PICK N PAY STORES LIMITED
TERMS OF REFERENCE:
THE FINANCE AND INVESTMENT COMMITTEE

1. CONSTITUTION

1.1. The Finance and Investment Committee ("**FIC**" or "**the Committee**") is constituted as a committee of the board of directors ("**the Board**") of Pick n Pay Stores Limited ("**the Company**") in accordance with section 72 of the Companies Act No. 71 of 2008 ("**the Act**") and considering the recommendations of the King IV Report on Corporate Governance for South Africa, 2016 or any successor codes on corporate governance applicable in South Africa.

1.2. The Company and all of its subsidiaries shall hereinafter be referred to as "**the Group**".

1.3. The FIC reports to the Board in respect of all duties assigned to it by the Board.

1.4. The roles and responsibilities of the members of the Committee as set out in these terms of reference ("**TOR**") must be read and carried out in conjunction with those set out in the Group Board Charter.

1.5. The duties and responsibilities of FIC members as set out in these TOR are in addition to the duties and responsibilities that they have as members of the Board. The deliberations of the FIC do not reduce the individual or collective responsibilities of the Board members with regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgment in accordance with their legal obligations as members of the Board.

1.6. These TOR are subject to the provisions of the Act, the Company's memorandum of incorporation, the JSE Limited Listings Requirements and all other applicable laws or regulations (which take precedence over these TOR in the event of a conflict).

1.7. Any capitalised words used and not defined herein shall have the meaning given to them in the Group Board Charter.

2. PURPOSE

The purpose of these TOR is to set out the role and responsibilities of the Committee and the formal requirements for its composition and meeting procedures.

3. COMPOSITION AND TERM

3.1. The Committee shall comprise at least four (4) non-executive members, which shall include:

3.1.1. the Lead Independent Director; and

3.1.2. at least three (3) other independent non-executive directors of the Board.

3.2. Members of the Committee must collectively have the necessary qualifications, knowledge, skills, experience and capacity to fulfil their duties effectively.

3.3. The Committee members are nominated by the Nominations and Corporate Governance Committee ("**NomGov**") and appointed by the Board. Committee members shall serve on the Committee until such time as they (i) resign in accordance with clause 3.6, (ii) cease to be a member of the Board in accordance with paragraph 3.5, or (iii) are removed by the Board, in accordance with paragraph 3.4.

3.4. The Board has the power to remove any member of the Committee and to fill any vacancies created by such removal.

3.5. Should a Committee member cease to be a member of the Board, such member's membership of this Committee shall automatically terminate.

3.6. Members of the Committee may resign by giving written notice thereof to the chairperson of the Committee (the "**Committee Chair**"), with a copy to the company secretary of the Company (the "**Company Secretary**"). The Company Secretary must notify the Board and the NomGov of any resignation or removal of any member of the Committee as soon as reasonably possible.

3.7. Following nominations from the NomGov, the Board shall appoint the Committee Chair, who shall be an independent non-executive director of the Company.

3.8. NomGov shall informally review the composition and membership of the FIC annually and ensure that the members have sufficient knowledge, skills, experience and capacity to fulfil their duties. The outcome of this review shall be reported to the Board.

3.9. The Company Secretary, or their nominee, shall act as the secretary of the Committee, attend all FIC meetings, ensure that the Committee receives all necessary information and meeting packs in a timely manner to enable full and proper consideration and preparation for the meeting and ensure that all proceedings, discussions and decisions taken at the FIC meeting are minuted. In the event that the Committee secretary is absent from any meeting, the Committee Chair shall nominate a member of the Committee to keep notes of the discussions and/or decisions for record purposes.

4. ROLE AND MANDATE

4.1. The role of the FIC is to act as an advisory forum for the Board and/or the GARCC, where appropriate, by:

4.1.1. overseeing (a) the management of the Group's balance sheet, including the Group's liquidity, capital investment allocation, and treasury risk, and (b) the effectiveness of its treasury function, in order to support the Group's long-term financial health and sustainability and safeguard the Group's assets, and

4.1.2. ensuring that all investment decisions are taken under the guiding principle that total capital expenditure should not exceed cash generated from operations, unless a specific set of circumstances warrants excess capital expenditure and the departure from this guiding principle is sanctioned by the Board.

4.2. The FIC has evolved from the former Treasury Committee to provide more regular and detailed engagement on financial matters in response to extraordinary liquidity and funding pressures. .It has been delegated a broader financial oversight role, including cash flow, funding, treasury and budget interrogation.

4.3. It is the intention of the Board to reduce reliance on the FIC as the Group's financial situation stabilises.

4.4. The detailed responsibilities of the FIC are set out in paragraph 5 below.

4.5. The Committee acts in accordance with the delegated authority mandated by the Board, as recorded in these TOR. The Board supports and endorses the FIC, which operates independently of management and is free of any organisational impairment.

4.6. The FIC shall make recommendations to the Board that it deems appropriate on any area within the ambit of its TOR where action or improvement is required. The Committee Chair shall report to the Board after each Committee meeting on matters dealt with and decisions taken by the Committee. For the avoidance of doubt, the role of the FIC is to provide recommendations to the Board for final approval. No final decisions shall be taken by the FIC.

5. RESPONSIBILTIES

The Committee performs all the functions as are necessary to fulfil its role as stated above, including without limitation the following:

5.1. Cash flow and working capital

5.1.1. reviewing the liquidity and solvency position of the Group and main subsidiaries and assessing the Group's ability to continue trading as a going concern, which includes a detailed review and assessment of the:

5.1.1.1. half-year and/or full-year financial results, as the case may be;

5.1.1.2. the annual budget;

5.1.1.3. current and forecasted net funding position, working capital and borrowing facilities;

5.1.1.4. bank loan covenants; and

5.1.1.5. the Group's dividend policy,

with recommendations to the Board as appropriate;

5.2. Borrowing and investment strategies

5.2.1. reviewing the Group's debt facilities and debt pay-down or raising initiatives, including:

5.2.1.1. sufficiency of facilities to meet liquidity requirements;

5.2.1.2. all funding alternatives and hedging options;

5.2.1.3. the mix of equity, short- and long-term debt;

5.2.1.4. progress of the Group's plans to manage, raise and pay down its debt; and

5.2.1.5. the sustainability of the medium- and long-term capital structure;

5.2.2. reviewing the Group's surplus cash and cash investment mandates and approving investment mandates for the Group's surplus cash;

5.2.3. reviewing the Group's current and forecasted capital investments and approving funding plans for the Group's capital expenditure;

5.2.4. ensuring that investment, divestment or acquisition opportunities are in line with the Group's strategy and recommending such opportunities to the Board;

5.2.5. monitoring return on investments and/or acquisitions to ensure continued alignment with financial targets and the Group's strategy;

5.2.6. review of the valuation of the Group's property portfolio;

5.2.7. advising on strategic financial decisions;

5.2.8. maintaining relationships with strategic funders and other financial institutions; and

5.2.9. reviewing the Group's share scheme liability, treasury shares and related mandates, to ensure adequate treasury shares are held by the Group and to propose share purchase mandates where required;

5.3. Compliance and risk

5.3.1. ensuring compliance with internal financial policies and applicable laws, regulations and rules by recommending any required actions to the Board;

5.3.2. assessing and advising the Board on actions to mitigate financial risk, including but not limited to currency exposure, interest rate exposure and counterparty risk, and reviewing the Group's hedging policy;

5.4. Share and Cash Incentive Scheme

5.4.1. in conjunction with the remuneration committee of the Company (the **Remuneration Committee**), ensuring all share incentive schemes are adequately and appropriately funded (through the use of treasury shares or other Board-approved funding mechanisms);

5.5. Oversight of Boxer

5.5.1. overseeing and monitoring each responsibility set out in paragraphs 5.1 – 5.4 above in relation to Boxer Retail Group Limited (**Boxer**) and its subsidiaries (**Boxer Group**);

5.5.2. ensuring the Committee Chair engages with the chairperson of the audit, risk and compliance committee of Boxer, as needed, to provide adequate oversight of the treasury and finance function of the Boxer Group, including ensuring capital structure liquidity decisions taken by Boxer align with its approved mandate; and

5.6. Reporting

providing accurate, reliable and relevant financial information and findings in respect of the aforementioned responsibilities to the Board after each Committee meeting, and to other Board committees and management as and when required.

6. AUTHORITY

The FIC shall:

6.1. act in accordance with the delegated authority of the Board as recorded in this TOR;

6.2. have the power to investigate any activity within the scope of this TOR, and request that the Board obtain independent professional advice and/or assurance to assist with the execution of its duties;

6.3. in the fulfilment of its duties, have the right to call upon the chairpersons of other Board committees, other directors, Company employees, or assurance providers to provide it with information, subject to a Board-approved process;

6.4. have reasonable access to the Company's records, facilities, employees and any other resources necessary to discharge its duties and responsibilities subject to following a Board-approved process through the Company Secretary; and

6.5. have the right to form sub-committees and delegate authority to (i) such sub-committees, (ii) one or more designated members of the Committee, or (iii) one or more members of the executive management team to perform certain tasks on its behalf.

7. MEETINGS PROCEDURE

7.1. Frequency

7.1.1. Committee meetings shall be held at least four (4) times a year. Additional Committee meetings may be held at the request of any member of the FIC or the Board as required.

7.1.2. Meetings shall be scheduled in accordance with the annual Board calendar.

7.2. Notice

Unless agreed otherwise, notice of each meeting confirming the venue, time and date together with an agenda and supporting documents shall be forwarded to each member of the Committee, and any other person required/invited to attend, no fewer than five (5) days prior to the date of the meeting.

7.3. Agenda and minutes

7.3.1. The Committee shall establish an annual workplan for each year to ensure that all relevant matters, as laid out in these TOR, are covered by the agendas of the meetings planned for that year. This annual workplan shall be implemented and approved by the Committee and shall be reviewed annually together with these TOR.

7.3.2. The Committee Chair may meet with the Company's chief executive officer ("**Chief Executive Officer**"), chief finance officer, head of group treasury and other members of senior management and/or the Company Secretary prior to a Committee meeting to discuss important issues and finalise the meeting agenda.

7.3.3. Minutes of Committee meetings shall be completed by the Company Secretary, or a designated member of the Group Treasury team, and approved by the Committee Chair as soon as practicable after the meeting and circulated to the Committee members timeously.

7.3.4. The minutes shall be formally approved by the FIC at the next meeting.

7.4. Attendance

7.4.1. Committee members should attend all scheduled meetings of the Committee, including meetings called on an ad hoc basis for special matters, unless prior apology, with reasons, has been submitted to the Committee Chair and Company Secretary.

7.4.2. The Chief Executive Officer, Chief Finance Officer and Head of Group Treasury are standing invitees to FIC meetings. Invitations to Committee meetings may be extended to members of the Group Executive and any other members of senior management and professional advisors, as deemed appropriate.

7.4.3. Any other member of the Board shall be entitled to attend the Committee meetings as an observer.

7.4.4. Committee members must be fully prepared for meetings in order to provide appropriate and constructive input on matters discussed and to properly report to the Board on its activities and recommendations.

7.4.5. The meetings of the Committee may be held in person, or by electronic communication, as circumstances may require, provided that the required quorum is met and that the members can speak and hear one another during the meeting.

7.5. Quorum and voting

7.5.1. The quorum required for a meeting shall be a majority of Committee members present in person or via electronic communication facilities throughout the meeting. In the absence of the Committee Chair, the members present may nominate and elect one (1) of the members present to act as Committee Chair for the duration of the meeting.

7.5.2. Invitees in attendance at Committee meetings are encouraged to take part in Committee discussions, but do not form part of the required quorum and do not vote on resolutions.

7.5.3. A decision of the Committee at a meeting shall be approved by a majority of votes cast by the members of the Committee who are eligible to vote at a meeting.

7.5.4. A resolution in writing adopted by the majority of the Committee members is valid and effective as if it had been passed at a duly called and constituted meeting, provided that each director has received notice of the matter to be decided. Such resolution shall be presented at the next meeting for noting and signature by the Committee Chair.

7.5.5. Where a member is recused from the meeting, the meeting shall remain quorate during his/her absence.

7.5.6. In the absence of a quorum and subject to the discretion of the Committee Chair, the meeting can either be postponed to a later date or can proceed as an informal meeting with all resolutions required to be taken at the meeting being formally approved by way of a written resolution.

7.5.7. No recommendations tabled for approval by the Committee at a meeting which is not quorate shall be implemented or given effect to until formally approved via written recommendation or a formal meeting.

7.5.8. A written resolution circulated in terms of paragraphs 7.5.6 and 7.5.7 above, requires unanimous approval, in the absence of which a special meeting of the committee shall be convened for the matter to be discussed and formally approved during this special meeting.

7.6. Declaration of interest

7.6.1. At the commencement of each meeting, all Committee members must declare whether they have any conflict of interest in respect of any matter on the agenda.

7.6.2. Such conflict should be recorded in the minutes and conflict of interest register (where applicable).

7.6.3. The Committee shall discuss the conflict and decide upon its severity, impact and determine the appropriate management of such conflict.

7.6.4. Depending on the outcome of the above, when the relevant agenda item arises, the affected Committee member should be recused from the meeting for the duration of that matter being discussed and shall not have a vote on the matter.

7.7. Confidentiality

All Group, Company and/or divisional information that is shared with / comes to the attention of the FIC members and invitees must be kept confidential.

7.8. Reporting to the Board

The Committee Chair shall report on key matters addressed by the Committee at each Board meeting following the Committee meeting (or sooner, where appropriate).

8. ANNUAL REPORTING TO STAKEHOLDERS

8.1. The Committee Chair shall prepare an annual report, to be included in the integrated annual report of the Company or annual corporate governance report of the Company, as appropriate, which describes the Committee’s mandate, composition and responsibilities and how these responsibilities were discharged during the financial year, including key areas of Committee focus and the key decisions taken.

8.2. The Committee Chair, or other member(s) of the Committee as determined by the Committee Chair, shall attend each AGM and be prepared to respond to any Shareholder questions on the Committee’s activities and the Committee composition.

9. REMUNERATION OF FIC MEMBERS

Each member of the Committee and the Committee Chair shall be paid such remuneration in respect of his/her appointment as recommended by the Remuneration Committee and the Board

10. BOARD EVALUATION OF FIC PERFORMANCE

10.1. The FIC shall perform a self-evaluation of its effectiveness every second year and report the results thereof to the NomGov.

10.2. In addition, the NomGov shall perform a formal annual evaluation of the FIC performance and effectiveness, which shall include an evaluation of the Committee Chair and each Committee member, with its conclusions and recommendations (as relevant) submitted to the Board for approval. Such evaluation shall be conducted in accordance with the methodology approved by the Board and should preferably be facilitated externally.

11. REVIEW OF TERMS OF REFERENCE

The FIC shall review these TOR annually, to ensure that they remain consistent with its statutory duties and the Board's objectives and responsibilities. These TOR may be amended as required, subject to approval of the Board.

12. APPROVAL OF TERMS OF REFERENCE

These TOR are endorsed by the Committee Chair and approved by the Board.

5 August 2025

Date of Board Approval