sean Summers replaced Pieter Boone as CEO on 30 September 2023.

² Jeff van Rooyen retired from the Board on 19 July 2023

The Executive Committee and operational governance

The Board appoints the Executive Committee, which in the 2024 financial period consisted of the CEO and CFO, to manage the Group on its behalf. The Executive Committee serves as the Chief Operating Decision Maker (CODM) of the Group, managing the day-to-day operations of the Group to ensure sustainable value creation for all stakeholders. The Executive Committee meets regularly. Pieter Boone was replaced by Sean Summers as Group CEO on 30 September 2023.

The CEO is responsible for:

- Leading the implementation and execution of approved strategy, policy and operational planning
- Serving as the chief link between management and the Board
- Ensuring that the day-to-day business affairs of the Group are effectively managed

The CFO is responsible for:

- Directing and managing the financial, risk and compliance functions of the Group in accordance with all relevant regulations, accounting principles and governance standards

The Group's corporate governance charter sets out our executives' formal role descriptions. Included in the written mandates are limits of authority, which set out those matters where the CEO and/or CFO has final authority and those requiring formal Board approval. Similarly, the CEO has set limits of authority for the executive management to enable the effective exercise of authority and responsibilities.

There are well-entrenched governance structures within the executive management team to ensure that proper assurance is given to strategic and operational matters. These include the:

- Capital Committee to manage capital expenditure and monitor returns on investment
- Property Committee to manage real-estate developments
- Treasury Committee to manage debt structures, gearing covenants, liquidity and cash flow. This committee was constituted as a key standing Board committee in May 2024 and renamed the Finance and Investment Committee

- Group Executive Committee, which alongside the management of key operational issues, also manages key people initiatives, including training, development, promotions, restructuring and monitors employee wellness, motivation and morale
- Sustainability Committee to manage the Group's performance cross key environmental, social and governance indicators

The CEO is mandated to ensure that the Group's day-to-day business affairs are effectively managed by the executive management and that the necessary systems and controls are in place for effective risk management.

FY24 Board Committees

Directors engage in rigorous and informed debate to promote direction, governance, and effective leadership. The Board was supported by the executive committee and five Board committees in FY24, which contributed to role clarity and the effective exercise of authority and responsibilities within the broader Group. The roles and responsibilities of each committee are detailed in the Board's corporate governance charter, available at www.picknpayinvestor.co.za/governance.php.

Board and committee charters are reviewed annually to ensure the committee mandates remain current and effective and that King IV requirements are met. Each committee assesses its effectiveness by reviewing its activities against the approved terms of reference, aligned with their delegated powers and authority. Where relevant, each committee can form a sub-committee to focus on areas of significant importance. This year, the Audit, Risk, and Compliance Committee was supported by regular meetings of its Treasury sub-committee to address the Group's sustainable capital structure, sources of funding, and liquidity constraints. The Treasury sub-committee played a valuable advisory role in developing the Group's two-step Recapitalisation Plan and engaging with funders to secure debt covenant waivers and the debt restructure.

Audit, Risk and Compliance Committee

FY24 Membership	Meeting attendance
A Jakoet (Chair)	3/3
H Bhorat	3/3
M Cassim	2/3
J Formby	3/3
D Friedland	3/3
A Mothupi	3/3

The Committee provides independent oversight and assessment of the Group's risk management processes, legal and regulatory compliance, financial reporting, business and financial controls, and internal and external audit processes. The Committee acts as a liaison between the Board and external and internal auditors. The Committee meets at least twice a year, although sub-committees of this committee meet more regularly (at least quarterly) to address areas of material risk and opportunity. Read more from page 36.

Nominations and Corporate Governance Committee

FY24 Membership	Meeting attendance
G Ackerman (Chair)	2/2
S Ackerman	2/2
H Bhorat	2/2
D Friedland	2/2
A Mothupi	2/2
A van der Merwe	2/2

The Committee is responsible for identifying and evaluating suitable candidates for possible appointment to the Board and its committees, and ensuring that the governance procedures, practices and structures of the Board and its committees are effective, appropriate and aligned with relevant local and international codes and best practices. In addition to scheduled meetings, the Nominations and Corporate Governance Committee holds ad hoc meetings with all the non-executive directors to discuss and guide succession plans and committee membership. The membership of the Committee was amended in May 2024 to strengthen both its effectiveness and its independence. Gareth Ackerman and Suzanne Ackerman stepped down from the Committee, which will be chaired going forward by Annamarie van der Merwe. Committee membership has been refreshed to include all the other Committee Chairs, with the exception of the Social, Ethics and Transformation Committee, which is represented by Annamarie van der Merwe. Read more from page 35.



Social, Ethics and Transformation Committee

FY24 Membership	Meeting attendance
S Ackerman (Chair)	3/3
J Ackerman	3/3
D Robins	2/3
A van der Merwe	3/3

The Committee, supported by key management personnel, is tasked with ensuring that the Group's enduring values underpin the Group's long-term strategy and are applied daily in all areas of the business, and that our ESG strategy is closely aligned with the United Nations Sustainable Development Goals most relevant to our business. The membership of the Committee was amended in May 2024 to strengthen its independence, with the retirement of David Robins and the appointment of Haroon Borhat. Read more from page 20.

Remuneration Committee

FY24 Membership	Meeting attendance
A Mothupi (Chair)	4/4
G Ackerman	4/4
H Borhat	4/4
J Formby	2/2
A Jakoet	4/4
J van Rooyen	2/2

The Remuneration Committee ensures that the Group's remuneration policy promotes the achievement of Group strategy by providing fair and responsible rewards that attract, reward and retain a winning team. Jeff van Rooyen retired from the Board and the Committee in July 2023 and was replaced by new lead independent director James Formby. Read more from page 4.

Independent Board Committee

FY24 Membership
J Formby (Chair)
H Borhat
M Cassim
D Friedland
A Jakoet
A Mothupi
A van der Merwe
J van Rooyen

The Corporate Finance Committee has been renamed as the Independent Board Committee and 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. Jeff van Rooyen retired from the Board in July 2023 and was replaced by new lead independent director James Formby. No formal meetings were held in FY24, with the two-step Recapitalisation Plan led by the Treasury sub-committee, Audit, Risk and Compliance committee and the full Board.

New Board Committee in FY25

Finance and Investment Committee

FY25 Membership
J Formby (Chair)
H Borhat
M Cassim
D Friedland
A Jakoet

Effective 27 May 2024, the Treasury sub-committee has been reconstituted as the Finance and Investment Committee, a key standing Board committee. This Committee oversees balance sheet management, including liquidity, appropriate equity capital structures, capital investment, and the treasury function. Responsibilities include monitoring cash flow and working capital, ensuring financial compliance, reviewing borrowing and investment strategies, managing the property portfolio, advising on strategic financial decisions, assessing and mitigating financial risk, maintaining lender relationships, and overseeing treasury activities to safeguard assets and support financial performance.

Board composition at June 2024

Our directors are strong-minded individuals of integrity who are successful and experienced professionals in their respective fields. The Group has actively sought to appoint business people to its Board, looking for individuals who play an active role in business, are in a position to offer retail, commercial, financial, accounting, IT and digital, ESG, legal and regulatory knowledge to the Board, and add value through wisdom and practical business acumen. Please refer to page 13 for further information.

The Board is satisfied that its balanced composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board has implemented a number of changes to strengthen the effectiveness and independence of its committees.

64%
of our non-executive directors are independent

7

Independent non-executive directors

The independent non-executive directors are diverse in their academic qualifications, business experience, gender and race, resulting in a balanced Board. Read more on page 18 regarding their classification as independent.

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4

Non-executive directors

Gareth Ackerman, Jonathan Ackerman, Suzanne Ackerman and David Robins are not considered independent owing to their relationship with the controlling shareholder. As our Chair is not considered independent, James Formby holds the position of lead independent director. Read more under "Controlling shareholder representation on the Board" overleaf. David Robins will retire at the 2024 AGM.

+

2

Executive directors

The Executive Committee (refer to page 10 for further information) performs the CODM role within the Group. The CODM comprises Sean Summers (CEO) and Lereana Olivier (CFO). They are tasked with the day-to-day executive management of the Group.

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Directors at the date of this report





Our directors' skill and experience

The Board underwent a formal and independent peer-to-peer performance evaluation during the year under review. One of the outcomes of the process was the development of an up-to-date Board skills matrix. Members were requested, through a process of self-assessment, to score their level of skill and experience across a range of competencies relevant to the Group and its operations in the FMCG industry. The individual director scores in each category (ranging from zero for no experience or competency through to four indicating high expertise) and the resulting matrix provided a tool for Board succession planning and the identification of training and development needs.

The skill and experience of our directors was measured across key competencies:

Retail

Experience in the local retail industry at a senior executive level, including marketing, buying, supply chain logistics and digital commerce.

Digital & data

Experience in implementing digital systems and technologies; leveraging technology for value creation and utilising customer and business data and data analytics to enhance performance.

Financial reporting

Experience in financial accounting and international financial reporting standards; internal financial controls and the critical assessment of financial performance and disclosures.

Treasury management

Experience in cash flow and working capital management; debt and equity capital, liquidity management; capital allocation and the critical assessment of return on invested capital.

Risk management

Experience in integrated and business-wide risk management processes, the development of robust frameworks and controls; and addressing control breakdowns.

Legal and compliance

Proficient in law, regulatory environments, and compliance within the Group's trading landscape.

Remuneration and human resources

Skilled in developing and implementing fair and effective remuneration policies to drive performance and talent retention.

Corporate governance

Understanding and knowledge of governance practices, trends, and international codes. Experience in implementing corporate governance in publicly listed companies or large organisations.

Corporate social investment

Experience in the development and implementation of formal corporate social investment programmes and initiatives that are targeted to social upliftment and addressing societal needs, including the ethical governance thereof and post implementation impact assessments.

Environmental sustainability

Knowledgeable in climate change and biodiversity issues. Experienced in implementing initiatives to reduce organisational environmental impact, including carbon emissions, energy and water consumption, plastic usage reduction, and waste management.

Board directors skills or experience



Controlling shareholder representation on the Board

The non-executive Chair of the Group Gareth Ackerman and non-executive directors Jonathan Ackerman, Suzanne Ackerman and David Robins are members of the Ackerman family, and are not considered independent by virtue of their relationship with the controlling shareholder Ackerman Investment Holdings (Pty) Ltd (AIH) and their indirect shareholdings in the Company. Their wealth of retail knowledge assists the Group in making decisions for the benefit of all stakeholders. To guard against a perception that a conflict of interest could arise between the controlling shareholder and other shareholders, the Board elects an independent non-executive director to act as lead independent director (LID). The role of the LID is to provide leadership and advice to the Board when the Chair has a conflict of interest without detracting from the authority of the Chair. The position also provides an important point of contact for the broader investment and stakeholder community should they have concerns with the management of the Group or potential conflicts of interest. James Formby was appointed as the LID on the retirement of Jeff van Rooyen on 19 July 2023.

Board and control changes

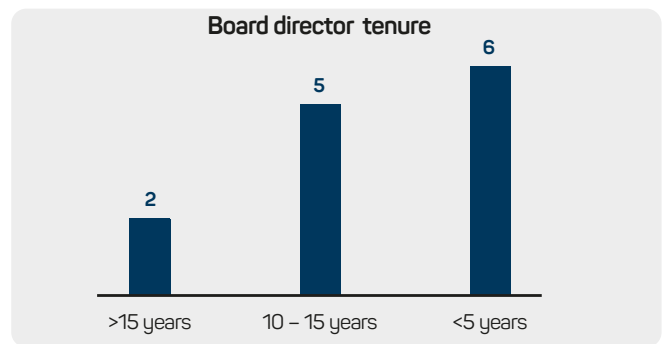
In May 2024, AIH agreed to a number of important governance changes to increase the independence of the Board and to balance the interests of all shareholders:

- AIH will forego majority shareholder voting control of Pick n Pay Stores Limited, allowing Ackerman family voting rights to fall below 50% post the Rights Offer.
- AIH will forego its right to nominate the Chairman, CEO and CFO of the Board
- AIH will reduce its representation on the Board to three members, with the retirement of David Robins at the 2024 AGM

- Gareth Ackerman will retire from his role as Chair of the Board of Directors after the release of Pick n Pay's FY25 results and has stepped down from the Nominations and Corporate Governance and Treasury committees with immediate effect. The Board is in the process of identifying his successor, who will be announced in due course.
- Suzanne Ackerman retires from the Nominations and Corporate Governance committee with immediate effect and remains Chair of the Social, Ethics and Transformation committee.

Board director tenure

The Board has established a good balance between the experience of long-standing directors and the fresh insights from more recently appointed directors. Our long-standing non-executive directors are highly respected in the industry and corporate South Africa. They provide the Board with valuable insight and perspective across the South African economic environment, and more particularly across the retail, property and financial sectors. We believe our longer serving directors continue to act with objectivity and integrity. The Board is strengthened by the depth of their experience and their commitment to robust and meaningful debate.



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.

The Board will initiate a process for long-serving independent non-executive directors (with tenure of more than nine years) to retire in the ordinary course of board rotations over the next 12 – 18 months. The Board will resume work with recruitment specialists to appoint new independent non-executive directors, focusing on diversity and transformation, to ensure a considered approach to Board succession.

Director appointment and rotation

At least a 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.

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.

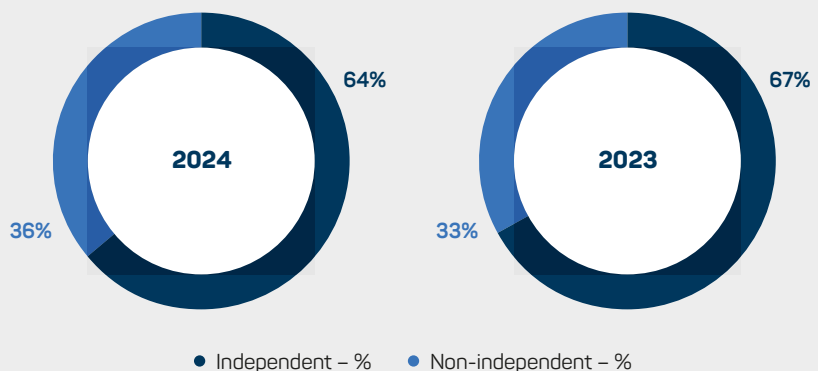
We consider factors such as:

- 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)

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

Non-executive directors

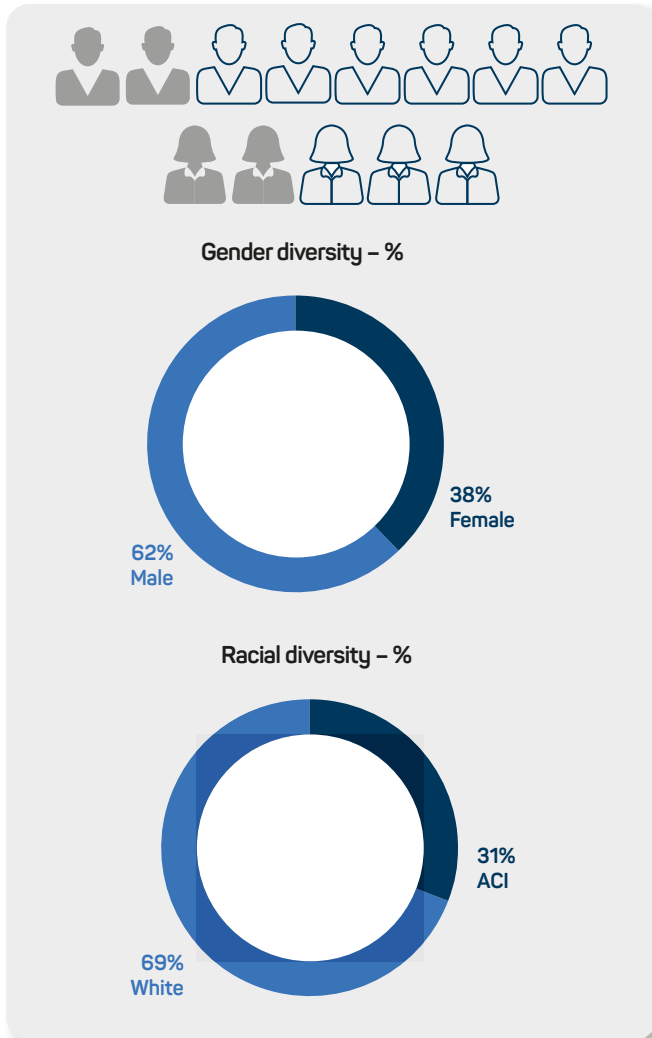
All directors regularly declare their directorships and commercial interests to the Board. Transparency of commercial interests ensures that directors can be seen to be free from any business or other relationship that may interfere materially with his or her capacity to act in an independent manner.



Gender and racial diversity

At least 35% of our Board should comprise women.

At least 35% of our Board should comprise South African citizens who are African, Coloured or Indian (ACI).



The Board achieved its gender diversity target. The Board has not achieved its race diversity target. The Board had intended to recruit two new independent non-executive directors to the Board following the retirement of Jeff van Rooyen in July 2023. New appointments were postponed while the Board addressed the severe operational and financial challenges of FY24. Recruitment processes will resume over the coming months with a focus on strong succession for our long serving independent non-executive directors, and a commitment to increasing our gender and race diversity targets.

Risk governance

Risk governance and management are integral elements of the Group's governance framework. The Group ensures that business specific risks are adequately and timeously identified and mitigated, whether they are operational, strategic or emerging risks, or risks posed by the external environment. The responsibility of designing, implementing and monitoring the risk management plan is delegated to management.

The Group's combined assurance model is interrogated by the Audit, Risk and Compliance Committee. It is tabled bi-annually to ensure that the Board is comfortable with the level and type of assurance obtained by the Group.

Compliance with statutory, legislative and regulatory requirements is managed through an integrated compliance framework. The compliance monitoring plan is approved annually. The plan provides independent assurance that the Group is monitoring relevant material legislation and ensures that processes and compliance controls are in place to manage compliance risks.

An enterprise-wide risk management approach ensures that all areas of the business are aligned with the Group's risk management philosophy and strategy. The overall risk profile of the Group has increased in the period under review, as a result of the deterioration of the performance of the core Pick n Pay supermarkets business and the resultant pressure on Group earnings and Group liquidity. The strategic turnaround of Pick n Pay supermarkets is fundamental to the long-term sustainability of the Group and the execution of the strategy (please refer to page 56 of the 2024 Integrated Annual Report) will be undertaken in a difficult economic climate.

The Board confirms that the Group's risk management, mitigation and monitoring processes responded quickly to the downturn in the Pick n Pay performance and related operational and financial challenges, with action taken to effect change in leadership and strategy and protect liquidity. For detail on the material risks and issues facing the Group and how these have informed the Group's long-term strategy, please refer to the Group's integrated view of risks and opportunities as set out from page 36 of the Integrated Annual Report.

During FY24, the Group completed a risk maturity assessment and developed a target operating model for its integrated risk function. This included revising and strengthening key frameworks and methodologies such as the Enterprise Risk Management Framework, Risk Appetite Framework, Combined Assurance Framework, and corporate governance charters. With the help of an independent consultant, the Risk and Compliance function conducted formal interviews and workshops with key executives to identify top risks, aligned the risk strategy with the revised long-term plan, provided training on updated risk methodologies, revised risk registers, conducted deep dive investigations into key risk areas, enhanced risk reporting to the Executive and Board, and analysed emerging industry risks and their potential impacts on the Group.

Information technology (IT) governance

The Board is responsible for governing IT and reviews and approves related policies to set the direction for the Group's use of IT. IT management is delegated to the CEO, who, supported by the Chief Information Officers of Pick n Pay and Boxer, ensures that appropriate governance structures, systems and controls are implemented. An information, risk and privacy office manages the Group's response to the POPI Act and the Group's ongoing information security and privacy programmes alongside management and business unit risk officers. The Board exercises ongoing oversight of IT management practices via the Audit, Risk and Compliance Committee. The Committee considers the efficiency of and developments in IT controls, policies and processes, as well as risk and resource optimisation. Prioritised IT systems and processes form part of the internal and external audit programme. The Board ensures that IT is used ethically and responsibly and in compliance with the relevant laws and regulations.

Evaluation of performance and independence

The Board conducts an annual evaluation of its overall contribution to the Group and the individual performance of each director. Directors complete questionnaires submitted to the Chair, who then conducts interviews with each Board member. The Lead Independent Director (LID) assesses the Chair's performance. Discussions focus on improving the Board's performance and effectiveness, with individual feedback provided to each director. The Chair gives general feedback to the Nominations and Corporate Governance Committee, which debates the feedback and makes recommendations to the Board.

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 balances the experience of long-serving directors with fresh insights from recently appointed directors. All directors are strong-minded, successful in their fields, and act independently in the Group's best interests. They have no interests or associations that unduly influence their decision-making. 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.

However, the Group has recognised the need for change and has committed to retiring its long serving independent non-executive directors in a planned and considered manner over the next 12 to 18 months.

Company Secretary

Vaughan Pierce replaced Penelope Gerber as Company Secretary effective 14 March 2024. Please refer to page 22 for further information.

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 the induction of new directors and supports director orientation, ongoing development, and education
- Alerts directors to any relevant laws or amendments
- Provides guidance on the discharge of directors' duties, responsibilities, and powers
- Assists the Chair in coordinating and administering Board operations
- Advises on compliance with statutory and regulatory requirements and the Company's Memorandum of Incorporation
- 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.

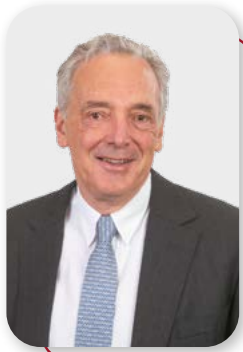


Our Board of directors

as at June 2024

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 (66)
BSocSci, CMS and AMP (Oxon)

- Appointed 1990
- Years of service to the Group: 40
- Years of service on the Board: 34

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 and GS1 SA and is previous co-chair of the International Consumer Goods Forum. 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 Committee

Executive directors



Sean Summers (70)
Chief Executive Officer

- Appointed 2023

Sean Summers worked for the Group between 1974 and 2007, rising 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.



Lerena Olivier (48)
Chief Finance Officer (CFO) CA(SA)

- Appointed 2019
- Years of service to the Group: 13
- Years of service to the Board: 4

Lerena joined the Group 13 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.



Non-executive directors



Suzanne Ackerman (61)
BA, Fellow: Aspen Business Institute; First Movers; International Professor of Practice, Rutgers School of Business-Camden

- Appointed 2010
- Years of service to the Group: 29
- Years of service on the Board: 14
- As executive director: 12
- As non-executive director: 2

Committee membership: Chair 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.



Jonathan Ackerman (57)
BA Marketing

- Appointed 2010
- Years of service to the Group: 31
- Years of service on the Board: 14
- As executive director: 13
- As non-executive director: 1

Committee membership: 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. Jonathan retired as an executive director on 31 March 2023 and has served as a non-executive director from that date.



David Robins (70)
BBusSci

- Appointed 2002
- Years of service to the Group: 30
- Years of service on the Board: 22

David joined the Group in 1994 and was appointed in 2005 as the executive responsible for expansion outside South African borders. In 2002 he was appointed as Deputy Chair of the Group and as an executive director. During 2008 he retired from his executive position. David remains on the Board as a non-executive director and as a representative of the controlling shareholder until the 2024 AGM, when he will retire after an exceptional career with the Group.

Independent non-executive directors



Haroon Borat (55)
PhD in Economics

- Appointed 2020
- Years of service on the Board: 4
- Other listed company directorships: Sygnia Asset Management

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.

Committee membership: Member of the Audit, Risk and Compliance Committee, Finance and Investment Committee, Remuneration Committee, Social, Ethics and Transformation Committee and the Independent Board Committee



James Formby (54)
Lead independent non-executive director
CA(SA); Masters in Philosophy in Management Studies

- Appointed 2022
- Years of service on the Board: 2
- Other listed company directorships: Vukile Property Fund Limited

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 BBBEE 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.

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

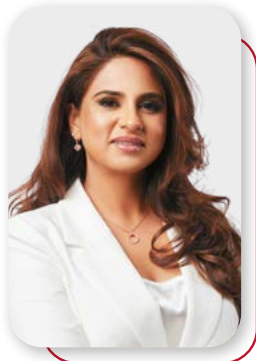


Aboubakar (Bakar) Jakoet (68)
CA(SA)

- Appointed 2019 as a non-executive director
- Years of service to the Group: 38
- Years of service on the Board: 13
- As executive director: 9
- As non-executive director: 4
- Other listed company directorships: Oceana Group Limited and Sygnia Asset Management

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.

Committee membership: 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



Mariam Cassim (42)

CA(SA); MBA

- Appointed 2020
- Years of service on the Board: 4

Mariam Cassim is the Chief Executive Officer of Vodacom Financial and Digital Services and a member of the Vodacom Group's executive committee. Mariam's professional experience includes corporate finance and deal structuring, mergers and acquisitions, debt structuring and commercial evaluation. Her flair for innovation, disruption and new business development allows Mariam to generate creative business solutions that have a strong purpose element and thereby benefit business as well as society. Mariam served on the board of Super Group Limited until December 2020.

Committee membership: Member of the Audit, Risk, and Compliance Committee, Finance and Investment Committee and Independent Board Committee



David Friedland (70)

CA(SA)

- Appointed 2013
- Years of service on the Board: 11
- Other listed company directorships: The Foschini Group Limited

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.

Committee membership: Member of the Audit, Risk and Compliance Committee; Finance and Investment Committee and the Independent Board Committee.



Audrey Mothupi (54)

BA (Hons)

- Appointed 2013
- Years of service on the Board: 11
- Other listed company directorships: Life Healthcare Group, Altona plc (listed on the Aquis Stock Exchange)

Audrey is 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. 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), and a member of the International Women's Forum (IWF).

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

**Annamarie van der Merwe (60)****B.Juris, LLB, LLM, EMP**

- Appointed 2020
- Years of service on the Board: 3

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.

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

Company Secretary

**Vaughan Pierce (41)****BA, LLB, LLM**

- Appointed 2024
- Years of service to the Group: 13

Vaughan Pierce 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.

Honorary life presidents

Raymond and Wendy Ackerman

Raymond and Wendy Ackerman founded Pick n Pay in 1967. Over 57 years, 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 passing in September 2023 was deeply mourned and his 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.





Directors' report

Pick n Pay Stores Limited Group

Nature of 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 and an associate that retail food, clothing, general merchandise, and liquor throughout Africa, both on an owned and franchise basis. The Group also acquires and develops strategic retail and distribution sites. Noteworthy subsidiaries are presented in note 30 of the Group Annual Financial Statements.

Overview of operations and financial results

The Group provides an overview of its operational and financial performance for the 2024 financial period (FY24) in the "Review of Operations" presented on pages 21 to 25 of the Group Annual Financial Statements.

Comparable earnings indicators are provided which remove the non-cash hyperinflation effects of IAS 29 Financial Reporting in Hyperinflationary Economies. Please refer to Appendix 2 of the Group Annual Financial Statements for further information.

In addition, and in order to provide useful and transparent comparative information, the Group's financial commentary seeks to highlight significant operational and financial matters which may impact the year-on-year comparability of its financial results. In FY24, these matters included the duplication of supply chain costs on the transition from the Group's Longmeadow Distribution Centre to its new Eastport facility, the cost of a voluntary severance programme undertaken in Pick n Pay, an escalation in the cost of load-shedding in South Africa and significant impairments of assets in the Group's Pick n Pay supermarket business. Please refer to the Review of Operations of the Group Annual Financial Statements for further information.

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 will report on a 53-week basis in FY25.

Going concern

Background to going concern assessment

The Group raised additional long-term debt in FY24 to fund capital investment under its previous long-term strategy. Investment in the Group's Boxer and Pick n Pay Clothing businesses generated strong returns, however severe under-performance in the Group's core Pick n Pay Supermarket business resulted in negative investment returns and a substantial trading loss in the Pick n Pay division of R1.5 billion and an overall loss for the period at Group level, including impairments, of R3.2 billion.

The FY24 loss reflects the combined impact of muted sales growth, gross profit margin contraction and higher operating costs in the Pick n Pay segment, partially offset by a strong performance from the Group's Boxer segment. In addition, the Group's losses were compounded by a significant escalation in interest charges, driven by the additional funding raised and an increase in underlying interest rates over the period.

The decline in Pick n Pay earnings alongside the escalation in the Group's net debt position from R3.7 billion at February 2023 to R6.1 billion at February 2024 placed significant pressure on the Group's long-term debt covenants, with net debt increasing from 11 to 6.3 times EBITDA.

As a result of the losses incurred, management reviewed the fair value of the underlying Pick n Pay supermarket assets and identified the need for impairments totalling R2.8 billion. Please refer to note 12 of the Group Annual Financial Statements for further information.

The significant decline in Pick n Pay earnings and subsequent asset impairment, alongside the escalation in the Group's funding position placed pressure on Group liquidity and solvency.

The Board undertook a number of key steps to safeguard Group liquidity, maintain the Group's ability to continue trading as a going concern and to strengthen the underlying performance of the Pick n Pay supermarket business, including the appointment of new CEO Sean Summers to lead the Pick n Pay turnaround strategy and the restructure of senior leadership and operational structures ("Pick n Pay Turnaround Plan").

Alongside the immediate action taken at an operational level, the Board prioritised the development of a sustainable capital structure for the Group, which would reduce debt levels, provide sufficient support for investment in the turnaround of Pick n Pay and unlock shareholder value. To this end, the Group announced its two-step Recapitalisation Plan on SENS and ANS on 22 February 2024.

The Recapitalisation Plan consists of a Rights Offer of up to R4.0 billion to existing shareholders intended for the middle of 2024 ("Rights Offer"); and the listing of the Group's Boxer business on the Main Board of the Johannesburg Stock Exchange ("IPO") towards the end of 2024, with the retention of a majority stake in Boxer. Further details of the proposed rights offer are provided below.

In addition to the steps outlined above, the Group engaged closely with its long-term lenders and was able to secure a full financial covenant waiver at the end of February 2024 and relaxed financial covenants for the measurement period ending August 2024. Furthermore, the Group was able to secure a multilateral Restructuring Support Agreement (the "RSA") with all its short-term and long-term lenders in May 2024 to secure the availability of its debt facilities until 1 September 2025. One of the key terms of the RSA is that the Company is required to meet certain milestones, including the release of the Rights Offer declaration announcement by no later than 16 July 2024 (or such later date as the lenders may agree). Please refer to notes 34 and 35 of the Group Annual Financial Statements for further information.

The valuable support from Group lenders has provided the Board with sufficient time and flexibility to strategically assess the Group's optimal gearing position and advance the strategic action required to correct the capital structure of the Group.

Going concern assessment

In preparation of these financial statements, the Board performed a formal assessment of the Company and its subsidiaries' ability to continue trading as going concerns in the foreseeable future.

The Board's assessment of going concern focused on three principal areas:

- The liquidity of the Group for the next 12 months and beyond, considering the extent to which the Group has sufficient liquidity, together with its available unutilised facilities, to discharge its obligations in the ordinary course of business;
- The solvency of the Group, namely whether the fair value of assets exceeds the fair value of liabilities, and the ability to settle all debt as they fall due; and
- The ability of the Group to continue trading as a going concern in the foreseeable future.

The Board's detailed going concern assessment included a review of the Group's economic and trading environment, interrogation of the key assumptions underlying financial forecasts (financial performance, financial position, and cash flows), consideration of the strength and reasonableness of the new strategic plan, the adequacy of the Group's insurance covers and the availability of borrowing facilities under the RSA and current trading trends.

The Board formally assessed the Group's solvency and liquidity position based on all the information available and, whilst there are inherent uncertainties, the Board is satisfied that no material uncertainties exist and that the action taken to protect Group liquidity and advance balance sheet recapitalisation will allow the Group to continue trading as a going concern for the foreseeable future and that the presentation of the Group and Company Annual Financial Statements on a going concern basis is appropriate.

The Board and the management team are resolutely focused on delivering both the Recapitalisation Plan and the Pick n Pay Turnaround Plan in order to reduce overall gearing, implement a sustainable capital structure and to preserve and subsequently create shareholder value.

Solvency and liquidity

The Board ensures that it complies with the liquidity and solvency requirements of the Companies Act before any provision of financial assistance or dividend payment.

Shareholder distribution

The Group's dividend policy is to maintain a dividend cover range of between 1.5 times and 1.8 times headline earnings per share. As a result of the loss incurred, the Board has not declared a dividend in FY24 and has suspended all dividend payments until such time that the Board believes that there is sufficient cash generation to review the dividend policy.

Share capital

	FY24	FY23
Listed Ordinary shares, par value of 1.25 cents per share		
Authorised	800 000 000	800 000 000
Issued	493 450 321	493 450 321
Unlisted B shares, no par value		
Authorised	1 000 000 000	1 000 000 000
Issued	259 682 869	259 682 869

Proposed Rights Offer

The Group intends to raise up to R4.0 billion from its shareholders by way of the Rights Offer in the middle of 2024. Given the size of the proposed Rights Offer, the Company intends increasing its authorised ordinary shares from 800 000 000 (of which 493 450 321 shares are currently in issue) to 10 000 000 000 ordinary shares. In addition, the Company intends to increase its B shares from 1 000 000 000 to 5 300 000 000. The proposed increase will also provide the Company with additional headroom for any potential future share issues which the Company may require, whether for capital raises, share incentive schemes or otherwise.

In order to increase the Company's authorised ordinary share capital, the Company will need to convert its existing authorised and issued ordinary shares from par value ordinary shares of 1.25 cents each to no par value ordinary shares. The Company's Memorandum of Incorporation (MOI) will be amended to reflect this change.

The Company will seek shareholder approval for the resolutions required to advance the Rights Offer at an extraordinary general meeting (EGM) to be held on 26 June 2024. The EGM Notice and Circular were published on 27 May 2024 and can be found on the Group's website at www.picknpayinvestor.co.za

Treasury Shares

At period end, 10 796 047 shares (2023: 12 380 153 shares) of Pick n Pay Stores Limited were held within the Group to settle future obligations under the Group's employee share schemes. Further details of the Group's share capital and treasury shares, including all movements for the period under review are disclosed in notes 5, 20 and 21 of the Group's Annual Financial Statements.

Shareholders

Details of the Group's shareholder analysis as at 25 February 2024 are set out on pages 66 and 67.

Borrowings

Total borrowings

The Group's overall level of debt (including bank overdraft and overnight borrowings) increased from R5.7 billion in FY23 to R11.4 billion at the close of FY24.

Net funding

The Group's net funding position (defined as overall debt net of cash and cash equivalents) increased by R3.7 billion to R6.1 billion over the period as a result of higher levels of capital investment under the Group's previous long-term strategy and substantial losses in the Pick n Pay supermarket business.

The Group engaged closely with its lenders and was able to secure a full covenant waiver at February 2024, with relaxed covenants for August 2024. In addition, the Group was able to secure a multilateral Restructuring Support Agreement (RSA) to secure the availability of its debt facilities until 1 September 2025. Please refer to "Events Subsequent to the Reporting Date" below for further information, and to notes 22 and 35 of the Group Annual Financial Statements for further information on the Group's borrowings.

Litigation statement

The Company and its subsidiaries have not been involved in any legal or arbitration proceedings which could have, or have had in the past 12 months, a material effect on the Group's financial position. Furthermore, the Board is not aware of any such proceedings that are pending or threatened.



Special resolutions

On 19 July 2023, the Company's shareholders approved the following special resolutions as tabled in the notice to the Annual General Meeting (AGM):

Directors fees for the 2024 and 2025 annual financial periods

Shareholders approved the non-executive directors' fees as proposed.

Provision of financial assistance to related or inter-related companies and others

Shareholders resolved, in terms of the provisions of section 45 of the Companies Act, that the Company may from time to time provide direct or indirect financial assistance to any related company, inter-related company or member of a related or inter-related company on such terms and conditions as determined by the Board in the ordinary course of business and in accordance with the Company's MOI.

General approval to repurchase Company shares

Shareholders resolved that the Company or any of its subsidiaries may acquire issued shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may determine from time to time. Acquisition of such shares is subject to the Memorandum of Incorporation of the Company, the provisions of the Companies Act and the Listings Requirements of the JSE, provided further that acquisitions of shares in the Company by the Company and its subsidiaries may not, in the aggregate, exceed in any one financial period 5% of the Company's issued share capital of the class of repurchased shares.

In addition to the above special resolutions tabled and approved at the 2023 AGM, the following ordinary resolution, which required 75% shareholder approval, was passed:

General but restricted authority to issue shares for cash

Shareholders resolved that the Company could, subject to the provisions of the Companies Act, the JSE Listings Requirements and its MOI, issue up to 5% of its ordinary share capital for cash.

Directors and prescribed officers

Details of the directors and prescribed officers who served on the Board during the period and any changes at reporting date are provided below. The biographical details of the current directors and prescribed officers, 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 Changes
Current Directors		
Gareth Ackerman	Non-executive Chairman	
Jonathan Ackerman	Non-executive	Resigned as executive director on 31 March 2023 Appointed as non-executive director on 1 April 2023
Suzanne Ackerman	Non-executive	
Haroon Bhorat	Independent non-executive	
Mariam Cassim	Independent non-executive	
James Formby	Lead independent non-executive	Appointed lead independent director on 19 July 2023
David Friedland	Independent non-executive	
Aboubakar Jakoet	Independent non-executive	
Audrey Mothupi	Independent non-executive	
Lerena Olivier	Executive – CFO	
David Robins	Non-executive	
Sean Summers	Executive – CEO	Appointed as CEO on 30 September 2023
Annamarie van der Merwe	Independent non-executive	
Previous Directors		
Pieter Boone	Executive – CEO	Resigned from the Board on 30 September 2023
Jeff van Rooyen	Lead independent non-executive	Resigned from the Board on 19 July 2023

Board and Board Committee Changes:

The Board advises of the following changes to the Board and its committees which were approved after financial period-end at a Board meeting held on 24 May 2024:

Retirement of Board Chair and Changes to his Committee Memberships

Gareth Ackerman will retire from his role as Chairman of the Board following the release of the Company's FY25 results in 2025. In addition, Gareth Ackerman has stepped down from the Nominations and Corporate Governance Committee and Treasury Committee with immediate effect. The Board extends its sincere thanks to Gareth for his invaluable contribution as Chairman of the Board over the past 14 years and appreciates the support he will provide to management over the coming months. The Board will announce his successor as Chairperson of the Board in due course.

Retirement of Non-Executive Director

David Robins will retire as a non-executive director at the Company's 2024 Annual General Meeting ("AGM"). The Board extends heartfelt gratitude to David for his unwavering commitment to the Group for over thirty years and for his incredible 22-year contribution to the Board.

Other changes in Committee Memberships

Nominations and Corporate Governance Committee

Suzanne Ackerman, Haroon Bhorat and David Friedland retired from the Nominations and Corporate Governance Committee with immediate effect. The Board appointed lead independent director James Formby to the Nominations and Corporate Governance Committee and named Annamarie van der Merwe as the Chair of the committee. Current membership comprises Annamarie van der Merwe (Chair), James Formby, Aboubakar Jakoet and Audrey Mothupi.

Social, Ethics and Transformation Committee

David Robins retired from the Social, Ethics and Transformation Committee and the Board appointed independent non-executive director Haroon Bhorat to the committee. The committee now comprises Suzanne Ackerman (Chair), Jonathan Ackerman, Haroon Bhorat and Annamarie van der Merwe.

Finance and Investment Committee

The Treasury Committee – an advisory sub-committee to the Audit, Risk and Compliance Committee – has been constituted as a key standing committee and renamed as the Finance and Investment Committee. The renamed Finance and Investment Committee is chaired by lead independent director James Formby and includes independent non-executive directors Haroon Bhorat, Mariam Cassim, David Friedland and Aboubakar Jakoet as members.

Independent Board Committee

The Corporate Finance Committee has been renamed as the Independent Board Committee and comprises only independent non-executive directors, chaired by the lead independent director James Formby.

This Committee is not a key standing committee and is convened only for major regulated transactions or investment decisions.

Director retirement and rotation

In addition to the changes detailed above, the Board will initiate a process for long-serving independent non-executive directors to rotate and retire in the ordinary course of board appointments over the next 12 – 18 months.

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 2024 Annual General Meeting. Details of each director standing for election or re-election is available in the Notice of AGM. David Robins will retire at the 2024 AGM.

Executive

Sean Summers	Election, following Board appointment on 30 September 2023
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Non-executive

David Friedland	Retirement and re-election after a one-year term
Audrey Mothupi	Retirement and re-election after a one-year term
Annamarie van der Merwe	Retirement and re-election after a two-year term

Directors' interest in shares

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. The remuneration paid to 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. 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 International Financial Reporting Standards, between the Company or its subsidiaries, and the directors or their associates, are disclosed in note 30 of the Group Annual Financial Statements.

Company secretary

Vaughan Pierce BA (LLB) (LLM) replaced Penelope Gerber CA (SA) as Company Secretary of the Pick n Pay Group with effect from 14 March 2024. Vaughan had 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 also 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 27 to 33, where we set out the responsibilities of the Committee and how it has discharged these responsibilities during the period.

Events subsequent to the reporting date

As detailed above, the Group signed a multilateral Restructuring Support Agreement (RSA) with all its short-term and long-term lenders on 7 May 2024, which ensured that the Group's total debt facilities will remain in place until 1 September 2025 under relaxed terms and conditions. The Group, under the terms and conditions of the RSA, will repay all its debt with the proceeds of the planned Rights Offer and the Boxer IPO, except to the extent that lenders elect to provide ongoing working capital facilities. Please refer to notes 22 and 35 of the Group Annual Financial Statements for further information.

Gareth Ackerman
Chair

26 May 2024

Sean Summers
Chief Executive Officer

Audit, Risk and Compliance Committee Report



Aboubakar Jakoet
Chair, Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee is pleased to present its report for the financial period ended 25 February 2024 (FY24). 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) and other applicable regulatory requirements.

Mandate of the Group Audit, Risk and Compliance Committee ("GARCC" or "the Committee")

The board of directors of the Company (**the Board**) has delegated the statutory and regulatory duties arising from the Companies Act, Listings Requirements, and risk governance and legislative compliance to the Committee.

The mandate and responsibilities of the Committee are incorporated in the Committee's charter, which is reviewed annually and approved by the Board. The Committee charter is included in the Group's corporate governance charter and can be viewed at www.picknpayinvestor.co.za/governance.php.

The Committee is a statutory committee responsible for fulfilling the responsibilities under section 94(7) of the Companies Act, including to:

- Provide independent oversight of the effectiveness of the Group's framework of combined assurance, the integrity of external financial reporting and the Group's governance of risk and compliance
- Consider the independence and effectiveness of the external auditor and recommend the external auditor's appointment to shareholders

Committee Chair Statement

The Group experienced one of the most challenging periods of its history in FY24. The substantial strategic investment into the Group's core Pick n Pay supermarket business did not generate the required returns targeted under its previous long-term strategy. A rapid deterioration in the performance of that business led to operating losses, higher levels of gearing and placed severe pressure on the Group's liquidity and ability to meet debt covenants.

These difficult circumstances required decisive remedial action by the Board to stabilise the Group's balance sheet and provide adequate capital for long-term sustainable growth, including:

- Changing executive and senior leadership
- Revising the Group's strategy and improving strategic execution
- Implementing a strong recapitalisation plan

The Committee provided invaluable support in navigating these difficulties. In particular, it leveraged the skill and experience of its Treasury sub-Committee to provide significant guidance in the:

- Engagement with lenders
- Evaluation and appointment of independent corporate finance advisors
- Deliberation of capital raise alternatives for the Group and the recommendation of a two-step Recapitalisation Plan, comprising a Rights Offer to existing shareholders and the listing of the Group's Boxer business
- Methodical steps taken to secure liquidity and sustain the Group's ability to continue operating as a going concern for the foreseeable future

The FY24 financial performance and the Group's more difficult financial position necessitated a greater focus on the reasonableness of financial budgeting and forecasts, accuracy of cash flow forecasts, improvement of working capital management, assurance of adequate borrowing facilities and the strength of financial and other internal controls. In particular, the Committee performed a detailed evaluation of the Group's ability to operate as a going concern over the foreseeable future. This included thorough assessments of the adequacy of Group liquidity and solvency, the adequacy and reasonableness of the Group's new strategic plan to significantly improve Pick n Pay's performance, and all the underlying potential risks within the Recapitalisation Plan. Please refer to Note 35 of the Group Annual Financial Statements for further information.

The Committee remained mindful of the strain on the Group's executive management and finance and operational teams and worked closely with management to retain key skills and talent during this period of upheaval.

The Committee's focus areas and the activities undertaken are set out in this report.

The Committee's responsibilities

The Committee is responsible for monitoring financial, risk and compliance policies and processes across the Group. It discharges this responsibility by overseeing management's implementation of these policies and processes. The Committee ensures that adequate systems are in place to identify, evaluate and manage key business risks. It dedicates sufficient time to assurance functions, financial reporting and risk governance and compliance. The Committee is authorised by the Board to investigate any activity within its terms of reference.

The Committee has the right to:

- Request and obtain unrestricted access to records and information
- Consult directly with the Group internal audit function, senior management and the external auditor
- Obtain outside legal or other professional advice
- Have access to the resources it needs to fulfil its responsibilities

The Board's role and responsibility

The Board remains responsible for reviewing and approving the Annual Financial Statements for the Group and Company, and for Group-wide combined assurance, compliance and risk governance.

The Board acknowledges that the Group will be exposed to certain risks in the fast-moving consumer goods industry in South Africa and the rest of the African continent. The Board aims to maintain an appropriate balance between risk and reward, protecting all stakeholders against avoidable risks, and mitigating the impact of unavoidable risks.

Governance and Committee members

The Committee comprises of only independent non-executive directors. The Board nominates members annually for the ensuing financial period and they are elected by shareholders at the Annual General Meeting (AGM).

All Committee members satisfy the requirements to serve as a member of an audit committee, as provided in section 94 of the Companies Act. They have the necessary financial literacy skills and experience to execute their duties effectively. The Board's annual independence review assesses the independence of the Committee. The curriculum vitae of each Committee member will be included in the 2024 Notice of AGM.

Fees paid to members are approved by shareholders each year and are set out in the Group's Remuneration Report.

The Committee follows a formal work plan designed to execute its responsibilities over the period. It meets formally twice a year, with ad hoc meetings when needed. Formal Committee meetings are held over two days and include the following invitees: Board Chair; Chief Executive Officer (CEO); Chief Finance Officer (CFO); Head of Internal Audit; Head of Risk and Compliance; Chief Information Security Officer (CISO); external auditor; and other relevant members of executive management.

In addition, the Committee Chair meets with senior management, the Head of Risk and Compliance and the internal and external auditors whenever necessary. The Head of Risk and Compliance, internal and external auditors have unfettered access to the Committee and its members throughout the year.

There is an open invitation to all Board members to attend Committee meetings, and all directors have access to the papers for each of the Committee's meetings. Other senior executives and professional advisors are invited to meetings when required to provide insight into specific matters.

Specialist sub-committees

The Committee is supported by smaller sub-committees, including the Treasury Committee, the Franchise Committee and divisional Financial Review Committees (when applicable). These sub-committees comprise executive and non-executive directors who provide additional oversight, guidance and feedback in critical focus areas.



The Treasury Committee provided particularly valuable oversight and guidance in FY24.

The Treasury Committee

Chair: James Formby

Members: Gareth Ackerman, Haroon Borhat, David Friedland, Bakar Jakoet, Lerena Oliver, Sean Summers

This Committee oversees the management of the Group's balance sheet, including the Group's liquidity management, capital investment allocation and the effectiveness of its treasury function. Its responsibilities include cash flow and working capital monitoring, ensuring compliance with financial policies and regulations, reviewing borrowing and investment strategies, management of the Group's property portfolio and advising on strategic financial decisions to support the Group's long-term financial health and sustainability.

The Committee also plays a key role in assessing and mitigating financial risk, maintaining relationships with strategic lenders and other financial institutions, and providing oversight of all treasury-related activities to safeguard the Group's assets and support its financial performance.

The Treasury Committee meets at least four times a year, at the end of each financial quarter. In FY24, it met six times to address the Group's sustainable capital structure, sources of funding and liquidity constraints faced by the Group. In particular, the Treasury Committee played a valuable advisory role in the development of the Group's two-step recapitalisation plan and in the engagement with lenders to secure debt covenant waivers and the Restructuring Support Agreement. Please refer to Note 35 of the Group Annual Financial Statements for further information.

The Nominations and Corporate Governance Committee recognised the increasingly valuable role played by the Treasury sub-Committee. It recommended to the Board that it be constituted as a full Board Committee in FY25 under a formal Board mandate and Terms of Reference. The Committee will be renamed the Finance and Investment Committee and committee fees will be subject to shareholder approval.

Further details will be provided in the 2024 Corporate Governance Report.

Meeting attendance and minutes of meetings

Formal minutes of Committee and sub-Committee meetings are made available to all Committee and Board members through a secure online Board reporting platform. The Committee and sub-Committee Chairs report to the Board at each quarterly Board meeting. They report on each Committee's activities over the period and highlight key items deliberated and those requiring specific Board attention or approval.

GARCC composition and meeting attendance for FY24

Members	Qualifications and experience	Attendance
Aoubakar Jakoet (Chair)	A chartered accountant with extensive experience in the retail industry, having previously served as the Group's CFO.	3/3
Haroon Borhat	Professor of Economics and Director of the Development Policy Research Unit at the University of Cape Town. Haroon is a member of the Presidential Economic Advisory Council.	3/3
Mariam Cassim	A chartered accountant with broad auditing and business experience, Mariam is CEO of Vodacom Financial and Digital Services and a member of Vodacom Group's executive committee (telecommunications industry).	2/3
James Formby	A chartered accountant with a Master's in Philosophy in Management Studies. James had a successful 25-year career with the FirstRand Group (financial services industry), retiring as CEO of Rand Merchant Bank in 2022.	3/3
David Friedland	A chartered accountant with expertise in auditing, risk and compliance. David had an extensive career as audit engagement partner with major retail companies.	3/3
Audrey Mothupi	An Honours graduate with business experience in financial services and in data and digital innovation. Audrey is the CEO of the Systemic Logic Group.	3/3

Committee's responsibilities and activities performed in FY24

1. THE GROUP FINANCE FUNCTION AND FINANCIAL AND INTEGRATED REPORTING

The Committee provides independent oversight and objective assessment of the effectiveness of the Group's finance function and the accuracy and integrity of the Group's internal and external financial and integrated reporting.

Key areas of activity

Internal reporting	Key areas of activity
	<ul style="list-style-type: none"> Reviewed internal reports regarding the Group's financial performance, including divisional results, budgets, forecasts and capital investment Interrogated the underperformance in the Pick n Pay supermarket business, including its volume and profit margin contraction Monitored cost increases across the business, including incremental energy costs related to load-shedding and sustained increases in insurance and security costs and the initiatives undertaken to mitigate the cost pressure Monitored the Group's move from its Longmeadow distribution centre to the new Eastport facility, including the supply chain costs duplicated over the transition period Received feedback on the Group's tax position and its tax compliance and were satisfied with the Group's status and compliance Reviewed the financial reporting process and controls over the compilation of the financial information and found it to be effective, appropriate and responsive to business needs Reviewed the Group's integrated reporting function and progress, considering factors and risks that could impact on the integrity of the Integrated Annual Report and the environmental, social and governance (ESG) disclosures provided

Liquidity and balance sheet stability

- Reviewed treasury reports, cash flow forecasts, capital allocations and investment returns and monitored liquidity and performance against debt covenants
- Oversaw all steps taken to bolster Group liquidity, including the sale of the Longmeadow distribution centre and two non-core shopping centres, and the efforts to reduce high levels of inventory
- Oversaw engagements with long-term and short-term lenders
- Reviewed the structure of all borrowing facilities, including the terms and conditions of the covenant waivers received ahead of the FY24 year-end, the debt Restructuring Support Agreement concluded in May 2024 and all related inter-Group financial assistance under s45 of the Companies Act
- Appointed corporate finance advisors (through a formal request for proposal process) to advise on an appropriate recapitalisation plan for the Group and recommended to the Board a two-step plan, comprising a rights offer to existing shareholders and listing the Boxer business on the JSE's main board, subject to shareholder and other regulatory approvals

External reporting and technical IFRS elements

- Reviewed the basis for determining materiality for external reporting
- Reviewed the appropriateness of the Group's accounting policies and guided on increased segmental disclosures in respect of the Group's Pick n Pay and Boxer segments
- Reviewed the adequacy of inventory and debtor provisions
- Reviewed the impairment of Pick n Pay Supermarkets' assets necessitated by the operating losses incurred and the Group's long-term plan to re-set the store estate, and all related deferred tax implications
- Assessed and confirmed the appropriateness of the going concern assumption used in the Group's Annual Financial Statements
- Reviewed comparable earnings disclosures to ensure that shareholders were presented with appropriate financial information to understand the Group's underlying FY24 performance

Other specific items

- Confirmed that the listed Company had an JSE independent sponsor during FY24
- Ensured that the appointment of the external auditor was included as a resolution for a shareholders' vote in the Notice of AGM
- Reviewed feedback from the JSE proactive monitoring panel and included additional disclosure where relevant
- Reviewed and confirmed compliance with the JSE regulations relating to the financial sign-off by the CEO and CFO on the internal financial framework

Outcome of the Committee's oversight in respect of the Group's finance function and financial reporting

The Committee reviewed and recommended to the Board, for approval, the Group's Annual Financial Statements prepared on a going concern basis, interim and final results announcements, all sales and trading updates and ensured all external reports complied with IFRS, the Companies Act, the Listings Requirements and King IV as relevant. The Integrated Annual Report and related suite of corporate governance documents are separately reviewed and approved in June of each year.

2. INTERNAL AUDIT

The Committee provides independent oversight and objective assessment of the effectiveness of the Group's internal audit function. The internal audit function follows a risk-based methodology to identify material business risks, which informs the internal audit plan as part of the Group's annual combined assurance programme. The internal audit function is independent of business operations and provides assurance on the adequacy and effectiveness of internal controls.

Key areas of activity

Internal reporting

- Reviewed and approved the internal audit coverage plan and budget for the ensuing financial period
- Evaluated and confirmed the necessary expertise and experience of the Head of Internal Audit and the composition, experience, skill and independence of the internal audit team
- Met with the Head of Internal Audit independently of management to confirm they had received the full co-operation of management in the undertaking of their duties
- Assessed the adequacy of the performance of the internal audit function and found it to be effective
- Confirmed that internal audit members conform to the recognised industry code of ethics and that the internal audit function had conformed to the key principles of the International Institute of Internal Auditors standards for professional practice of internal auditing

Reporting matters

- Considered the internal audit reports on the Group's system of internal control, including financial controls, corporate governance and business risk management, and ensured ongoing progress in the integration of the Group's framework of combined assurance
- Received assurance that proper and adequate accounting records were maintained, and that systems of internal control were adequate to prevent and/or detect fraud and safeguard assets, while recognising the need for improvements in certain areas to ensure the proper maintenance of accounting records and to strengthen systems of internal control
- Maintained focus on the adequacy and effectiveness of controls over information systems and cybersecurity
- Reviewed the approach of the internal audit function to develop and integrate data analytics and digital capability within internal audit processes and procedures
- Reviewed significant issues raised by internal audit processes and monitored and challenged, where appropriate, the corrective action taken by management regarding adverse internal audit findings

Outcome of the Committee's oversight in respect of internal audit:

The Committee considered the skill, experience and independence of the Group internal audit function and concluded that the internal audit function is appropriate and effective for the Group.



3. EXTERNAL AUDIT

The Committee provides independent oversight and objective assessment of the effectiveness of the Group's external audit function. Ernst & Young Inc. (EY) was appointed as external auditor to the Group in July 2015, following a formal tender process. EY has served as the Group's external auditor for nine financial periods. The Committee annually considers whether a tender process should be adopted to appoint new external auditors.

In terms of section 92 of the Companies Act, the designated auditor of a company is required to be rotated after serving as a company's auditor for five consecutive financial periods. Tina Rookledge was appointed on 5 August 2020 and has been the designated audit partner since then. Tina will be rotated as audit partner in the financial period ending 2026.

Key areas of activity

External audit process	<ul style="list-style-type: none"> Approved the external audit plan and related scope of work for the FY24 annual audit to ensure adequate coverage of material matters and critical risk areas Approved the audit fees for the FY24 external audit Received confirmation from EY as to their internal governance processes that are in place to ensure independence and effectiveness Requested and reviewed the information as per paragraph 22.15(h) of the Listings Requirements from EY when assessing their suitability for their appointment for FY24 Met with management, independently of the external auditor, to discuss issues relevant to the audit and for purposes of evaluating the quality and effectiveness of the external audit function Reviewed the independence of EY in accordance with the provisions of sections 90 and 94 of the Companies Act and assessed the performance and accreditation of EY and Tina Rookledge in terms of the Listings Requirements, applicable regulations and legislation, and the appropriate audit quality indicators, and concluded that it is satisfied with the external auditor's independence, JSE accreditation and performance
Reporting matters	<ul style="list-style-type: none"> Engaged directly with the Group and subsidiary designated audit partners and acted as a liaison between the external auditor and the Board Dealt with questions arising from audit activities and reviewed EY's findings and recommendations, and confirmed that there were no material unresolved matters at the date that the Annual Financial Statements were approved Evaluated the performance and reviewed the reports of the external auditors and ensured that the reporting was reliable, transparent and a fair representation for the use by stakeholders Received and appropriately dealt with any queries relating to the accounting practices of the Group, the content of its financial statements and the internal financial controls of the Group or to any related matter Made submissions to the Board on matters concerning the Group's accounting policies, financial controls, records and reporting Confirmed that no reportable irregularities were identified and reported by the external auditor in terms of the Auditing Profession Act, 26 of 2005 Met separately with the external auditor to confirm that full co-operation was received from management Monitored the effectiveness of the external auditor in terms of their audit quality, expertise and independence, as well as the content and execution of the audit plan

Outcome of the Committee's oversight in respect of external audit:

The Committee concluded that it was satisfied with the level of service rendered by EY during FY24 and was satisfied with EY's independence and JSE accreditation. The Committee concluded that Tina Rookledge has the necessary competence, ability and independence required for the position of designated external audit partner.

The Group will table a resolution at the 2024 AGM to re-appoint EY as the external auditor for FY25.

4. RISK AND COMPLIANCE

The Committee provides independent oversight and objective assessment of the effectiveness of the Group's management of risk, focusing on material existing and emerging risks which could negatively impact on the Group's ability to create and protect stakeholder value.

The Group's risk function is responsible for overseeing the implementation of risk management processes by management. This includes reviewing, challenging, and monitoring management's identification of business, financial and ESG risks and the controls that have been implemented. The combined assurance plan is a structured and integrated approach for coordinating the various assurance activities over the most significant risks to the Group. The Group's compliance function is responsible for overseeing and monitoring compliance to all relevant laws, regulations and standards.

The CFO serves as the Chief Risk Officer for the Group. The day-to-day responsibility for identifying, evaluating and managing risk and compliance remains the responsibility of senior management, under the guidance of the Group Head of Risk and Compliance.

During the period, PwC was appointed to support the Group in improving the maturity of its risk and compliance frameworks, as well as the implementation thereof.

Key areas of activity

Risk and compliance management processes	<ul style="list-style-type: none"> Assisted management in identifying risk areas, including emerging risks, and evaluated the mitigation steps which management had put in place to minimise the impact on the Group Discharged all Risk and Compliance Committee responsibilities of all the Group's material operating divisions Reviewed internal audit findings from a risk perspective Reviewed the risk assurance report and findings and the corrective or mitigative action taken Reviewed all revisions to the Group's compliance framework, including the Group's Code of Ethics and all related ethics policies
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Specific focus areas

- Considered and confirmed that the Group Head of Risk and Compliance had the appropriate expertise and experience for the role
- Evaluated and confirmed the composition, experience, skill and independence of the risk and compliance function
- The material financial and operational impact of load-shedding, including the related impact on water supply, and the mitigation plans put in place to minimise the impact
- The security of supply chain and store operations, including plans to protect the safety of customers and employees and the security of assets during civil unrest
- The maintenance of food safety and occupational health and safety policies
- The Group's insurance covers, including considering ongoing challenges experienced in renewing business interruption covers and the impact of higher insurance premiums
- Employee welfare, talent attraction and retention and the potential for labour disruption in a period of high inflation and low economic growth
- The effectiveness of the franchise model, the security of franchise contributions to the Group and the recoverability of franchise debt
- The social, political and economic events in South Africa and other countries in Africa in which the Group is operating

Outcome of the Committee's oversight in respect of risk and compliance:

The Committee concluded that it is satisfied with the effectiveness of the Group's risk and compliance management function in identifying, evaluating and mitigating issues which may have a material impact on the Group's ability to protect and create sustainable stakeholder value.

Policy on non-audit services

All non-audit services provided by the Group's external auditor are required to be approved by the Committee prior to the work being undertaken. All non-audit services undertaken during the FY24 were approved in accordance with this policy. EY did not provide non-audit services during FY23.

The nature and extent of non-audit services provided by the external auditor are reviewed to ensure that the fees for such services do not become so significant as to call into question their independence. In FY24, EY received R28 500 relating to agreed-upon non-audit procedures (0% of the audit fee).

Expertise and experience of the CFO and the finance function

The Committee considered the composition, experience, resources and skills of the Group finance function. The Committee is satisfied that Lerena Olivier has the appropriate expertise and experience for her continued appointment as CFO. In addition, the Committee is satisfied that the composition, experience and skills of the finance function meet the Group's requirements.

Legal requirements

The Committee complied with all applicable legal, regulatory and other responsibilities for FY24.

Internal financial controls

The Committee examined the effectiveness of internal financial controls to assess if there were any significant weaknesses in the design, implementation or execution of internal financial controls that could result in material financial loss, fraud, corruption or error.

No material matter has come to the attention of the Committee or the Board that has caused the directors to believe that the Group's system of internal controls and risk management is not effective and that the internal financial controls do not form a sound basis for the preparation of reliable financial statements. The Committee concluded that the design of internal financial controls was effective, notwithstanding the opportunity for improvement in certain areas of policy maintenance and implementation, and the Committee would continue to be vigilant in its oversight.

Combined assurance

The Committee closely monitored the relationship between external and internal assurance providers and the Group. It ensured that the Group's combined assurance model adequately addressed the Group's significant risks. The Committee was satisfied that the Group's combined assurance model had been effective in achieving transparent and accurate financial reporting, sound risk management and mitigation, and an effective level of residual risk.

King IV

The Group applies the King IV™ principles. The details will be reported in the Group's 2024 Integrated Annual Report, Corporate Governance Report and King IV application register, expected to be published by 30 June 2024.

Significant matters

The Committee considered the key audit matters reported in the external audit report on pages 8 to 13 of the Group Annual Financial Statements. After discussions with management and the external auditors, it is satisfied that the Group Annual Financial Statements appropriately address the critical judgements and key estimates pertaining to the key audit matters.

Annual Financial Statements

The Annual Financial Statements for the financial period ended 25 February 2024 were compiled under the supervision of the CFO, Lerena Olivier CA (SA).

The Committee reviewed the Consolidated Group and separate Company Annual Financial Statements for the financial period ended 25 February 2024. The Committee is of the opinion that, in all material respects, the financial statements comply with IFRS and the Companies Act and that they fairly present the financial position of the Group and Company for the 2024 financial period and the results of the operations and cash flows for the period then ended. The Committee recommended them for approval to the Board on 26 May 2024. The Committee reviewed and considered representations by management on the going concern statement for the Group and recommended the adoption of the going concern principle to the Board.

The 2024 Integrated Annual Report will be published in addition to these Annual Financial Statements.

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 has performed its duties effectively and that Committee members have the necessary skills and experience to discharge their duties effectively. Committee members will be put to shareholders for formal election at the 2024 AGM to be held later in the year.

Key focus areas for FY25

The Committee has set the following key areas of focus and monitoring:

- The Group's financial and operating performance under the new strategic turnaround plan
- The effectiveness of the Group's cost savings and efficiency initiatives
- Optimal capital allocation to advance business stability and prioritise investment returns
- Group liquidity and compliance with the terms and conditions of the Restructuring Support Agreement
- The successful implementation of the two-step Recapitalisation Plan including project risk management and statutory compliance
- Increased focus on emerging and accelerated risks, including increased cyber risk driven by the growth in online sales, and the potential for civil and labour unrest in South Africa
- Further progress in integrated reporting, including in ESG disclosures

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 FY24.

Aboubakar Jakoet

Chair, Group Audit, Risk and Compliance Committee

26 May 2024



Nominations and Corporate Governance Committee report



Gareth Ackerman

Chair, Nominations and Corporate Governance Committee

The Nominations and Corporate Governance Committee (“the Committee” or “NomGov”) carries out its duties with the overarching aim of ensuring that the people, policies, and practices of the Group are aligned with the achievement of the Group’s long-term strategy.

The Committee operates in accordance with the requirements of the Companies Act, the JSE Listings Requirements, King IV and international best practice. It is governed by a Board-approved charter, which is reviewed and approved annually by the Board. The Committee meets at least twice a year, with additional ad hoc meetings as required.

FY24 Committee membership

Members	Meeting attendance
Gareth Ackerman (Chair)	2/2
Suzanne Ackerman	2/2
Haroon Borat	2/2
David Friedland	2/2
Audrey Mothupi	2/2
Annamarie van der Merwe	2/2

FY25 Committee membership

Following deliberations around the effectiveness and independence of the Committee (please refer to the commentary provided overleaf), membership was amended in May 2024 to:

Members

Annamarie van der Merwe (Chair)
James Formby
Aboubakar Jakoet
Audrey Mothupi

Role and Responsibilities

The Committee is responsible for identifying and evaluating suitable candidates for potential appointment to the Board. The Committee is also responsible for ensuring that the governance procedures, practices, and structures of the Board and its committees are effective, appropriate, and aligned with relevant local and international codes and best practices. This includes adherence to the principles set out in King IV and other applicable governance frameworks.



Nominations role

The authority to appoint directors remains with the Board. Those identified by the Committee for potential appointment, whether as executive or non-executive directors, are interviewed by all non-executive directors. When the Committee has finalised its deliberations, the nominees are referred by the Committee to the Board for a final decision. Once appointed by the Board, directors are nominated at the next Annual General Meeting for election by shareholders. The Committee reviews the composition and performance of Board committees on an annual basis and recommends changes to Board committees as relevant and appropriate.

Diversity and inclusion

It is the Board's philosophy that its members should provide a diverse range of professional expertise and experience and should reflect the gender, race, and ethnic diversity of stakeholders. The Committee is committed to enhancing diversity and inclusivity within the Board, ensuring that our governance structures mirror the diverse society we serve.

Succession planning

Succession planning is a key focus area for the Committee. We ensure that there is a robust pipeline of talent ready to take on leadership roles within the Group, fostering a culture of continuous development and leadership growth. This includes regular reviews of the succession plans for key executive positions and the implementation of development programmes to prepare potential candidates.

Performance evaluation

The Committee conducts annual evaluations of the Board, its committees, and individual directors to ensure they operate effectively and in line with the Group's strategic objectives. These evaluations include assessing the skills, experience, and contributions of directors to identify any gaps and areas for improvement.

“ There is still a great deal of work ahead to deliver a successful Rights Offer and Boxer IPO, but I have every confidence in the ability of the team to get this done. I know too that they will provide incredible support to the Boxer team to ensure that Boxer is ready for their Initial Public Offering and the additional demands of the listed environment. ”

Key FY24 activities and achievements

Peer-to-peer review

The Committee undertook a formal Board peer-to-peer performance evaluation, assisted by an independent corporate governance expert. Board members were able to confidentially and objectively evaluate the performance of their peers and each individual member's contribution to the Board and its Committees. Overall, the Committee was satisfied with the outcome, with areas of development noted for future training and development programmes. The review enabled the development of an updated Board skills matrix, an important tool in Board and committee succession planning, which informed the decisions taken on committee composition set out below.

Change of CEO and new senior leadership team

The Committee engaged closely with the Board on the executive leadership change and supported the appointment of CEO Sean Summers in September 2023. The appointment will be put to shareholders for approval at the 2024 AGM. The Committee approved the streamlined management structure and related appointments proposed by the new CEO, which are intended to drive clarity and accountability. Executive succession remains a key priority for the Board and has been included as a key performance indicator in the CEO long-term incentive reward structure.

Board composition and rotation and retirement of directors

The Committee assessed the composition of the Board and concluded that the Board retained an appropriate balance of skills, knowledge, diversity, independence and experience. As described below, the Group will look to appoint new independent non-executive directors over the coming months.

The Committee reviewed the rotation of directors and recommended to the Board that Annamarie van der Merwe retire by rotation and be presented to shareholders at the 2024 Annual General Meeting for a three-year term of office. Annamarie confirmed her availability for a further term, and Committee discussion had focused on her individual contribution to the Board and her capacity to fulfil her duties adequately and effectively.

Furthermore, the Committee recommended to the Board that David Friedland and Audrey Mothupi be retired by rotation and presented to shareholders at the 2024 Annual General Meeting for a one-year term of office, as each had been on the Board for eleven years. Both directors had indicated their availability for re-appointment, and the Committee remained confident in their objectivity and in their individual contributions to the Board. The Board will initiate a formal process for long-serving independent non-executive directors to retire in the ordinary course of board rotations over the next 12 to 18 months.

The Committee accepted David Robins' decision to retire at the 2024 AGM. The Committee acknowledged David for his unwavering commitment to the Group for over thirty years and for his incredible 22-year contribution to the Board.

Appointment of new Company Secretary

The Board noted the significant demands of the planned two-step Recapitalisation Plan and appointed the existing Company Secretary, Penelope Gerber as Head of Group Corporate Affairs to provide the executive management team with additional support. The Board appointed Vaughan Pierce as the new Company Secretary, effective 14 March 2024. Vaughan Pierce BA (LLB) (LLM) had previously served as Senior Legal Advisor for the Group for 13 years. During his tenure, he had 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 Group Executive for ESG two years ago, and continues to oversee the integration of environmental, social and governance considerations across the Group. The Committee is satisfied that Vaughan has the necessary competence and expertise to fulfil the role of Company Secretary.

Independence of directors

The Committee reviewed the independence of all seven non-executive directors designated as independent in line with the guidance provided by King IV, including consideration of material shareholdings, time elapsed since prior employment (where applicable) and incentive-based payments. The Committee concluded that no independence was compromised. Please refer to page 20 for further information. The Committee exercised specific focus and careful consideration in its assessment of the independence of non-executive directors who had served on the Board for more than nine years, particularly noting third-party perception of independence in its deliberations. It was agreed that fellow Board members were best placed to assess the level of independence of their colleagues, and it was definitively concluded that every non-executive director classified as independent had exercised impartiality and objectivity, notwithstanding tenure. It was concluded that the Board continued to meet its requirement that a majority of the directors should be non-executive, and that a majority of the non-executive directors should be independent. As described above, the Board will retire its long serving independent directors in the ordinary course of Board rotations over the next 12 to 18 months.

Changes to committee names and committee composition

Audit, Risk and Compliance committee

The Committee reviewed the composition and performance of the Group Audit, Risk, and Compliance committee (GARCC). The Committee confirmed that the GARCC had effectively fulfilled its duties under challenging circumstances and that its members possessed the necessary skills and experience to discharge their responsibilities. The Committee endorsed ongoing stability in the GARCC and recommended that its current members be put forward for formal re-election at the 2024 AGM.

Finance and Investment committee

The Committee noted the additional work undertaken by the Group's Treasury committee during the year under review. The Treasury committee was a sub-committee of the GARCC and had met regularly to steer the Group through a period of liquidity constraint and had provided invaluable guidance in the formulation of the Group's two-step Recapitalisation Plan, the implementation of the debt restructure agreement and our engagements with key stakeholders. The Committee agreed that it was appropriate to rename the Treasury committee as the Finance and Investment Committee and to constitute it as a full Board standing committee from FY25, operating under a formal Board members and Terms of Reference.

The Board agreed with the Committee recommendation and agreed with the membership put forward, being lead independent non-executive director James Formby (Chair) and independent non-executive directors Haroon Bhorat, Mariam Cassim, David Friedland and Aboubakar Jakoet.

The Independent Board committee

In light of the constitution of the Finance and Investment Committee, the existing Corporate Finance Committee was renamed as the Independent Board Committee (IBC). The IBC comprises only independent non-executive directors, chaired by the lead independent director James Formby. This committee is not a key standing committee and is convened only for major regulated transactions or investment decisions.

Remuneration committee

The Committee reviewed the composition and performance of the Remuneration Committee (RemCom). James Formby was appointed to the RemCom on the retirement of Jeff van Rooyen in July 2023, maintaining ongoing membership of the lead independent director. The Committee confirmed that RemCom had effectively fulfilled its duties, and had found an appropriate but difficult balance between reward and retention in the context of the Group's weak FY24 financial performance. The Committee endorsed ongoing stability in the RemCom and recommended that its current membership be retained for FY25. The Committee continues to closely monitor the proposed amendments in the companies act regulations and the implications for the RemCom and the Group's remuneration policy and remuneration disclosures going forward.

Social, Ethics and Transformation committee

The Committee reviewed the composition and performance of the Social, Ethics and Transformation Committee (SETC) and agreed that while the SETC had fulfilled its mandate effectively over the year, the independence of the committee was a concern. As such, and noting David Robins' retirement from the Board, the Committee recommended the appointment of Haroon Bhorat in his stead. The change increased independent non-executive director participation on the SETC from 25% to 50%.

Nominations and Corporate Governance committee (NomGov)

The Committee was satisfied that it had delivered on its Board mandate, but agreed that a change in its composition to include all the other Board committee chairs would improve both its effectiveness and the third-party perception of its independence. As such, membership would be amended to include only Aboubakar Jakoet (GARCC chair); Audrey Mothupi (RemCom Chair) and James Formby (Lead Independent Director and Finance and Investment committee chair). NomGov will be chaired going forward by corporate governance expert Annamarie van der Merwe. The Committee will not include non-independent SETC chair Suzanne Ackerman. SETC will be represented on NomGov by Annamarie van der Merwe.

The Board agreed with the recommendations made by the Nominations and Corporate Governance Committee and all were formally approved by the Board on 24 May 2024.

A refreshed Board

These Board and Board committee changes come at a critical time for the Group and are intended to support the important renewal that is underway within the Group. We need fresh thinking and new voices on the Board. In this spirit of a revitalised Group, I have informed the Committee and the Board of my decision to step down as Board Chair after the publication of the Group's FY25 results and remain on the Board as a non-executive director. The Board, supported by recommendations from NomGov, will announce my successor in due course.

The Committee plans to recruit up to two additional independent non-executive directors to the Board in the coming months, followed by further appointments to meet the succession plans for our long-serving independent non-executive directors. We initiated this process at the beginning of the year but paused it due to the operational and financial challenges that arose. Maintaining Board stability was crucial during this period of upheaval, and it was not fair to approach new candidates under such difficult circumstances. However, we are now ready to resume the recruitment process and will collaborate with recruitment specialists to identify suitable candidates. This will ensure long-term succession is managed thoughtfully and consistently. The search will prioritise diversity and transformation, in line with our corporate governance charter and the Group's broader employment equity policy.

Boxer IPO

The Committee is focused on preparing the Boxer business for its planned listing on the JSE later in the year, including the development of a strong corporate governance framework and the identification of strong candidates for the Boxer board.

Corporate governance role

The Committee performed its annual review of the Board's Corporate Governance Charter (charter) and each individual Board committee's Terms of Reference (TOR) to ensure alignment with local and international standards of corporate governance, including King IV, the Companies Act and the JSE Listings Requirements. The review, aligned with the underlying changes in the Board and its committees, resulted in meaningful modernisation improvements across the corporate governance framework, with the new charter and suite of TOR expected to be approved and published by the end of the first half of the year. Importantly, the changes made to the charter will reflect the commitment made by Ackerman Investment Holdings, the Group's controlling shareholder, to relinquish its right nominate the Chairman, CEO, CFO of the Board, an important step forward in the corporate governance evolution of the Group.

In addition, the Committee was supported by the SETC in a full revision of the Group's Code of Ethics and full suite of ethics policies, including the Anti-bribery and Corruption; Whistleblowing; Gifts; Entertainment and Hospitality; Conflicts of Interest and Sponsorships and Donations policies. These up to date policies set out the ethical behaviour we expect from our Board, employees and stakeholders as relevant.

Looking forward

The Committee will continue to focus on enhancing the Group's governance structures, promoting diversity and inclusion, and ensuring that the Board and its committees operate effectively. We are committed to maintaining the highest standards of corporate governance to support the Group's long-term success.

Gareth Ackerman

Chair, Nominations and Corporate Governance Committee

26 June 2024



Remuneration Committee report



Audrey Mothupi
*Chair, Remuneration
Committee*

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Our commitment to employees

We recognise that retail is a people business, and we invest in our people's growth and well-being.

We take deliberate action to achieve diversity and inclusivity at all levels of the Group.

Our people practices are fair and consistent.

We guarantee equal pay for equal work.

We live the Group's values and encourage our people to do so by leading by example.



Section 1: An overview of the Remuneration Committee

Mandate of the Remuneration Committee

In line with best practice, the 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 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 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 remuneration policies and practices are aligned to the Group's 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 comply 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 Committee meets at least four 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 Officers of Pick n Pay and Boxer are permanent invitees to Committee meetings. All are recused from the meeting when their individual remuneration is being discussed. Independent external advisors and other human resource executives are invited to attend the meetings as and when required.

The Committee operates in terms of a Board-approved charter, which the Board reviews annually. Four Committee meetings were held over the course of and in respect of FY24.

	Remuneration Committee meeting attendance
Audrey Mothupi (Chair)	4/4
Gareth Ackerman	4/4
Haroon Borhat	4/4
Aboubakar Jakoet	4/4
Jeff van Rooyen*	2/2
James Formby*	2/2

* During the year under review, Jeff van Rooyen retired on 19 July 2023 and did not offer himself for re-election. James Formby was appointed on 19 July 2023 to replace Jeff van Rooyen.

Shareholder engagement and voting outcomes

The Remuneration Committee maintains strong relationships with shareholders and strives to be transparent in our remuneration approach to ensure that the Group delivers a fair return to shareholders. The Committee ensures a high level of disclosure on our remuneration approach.

The non-binding advisory votes by shareholders for the past three years are summarised below:

% Vote in favour	2021	2022	2023
Remuneration policy	74.3%	75.6%	79.6%
Implementation report	63.2%	78.1%	75.8%
Director's fees	80.7%	82.0%	83.9%

The Committee is satisfied that it met its responsibilities in terms of its charter, and that the remuneration policies it applied and the decisions it took fulfilled the objective of fair and responsible remuneration.

Section 2: Report from the Remuneration Committee Chair

Guide for stakeholders

This section provides context to FY24, including:

- Key focus areas, decisions taken and priorities going forward
- Internal and external factors that influenced remuneration decisions and the discretion applied
- Remuneration policy changes

Statement from the Chair

On behalf of the Remuneration Committee, I am pleased to present the Group's FY24 remuneration report, in compliance with best practice reporting as recommended by the King IV Report on Corporate Governance for South Africa 2016.

The report will reflect on the past year, which was extraordinary in many aspects and can only be described as the most challenging year in the Group's history. We have navigated a challenging trading year; tough economic conditions continue to prevail and the leadership shifts within the Group are among some of the top challenges faced this year.

This report provides shareholders and other stakeholders with an:

- overview of the Group's remuneration policy
- alignment of our remuneration policy with the Group's business strategy and priorities
- implementation report for the period ended 25 February 2024 (FY24)

Our reward philosophy informs our reward strategy with the underlying principles of fair and equitable pay. The reward strategy is focused on rewarding employee performance, motivating excellence and retention of key and high calibre talent, thus enabling the execution of the overriding business strategy. The reward policies are continuously reviewed to ensure that it remains relevant and continue to achieve the desired objectives in a rapidly changing business environment.

For the period under review, the Group's Pick n Pay segment performance was severely constrained, while Boxer continued to outperform the market, and this guided the Committee's heightened focus on appropriate programmes to mitigate against low employee morale, increased risk of employee retention and rewarding individual or divisional performance, where appropriate. The Committee spent substantial time in reviewing the strategic people initiatives, which began with the restructure of the Pick n Pay leadership team.

The Group's executive leadership team have led the execution of the Group's strategy anchored on the strategic pillars of consumer sovereignty, maximising business efficiency and doing good is good business, while navigating a turbulent year in yet another pressurised consumer market which has once again been exacerbated by the ongoing energy crisis, high food inflation and low economic growth.

Despite the economic challenges faced, Boxer and the Pick n Pay Clothing businesses generated strong top line growth. Severe under-performance in the Group's core Pick n Pay Supermarket business resulted in a substantial trading loss at a Group level, as outlined in detail in the CFO's report.

The Group did not achieve the threshold result for PBTA, which impacted the payment of short-term incentives, and the vesting of long-term incentives.

The Board has viewed the under-performance of the Pick n Pay business in a very serious light, which led to a change in executive and senior leadership teams.

As announced on 1 October 2023, the Board and Pieter Boone jointly agreed that he steps down as CEO. The terms of the separation were mutually agreed upon and disclosed on page 5. The incoming CEO, Sean Summers, commenced service on 30 September 2023. His remuneration details are disclosed on page 52.

Sean Summers' appointment comes with a clear mandate to fix the core Pick n Pay business. The main drivers of the strategic plan has a key focus on improving the performance and profitability of the company-owned Pick n Pay stores and the rest of the business. The strategic objectives to expand the Boxer and Pick n Pay Clothing businesses remains unchanged.

The Group's remuneration philosophy is to ensure that employees are rewarded appropriately for their contribution to value creation for shareholders. This is achieved through formal pay structures that support the principles of pay for performance. On this basis, the Pick n Pay leadership (CEO, CFO and the senior management team) have received no short-term incentive payments for FY24. These executives have also forfeited all their holdings of the long-term incentives which were due to vest in June 2024 (RSP 2).

Due to the FY24 result, the in-flight RSP 3s (due to vest in June 2025) three-year CAGR targets will not be met at a target and stretch level. In-flight RSP 3 awards have been forfeited accordingly, with the threshold allocation of 40% to be evaluated during FY25 based on individual performance KPIs, in line with scheme rules.

The newly appointed Pick n Pay leadership team's salary packages have been reviewed and benchmarked against their new roles and relevant market data to ensure appropriateness of pay. Where necessary, salary packages have been adjusted to align to the new roles and expectations of the role. The same benchmarking has been applied to the Boxer leadership team.

The Committee has a particular focus on fair and equitable pay at all levels of employment within the Group. Amid the rising cost of living, lower salary increases and the shortage of specialised skills in the labour market, particularly in the retail sector, retention of key and critical skills within the Group is of paramount importance to the Committee. Pick n Pay has for decades adopted the principle of remunerating our employees with 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.



The period in review

The period under review has been challenging and disappointing, leading to significant organisational changes. The poor financial result prompted the Board to take decisive action by embarking on a change in the strategic leadership.

The appointment of our new CEO Sean Summers, a veteran of Pick n Pay having occupied the position of CEO previously, was the most logical choice of succession to restore the business to its former position in the market.

As a result of this change, all allocations of the restricted shares (RSPs) under the Group's long-term incentives were paused until the incoming CEO had sufficient time to re-assess the organisational structures and effectiveness thereof. This was to ensure that we are rewarding and retaining the right talent and ensuring that we have the key people required to effectively turn around the business.

Retention of key talent is a key focus area of the Committee due to the competitive nature of the retail sector. To ensure that appropriate retention mechanisms are in place to achieve the desired objective of retention, a review of the short- and long-term incentive schemes are undertaken annually. This was a key focus area for the Committee during the year.

The Committee has an important role to play in ensuring that incentives paid to management are measured against the Group's performance measures. However, the Committee must also consider the macro-economic conditions and factors outside of management's control that have an impact on achieving the desired results.

The Group's strategy is focused on unlocking and growing shareholder value by returning the Pick n Pay segment to profitability and continuing to accelerate the key growth drivers of Boxer, Pick n Pay Clothing and Online. This will be supported by the Group's two-step Recapitalisation Plan, including the Boxer IPO, and thus unlocking value for shareholders.

This new Pick n Pay leadership team is tasked with leading the business through the turnaround phase and positioning it for future success.

In a rapidly changing environment, it is imperative to keep in touch with the workforce to ensure that people are engaged, energised and focused. Across the Group, various people initiatives have taken place in the year to measure employee engagement and ensure employee well-being.

Quarterly dipsticks were conducted in Pick n Pay to measure employee net promoter scores and the results have been favourable for most of these measurements. In areas where employees raised concerns or the scoring was low, a deep dive into those issues were conducted and unpacked to understand the issues and find solutions.

Employee well-being has become a key focus area and various initiatives focusing on mental, physical and financial well-being have been implemented and continue to be executed. Regular wellness initiatives have been held to provide employees with the resources and tools to enhance their well-being.

Measuring performance

In terms of the Group's short-term incentive (STI) scheme design, the Group must meet the threshold value of PBTAE for the STI to become payable. During the period under review, the Group did not deliver on the FY24 targets and have not met the threshold target for PBTAE. The Group's loss has been as a result of the trading loss in Pick n Pay Supermarkets business. The Committee therefore recognised the market-leading performance of the Boxer business, and achievement of their performance targets. A resolution and allocation of an STI at stretch for the Boxer recipients was passed. No STI was paid to the Pick n Pay recipients.

The key performance measures for the FY24 STI were sales growth and PBTAE.

Fair reward

The Committee seeks to strike the right balance of attracting, motivating and retaining key talent, while delivering a fair return to shareholders. Remuneration paid to executive directors and senior management must be appropriate, fair and responsible and our reward programmes are designed to attract, motivate and retain a diverse and high-performance team to ensure a consistently high-performance culture.

Pick n Pay has undergone tremendous change in the past few years and subsequently employees have faced uncertainty and have been under immense pressure to deliver results in a difficult environment. In such circumstances, it is often very difficult to motivate and retain key talent, especially when there is no additional reward for the added responsibility and pressure. In a constrained business such as Pick n Pay, with long-term incentives are unrealised and no short-term incentives are payable, it is a bleak outlook for many employees. The risk exists that our talented employees will be the first to leave the Pick n Pay business and hence it is imperative to have measures in place to ensure that deserving employees receive some recognition for their commitment and dedication.

In light of the above, the Committee has approved an ex gratia payment for divisions in Pick n Pay that have met their performance goals and deserving employees that have performed exceptionally well. This ex gratia payment was targeted at a pool of talented and critical employees at middle management levels.

In line with the Group's commitment to fair pay, we ensure that our pay policies demonstrate our commitment to ensuring equality and fairness. We continuously assess our pay gaps and address any income disparities to ensure that we are consistent with our reward philosophy.

Shareholder engagement

The Remuneration Committee is committed to shareholder engagement and 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 specifically be engaged by inviting them 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

Focus areas in FY24

During the year under review, the Remuneration Committee undertook the following initiatives:

- Reviewed Pick n Pay's remuneration structure by migrating to a cost-to-company salary approach.
 - › In terms of our commitment to disclosure on our remuneration practices, Pick n Pay has adopted a total-cost-to-company approach for management employees. This allows the Pick n Pay business to ensure fair and transparent pay and also to mitigate against escalating salary costs.
 - › This also allows employees the flexibility to structure their pay according to their needs within the necessary taxation parameters.
- Revised and implemented operational incentive schemes to drive profitability of stores in Pick n Pay.
 - › Incentivising performance more tangibly through focused and simplified incentive schemes for store managers in the Pick n Pay Supermarket and Clothing divisions.
- Reviewed the RSP LTI scheme in terms of performance conditions not being met and considered additional appropriate retention mechanisms to secure key talent.
- Approved the salary increase mandate for management employees.
- Approved a new leadership structure for Pick n Pay.
- Oversight over the successful conclusion of the three-year wage negotiations in Boxer and Pick n Pay as per mandate for non-management bargaining unit employees.

Remuneration focus areas for FY25

The focus areas are designed to ensure that the Committee remains abreast of the latest remuneration trends and market best practice as well to deliver in terms of our responsibilities to employees and shareholders.

Key focus areas for FY25 will include the following:

- Review of the reward strategy and remuneration policy to ensure that it is relevant to the Group's current operating environment and to drive retention and a high-performance culture
- Benchmarking of total reward of the non-executive and executive directors and senior management against a relevant identified comparator group of JSE-listed companies
- Continued focus on the framework and model for gender and race pay equity in line with our commitment to fair and responsible pay
- Refinement and review of the short-term incentive scheme
- Design an appropriate job architecture model to support fair and responsible pay
- Future long-term incentive schemes
- Refinement of the performance management process
- Succession planning for key roles
- Embedding ESG performance measures at all levels of management
- Alignment of labour union contracts

Achievement of policy objectives

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

Labour productivity and efficiency

Our people strategy is aligned to and aims to deliver on the Group's strategy. Remuneration is one pillar of our approach to providing a holistic employee value proposition. Other initiatives include offering relevant employee benefits, recognition, learning and development opportunities and career development opportunities.

Labour wage agreements

In May and June 2024, Boxer and Pick n Pay successfully concluded and signed three-year wage agreements for their non-management bargaining unit employees. Our supply chain wage negotiations were also successfully concluded with an agreement over a two-year period.

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.

The Group has continued with the implementation and effective delivery of certain efficiency-led people initiatives that began in FY23.

Workforce productivity – Key initiatives across workforce planning to optimise staff productivity and operating costs remain a critical priority for the Group.

Talent and pipeline – The growth forecast for the Boxer and Pick n Pay Clothing divisions presents a key need for sites and staffing at all levels. The sourcing and training of staff was a key focus area this year, with several initiatives undertaken internally and staff sourced externally. Transformed succession and capacity building will continue to be a key driver in FY25.

Training – Training in food retail 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, while Boxer continued to strengthen store management skills and succession planning. As a Group 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 division we strengthened our partnership with the Wholesale and Retail SETA, to support our investment in training to improve operational efficiency and fosters a more knowledgeable and engaged workforce.



Application of Remuneration Committee discretion

A number of mechanisms are available to the Committee to ensure pay outcomes appropriately reflect individual and business performance, and the wider economic and societal climate. This includes the ability to apply malus, claw-back, the good and bad leaver contract provisions and responsible discretion to override formulaic outcomes under the short-term and long-term incentive schemes. Throughout the year, the Committee carefully considered pay arrangements and where it might, or indeed might not, be appropriate to apply discretion. After meaningful deliberation, the Committee concluded it was appropriate to apply discretion in the following areas:

Vesting of the RSP 2 awards

The Group did not achieve the targets for RSP 2 at a target and stretch level. Therefore, in line with the Group's remuneration policy, the RSP 2 awards vested at 40% for those participants that have met their personal KPIs. In certain limited exceptional outperformance instances, RSP 2 was vested at 100% for participants in the Group's successful growth businesses. In line with the scheme rules, RSP 2 was forfeited 100% for the CEO, CFO and the Pick n Pay senior management team.

Ex gratia payment to middle management

Pick n Pay has undergone tremendous change in the past few years and subsequently, employees have faced uncertainty and have been under immense pressure to deliver results in a difficult environment. In such circumstances, it is often very difficult to motivate and retain key talent, especially when there is no additional reward for the added responsibility and pressure. In a constrained business such as Pick n Pay, with long-term incentives unrealised and no short-term incentives payable, it is a bleak outlook for many employees. The risk exists that our talented employees will be the first to leave the Pick n Pay business and hence it is imperative to have measures in place to ensure that deserving employees receive some recognition for their commitment and dedication.

In light of the above, the Committee has approved an ex gratia payment for divisions, in Pick n Pay, that have met their performance goals and deserving employees that have performed exceptionally well. This ex gratia payment was targeted at a pool of talented and critical employees at middle management level.

The discretion utilised will be key to achieving retention in a highly competitive and volatile trading environment.

Considering our shareholders' views on remuneration

I encourage all our shareholders to continue to engage with myself and the Board on remuneration and other strategic matters, so that shareholder concerns continue to be reflected in the decisions taken.

The process we will follow for the 2024 AGM

The Remuneration Committee values open and constructive engagement with shareholders. We encourage shareholders to engage with the Committee on all material remuneration concerns 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 at CompanySecretary@pnp.co.za

The role of independent external advisors

The 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 utilised the services of REMchannel and 21st Century during the year for various aspects of remuneration benchmarking.

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

The 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 get right, 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 and with our improved disclosures this year. The 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.

Audrey Mothupi

Chair: Remuneration Committee

26 June 2024

Section 3: Understanding the Group's remuneration policy

Guide for stakeholders

This section provides information on the Group's remuneration policies and practices, including:

- Key principles underlying the remuneration strategy
- Remuneration structures, including detail on guaranteed and variable remuneration
- Service contracts, termination benefits and minimum shareholding requirements
- Malus and claw-back

The Group's remuneration policy is forward-looking and will be voted on by shareholders at the AGM on 27 August 2024.

The Group strives to build a diverse and high-performance team that is fairly rewarded and incentivised to deliver on the Group's strategic objectives over the short, medium and long term.

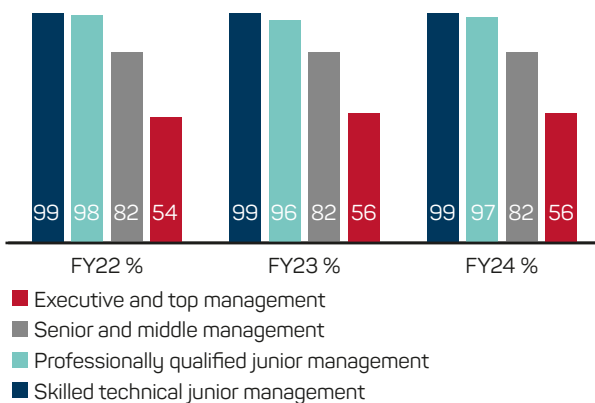
The Group's framework of remuneration policies is designed to provide employees with fair, responsible and balanced reward that recognises the attainment of short-term goals, while incentivising long-term, sustainable value creation.

Overview of remuneration policy

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

- The Group 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 levels and are designed to attract, develop, motivate and retain the retail industry's most talented employees
- Our employment equity representation at the various occupational levels have been consistent with the previous year



2 Efficient and productive workforce

- The Group is committed to building a high-performance culture that rewards performance. Greater focus is being placed on having a robust performance management process that is aligned to reward outcomes.
- The business strategy is focused on building a winning team, and unlocking productivity and efficiency gains across our supply chain, stores and support operations.
- Regular reviews of operational effectiveness ensure efficiency and cost discipline are achieved through ongoing improvements in employee structures.
- Group and individual 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 the Group'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 the Group's strategic objectives
- Long-term share incentive schemes align executive and shareholder interests and promote a culture of executive share ownership

3 Fair and responsible remuneration

- The Group 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



Fair and responsible remuneration

The Group 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.

The current minimum wage in South Africa is R27.58 per hour in 2024. It became valid on 1 March 2024. The Group is committed to and complies with all legal and statutory requirements, including the application of the minimum wage across all employee categories.

Fair and responsible

The Group assesses remuneration as fair and responsible in the context of the following criteria:

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

Equal pay for equal work

The Group follows an equal pay for equal work policy and does not discriminate based on race, ethnicity or gender. Salaries are benchmarked annually against the REMchannel salary survey to ensure external equity. Benchmarking is conducted at a national and retail level to ensure that our salaries are competitive and relevant at both levels.

We ensure internal equity by constantly assessing pay gaps relative to similar jobs within the Group as well as against our pay scales.

We also follow a job grading methodology that is consistent and provides a fair and accurate job grade that allows for appropriate salary benchmarking.

Unjustifiable pay disparities are addressed during the annual salary review process, where we assess and adjust the salaries of unjustifiably underpaid employees in line with the prevailing income disparity pay mandate. The salary adjustment is capped at a pre-determined approved percentage to limit exorbitant increases. Specific focus is given to African, Coloured, Indian and Female employees. Employees in roles that are classified as scarce and critical skills are also considered during this process to ensure that the pay gap is gradually narrowed.

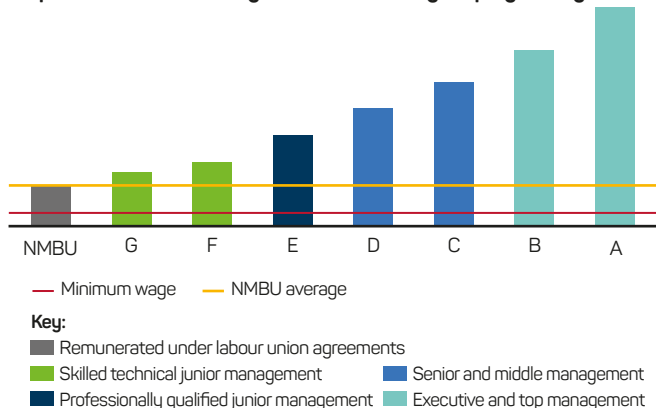
The income gap

The Group'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 below graph shows our average pay at the various grade levels within the Group 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.

Representation of average remuneration by employment grade

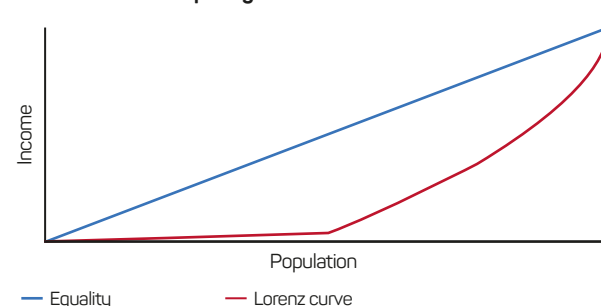


In the non-management bargaining unit population, the average salary is between 11% and 28% above the Sectoral Determination 9 average minimum prescribed salary.

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, the Group's pay gap methodology compares the average of the top 5% highest earners in the Group with the average of the lowest 5% full-time, permanent employees, giving us an income differential ratio of 18.37.

A statistical analysis of the pay gap within the Group is expressed in terms of the Gini coefficient, which is 0.59, translating into a significant pay gap between the top 5% and bottom 5% of earners. It is widely accepted that South Africa is one of the most unequal societies in the world. In this respect, the Gini coefficient for the country stands at about 0.66. In contrast, the Group Gini coefficient is at least significantly below the national Gini – estimated at 0.59. However, despite this lower level of internal wage inequality within the Group, the Group will continue to strive to reduce wage disparities with a view to maintaining the balance between equity and incentives as part of its annual salary review process.

Relative income equality#



The Group has refined the way it reports on relative income equality. In the prior year relative income equality was measured across all employees. This year, in line with proposed changes to the Companies Act, relative income equality is now measured across the top and bottom 5% of earners.

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.

Non-management bargaining unit (NMBU) employees

The Group undertakes collective bargaining for wages and benefits, with two different national negotiation committees, in Boxer and Pick n Pay. Boxer has 30% of union participation and Pick n Pay has 65% employees belonging to a 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
- Individual job categories as defined in the SD9 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 the Group, or whether it is likely to reduce our overall competitiveness and our capacity to offer greater value to customers through lower prices

* Sectoral Determination 9 – applying to the employment of employees in the Wholesale and Retail Sector in South Africa.

Management employees

Guaranteed pay and variable incentives are benchmarked against the market to ensure employees are remunerated competitively. The Group is committed to improving the pay gap and will ensure that appropriate policies are in place to manage the income gap.

The Committee will continue to ensure that remuneration is benchmarked to the market at all levels, that we provide industry-leading benefits, and that the Group continues to award higher annual salary increases to lower levels of management. Refer to page 52 for historic increases.

Benchmarking remuneration to the market

Guaranteed pay and variable benefits 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 senior leadership level positions, to ensure that decisions are objective and fair.

Employees below senior executive level

The Group utilises REMchannel national surveys to benchmark remuneration annually against the national and retail markets.

Senior executive benchmarking

The Group annually benchmarks 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, TFG, Mr Price, Shoprite, Pepkor, Spar, Truworths, Woolworths.

Remuneration framework

The Group has an ambition to build the most skilled and talented retail business in South Africa. The Group's remuneration framework for management employees is designed to develop and retain a high-performance team. It provides for fair and balanced reward that recognises the attainment of short-term goals, while motivating sustainable value creation, strongly aligned with the Group's strategy and the long-term interests of stakeholders.

Guaranteed remuneration

Fixed salaries and benefits across the Group are set at levels that are competitive with the rest of the market. This enables the Group to attract, motivate and retain the right calibre of diverse people to achieve our strategic business objectives.

Base pay

- Tailored to reflect the skills, competencies and experience required for the role
- Remuneration is directly linked to formal annual performance assessments
- Annual increases are based on the performance of the individual and their pay positioning in line with the approved salary increase mandate



Benefits

- Healthcare benefits
- Retirement funding
- Leave
- Insured benefits
- Bursaries and study grants
- Long-service awards
- Other benefits at store level, including meal, transport and uniform subsidies in Pick n Pay



The Group benchmarks its guaranteed pay and benefits against several JSE-listed and unlisted comparator companies.

Variable incentives

Variable incentives are designed to retain, reward and incentivise performance over one- (STI) to three-year (LTI) periods. Variable benefits are closely linked to achieving Group, divisional operating units and individual performance objectives.

Short-term incentives (STI)

- Annual cash bonus rewards qualifying employees based on meeting key performance targets.
- Other, more frequent bonuses are paid to qualifying employees at store level.



Long-term incentives (LTI)

- Cash retention incentive scheme (CRI)
- Restricted share plan (RSP)
- Retention and reward aimed at executive and top management (RS)



The basis for calculating STIs and LTIs is formulaic in nature. Participation in variable incentive schemes is at the discretion of the Remuneration Committee and documented in the relevant scheme rules. The Committee may exercise discretion to award ex gratia payments where extraordinary value was created or elect to moderate or withhold incentives where individual performance does not warrant an award.

Category

- Skilled technical junior management
- Professionally qualified junior management
- Senior and middle management
- Executive and top management

Remuneration mix

Remuneration is balanced between guaranteed 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 to drive performance, with a greater emphasis on total guaranteed pay (TGP) for middle and junior management.

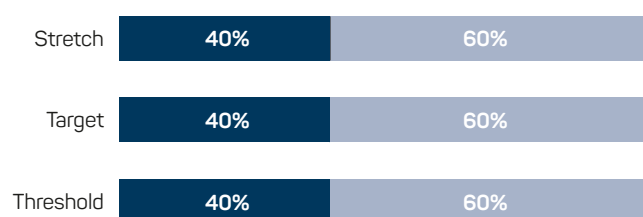
Variable remuneration consists of short-term incentives (STI) and long-term incentives (LTI) and is considered "at risk pay" as it is dependent on meeting performance targets that are closely aligned to the Group's long-term strategic plan. Performance targets are set within the Group's overall risk appetite, with the objective of being challenging but realistic, in order to achieve retention and drive performance in the broader context of the Group's economic and trading environments.

The value of the STI and LTI increases as targets are met and exceeded to encourage the attainment of stretch targets. The table below illustrates the mix of guaranteed and variable remuneration payable to the Group's senior management team.

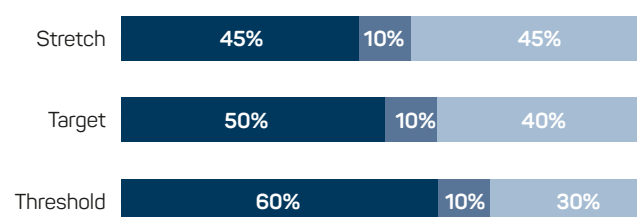
	Remuneration outcome*		
	TGP	STI award	RSP vesting
Below threshold	100%	0%	0%
Threshold	100%	80%	40%
Target	100%	100%	70%
Stretch	100%	120%	100%

* Excluding the CEO.

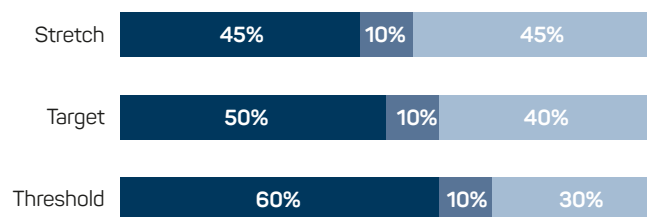
CEO*



CFO



Top management



■ TGP ■ STI ■ LTI/Retention

* The potential remuneration mix for the CEO does not include provision for a short-term incentive bonus (STI), which remains at the discretion of the Remuneration Committee.

Aligning variable pay with delivering the Group strategy

The Group's variable remuneration policies are strongly aligned with the Group's long-term plan, designed to incentivise the delivery of the Group's financial and operational objectives over a one- and three-year period.

Primary KPIs

Primary KPIs align management interests with those of shareholders:

Profit before tax and exceptional items (PBTAE)	●
Sales growth	●
Comparable HEPS, adjusted for exceptional items as appropriate	●
ROIC and Recapitalisation Plan	● ●

● Short-term incentive scheme – annual performance bonus ● Long-term incentive scheme – restricted share plan

Secondary KPIs

Individual KPIs drive management performance against a balanced scorecard of financial, operational, transformation and good business targets, including ESG targets, refer overleaf. ●

Individual KPIs have been introduced as a threshold target in the RSP. ●

The execution of the Group's strategy is measured against KPIs within its key strategic focus areas. The long-term strategic ambitions are aligned with the HEPS performance targets of the RSP. Future LTI schemes, including but not limited to the RSP, will be reviewed during FY25 to ensure retention and reward of key talent as the Group focuses on returning the Pick n Pay segment to profitability and the further expansion of its growth drivers Boxer, Pick n Pay Clothing and Online. KPIs are utilised to incentivise and measure the performance of senior management in the Group's annual performance bonus scheme (short-term incentive scheme).

We have several Group ESG targets that are linked to our strategy

<p>↓ 50% in food waste by 2030 (against a 2019 baseline)¹</p>	<p>Net Zero Carbon (scope 1 and 2) by 2050, -60% by 2040 (against a 2022 baseline)²</p>	<p>100% packaging to be recyclable/re-usable by 2025¹</p>
<p>100% CO₂ refrigeration by 2040²</p>	<p>75% of general waste diverted from landfill by 2025¹</p>	<p>↓ 20% reduction in water usage per store 2025 (against a 2018 baseline)¹</p>

¹ Pick n Pay company-owned stores and operations.

² Pick n Pay and Boxer company-owned stores and operations.

Please refer to the Sustainability Report for more detail.

Short-term incentives

Annual short-term bonus scheme

The annual short-term bonus scheme aims to drive short-term performance in a measured and sustainable way. The scheme incentivises the achievement of the Group's financial and non-financial targets as set out in the Group's plan for the year to follow, while retaining key skills and talent over the longer term.

Criteria to participate in the short-term bonus scheme

Approximately 1000 executive and management employees are eligible to participate. Employees must:

- Be in the Group's employ for at least four months of the financial year, with the bonus applied pro rata
- Achieve the prescribed minimum performance level on their annual performance appraisal

Employees cannot have resigned prior to the bonus payment date or be completing a resignation notice period.

A formulaic approach to calculating the short-term bonus

- The Group must first attain the threshold target set by the Remuneration Committee for PBTAE before any bonus is payable to the management team. This gatekeeper PBTAE target is applied at Group or divisional level, as appropriate, and ensures the bonus is affordable for the Group.
- The PBTAE target determines the maximum of the short-term bonus pool based on a formal and transparent pay-out multiple linked to participants' monthly cash salary.
- The bonus pool increases in a linear manner, as performance hurdles are met with the target pay-out at 100%, with threshold at 80% and stretch at 120%.
- The value of the short-term bonus paid to each participant is determined through a balanced scorecard of Group performance and individual KPIs. Performance targets are determined and communicated to participants annually in advance.

Short-term incentives balanced scorecard:

Group or divisional financial performance weighting 60%

60% of the pay-out multiple is subject to the attainment of PBTAE and sales targets as set by the Remuneration Committee on an annual basis.

Focus on earnings and top-line trade performance is important to ensure that the Group delivers growth in a sustainable manner.

Weighting	
Group or divisional performance targets	
PBTAE	60%
Sales growth	40%

40% Individual financial and non-financial performance weighting

40% of the pay-out multiple is subject to each participant achieving two key performance targets specific to their role within the Group. This is agreed on with their line manager on an annual basis and monitored through the formal performance appraisal process.

The executive team is subject to a third key performance target linked directly to the Group's ESG objectives, as appropriate.

Weighting	
Individual performance targets	
Individual KPI	40%
Individual KPI	40%
Relevant ESG KPIs	20%

Application of STI methodology for the Group's CEO and CFO

The CEO and CFO did not receive any performance bonuses for the year under review due to the poor financial results.

Other short-term bonuses

Other more frequent bonuses are paid to qualified employees at store level. These incentives are directly linked to short-term sales and profit targets. Previously these bonuses were linked to seven store-related KPIs, but it was simplified and refocused during the year, to ensure that the store management teams are focused on the key in-store metrics that drive overall profitability.

Long-term incentives

Long-term incentives are an integral part of the Group's remuneration philosophy to ensure the long-term retention of skilled and key talent at all levels of management and to align the interests of senior executives with those of shareholders.

The Group maintains a long-term cash retention scheme for middle management employees and a long-term share incentive scheme for our senior management team.

Cash retention incentive scheme

The objective of the CRI scheme is to recognise and retain key talent at middle management levels, while advancing the Group's employment equity and gender equity targets. 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 the Group 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).

Participants are identified through the Group's formal performance management process, and awards are made on an annual basis, allowing for participants to receive rolling annual awards as they progress through the Group.

Funding of share incentive schemes

Shareholders have authorised the Board to utilise up to 63.9 million Pick n Pay Stores Limited (PIK) shares to manage the Group's employee share option and restricted share schemes, representing 13% of issued share capital. In respect of the number of new shares that can be issued to cover obligations under the employee share schemes, the two share schemes are constrained by an aggregate limit of 5% of PIK's issued share capital.

Legacy share option scheme

The Group's legacy share option scheme (the 1997 employee share option scheme) was replaced by the CRI in FY22. All outstanding share options previously awarded under the scheme will vest in participants over the next four years under the original terms and conditions of the awards. No further share options are awarded under this scheme.

There is currently no fair value of the options because all of their grant prices were below the closing share price of R23.25 on 25 February 2024.

Financial period	Average grant price R	Number of options 000's
Outstanding share options may be taken up during the following financial periods:		
2025	64.08	10.1
2026	70.14	1.1
2027	65.32	0.6
2028	50.95	0.1
Total		11.9

Restricted share plan

The RSP recognises executive and top management employees who have a significant role to play in delivering the Group's strategy and its growth and sustainability.

The RSP has performance conditions attached to incentivise participating employees to deliver long-term earnings growth in line with the Group's strategic plan. An award of shares may also be used to attract talented prospective employees and progress the Group's transformation strategy.

All future LTIs, including the RSP, are currently under review and as such no RSP was issued during the year under review, with the exception of the new CEO award. The Remuneration Committee will consider all relevant options for future LTIs to ensure retention and reward during the critical years to follow in order to support the successful delivery of the Group's strategy and specifically the Pick n Pay turnaround strategy and the Group's Recapitalisation Plan.

Value	<ul style="list-style-type: none"> The Remuneration Committee awards zero-strike RSP shares to participants. The values of in-flight awards were calculated as a percentage of each participant's basic annual cash salary: <ul style="list-style-type: none"> CEO 150% CFO 100% Top management 50% – 100% 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.
Vesting	<ul style="list-style-type: none"> The shares are held by a Central Securities Depository Participant on behalf of participants over the time of the vesting period (normally three years). Participants cannot dispose of the shares before the vesting date. If a participant leaves the Group before the completion of the vesting period, all shares and accrued dividends are forfeited (subject to good leaver provisions).
Performance conditions/targets	<ul style="list-style-type: none"> In order to drive the stated retention objectives of the RSP, threshold performance targets (40%) are linked to the attainment of individual KPIs as measured through the Group's formal performance management process. On-target (70%) and stretch (100%) performance targets are linked to the Group's financial performance, with in-flight awards utilising compound annual growth in comparable HEPS linked to growth in CPI. Performance conditions are applied on a linear, rising scale once the threshold target has been met. This allows for the vesting of an increasing number of shares as earnings thresholds are met and exceeded. All growth thresholds are inclusive of the applicable IFRS 2 share-based payment expense, which is charged to the income statement over the vesting term of the forfeitable shares. The scheme is therefore self-funding. The performance targets for the CEO are separately disclosed on page 47.
Ownership rights	<ul style="list-style-type: none"> Participants have full voting rights over the period. Dividend rights are at the discretion of the Remuneration Committee, are deferred until vesting date, and are paid in direct proportion to the number of shares which vest.

Service contracts and termination benefits

Executive directors and senior management are employed in terms of the Group's standard contract of employment. They are only employed on a fixed-term contracts under specific circumstances. Senior management are 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 three-year service contract from 30 September 2023 and has a notice period of three months. The CFO has a notice period of 12 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 the Group'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.

Remuneration policy on termination of employment

	Salary	Benefits	STI	LTI
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



Minimum shareholding requirement (MSR)

The CEO is required to retain 100% of the shares delivered under the Group's share incentive schemes (after the settlement of tax), while in the employ of the Group, with reductions of up to 50% allowed with Remuneration Committee approval.

The Committee will consider extending the MSR to the CFO and other members of the senior executive team over the coming year.

Malus and claw-back policy

In the event of a material misstatement of the financial statements of the Group, or of any subsidiary company, the Board is entitled to adjust (malus) or recover (claw-back) any performance-related short-term and long-term incentives previously paid to executives implicated in the misstatement because of fraud, dishonesty or negligence.

Trigger events for the application of either malus or claw-back are set out in the policy and include:

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

Non-executive director fees

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. 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.

Non-executive director fees have been benchmarked against an appropriate peer group of JSE-listed companies, including:

Clicks	Pepkor
Dischem	Tiger Brands
Shoprite	Truworths
Spar	Woolworths
TFG	Mr Price

Chair	The Chair's fee reflects the active role he 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.
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 additional responsibilities taken through the chairpersonship and 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.

Section 4: The remuneration implementation report for FY24

Guide for stakeholders

This section details how the Remuneration Committee implemented the remuneration policy over FY24, based on Group and individual performance. It includes information on:

- Guaranteed pay, including for the CEO and CFO
- The awards aligned with the STI and LTIs
- Non-executive director fees

The report on the implementation of the remuneration policy will be voted on by shareholders at the AGM on 27 August 2024.

The implementation report details the key decisions taken by the Committee this year, including the steps taken to provide fair and balanced remuneration in a year that can only be described as the most challenging in the Group's history.

The Committee has complied with the Group's remuneration framework and policy, and all policies applied are consistent with the prior year. Pick n Pay moved to a cost-to-company remuneration model in March 2023. This provides employees with greater flexibility in tailoring their guaranteed package and provides greater clarity on pay parity across the organisation.

Tables are provided at the close of this section for a summary of the remuneration paid to executive and non-executive directors.

Executive directors and senior management

Executive directors' total 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 Group's senior management team.

	CEO		CEO		CFO		Executive director	
	Pieter Boone*		Sean Summers*		Lerena Olivier***		Jonathan Ackerman**	
	FY24 R'000	FY23 R'000	FY24 R'000	FY24 R'000	FY23 R'000	FY24 R'000	FY23 R'000	
Base salary	7 880.3	10 707.0	10 000	5 683.4	5 160.0	126.0	1 217.1	
Retirement and medical	531.9	968.5	-	267.1	488.1	15.5	271.2	
Other benefits	1 126.7	3 200.0	-	35.6	340.4	118.8	324.5	
Termination settlement	15 776.0	-	-	-	-	-	-	
Total guaranteed pay	25 314.9	14 875.5	10 000	5 986.1	5 988.5	260.3	1 812.8	

* Sean Summers replaced Pieter Boone as CEO on 30 September 2023. Pieter Boone received a termination settlement in terms of his contract of employment.

** Jonathan Ackerman was employed for one month in the current financial period. He then retired but stayed on as non-executive director.

*** As part of Pick n Pay's transition to a cost-to-company model re-allocations were made between base salary, retirement and medical and other benefits, with no increase in the total guaranteed pay.

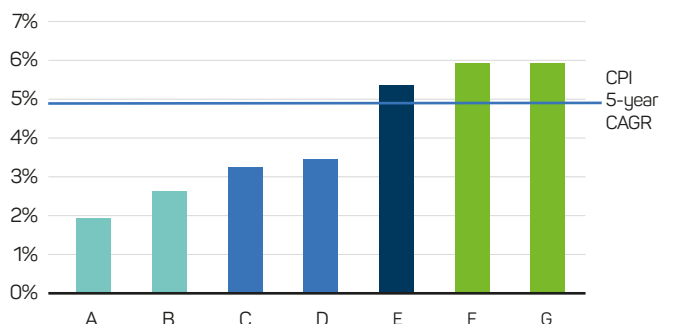
Annual salary increases

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

- Group performance and affordability
- Macro-economic environment
- Market benchmarking

The Group 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 takes place bi-annually in line with our commitment to close the pay gap, where necessary.

Salary increases over five years – 5-year CAGR



Key:

- Executive and top management
- Senior and middle management
- Professionally qualified junior management
- Skilled technical junior management



The CEO and CFO, in support of the cost-saving initiatives, chose to forego any salary increase in FY23 and FY24.

Category	FY24 annual salary % increase	FY23 annual salary % increase
CEO	-	-
CFO	-	-
Top management	3.5%	2.3%
Senior and middle management	3.5%	4.5%
Junior management	4.5%	5.4%
Entry level and non-management	4.5%	5.4%

The average increase for NMBU employees in FY24, as governed by labour union agreements, was an average of 6.7% to 8.0% (FY23: 6.4% to 7.3%).

Short-term incentive

The Committee determines annual financial performance targets in advance of the Group's short-term incentive bonus scheme for the coming financial year.

FY24 performance against STI targets

	FY24 Target	FY24 Actual performance
Sales growth	8.1%	5.4%
Comparable profit/(loss) before tax (PBT)	R1 404 million	(R1 673 million)
PBTAE	R1 404 million	(R1 673 million)
PBTAE margin	1.2%	(1.5%)

The Group delivered a weak FY24 result, driven by a substantial trading loss in the Group's Pick n Pay business. Group turnover increased by 5.4% driven primarily by the strong growth from Boxer and the Pick n Pay Clothing stand-alone stores. Gross profit margin declined while gross profit in rand terms also declined 3.1% year-on-year.

Based on the above result, the primary PBTAE target had not been met and therefore under the rules of the STI scheme, no performance bonuses have been awarded and no payment made under this scheme.

Long-term incentive

No RSPs were awarded in FY24 due to the business transition and changes, except for those to the incoming CEO.

The Group's LTIs will be reviewed and the effectiveness re-assessed after the two-step Recapitalisation Plan to ensure that performance conditions are closely aligned to the strategic objectives of the business.

Proposed Restricted share plan awards: CEO

The Remuneration Committee has resolved to award Sean Summers 4 000 000 performance-based shares in terms of the Restricted Share Plan, with performance conditions linked to targets under the Group's long-term plan. As the Company is currently in a closed period due to it being under cautionary announcement in relation to the proposed two-step Recapitalisation Plan, the formal allocation of the shares and clearance to trade will be deferred until after the terms of the Rights Offer have been announced in the market, which is expected mid-July 2024, and the cautionary announcement has been withdrawn.

Cash retention incentive scheme

The cash retention scheme introduced in November 2020 is aimed at the retention of key members of middle management. The last award that the Committee approved under this scheme was the FY23 award. The next award will be issued during the second half of 2024 calendar year.

A summary of the current in-flight awards are reflected below for information purposes:

Category	2022 Award
Vesting date	June 2025
Retention period	36 months
Number of participants	260
ACI participation	64%
Female participation	45%

Restricted share plan awards

Delivery of executive share awards

	Number of shares millions	Number of participants	Base year	Three-year comparable HEPS growth target			Vesting date
				Threshold	Target	Stretch	
RSP 2021 (RSP 2)	3.2	122	FY21	Personal KPIs	CPI plus 1%	CPI plus 2%	June 2024

The original HEPS performance targets set for the scheme could not anticipate the level of trade disruption which would unfold over its three-year term, and on this basis the threshold target was amended during the previous financial year to allow for a 40% vesting based on the achievement of personal KPIs.

The restricted shares held by most of the senior leadership team were forfeited 100% due to the poor business performance delivered in FY24.

Only 60% of the participants of the RSP 2 awards benefitted from the 40% vesting applied as the threshold achievement. In limited cases RSP 2 vested at 100% where exceptional outperformance was rewarded. As a result only 0.9 million of the original 3.2 million share allocated were delivered, the rest were forfeited.

Vesting of the in-flight RSP 3 has also been impacted by the poor FY24 performance and as a result approximately 60% of the awards has been forfeited prior to vesting in June 2025.

	RSP 2022 RSP 3
Vesting date	June 2025
Retention period	36 months
Number of awards issued	2.6 million
Number of awards unforfeited	1.3 million

Three-year comparable HEPS growth targets:

Threshold – 40% vesting	Personal KPIs
Target – 70% vesting	CPI plus 1%
Stretch – 100% vesting	CPI plus 2%

Number of participants:

ACI participation	46%
Female participation	28%

Held by executive directors:

CFO – Lerena Olivier (40% of original allocation)	34 800
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Malus and claw-back

No incidents were identified in FY24.

Additional non-executive director fees

Background

Due to the challenges faced by the Group in FY24, three Board members provided additional support and guidance in a number of critical areas, including liquidity management, the Group's debt restructure and the formulation of the two-step Recapitalisation. The support provided was in addition to their normal Board commitments and required attendance at a significant number of additional ad hoc informal meetings. In addition the Nominations and Corporate Governance Committee proposed an increase in the Remuneration Committee Chair fee to align to that of the Audit, Risk and Compliance Committee. The Remuneration Committee Chair declined the proposal.

Proposal

A once-off fee is proposed for the three directors mentioned above, in an amount equal to the annual fee of a member of the Audit, Risk and Compliance committee, in order to adequately recognise the additional work undertaken and the valuable support provided.

Non-executive director	Ad hoc fee
James Formby	R 210 000
David Friedland	R 210 000
Aboubakar Jakoet	R 210 000

Non-executive directors' fees

Guide for stakeholders

The Committee reviewed and recommended non-executive director remuneration (including the additional non-executive directors fees detailed overleaf) to the Board, for shareholder approval at the AGM on 27 August 2024.

Chair of the Board

The Chair has for the third consecutive year foregone an annual increase for FY25 and his fee will remain unchanged from the previous year. In setting the Chair's fees, the Remuneration Committee considered the active role the Chair plays in the Group's corporate governance and in formulating overarching strategy for the individual subsidiary companies. Gareth Ackerman is recused from all discussions in respect of his annual remuneration.

Non-executive directors (NED)

At the AGM held in July 2023, Shareholders approved that a CPI increase be applied to the FY25 fees. Based on this, a 5% increase is proposed for the FY25 fees. A 25% increase is proposed for the LID fees, in line with market benchmarks.

Non-executive director fees (excluding value-added tax) for the current periods

	FY25 proposed R	FY24 actual R
Chair (including participation in all committees)	4 893 300	4 893 300
Lead independent director (including participation in all committees) ¹	1 687 500	1 350 000
Non-executive director	510 300	486 000
Chair of the Audit, Risk and Compliance Committee	441 000	420 000
Chair of the Remuneration Committee	234 150	223 000
Chair of the Social, Ethics and Transformation Committee	234 150	223 000
Chair of the Nominations and Corporate Governance Committee ²	234 150	n/a
Member of the Audit, Risk and Compliance Committee	210 000	200 000
Member of the Remuneration Committee	110 600	105 300
Member of the Social, Ethics and Transformation Committee	110 600	105 300
Member of the Nominations and Corporate Governance Committee	105 000	100 000
Member of the Finance and Investment Committee ³	150 000	-
Member of the Independent Board Committee ⁴	158 550	151 000

¹ The 25% increase reflects the significant role the LID plays on the Board and all committees, particularly his critical role on the Finance and Investment Committee.

² Previously the Committee was chaired by Gareth Ackerman who did not receive an additional fee for this role. Going forward, the Committee will be chaired by independent non-executive director Annamarie van der Merwe who will receive a committee Chair fee aligned with the other board committees.

³ Previously named the Treasury Committee – an advisory sub-committee to the Audit, Risk and Compliance Committee – now constituted as a key standing committee and renamed as the Finance and Investment Committee. The Committee is chaired by the lead independent director who does not receive an additional fee for chairing this committee.

⁴ Previously named the Corporate Finance Committee – 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.



Total remuneration of executive directors

Executive director	Base salary R'000	Retirement and medical contributions R'000	Fringe and other benefits R'000	Total fixed remuneration R'000	Short-term performance bonus R'000	Termination settlement ¹ R'000	Gratuity ² R'000	Total remuneration R'000	Long-term share awards charges – current year ³ R'000
FY24									
Sean Summers ¹	10 000.0	-	-	10 000.0	-	-	-	10 000.0	-
Lerena Olivier	5 683.4	267.1	35.6	5 986.1	-	-	-	5 986.1	(1 413.0)
Jonathan Ackerman ²	126.0	15.5	118.8	260.3	-	-	-	260.3	141.0
Pieter Boone ¹	7 880.3	531.9	1 126.7	9 538.9	-	15 776.0	-	25 314.9	(11 616.4)
Total remuneration	23 689.7	814.5	1 281.1	39 340.1	-	15 776.0	-	55 116.1	(12 888.4)
FY23									
Pieter Boone	10 707.0	968.5	3 200.0	14 875.5	9 814.8	-	-	24 690.3	5 817.8
Lerena Olivier	5 160.0	488.1	340.4	5 988.5	3 870.0	-	-	9 858.5	3 838.0
Jonathan Ackerman	1 217.1	271.2	324.5	1 812.8	378.0	-	1 512.0	3 702.8	1 098.7
Suzanne Ackerman	252.0	23.5	28.2	303.7	-	-	-	303.7	61.4
Total remuneration	17 336.1	1 751.3	3 893.1	22 980.5	14 062.8	-	1 512.0	38 555.3	10 815.9

¹ Sean Summers replaced Pieter Boone as CEO on 30 September 2023. Pieter Boone received a termination settlement in terms of his contract of employment.

² Jonathan Ackerman retired as an executive director on 31 March 2023 and was appointed as a non-executive director on that date, and received a retirement gratuity of recognition of exemplary service to the Group. On retirement, a portion of outstanding RSP awards vested.

³ The long-term share awards expense or recoupment is determined in accordance with IFRS 2 Share-Based Payments and reflects the current period's charge recorded or recoupment in the Group's statement of comprehensive income and statement of changes in equity. The fair values of share awards are determined at grant date, and are recognised in the statement of comprehensive income and statement of changes in equity over the period during which the employee becomes unconditionally entitled to the award (the vesting period). Long-term share awards will vest in the future only if all the vesting criteria set out in the rules of the 1997 Employee Share Options Scheme and the Restricted Share Plan (RSP), previously named forfeitable share plan (FSP), are met. Dependent on the nature of the vesting criteria, long-term share 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, vested in June 2024 and due to vest June 2025, have not been fully met. As a result, and as directed by the Remuneration Committee, all of RSP 2 and a portion of RSP 3 long-term share awards allocated to the executive directors have been forfeited and the related expense recouped by the Group in the 2024 financial period.

Total remuneration of non-executive directors

Non-executive director	Directors' fees R'000	Lead independent director R'000	Audit, Risk and Compliance Committee R'000	Remuneration Committee R'000	Social, Ethics and Transformation Committee R'000	Nominations and Corporate Governance Committee R'000	Employee share trust R'000	Total remuneration R'000
FY24								
Gareth Ackerman	4 893.0	-	-	-	-	-	-	4 893.0
Suzanne Ackerman	486.0	-	-	-	223.0	100.0	-	809.0
Haroon Borhat	486.0	-	200.0	105.3	-	100.0	-	891.3
Jonathan Ackerman ¹	445.5	-	-	-	105.3	-	-	550.8
Mariam Cassim	486.0	-	200.0	-	-	-	-	686.0
James Formby	202.5	787.5	83.3	-	-	-	-	1 073.3
David Friedland	486.0	-	200.0	-	-	100.0	-	786.0
Aboubakar Jakoet	486.0	-	420.0	105.3	-	-	-	1 011.3
Audrey Mothupi	486.0	-	200.0	223.0	-	100.0	-	1 009.0
David Robins	486.0	-	-	-	105.3	-	-	591.3
Annamarie van der Merwe	486.0	-	-	-	105.3	100.0	-	691.3
Jeff van Rooyen ²	-	562.5	-	-	-	-	-	562.5
Total remuneration	9 429.0	1 350.0	1 303.3	433.6	538.9	500.0	-	13 554.8
FY23								
Gareth Ackerman	4 893.0	-	-	-	-	-	-	4 893.0
Suzanne Ackerman	430.8	-	-	-	197.8	89.1	-	717.7
Haroon Borhat	470.0	-	156.2	101.8	-	97.2	-	825.2
Mariam Cassim	470.0	-	156.3	-	-	-	-	626.3
James Formby	235.0	-	78.1	-	-	-	-	313.1
David Friedland	470.0	-	156.2	-	-	97.2	-	723.4
Hugh Herman	195.8	-	-	-	-	-	-	195.8
Aboubakar Jakoet	470.0	-	236.3	101.8	-	-	45.5	853.6
Audrey Mothupi	470.0	-	156.2	215.8	-	97.2	45.5	984.7
David Robins	470.0	-	-	-	101.8	-	-	571.8
Annamarie van der Merwe	470.0	-	-	-	101.8	97.2	-	669.0
Jeff van Rooyen	470.0	156.2	259.9	101.8	-	97.2	45.5	1 130.6
Total remuneration	9 514.6	156.2	1 199.2	521.2	401.4	575.1	136.5	12 504.2

¹ Jonathan Ackerman retired as an executive director on 31 March 2023 and was appointed as a non-executive director on that date.

² Jeff van Rooyen retired on 19 July 2023.



Share awards held by executive directors

FY24	Calendar year granted	Award grant price R	Balance held at 26 February 2023	Forfeits ³	Exercised	Exercise price R	Balance held at 25 February 2024	Available for take-up
Pieter Boone¹								
Restricted shares	2021	Nil	500 000	(500 000)	-	-	-	n/a
	2022	Nil	178 500	(178 500)	-	-	-	n/a
			678 500	(678 500)	-		-	
Lerena Olivier								
Share options	2019	58.05	80 000	-	-	-	80 000	Now
	2019	58.05	60 000	-	-	-	60 000	September 2024
	2019	58.05	60 000	-	-	-	60 000	September 2026
Restricted shares	2020	Nil	60 000	-	(60 000)	37.75	-	n/a
	2021	Nil	87 000	(87 000)	-	-	-	n/a
	2022	Nil	87 000	(52 200)	-	-	34 800	June 2025
				434 000	(139 200)	(60 000)		234 800
Jonathan Ackerman²								
Restricted shares	2020	Nil	15 000	-	(15 000)	37.75	-	n/a
	2021	Nil	27 000	(11 135)	(15 865)	37.75	-	n/a
				42 000	(11 135)	(30 865)		-

¹ Sean Summers replaced Pieter Boone as CEO, effective 30 September 2023. For share awards granted to Sean Summers subsequent to 25 February 2024, refer to page 53.

² Jonathan Ackerman retired as an executive director on 31 March 2023 and was appointed as a non-executive director on that date. On retirement, a portion of outstanding RSP rewards vested.

³ Vesting criteria in respect of the RSP awards, vested in June 2024 and due to vest in June 2025, have not been fully met. As a result, and as directed by the Remuneration Committee, all of RSP 2 and a portion of RSP 3 long-term share awards allocated to executive directors have been forfeited, and the related expense recouped by the Group in the 2024 financial period. The remaining shares will be delivered to participants at the end of June 2025.

Directors' interest in ordinary shares

FY24	How held ¹	Balance held at 26 February 2023	Additions	Disposals	Forfeits ⁶	Balance held at 25 February 2024 ¹⁰	Beneficial/non-beneficial interest ²
Gareth Ackerman	direct	309	-	-	-	309	Beneficial
	indirect	1 731 026	17 750	-	-	1 748 776	Beneficial
	indirect	19 762	-	-	-	19 762	Non-beneficial
Ackerman Pick n Pay Foundation ³	indirect	101 900	-	-	-	101 900	Non-beneficial
Ackerman Family Investment Holdings Proprietary Limited ⁴	indirect	1	-	-	-	1	Non-beneficial
Ackerman Investment Holdings Proprietary Limited ⁵	indirect	124 677 237	-	-	-	124 677 237	Non-beneficial
Mistral Trust ⁷	indirect	2 850 000	150 000	-	-	3 000 000	Non-beneficial
Pieter Boone ⁸	direct – RSP	678 500	-	-	(678 500)	-	Beneficial
Lerena Olivier	direct	64 050	32 100	-	-	96 150	Beneficial
	direct – RSP	234 000	-	(60 000)	(139 200)	34 800	Beneficial
Suzanne Ackerman	direct	120 528	-	-	-	120 528	Beneficial
	indirect	553 883	-	-	-	553 883	Beneficial
Jonathan Ackerman ⁹	direct	122 888	-	-	-	122 888	Beneficial
	direct – RSP	42 000	-	(30 865)	(11 135)	-	Beneficial
	indirect	828 790	36 265	-	-	865 055	Beneficial
	indirect	2 161	-	-	-	2 161	Non-beneficial
Aboubakar Jakoet	direct	8 764	-	-	-	8 764	Beneficial
	indirect*	750 000	-	-	-	750 000	Beneficial
	indirect	13 059	-	-	-	13 059	Non-beneficial
David Friedland	indirect	34 188	-	-	-	34 188	Beneficial
David Robins	direct	975	-	-	-	975	Beneficial
	indirect	90 436	-	-	-	90 436	Non-beneficial
James Formby	direct	4 000	-	-	-	4 000	Beneficial
	indirect	26 725	-	-	-	26 725	Beneficial

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

² Beneficial interest represents an interest in shares in which a person is entitled to receive income payable in respect to that shareholding and 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.

³ 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.

⁴ 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.

⁵ 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.

⁶ Vesting criteria in respect of the RSP awards, vested in June 2024 and due to vest in June 2025, have not been fully met. As a result, and as directed by the Remuneration Committee, all of RSP 2 and a portion of RSP 3 long-term share awards allocated to executive directors have been forfeited, and the related expense recouped by the Group in the 2024 financial period. The remaining shares will be delivered at the end of June 2025, subject to the attainment of performance conditions.

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

⁹ Jonathan Ackerman retired as an executive director on 31 March 2023, and was appointed as a non-executive director on that date.

¹⁰ There have been no changes in the directors' interest in ordinary shares since 25 February 2024 up to the date of approval of this report, other than the RSP shares issued to the CEO Sean Summers as detailed on page 53.

* 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 therefrom.



Directors' interest in B shares

FY24	How held ¹	Balance held at 26 February 2023	Additions	Disposals	Balance held at 25 February 2024 ⁶	Beneficial/ non-beneficial interest ²
Gareth Ackerman	direct	522	-	-	522	Beneficial
	indirect	3 227 861	-	-	3 227 861	Beneficial
	indirect	39 140	-	-	39 140	Non-beneficial
Ackerman Investment Holdings Proprietary Limited ³	indirect	246 936 847	-	-	246 936 847	Non-beneficial
Mistral trust ⁴	indirect	5 349 559	-	-	5 349 559	Non-beneficial
Suzanne Ackerman	direct	233 767	-	-	233 767	Beneficial
	indirect	926 084	-	-	926 084	Beneficial
Jonathan Ackerman ⁵	direct	243 307	-	-	243 307	Beneficial
	indirect	1 135 009	-	-	1 135 009	Beneficial
	indirect	4 280	-	-	4 280	Non-beneficial
David Robins	direct	1 931	-	-	1 931	Beneficial
	indirect	179 118	-	-	179 118	Non-beneficial

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

² Beneficial interest represents an interest in shares in which a person is entitled to receive income payable in respect to that shareholding and 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.

³ 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.

⁴ 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.

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

⁶ There have been no changes in the directors' interest in shares since 25 February 2024 up to the date of this report.

Social, Ethics and Transformation Committee report



Suzanne Ackerman
Chair: Social, Ethics and Transformation Committee

It is my pleasure to present this report and to confirm that the committee has executed its mandate for FY24.

In recent years, there have been fundamental shifts in business and society. Global issues such as climate change and biodiversity loss, geopolitical and social tensions, inequality, and rapid technological and scientific advancements have placed increasing pressure on businesses to recognise that their success is interconnected with the well-being of society and the environment.

Amid heightened global economic, environmental and social challenges, such as climate change and social instability, 'business as usual' is no longer good enough. Businesses need to act now to solve complex problems while looking at longer-term solutions for sustainable and inclusive growth. Doing Good is Good Business is part of our integrated reporting approach, which aims to tell a meaningful story about how we define, create, and maintain value for stakeholders.

Beyond the challenges we are facing within our own business, South Africans are struggling with extreme poverty, food insecurity, and high levels of unemployment. Our focus now is getting Pick n Pay firmly back on the right trajectory and ensuring that our growth drivers of Boxer, Clothing and Online continue to flourish. A large part of this focus is ensuring that our actions provide substance to our values. This is why we are focused on winning back the trust and confidence of our customers, engaging our suppliers, and prioritising our people.

Our mandate includes oversight and reporting on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships. At its core, our work is about relationships and touches on every aspect of the business.



Mandate of the Social, Ethics and Transformation Committee

Our statutory duty in terms of the Companies Act is to assist the Board with oversight and reporting on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships.

We do this in terms of a formal charter, which is reviewed and approved annually by the Board. The scope of our oversight extends to include the Group's subsidiaries.

The role and responsibility of the committee

The committee assists the Board in fostering an ethical organisational culture. It oversees the Group's conduct, ensuring business practices align with responsible corporate citizenship. The Committee monitors organisational ethics, sustainable development and stakeholder relationships. It also approves the stakeholder engagement strategy and helps the Board approve, implement, and monitor policies that reinforce the Group's commitment to ethical and responsible operations.

Members and attendance at meetings

The committee met three times in FY24 to review performance in the areas pertinent to its mandate. Delivering on this mandate requires cross-functional insights which is achieved through engagement with members of the other Board committees. Quarterly Board meetings also facilitate oversight.

The committee members for FY24 comprised of four non-executive directors. The Company Secretary, executives responsible for strategy and human resources, senior managers and technical experts assist the committee. All levels and areas of expertise across the Group are present at committee meetings. Advisors attend meetings by invitation, depending on the agenda items.

Members	Attendance	Committee members from May 2024
Suzanne Ackerman (Chair)	3/3	Suzanne Ackerman (Chair)
Jonathan Ackerman	3/3	Jonathan Ackerman
David Robins	2/3	Haroon Borhat
Annamarie van der Merwe	3/3	Annamarie van der Merwe

Noting David Robins' intention to retire from the Board at the 2024 AGM and to strengthen the independence of this committee, Haroon Borhat has been appointed to succeed him. I extend my sincere thanks to David for his valuable contributions and tireless efforts in upholding the Group's ethics and values during his tenure on the SETC. Haroon, a Professor of Economics and Director of the Development Policy Research Unit at the University of Cape Town, brings a keen understanding of the economic circumstances faced by our staff, customers, and other key stakeholders. We look forward to the insights and expertise Haroon will bring to our committee.

Strategic sustainability framework

We focused on executing our Pick n Pay strategy and will focus on implementing Pick n Pay's revised sustainable impact framework, which we unpack in more detail on overleaf.

This framework aims to help us drive value creation through customer-facing sustainability initiatives which create shared value for our business, customers, communities and the environment. We have a strong operational leadership team to help us set the business on a path of long-term sustainability, supported by phenomenal people and support teams across our business and supply chains.

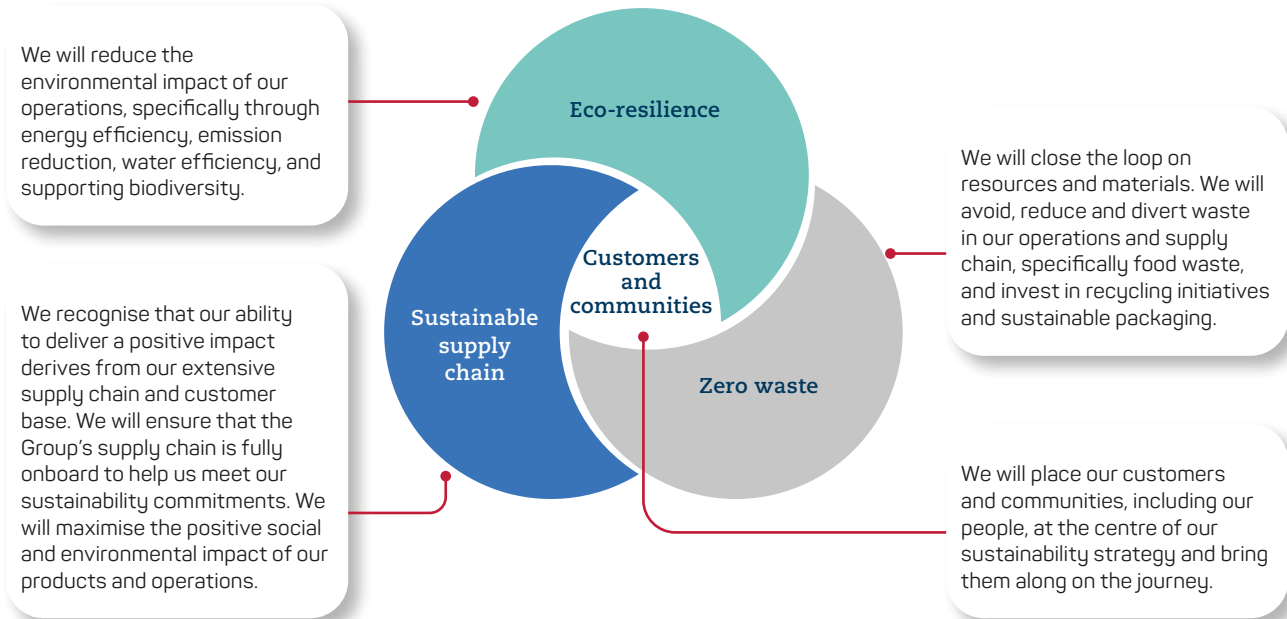
As part of our commitment to alleviating food insecurity, promoting equitable access to nutritious food, and supporting a resilient local economy, we focus on promoting smart, sustainable and inclusive food, grocery and clothing supply chains, which include:

- Partnering to transform the food system
- Reducing environmental impact
- Supporting communities
- Investing in our people

Guide for further reading

- Integrated Annual Report | Page 64
- ESG Performance Summary | Page 45

Sustainability impact framework



Underpinning this strategic framework is our Code of Ethics and all related ethics policies. The management team has done a great deal of work to review and update all employee and governance-related policies. Together with our values, this governance framework sets out the behaviours we expect of our Board members and all employees. It also lays the groundwork for pre-emptive warning in instances of non-compliance.

Partnering to transform the food system

As part of our commitment to food security and local economic resilience, we focus on creating sustainable and inclusive supply chains. Our "Pick Local" brand supports small South African producers and suppliers committed to job creation and BBBEE compliance, ensuring local production and packaging.

In FY24, we sourced 51% of clothing from the Southern African Development Community (SADC), including South Africa, with plans to increase this to 60% within four years. We made significant strides in localising our supply chain, incorporating recycled fabrics, increasing local procurement of various clothing items, and supporting local designers through our "Made in South Africa" range.

Our Enterprise and Supplier Development (ESD) initiatives aim to equip and empower small, medium, and micro-enterprises (SMMEs) to become sustainable suppliers. We provide mentorship, business development support, and early payment access through our Pick n Pay Fast Pay programme. We also enhanced our engagement with suppliers through the appointment of a dedicated SMME Buyer and monthly SMME Connect sessions. These efforts help align supplier performance with our business objectives and sustainability targets, particularly in reducing scope 3 emissions and optimising our ESD approach.

Boxer's small-scale farming initiative, launched in 2022, aims to upskill and train over 300 farmers in retail-ready farming methods, providing them with essential resources and market access. This initiative supports broader economic participation and food security. We are committed to responsible sourcing of our own brand products, promoting animal welfare, sustainable seafood, and palm oil sourcing.

We continue to expand our range of sustainable and healthier products through our Pick n Pay Live Well and Live Green brands, which include 258 environmentally conscious, vegan, and cruelty-free products. Our efforts to promote healthier food choices include reformulating products to reduce sugar, salt, and fat content and providing clear nutritional labelling.

In FY24, 79% of our seafood and 90% of our palm oil products met our sustainability commitments. We also maintain strict ethical standards through our Code of Ethics and membership in SEDEX¹ and SIZA².

A central focus for Pick n Pay includes the use of recycled materials, sustainable cotton, and biodegradable packaging. We launched our first upcycled clothing range in collaboration with Sari for Change, supporting sustainable fashion and empowering women. Additionally, we have increased customer access to recycling by expanding our reverse vending recycling machines. We also focus on reducing food waste through improved forecasting, shelf-life extension projects, and partnerships for organic waste diversion.

Guide for further reading

- Integrated Annual Report | Page 64
- ESG Performance Summary | Page 26

¹ Supplier Ethical Data Exchange.

² Sustainability Initiative of South Africa.

Reducing environmental impact

The Group aims to achieve net zero emissions for Scope 1 and 2 by 2050, with an interim target of a 60% reduction by 2040. Our strategy focuses on natural refrigeration conversions, renewable energy, and energy efficiency. We are installing solar solutions on store rooftops where we can, with the permission of landlords, and increasing our solar capacity. For example, our Eastport distribution centre will soon have 6,600 solar PV panels generating 6 GWh of electricity annually, saving 5,900 tonnes of CO₂ emissions annually. We are also installing inverter and battery backup power solutions in our clothing stores to minimise reliance on diesel generators.

We are committed to improving energy efficiency by 45% across our energy programme stores (322 stores nationwide) by 2030 and converting 100% of our refrigeration systems to natural refrigerants by 2040. In FY24, we converted 18 stores to natural refrigeration systems, bringing the total to 77. Our efforts also include refurbishing water chillers and air handling units to enhance energy efficiency and sustainability.

At our Eastport distribution centre, we have implemented various low-carbon initiatives, such as leasing low-emission vehicles and piloting gas-powered trucks, resulting in significant GHG emission reductions.

We are dedicated to reducing waste through improved planning, forecasting, and innovative product design to extend shelf life. In FY24, we introduced a waste management dashboard to track progress, onboarded new waste management service providers, and piloted a training programme on waste separation for store managers.

Our water stewardship policy guides our efforts to conserve water, supported by real-time monitoring and leak detection systems which has led to a 25% increase in water efficiency since FY18. We use the WWF Water Risk Filter to assess and mitigate water-related risks across our operations. We also focus on recycling and repurposing waste, including initiatives like Boxer's recycling programme, which provides income-generating opportunities for local entrepreneurs.

Guide for further reading

- Integrated Annual Report | Page 64
- ESG Performance Summary | Page 31

Supporting communities

We believe that businesses thrive by giving back to the communities they serve. Our corporate social responsibility (CSR) strategy is inclusive and collaborative, tailored to meet the diverse needs of the communities. By sharing knowledge among our cross-regional teams, we drive collective action, accountability, and leverage best practices and innovative solutions. Our efforts focus on investing in education, healthcare, infrastructure, environmental stewardship, and supporting local businesses and entrepreneurs.

Our CSR initiatives support sustainable development through various projects. We invest in education, healthcare, and infrastructure to enhance community well-being. Our environmental stewardship programmes include community-based initiatives that promote sustainability. We support local businesses and entrepreneurs, contributing to economic growth and resilience. In FY24, our CSR spend included R10.6 million for nutrition and feeding programmes, R6.8 million for education, R2.2 million for environmental management programmes, and R1.9 million for skills development programmes.

Addressing food insecurity is a key focus of our CSR efforts. We work to keep essential items affordable, support income-generating community food gardens, and develop small-scale farmers. We donate excess food from our stores and support hunger relief through the Feed the Nation Foundation. Our partnership with FoodForward SA, our largest retail partner, involves contributing surplus food from our stores, which is distributed to beneficiary organisations providing meals to those in need.

In FY24, Pick n Pay donated 900.5 tonnes of food, valued at R40 million, to FoodForward SA.



Education is a cornerstone of our community support initiatives. The Pick n Pay School Club, established in 2003, is South Africa's largest brand-funded educational resource programme. It provides free, curriculum-compliant materials to educators and learners, enhancing their educational experience. Our social media presence expands our reach, sharing health tips, promoting environmental causes, and distributing additional educational content. Boxer's Youth Leadership Programme and support for under-resourced schools further emphasise our commitment to youth development.

We actively promote environmental awareness and stewardship through various partnerships and initiatives. Programmes like the collection of yoghurt tubs with Clover Danone, upcycling projects, and educational content on plastic recycling aim to reduce environmental impact. Community clean-ups, partnerships with Waste-ED, and school recycling projects encourage responsible waste management and environmental responsibility among youth. Boxer's recycling initiatives and partnerships further support these goals, demonstrating our commitment to sustainability and community involvement.

Guide for further reading

- Integrated Annual Report | Page 65
- ESG Performance Summary | Page 36

Investing in our people and relationships

Our people are the heart of what we do. In striving to be an employer of choice, we are committed to providing our employees with rewarding jobs, effective training and development opportunities, competitive pay, good working conditions and an opportunity to progress.

This year, we launched a new people strategy aimed at fostering a performance-driven, transformational culture. This strategy, built on six pillars—future focused, talent cultivator, leading for change, purpose driven, value adding, and data-led insights—focuses on long-term growth and agility. We have restructured our human resources function to enhance employee experiences, broaden our remuneration approach, and drive automation and efficiency.

Our wellness programme addresses mental, physical, and financial health, providing comprehensive support and resources, including counseling services and health screenings.

We maintain a zero-tolerance policy towards discrimination and harassment, supported by a robust Code of Ethics and various anti-discrimination policies.

Our five-year employment equity plan has consistently exceeded targets, promoting diversity and inclusion across the organisation. Training and development programmes are in place to ensure a continuous talent pipeline, and our fair remuneration practices aim to reduce income disparity and support employee well-being.

Guide for further reading

- Integrated Annual Report | Page 65
- ESG Performance Summary | Page 41

Appreciation

On behalf of the Committee, I sincerely thank the Group executives and management teams for their ongoing leadership. I am continually amazed by the resilience of the Pick n Pay and Boxer family all working together to put the business back on track. We have a strong operational leadership team to help us set the business on a path of long-term sustainability, supported by phenomenal people across the country with support teams across our business and supply chains.

In closing, I thank my colleagues on the Board and the other committees that support us and contribute to taking forward our sustainability strategy and vision.

Suzanne Ackerman

Chair, Social, Ethics and Transformation Committee

26 June 2024

Shareholders' information

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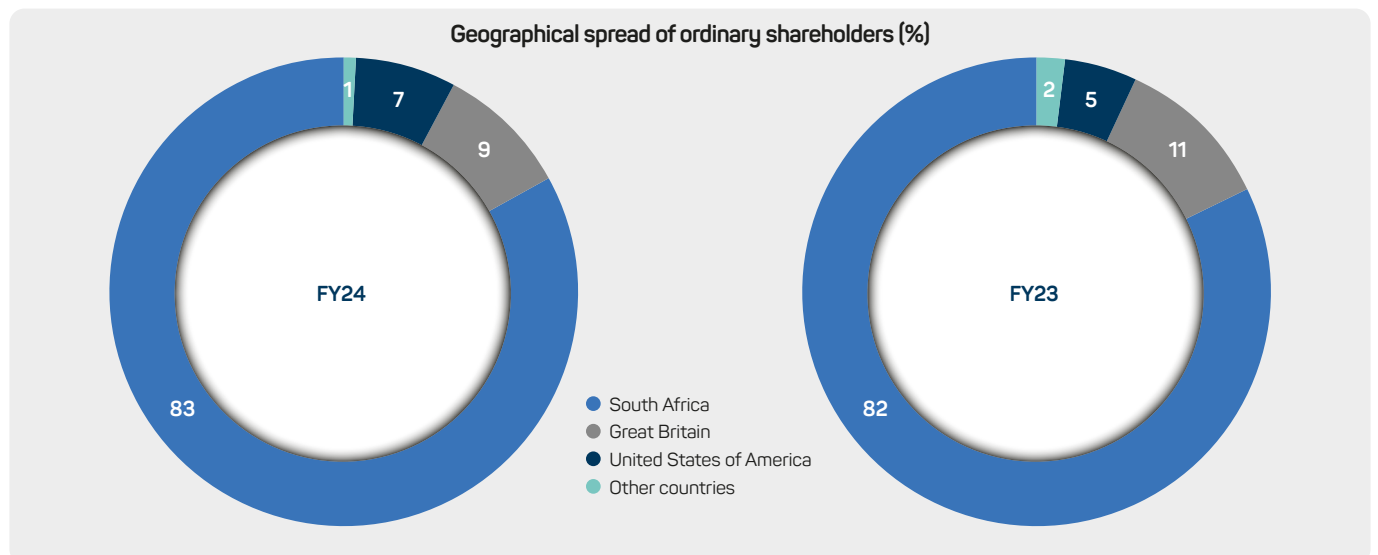
Analysis of ordinary shareholders

as at 25 February 2024

Shareholder spread	Number of shareholders	%	Number of Shares	%
1 – 1 000 shares	23 656	78.9	3 092 282	0.6
1 001 – 10 000 shares	4 846	16.2	16 071 284	3.3
10 001 – 100 000 shares	1 151	3.8	34 521 860	7.0
100 001 – 1 000 000 shares	268	0.9	75 227 882	15.2
1 000 001 shares and over	54	0.2	364 537 013	73.9
Total	29 975	100.0	493 450 321	100.0

Public/non-public shareholders	Number of shareholders	%	Number of Shares	%
Non-public shareholders	16	0.1	143 032 844	29.0
Ackerman Investment Holdings Proprietary Limited	1	0.0	124 677 237	25.3
Pick n Pay Retailers Proprietary Limited	1	0.0	4 408 135	0.9
Shares held on behalf of FSP/RSP participants	1	0.0	2 160 960	0.4
Boxer Superstores Proprietary Limited	1	0.0	410 500	0.1
Pick n Pay Stores Employee Share Purchase Trust	1	0.0	3 816 452	0.8
Directors of Pick n Pay Stores Ltd	8	0.0	4 457 659	0.9
The Mistral Trust	1	0.0	3 000 000	0.6
Ackerman Pick n Pay Foundation	1	0.0	101 900	0.0
Ackerman Family Investment Holdings Proprietary Limited	1	0.0	1	0.0
Public shareholders	29 959	99.9	350 417 477	71.0
Total	29 975	100.0	493 450 321	100.0

Beneficial shareholders holding 1% or more	Number of Shares	%
Ackerman Investment Holdings Proprietary Limited	124 677 237	25.3
Government Employees Pension Fund	77 201 147	15.6
Fidelity Series Emerging Markets Opportunities Fund	23 245 699	4.7
Allan Gray Balanced Fund	15 426 835	3.1
Alexforbes Investments Solution Limited	13 904 456	2.8
Fiam Group Trust For Employee Benefit Plans	6 045 225	1.2
Norges Bank Investment Management (NBIM)	5 265 769	1.1
Vanguard Emerging Markets Stock Index Fund (US)	4 910 192	1.0





Analysis of B shareholders

as at 25 February 2024

Shareholder spread	Number of shareholders	%	Number of Shares	%
1 – 1 000 shares	1	4.0	522	0.0
1 001 – 10 000 shares	7	28.0	43 599	0.0
10 001 – 100 000 shares	8	32.0	181 479	0.1
100 001 – 1 000 000 shares	4	16.0	1 582 276	0.6
1 000 001 shares and over	5	20.0	257 874 993	99.3
Total	25	100.0	259 682 869	100.0

Public/non-public shareholders	Number of shareholders	%	Number of Shares	%
Non-public shareholders	12	48.0	258 277 425	99.4
Ackerman Investment Holdings Proprietary Limited	1	4.0	246 936 847	95.1
Directors of Pick n Pay Stores Limited [#]	10	40.0	5 991 019	2.3
Mistral Trust	1	4.0	5 349 559	2.0
Public shareholders	13	52.0	1 405 444	0.6
Total	25	100.0	259 682 869	100.0

Beneficial shareholders holding 1% or more	Number of Shares	%
Ackerman Investment Holdings Proprietary Limited	246 936 847	95.1
Mistral Trust	5 349 559	2.1
Gareth Ackerman (Director of Pick n Pay Stores Limited)	3 228 383	1.2

[#] Includes direct and indirect holdings. Refer to note 4.3 of the Group 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.

Control Changes

The Group's controlling shareholder, Ackerman Investment Holdings (AIH) has agreed to a number of important corporate governance changes to strengthen the independence of the PIK Board and to balance the interests of all its shareholders:

- AIH will forego majority shareholder voting control of PIK, allowing Ackerman family voting rights to fall below 50% post the Rights Offer
- AIH will forego its right to nominate the Chairman, CEO and CFO of the PIK Board going forward
- AIH will reduce its representation on the PIK Board from 4 directors to 3, with the retirement of David Robins at the 2024 AGM
- The independence of the Nominations and Corporate Governance, Finance and Investment, and Social, Ethics and Transformation committees have been strengthened
- In terms of the planned Boxer IPO, there will be no AIH representation on the Boxer board and no controlling voting structures for Boxer

Please refer to page 14 in the Integrated Annual Report for further information.

Shareholders' calendar

July 2024



- Planned launch of Rights Offer

August 2024



- H1 FY25 financial period close



- Trading Update
- Annual General Meeting¹



- Planned shareholders' meeting required for the Boxer IPO

October 2024



- FY25 Interim financial result publication



- Shareholder interim financial result roadshow

November 2024



- Planned Boxer IPO
(dependent on shareholder and regulatory approvals and market conditions)

February 2025



- Trading Update

March 2025



- FY25 53-week financial period close

May 2025



- FY25 financial result publication
- Shareholder annual financial result roadshow

June 2025



- Publication of:
- FY25 Integrated Annual Report
 - FY25 Audited Annual Financial Statements
 - FY25 Corporate Governance Report
 - FY25 Sustainability Report / ESG Databook

¹ The 56th Annual General Meeting (AGM) of the shareholders of Pick n Pay Stores Limited will be conducted entirely by electronic communication as permitted by the Companies Act, No 71 of 2008, as amended and the Company's Memorandum of Incorporation. The live AGM webcast will be held at 08:30 on 27 August 2024. Please register for the AGM via the Lumi electronic platform at www.smartagm.co.za



Notice of Annual General Meeting

Notice is hereby given of the 56th Annual General Meeting (**AGM**) of the shareholders of Pick n Pay Stores Limited (the **Company**) for the 2024 annual financial period.

The AGM will be conducted entirely by electronic communication, with the meeting starting at **08h30 on Tuesday, 27 August 2024**. 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 77.

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 16 August 2024. 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 13 August 2024.

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	28 June 2024
Last day to trade to be entitled to participate and vote	13 August 2024
Record date to be entitled to participate and vote	16 August 2024
Recommended latest date to lodge forms of proxy by 08h30 on	23 August 2024
Recommended latest date to register to attend AGM by 08h30 on	23 August 2024
Electronic AGM at 08h30 on	27 August 2024

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 an 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 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 2024 annual financial period

- The consolidated audited Annual Financial Statements and the 2024 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

Re-appointment of external auditors and designated audit partner

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 entering her fifth year as audit partner.

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 2024 financial year was satisfactory.

The Audit, Risk and Compliance Committee has recommended the re-appointment of Ernst & Young Inc. as the Company's external auditors, with Tina Rookledge as the designated audit partner.

Ordinary resolution number 1

"RESOLVED that Ernst & Young Inc. are hereby re-appointed as the external auditors of the Company (with Tina Rookledge as the designated audit partner)."

2. Ordinary resolutions numbered 2.1 to 2.4

Appointment of directors

Curricula vitae of directors to be elected are presented from page 79.

David Robins, David Friedland, Audrey Mothupi and Annamarie van der Merwe retire in accordance with the Company's MOI and Board Corporate Governance Charter. As confirmed in the 2024 Annual Financial Statements, David Robins will retire after 22 years on the Board. Being eligible, David Friedland, Audrey Mothupi and Annamarie van der Merwe offer themselves for re-election as independent non-executive directors of the Company. Sean Summers was appointed as Chief Executive Officer and a director of the Company on 30 September 2023 by way of a Board resolution and his appointment must be approved by shareholders. Being eligible, Sean Summers offers himself for election as an executive director of the Company.

Non-executive directors are presented to shareholders for election for a three-year term of office. However, independent non-executive directors who have served for more than nine years are presented to shareholders for election for an annual term of office. Institutional knowledge is imperative to facilitate appropriate guidance at Board level and the longer serving directors strengthen the Board in its oversight responsibilities. The Board will initiate a process for long-serving independent non-executive directors to rotate and retire in the ordinary course of Board appointments over the next 12-18 months.

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, Mariam Cassim, James Formby, David Friedland, Aboubakar Jakoet, Audrey Mothupi and Annamarie van der Merwe as independent remains appropriate. As representatives of the controlling shareholder, Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman are not considered to be independent.

The results of a Board evaluation survey performed by the Nominations and Corporate Governance Committee indicate satisfaction that the Board and each Board committee function effectively and that there is an appropriate mix of knowledge, skill, experience and diversity with sufficient capacity to execute duties effectively.

Based on the results of the evaluation of the composition of the Board, and the past 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 David Friedland and Audrey Mothupi for one-year terms of office as independent non-executive directors, Annamarie van der Merwe for a three-year term of office as an independent non-executive director and Sean Summers as an executive director.

Shareholders are requested to consider and, if deemed fit, elect Sean Summers, David Friedland, Audrey Mothupi and Annamarie van der Merwe by way of passing the separate ordinary resolutions set out below:

Ordinary resolution number 2.1

Election of Sean Summers as an executive director

"RESOLVED that Sean Summers be and is hereby elected as an executive director of the Company."

Ordinary resolution number 2.2

Re-election of David Friedland as an independent non-executive director

"RESOLVED that David Friedland be and is hereby re-elected as an independent non-executive director of the Company for a one-year term."

Ordinary resolution number 2.3

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

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

Ordinary resolution number 2.4

Re-election of Annamarie van der Merwe as an independent non-executive director

"RESOLVED that Annamarie van der Merwe be and is hereby re-elected as an independent non-executive director of the Company for a three-year term."

3. Ordinary resolutions numbered 3.1 to 3.6

Appointment of Audit, Risk and Compliance Committee members for the 2025 annual financial period

Curricula vitae of directors proposed to be elected to the Audit, Risk and Compliance Committee are presented from page 80.

Shareholders are requested to consider and, if deemed fit, elect Aboubakar Jakoet, Haroon Bhorat, Mariam Cassim, James Formby, David Friedland and Audrey Mothupi 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. As described above, the Board will initiate a process for its long-serving independent non-executive directors to rotate and retire in the ordinary course of Board appointments over the next 12 to 18 months.

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 2025 annual financial period."

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 2025 annual financial period."

Ordinary resolution number 3.3

Appointment of Mariam Cassim as a member of the Audit, Risk and Compliance Committee

"RESOLVED that Mariam Cassim be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2025 annual financial period."

Ordinary resolution number 3.4

Appointment of James Formby as a member of the Audit, Risk and Compliance Committee

"RESOLVED that James Formby be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2025 annual financial period."

Ordinary resolution number 3.5

Appointment of David Friedland as a member of the Audit, Risk and Compliance Committee

"RESOLVED that David Friedland be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2025 annual financial period, subject to his re-election as a director of the Company in terms of ordinary resolution 2.2."

Ordinary resolution number 3.6

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

"RESOLVED that Audrey Mothupi be and is hereby elected as a member of the Audit, Risk and Compliance Committee of the Company for the 2025 annual financial period, subject to her re-election as a director of the Company in terms of ordinary resolution 2.3."

PART III

Advisory Votes

4. Advisory votes 1 and 2

Remuneration policy and implementation for the 2024 annual financial period

The directors table the remuneration report for the 2024 annual financial period. The remuneration policy and implementation reports are set out in the remuneration report, which can be found on pages 44 to 59 and 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% 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.

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% 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.



PART IV

Special resolutions

5. Special resolution number 1

Directors' fees for the 2025 and 2026 annual financial periods

Shareholders resolved by special resolution at the 2023 AGM to increase directors' fees by CPI for the 2025 annual financial period. In line with this resolution, the Board proposes that all directors' fees be increased by 5% (five percent) for the 2025 annual financial period, with the exception of the fee paid to the lead independent director (contemplated separately below) and the Chair of the Board, who has waived an increase in FY25.

It is separately proposed that the annual all-inclusive fee paid to lead independent director, James Formby, be increased by 25% in recognition of his guidance and support to the Board and all its committees, and specifically his invaluable role on the Finance and Investment Committee.

"RESOLVED, as a special resolution, that the directors' fees, to be paid to the directors in their capacity as directors only, for the 2025 annual financial period, be as follows:

	FY25 proposed R	FY24 previously R
Chair (including participation in all committees)	4 893 300	4 893 300
Lead independent director (including participation in all committees) ¹	1 687 500	1 350 000
Non-executive director	510 300	486 000
Chair of the Audit, Risk and Compliance Committee	441 000	420 000
Chair of the Remuneration Committee	234 150	223 000
Chair of the Social, Ethics and Transformation Committee	234 150	223 000
Chair of the Nominations and Corporate Governance Committee ²	234 150	n/a
Member of the Audit, Risk and Compliance Committee	210 000	200 000
Member of the Remuneration Committee	110 600	105 300
Member of the Social, Ethics and Transformation Committee	110 600	105 300
Member of the Nominations and Corporate Governance Committee	105 000	100 000
Member of the Finance and Investment Committee ³	150 000	–
Member of the Independent Board Committee ⁴	158 550	151 000

¹ The 25% increase reflects the significant role the LID plays on the Board and all committees, particularly his critical role on the Finance and Investment Committee.

² Previously the Committee was chaired by Gareth Ackerman who did not receive an additional fee for this role. Going forward, the Committee will be chaired by independent non-executive director Annamarie van der Merwe who will receive a committee Chair fee aligned with the other Board committees.

³ Previously named the Treasury Committee – an advisory sub-committee to the Audit, Risk and Compliance Committee – now constituted as a key standing committee and renamed as the Finance and Investment Committee. The Committee is chaired by the lead independent director who does not receive an additional fee for chairing this committee.

⁴ Previously named the Corporate Finance Committee – 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 2026 annual financial period. 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 two years from the date of adoption of this special resolution number 1 or until superseded by another special resolution, whichever period is shorter.

6. Special resolution number 2

Additional director fees to be paid in the 2025 financial period

Due to the challenges faced by the Group in FY24, three Board members provided additional support and guidance in a number of critical areas, including liquidity management, the Group's debt restructure and the formulation of the two-step Recapitalisation Plan. The support provided was in addition to their normal Board commitments and required attendance at a significant number of additional ad hoc informal meetings.

A once-off fee is proposed for these directors, in an amount equal to the annual fee of a member of the Audit, Risk and Compliance committee, in order to adequately recognise the additional work undertaken and the valuable support provided.

"RESOLVED, as a special resolution, that additional once-off directors' fees be paid to the following directors in the 2025 annual financial period:

James Formby	Lead Independent Non-Executive Director	R210 000
David Friedland	Independent Non-Executive Director	R210 000
Aboubakar Jakoet	Independent Non-Executive Director	R210 000

Reason for and effect of special resolution number 2

The reason for special resolution number 2 is to obtain shareholder approval to pay additional once-off fees to three independent non-executive directors for additional work undertaken for the Company. The passing of this special resolution will have the effect of approving the additional once-off remuneration proposed in accordance with section 66(9) of the Companies Act.

This authority will be in place for a period of one year from the date of adoption of this special resolution number 2.

7. Special resolution number 3

Provision of financial assistance to related or inter-related parties

The Board shall not adopt any resolution to authorise financial assistance as contemplated in special resolution number 3 unless it:

- is satisfied that immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act; and
- is satisfied that the terms under which such financial assistance is proposed to be given are fair and reasonable to the Company as contemplated in section 45(3)(b)(ii) of the Companies Act; and
- has ensured that, to the extent which may be applicable, any conditions or restrictions in respect of the granting of financial assistance set out in the MOI have been satisfied as contemplated in section 45(4) of the Companies Act.

"RESOLVED, as a special resolution, that the Board of directors be and is hereby authorised in terms of and subject to the provisions of section 45 of the Companies Act to cause the Company to provide any direct or indirect financial assistance to any person that is or that becomes related or inter-related to the Company (as defined in the Companies Act) by way of loan, guarantee, the provision of security or otherwise for any purpose or in connection with any matter, such authority -

- to endure for a period of not more than two years or until superseded by another special resolution (whichever period is shorter);
- to be for such amounts and on such terms and conditions as the Board may determine; and
- not to include the provision of financial assistance to any prescribed officer or director or any trust established for their benefit."

Reason for and effect of special resolution number 3

The reason for and effect of special resolution number 3 is to grant the directors of the Company the authority to cause the Company to provide financial assistance to persons that are or become related or inter-related to the Company other than employees. The financial assistance will be provided as part of the day-to-day operations of the Company in the normal course of its business and in accordance with its MOI and the provisions of the Companies Act.



8. Special resolution number 4

General approval to repurchase Company shares

"RESOLVED, as a special resolution, that the Company hereby approves, as a general approval, the acquisition by the Company or any of its subsidiaries from time to time of the issued shares of the Company upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the MOI, the provisions of the Companies Act, and the JSE Listings Requirements as presently constituted and which may be amended from time to time, and provided that acquisitions by the Company and its subsidiaries of shares in the capital of the Company may not, in the aggregate, exceed in any one financial year 5% (five per cent) of the Company's issued share capital of the class of repurchased shares from the date of the grant of this general approval."

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 of directors of the Company that they authorised 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 of directors of the Company hereby states that:

- the intention of the directors of the Company 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 of the Company 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 of directors 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 have 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 4

The reason for special resolution number 4 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.

9. Proposed reduction in share capital

In the circular distributed to shareholders on 27 May 2024 relating to the extraordinary general meeting held on 26 June 2024 (**EGM Circular**), the Company undertook to propose a shareholder resolution at the AGM – to authorise the reduction of the number of authorised Ordinary Shares and B Shares of the Company such that, following such reduction, the unissued Ordinary Shares and B Shares would constitute no more than 10% of the total number of authorised Ordinary Shares and B Shares, respectively, immediately after the date of completion of the Rights Offer (as defined in the Corporate Governance Report 2024).

However, due to the fact that this notice of AGM is required to be distributed to shareholders prior to the Rights Offer completing, it is not practically possible to include such resolution in this notice of AGM.

Accordingly, the Company intends proposing the resolution to reduce the number of authorised Ordinary Shares and B Shares at a further extraordinary general meeting that will be held for the purposes of obtaining certain approvals required in connection with the Boxer IPO (as defined in the Corporate Governance Report 2024), which meeting is intended to be convened either on the same date as the AGM, or shortly thereafter. As noted in the EGM Circular, AIH, as the controlling shareholder, has committed to vote in favour of such resolution.

10. To transact such 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 18 to 22;
- The curricula vitae of directors standing for election on page 79;
- The curricula vitae of directors nominated for election as members of the Audit, Risk and Compliance Committee on page 80
- The remuneration report from page 38;
- The directors' interest in shares on page 58.

The Integrated Annual Report, and the consolidated audited Annual Financial Statements, are published on the Group's website, www.picknipayinvestor.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 2024 financial period end and 26 June 2024.

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 66 and 67 for details of major shareholders.

E. Share capital

Shareholders are referred to page 24 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, 23 August 2024. 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, 23 August 2024.

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 by submitting the written application 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

- Register online by no later than 08h30 on Friday, 23 August 2024 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.
- Register via email by no later than 08h30 on Friday, 23 August 2024 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.
- 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.za

so as to be received by Computershare by no later than 08h30 on Friday, 23 August 2024.

NOTE: Shareholders wishing to participate in and/or vote at the AGM and who register after 08h30 on Friday, 23 August 2024 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.

- 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 Monday, 26 August 2024 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
26 June 2024



Curricula vitae of directors to be elected

Pick n Pay Stores Limited

Sean Summers

Chief Executive Officer

Sean Summers worked for the Group between 1974 and 2007, rising 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 business and South African grocery retailing and was reappointed as CEO of the Pick n Pay Group on 30 September 2023.

David Friedland

CA(SA)

Independent non-executive director

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

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.

Other listed company directorships: The Foschini Group Limited.

Audrey Mothupi

BA (Hons)

Independent non-executive director

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

Audrey is the Chief Executive Officer of the South African-based SystemicLogic Group, a global financial innovation, data and technology disruptor specialising in emergent business models. Audrey's experience spans across various business domains including group strategy, talent design, marketing and communication as well as data, technology and innovation. Prior to SystemicLogic Group, Audrey was the head of inclusive banking at Standard Bank Group.

Audrey has served as the Chair of Roedebeek School (SA) as well as the Chair of Orange Babies of South Africa. Audrey has previously served on the boards of Nordic Female Business Angel Network and the Numeric Board of South Africa. She is a Fellow of the Africa Leadership Initiative (ALI), a member of the International Women's Forum (IWF) and a board member of the International Women's Forum South Africa (IWFS). Audrey has been named one of Africa's 1 000 most powerful women.

Other listed company directorships: Life Healthcare Group Limited, Altona Rare Earths plc (listed on the Aquis Stock Exchange).

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 the Independent Board Committee

Annamarie is the Executive Chair of the FluidRock Governance Group, a business that she co-founded approximately 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.

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, member of the Remuneration Committee, member of the Nominations and Corporate Governance Committee and member of the 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

Haroon Borhat

PhD in Economics

Independent non-executive director

Member of the Audit, Risk and Compliance Committee, the Finance and Investment Committee, the Remuneration Committee, the Social, Ethics and Transformation Committee and the 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.

Other listed company directorships: Sygnia Asset Management

Mariam Cassim

CA(SA), MBA

Independent non-executive director

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

Mariam Cassim is the Chief Executive Officer of Vodacom Financial and Digital Services and a member of the Vodacom Group's executive committee. Mariam's professional experience includes Corporate Finance and Deal Structuring, Mergers and Acquisitions, Debt Structuring and Commercial Evaluation. Her flair for innovation, disruption and new business development allows Mariam to generate creative business solutions that have a strong purpose element and thereby benefit business as well as society. Mariam served on the board of Super Group Limited until December 2020.

James Formby

CA(SA), Masters in Philosophy in Management Studies

Lead independent non-executive director

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

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 deals made him a core member in many BBBEE transactions, IPOs, de-listings, mergers, acquisitions, and disposals over his tenure with RMB. As CEO, James played a significant role in developing RMB's strategy.

Other listed company directorships: Vukile Property Fund Limited

David Friedland

CA(SA)

Independent non-executive director

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

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.

Other listed company directorships: The Foschini Group Limited.

Audrey Mothupi

BA (Hons)

Independent Non-executive director

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

Audrey is 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. 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), and a member of the International Women's Forum (IWF).

Other listed company directorships: Life Healthcare Group Limited, Altona plc (listed on the Aquis Stock Exchange).

Form of proxy

FOR COMPLETION BY SHAREHOLDERS WHO HAVE NOT YET DEMATERIALIZED THEIR SHARES OR WHO HAVE DEMATERIALIZED 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 Stores) 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, 27 August 2024 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 Stores 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 Stores 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).

Resolution	Description	Number of votes (one vote per ordinary share)		
		In favour of	Against	Abstain
Ordinary resolution number 1	Re-appointment of external auditors and designated audit partner			
Ordinary resolution number 2.1	Election of Sean Summers as an executive director			
Ordinary resolution number 2.2	Re-election of David Friedland as a non-executive director			
Ordinary resolution number 2.3	Re-election of Audrey Mothupi as a non-executive director			
Ordinary resolution number 2.4	Re-election of Annamarie van der Merwe as a non-executive director			
Ordinary resolution number 3.1	Appointment of Aboubakar Jakoet to the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.2	Appointment of Haroon Borhat to the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.3	Appointment of Mariam Cassim to the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.4	Appointment of James Formby to the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.5	Appointment of David Friedland to the Audit, Risk and Compliance Committee			
Ordinary resolution number 3.6	Appointment of Audrey Mothupi to the Audit, Risk and Compliance 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 2025 and 2026 annual financial periods			
Special resolution number 2	Additional director fees to be paid in the 2025 financial period			
Special resolution number 3	Provision of financial assistance to related or inter-related parties			
Special resolution number 4	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 at _____ on _____ 2024

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

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. For administrative purposes, it is recommended that proxy forms be received or lodged by no later than 08h30 on Friday, 23 August 2024, being 2 (two) business days before the AGM to be held at 08h30 on Tuesday, 27 August 2024. Proxy forms must be lodged before the commencement of the AGM.
7. 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 subregister voting on instructions from beneficial owners of shares registered in the Company's subregister, are requested that they identify the beneficial owner in the subregister 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.
8. 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.
9. 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, 23 August 2024 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, 23 August 2024 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, 23 August 2024.

NOTE: Shareholders wishing to participate in and/or vote at the AGM and who register after 08h30 on Friday, 23 August 2024 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, 26 August 2024, 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

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)¹
Lerena Olivier (CFO)

Non-executive

Gareth Ackerman (Chair)
Suzanne Ackerman
Jonathan Ackerman²
David Robins

Independent non-executive

Haroon Borat
Mariam Cassim
James Formby
David Friedland
Aboubakar Jakoet
Audrey Mothupi
Annamarie van der Merwe

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

Investec Bank Limited
100 Grayston Drive
Sandton 2196

Transaction 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 transactional bankers

Absa Limited
Nedbank Limited

Corporate advisors

ABSA Bank Limited
(acting through its Corporate and Investment Banking division)
Rand Merchant Bank
(a division of FirstRand Bank Limited)
The Standard Bank of South Africa Limited
(acting through its Corporate and Investment Banking division)

Company Secretary

Vaughan Pierce³
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

Investor relations: www.picknpayinvestor.co.za

Customer careline

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

Boxer

Tel: +27 860 02 69 37
Email address: customercare@boxer.co.za

¹ Sean Summers replaced Pieter Boone as CEO, effective 30 September 2023.

² Jonathan Ackerman retired as an executive director on 31 March 2023 and was appointed as a non-executive director on that date.

³ Vaughan Pierce was appointed as Company Secretary effective 14 March 2024.

Pick n Pay Online

Pick n Pay
Online

Pick n Pay
asap!

Pick n Pay
HOME

Pick n Pay
Clothing

www.pnp.co.za | www.pnp-home.co.za | www.picknpayclothing.co.za

Engage with us on



