Annamarie van der Merwe

Report of the Nominations and Corporate Governance Committee

The Nominations and Corporate Governance Committee ("the Committee") is pleased to present its report for the 2026 financial year. The report is prepared in accordance with the Companies Act, the JSE Listings Requirements, and the King IV Report on Corporate Governance. It outlines the Committee's mandate and governance oversight activities, with a particular focus on Board composition, executive succession, and the ongoing strengthening of the Group's governance frameworks.

Committee Chair statement

As Pick n Pay progressed through the next phase of its turnaround, the Committee devoted much of its attention to leadership continuity, Board renewal and succession planning. These remain critical priorities as the Group continues to strengthen its operational and financial performance while positioning itself for long-term success.

The Board renewal programme initiated in FY24 continued during the year. This programme was introduced following commitments made to shareholders during the recapitalisation process and is intended to ensure a measured rotation of long-serving directors while preserving institutional knowledge and governance continuity. During FY26, the Board welcomed Pooven Viranna, Thabo Leeuw and Grant Pattison as independent non-executive directors, bringing additional financial, operational and strategic expertise to the Board. The Committee also continued planning for future retirements, including that of Audrey Mothupi-Palmstierna, who will retire at the 2026 Annual General Meeting after many years of distinguished service to both the Board and this Committee. I would like to thank Audrey for her significant contribution to the Group over many years.

The Committee supported the orderly transition of the Board Chair role from Gareth Ackerman to James Formby following the 2025 Annual General Meeting. This transition was the result of careful planning over an extended period and reflects the Board's commitment to leadership continuity and sound governance. During the year, James also stepped down as Chair of Boxer Retail Limited and was succeeded by Sean Summers, providing continuity across the Group's governance structures.

The Committee reviewed the long-term Chief Executive Officer succession plan following the extension of Sean Summers' tenure to May 2028. Particular focus was placed on developing internal leadership pipelines, assessing future executive readiness and ensuring sufficient time for a structured and orderly succession process.

The Committee also oversaw the planned transition of the Chief Finance Officer role. Following a comprehensive succession process, Tina Rookledge joined the Group in February 2026 and has been working alongside Lerena Olivier as part of a structured handover programme ahead of assuming the role following the 2026 Annual General Meeting. The Committee is grateful for Lerena's exceptional contribution to the Group and is confident that the transition process will provide continuity and stability in this critical leadership position.

The Committee continued to prioritise Board diversity and succession planning and engaged with independent search specialists throughout the year to strengthen the Board succession pipeline and broaden the range of candidates considered for future appointments, with a focus on improving diversity on the Board.

I also welcomed Haroon Bhorat to the Committee following his appointment as Chair of the Social, Ethics and Transformation Committee. Consistent with the Group's governance framework, the Chairs of all the Board's principal committees participate on the Committee to support effective coordination across the Board's governance structures.

During the year, the Committee engaged with Charlotte Maponya, Chair of Boxer's Nominations and Corporate Governance Committee, on matters of shared governance relevance. This engagement supports alignment where appropriate, while recognising the independence and responsibilities of each Board.

The annual Board and committee evaluations confirmed a strong governance culture, constructive engagement and effective execution of responsibilities, while also identifying opportunities to strengthen our longer-term succession planning horizon.

On behalf of the Committee, I thank my fellow directors, management and the Company Secretary for their professionalism, commitment and support during the year.

Committee mandate

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

- Board composition, succession planning, diversity and independence
- Executive succession, leadership development and talent continuity
- Corporate governance frameworks, policies and governance developments
- Board, committee and director effectiveness, performance and development

Committee governance and attendance

The Committee operates in accordance with a Board-approved Terms of Reference and annual work plan, both of which are reviewed annually. The Committee met six times during FY26. Given the scale of Board renewal and succession activities undertaken during the year, additional meetings were required to ensure sufficient time for candidate evaluation, succession planning and governance oversight. The Committee worked closely with the Remuneration Committee on matters relating to executive succession and leadership development and engaged with other Board committees where responsibilities intersected. Meetings were attended by Committee members and, where necessary, supported by executive management and independent advisors. Key decisions and recommendations were tabled at subsequent Board meetings for discussion and ratification.

FY26 membership	Attendance
Annamarie van der Merwe (Chair)	6/6
Haroon Bhorat[1]	1/2
James Formby	6/6
Aboubakar Jakoet	5/6
Audrey Mothupi-Palmstierna	6/6

[1] *Appointed 5 August 2025.*

The Committee's key focus areas during the year

Board composition, succession and renewal

The Committee continued to oversee Board succession planning and renewal to maintain an appropriate balance of skills, experience, diversity and independence. The Board renewal programme remains on track and is delivering on the commitments made to shareholders regarding Board refreshment, succession and governance continuity. In response to shareholder feedback on the independence of the Remuneration Committee, Grant Pattison joined the Committee as an independent non-executive director in February 2026. Audrey Mothupi will retire from the Board and as Chair of the Remuneration Committee in August 2026, with Haroon Bhorat succeeding her as Chair.

During FY26, the Committee:

- Oversaw the transition of the Board Chair role from Gareth Ackerman to James Formby
- Recommended the appointment of Pooven Viranna, Thabo Leeuw and Grant Pattison as independent non-executive directors
- Advanced the Board renewal programme, including succession planning for long-serving directors
- Maintained a pipeline of prospective Board candidates through engagement with independent search specialists

Board diversity, skills and independence

The Committee continued to oversee implementation of the Board diversity policy and considered diversity across race, gender, skills, experience and perspective when evaluating Board composition and future appointments. The Committee remains satisfied that the Board retains an appropriate balance of skills, experience and independent judgement. While progress has been made in improving diversity, enhancing race and gender representation remains an important focus area of the Board renewal and succession programme.

During FY26, the Committee:

- Reviewed progress against the Board diversity policy and diversity objectives
- Assessed the composition of the Board and its committees against skills, experience, race and gender requirements
- Considered diversity and transformation objectives as part of all Board succession discussions
- Conducted annual independence assessments in accordance with King IV and the JSE Listings Requirements

Executive succession and leadership continuity

The Committee provided oversight of the succession planning for key leadership positions across the Group. The Committee believes that leadership continuity and succession planning remain fundamental to the successful execution of the Group's strategy and turnaround objectives.

During FY26, the Committee:

- Reviewed the long-term Chief Executive Officer succession plan following the extension of Sean Summers' contract to May 2028
- Oversaw the planned Chief Finance Officer transition from Lerena Olivier to Tina Rookledge
- Assessed succession plans for key executive and senior operational leadership positions
- Reviewed leadership development initiatives and the Group's longer-term talent pipeline

Governance framework and policies

The Committee continued to oversee the Group's governance framework and monitor developments in governance best practice. The Committee remains satisfied that the Group's governance framework continues to support effective oversight, accountability and decision-making.

During FY26, the Committee:

- Reviewed the Committee's Terms of Reference and annual work plan
- Oversaw the annual review of key governance policies and frameworks
- Monitored relevant governance and regulatory developments
- Considered governance matters arising from the Group's relationship with Boxer

Board and committee effectiveness

The Committee oversaw the annual evaluation process for the Board, its committees and individual directors. The Committee was satisfied that the Board and its committees continue to operate effectively and that identified improvement opportunities have been incorporated into future work plans.

During FY26, the Committee:

- Oversaw the annual Board, committee and director evaluation process
- Assessed Board culture, effectiveness and governance practices
- Reviewed committee performance against approved mandates
- Identified opportunities for continuous improvement and future focus areas

Committee effectiveness and future focus areas

The Committee is satisfied that it has fulfilled its responsibilities during FY26 in accordance with its mandate and Terms of Reference. The Committee believes that the Board remains appropriately constituted and that effective succession planning, governance oversight and Board renewal processes are in place to support the Group's long-term success.

Focus areas for FY27 include:

- Implementing the next phase of the Board renewal and succession programme
- Strengthening executive leadership pipelines and succession readiness across the Group
- Advancing Board diversity objectives through future director appointments
- Simplifying and enhancing governance and reporting processes
- Preparing for emerging governance developments, including the transition from King IV to King V

Annamarie van der Merwe
Chair: Nominations and Corporate Governance Committee

30 June 2026