Audrey Mothupi-Palmstierna

Report of the Remuneration Committee

Part 1: Background statement

Message from the Remuneration Committee Chair

The decisions considered by the Remuneration Committee during FY26 were among the most complex and consequential in recent years. As Pick n Pay continued the implementation of its turnaround strategy, the Committee was required to consider a range of people and remuneration matters against a backdrop of significant organisational change. Many of these decisions affected employees directly and had implications for the long-term sustainability and future competitiveness of the business.

The Committee's role is not simply to determine remuneration outcomes. It is to exercise judgement. Throughout the year, we carefully considered how our decisions could support the implementation of the turnaround strategy while remaining fair to employees, responsible to shareholders and consistent with the Group's values.

This required balancing competing considerations. Affordability and cost discipline, the retention of critical skills, investment in future capability, transformation and performance recognition all required equal attention. These decisions were not always straightforward, nor could they be viewed through a single lens. Each was considered on its own merits, with a focus on the long-term sustainability of the business.

Supporting the turnaround

The strategy implementation included changes to Pick n Pay leadership structures and the reshaping of support office and regional teams. The Committee carefully considered the implications of these changes. No salary increases were awarded to senior executives, and affordability remained an important consideration in all remuneration decisions.

At the same time, the Committee recognised the importance of investing in the skills and capability required to support the recovery of the business. During the year, the Group strengthened key operational areas, including regional teams and store-level capability in fresh produce, butchery, bakery and deli. These investments contributed to improved execution, a stronger Fresh performance and a more competitive customer offer. We have made progress in these areas, but there is more to do.

The Committee considered each remuneration decision within its own context. A salary freeze, a salary adjustment, a retention award, or a performance bonus each serves a different purpose and requires separate consideration.

The Committee carefully considered variable incentive outcomes during the year. While the Pick n Pay segment remained loss-making, the STI and LTI outcomes reflected progress against critical turnaround objectives, while also recognising where the progress fell short of targets. Financial performance remained the largest component of the STI scorecard and materially reduced the overall outcome, while portions of outstanding long-term incentive awards were forfeited where performance conditions were no longer considered achievable.

Listening and responding

Constructive stakeholder engagement has been an important feature of the Pick n Pay turnaround from the outset. Throughout this period, the Board and management have remained committed to engaging openly with shareholders, listening carefully to concerns and feedback, and providing stakeholders with greater visibility into both the progress of the turnaround and the decisions being taken to support it. The Committee adopted the same approach in relation to remuneration matters during FY26. Shareholders challenged us to improve transparency, strengthen the alignment between remuneration and strategy, simplify certain performance measures and provide greater visibility regarding remuneration outcomes.

We welcomed this feedback and made a number of changes to both our remuneration framework and disclosures in response. These changes included revised performance measures and long-term incentive structures, enhanced remuneration disclosures and a stronger alignment between remuneration outcomes and shareholder interests. Further details are provided in the Responding to shareholder concerns section on page 93.

Structure of the remuneration report

The remuneration report is presented in three parts to provide stakeholders with a clear understanding of Pick n Pay's remuneration governance, policy and outcomes.

Part 1: Background statement

Provides a message from the Committee Chair, an overview of the Committee's mandate, composition and governance, together with information on shareholder engagement, and the Committee's response to shareholder feedback.

Part 2: Remuneration policy

Outlines the Pick n Pay's remuneration framework, including pay structures, performance measures, eligibility criteria and fair pay principles. This section is tabled for shareholder approval by ordinary resolution at the forthcoming Annual General Meeting.

Part 3: Implementation report

Explains how the remuneration policy was applied in FY26, including detailed disclosure of executive remuneration outcomes, incentive awards, and fees paid to non-executive directors, together with supporting context for key decisions. This section is also tabled for shareholder approval by ordinary resolution at the forthcoming Annual General Meeting.

Transformation and pay equity

The Committee remains committed to fair, equitable and non-discriminatory remuneration practices across the Group. During FY26, the Committee continued to oversee remuneration benchmarking and pay equity reviews across the employee base to ensure remuneration remains competitive, equitable and aligned with the principle of equal pay for work of equal value. These reviews included ongoing analysis of remuneration outcomes across race and gender.

Pick n Pay continues to make encouraging progress against its employment equity objectives, and transformation remains an important area of focus for the Committee. Particular attention is being given to the advancement of women and historically disadvantaged employees into senior leadership through targeted talent development, succession planning and leadership development initiatives. The Committee is encouraged by the progress made in improving representation at senior levels, while recognising that there is more work to be done within top management.

Pay equity is not a once-off exercise but an ongoing process of analysis, monitoring and action. We continue to deepen our understanding of the factors that influence remuneration outcomes across the organisation and remain committed to addressing any unjustifiable disparities should they arise.

Looking ahead

The Committee's priorities for FY27 will include overseeing the implementation of the revised remuneration framework, monitoring the effectiveness of the new long-term incentive arrangements, continuing to strengthen succession and talent development initiatives, and maintaining a strong focus on transformation, pay equity and organisational effectiveness.

Subsequent to year-end, the Group commenced formal labour consultation regarding a revised, more sustainable store labour model. The Committee has remained closely engaged with management, given the potential implications for employees and remuneration structures. These changes are not being pursued simply as a cost-saving exercise. They are intended to create a more competitive and sustainable business that is better positioned to grow, invest and create employment opportunities in the future. Long-term job creation depends on the long-term success of the business. Boxer provides a clear example of this principle, having created approximately 3 400 new jobs during FY26 through continued growth supported by a sustainable operating model. As with all people-related decisions, our focus remains on balancing fairness, competitiveness and the long-term sustainability of the business.

Board and Committee renewal remains an important focus area. I will retire from the Board and step down as Chair of the Committee at the 2026 AGM in August. Haroon Bhorat will succeed me as Committee Chair. Haroon brings deep expertise, sound judgement and a strong understanding of the Group, and I am confident that the Committee will benefit from his leadership. Our long-serving member, Aboubakar Jakoet, will retire from the Board at the AGM in 2027 in line with our succession plans. Once this transition is complete, all long-serving independent non-executive directors will have retired from the Committee. As part of our refresh, we were pleased to welcome Grant Pattison to the Committee this year. Grant brings extensive retail, operational and leadership experience and has already added valuable insight to the Committee's discussions.

As this is my final remuneration report as Chair of the Committee, I would like to thank my fellow Committee members, the Board and management for their support, engagement and constructive challenge over the years. It has been a privilege to serve on the Board and to contribute to the governance of the Group during a period of significant change.

Audrey Mothupi-Palmstierna
Chair: Remuneration Committee

30 June 2026

Committee governance

Committee mandate

The Committee assists the Board in ensuring that remuneration practices support the Group's strategy while remaining fair, responsible and aligned with shareholder interests. Its primary responsibilities include:

- Remuneration policy and remuneration outcomes
- Executive remuneration and incentive arrangements
- Succession planning, transformation and pay equity
- Shareholder engagement and remuneration governance

Committee governance

The Board has delegated its statutory and regulatory responsibilities for remuneration governance to the Committee. The Committee operates in accordance with formal Terms of Reference that define its role, authority and reporting responsibilities, and that are reviewed and approved by the Board annually. The Terms of Reference are aligned with the Companies Act, the JSE Listings Requirements and the principles of King IV.

The Committee is a standing committee of the Board and comprises non-executive directors, the majority of whom are independent. Members are nominated by the Nominations and Corporate Governance Committee and appointed by the Board.

The Committee adopts an annual work plan to guide its activities and meets at least three times each year, with additional meetings convened as required. The Committee met four times during FY26, including a post-year-end meeting to consider variable remuneration outcomes and approve this report.

Senior management and external advisors attend meetings by invitation, while other Board members may attend as observers. Given the Group's ownership interest in Boxer and the separate governance structures that apply to each listed entity, the Chair of the Boxer Remuneration Committee reports to the Pick n Pay Remuneration Committee following each Boxer Committee meeting and engages with the Chair of the Pick n Pay Remuneration Committee on matters of mutual interest.

The Committee is satisfied that its members collectively possess the skills, experience and capacity required to fulfil their responsibilities. Details of members' qualifications and experience are set out from page 76.

The Committee also works closely with the Social, Ethics and Transformation Committee, the Nominations and Corporate Governance Committee and management to ensure that remuneration decisions appropriately support the Group's broader objectives relating to transformation, succession planning, talent development and organisational effectiveness.

Committee composition and attendance

Committee members	Status	Attendance	Notes
Audrey Mothupi-Palmstierna (Chair)	Independent non-executive	4/4	
Gareth Ackerman	Non-executive	4/4	
Haroon Bhorat	Independent non-executive	4/4	
James Formby	Independent non-executive	4/4	
Aboubakar Jakoet	Independent non-executive	4/4	
Grant Pattison	Independent non-executive	2/2	Appointed 1 February 2026

Key focus areas during FY26

Strategic execution – oversight of organisational and operational changes, retention and capability investment required to support the turnaround plan.

Remuneration framework – review of STI and LTI performance measures and alignment with turnaround objectives.

Employee remuneration – oversight of salary reviews, benchmarking, pay equity and income differential analysis.

Transformation and succession – review of employment equity progress, talent development and succession planning.

Shareholder engagement – consideration of shareholder feedback and remuneration framework enhancements.

Governance and compliance – implementation of amended Companies Act requirements and enhanced remuneration disclosures.

Independent advisors

The Committee considers independent market data, internal remuneration analyses and external advice, where appropriate, when evaluating remuneration matters. During FY26, the Group engaged REMchannel for remuneration benchmarking services and Bowmans to support the review of remuneration policies and the design of revised incentive structures and performance measures. The Committee is satisfied that the advice received was objective and independent.

Responding to shareholder concerns

Shareholder engagement formed an important component of the Committee's work during FY26. Feedback received through shareholder meetings, correspondence received and governance engagements informed several enhancements to both the Group's remuneration framework and the disclosures contained in this report. The key themes raised by shareholders, together with the Committee's response, are summarised below:

Shareholder feedback	Committee response
Remuneration disclosures did not provide sufficient context regarding remuneration decisions, performance measures and remuneration outcomes.	Expanded remuneration policy and implementation disclosures, including STI and LTI performance measures, targets, vesting outcomes and remuneration decisions.
The link between STI and LTI performance measures and the turnaround strategy was not sufficiently clear. Concerns were also raised regarding the use of "EBITDA pre-IFRS 16 and exceptional items" (which was not well understood) and the absence of a more balanced performance scorecard over time, including return on investment metrics.	Replaced EBITDA-based measures with trading profit after leases (TPAL), which is directly aligned to the Group's FY29 break-even objective. STI and LTI frameworks were also revised to strengthen alignment with the turnaround plan. The forward-looking RSP award for FY27 includes a ROIC performance measure for the CFO. The Committee will continue to evaluate the reintroduction of return-based measures as the Group returns to sustainable profitability. Please refer to pages 97 and 99.
Long-term incentives should place greater emphasis on performance-based rewards and shareholder alignment. Concerns were also raised regarding executive director participation in retention-based incentive arrangements.	Replaced the executive retention and performance incentive (ERPI) with a revised management long-term incentive framework that provides a stronger balance between retention and performance. Executive directors no longer participate in the management scheme. Please refer to pages 98 and 100.
ESG commitments disclosed elsewhere in the Integrated Annual Report were not clearly linked to remuneration outcomes.	Introduced ESG measures into the long-term incentive framework, with a focus on waste reduction and employee development. This reflects the Committee's view that ESG outcomes are important enablers of long-term value creation, while financial performance and financial sustainability remain the primary determinants of remuneration outcomes during the turnaround period. Please refer to pages 99 and 107.
Shareholders requested greater transparency around forward-looking STI and LTI targets.	The Committee acknowledges this preference. In line with South African market practice, STI targets are disclosed retrospectively due to their commercially sensitive nature. For LTI awards, the Committee will enhance forward-looking disclosure over time, including providing performance targets and vesting scales in advance of awards where practicable, as a consistent grant cycle is established.
Concerns were raised regarding Committee independence, Board renewal and succession planning.	Ongoing Board and Committee renewal, with the planned retirement of long-serving directors and Committee members, and the recent appointment of Grant Pattison to the Remuneration Committee.

The Committee believes these enhancements have improved transparency, strengthened alignment between remuneration and the Group's strategic objectives and provided shareholders with a clearer understanding of remuneration outcomes and the rationale underpinning them.

Companies Act amendments

FY26 marks the first year of reporting under the amended Companies Act requirements. This report has been prepared to comply with the enhanced disclosure requirements introduced by the amendments. The remuneration policy and implementation report are presented separately in this report and will each be tabled for shareholder approval by ordinary resolution at the forthcoming Annual General Meeting.

Part 2: Overview of remuneration policy

The Group is committed to building a diverse and high-performing team that is fairly and responsibly rewarded to deliver its strategic objectives over the short, medium and long term. Our remuneration framework supports the attraction, motivation and retention of talent through fair, competitive and performance-aligned remuneration that promotes sustainable long-term value creation.

Scope of this section

This section sets out Pick n Pay's forward-looking remuneration policy for the financial years FY27 to FY29:

- The principles underpinning Pick n Pay's remuneration approach
- The structure of fixed and variable remuneration
- The design of short- and long-term incentive arrangements
- Minimum shareholding requirements
- Malus and claw-back provisions
- Key provisions relating to service contracts and termination
- Fees paid to non-executive directors

Following the separate listing of Boxer Retail Limited in November 2024, Boxer adopted its own stand-alone remuneration policy, designed to support its business strategy and value creation objectives, and reflect its commitment to fair and responsible pay. Boxer's remuneration policy and implementation report are presented separately to Boxer shareholders for approval at its Annual General Meeting and are available at www.boxerinvestor.co.za.

The remuneration policy and implementation report presented in this report relate only to the Group's Pick n Pay segment.

Remuneration principles

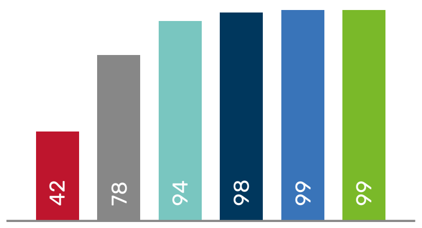
Our remuneration policy is guided by four core principles that support effective remuneration governance and align the interests of employees, shareholders and other stakeholders.

1. Promoting diversity and building talent

Pick n Pay is committed to providing opportunities for people from all walks of life and building a team that reflects the diverse communities we serve. To support this commitment, we:

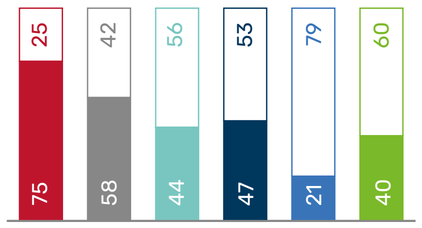
- Prioritise community employment and create opportunities for career progression
- Invest in learning and development to build capability
- Develop future leaders through focused talent management and succession planning
- Advance transformation and broader participation across Pick n Pay

Employment equity representation (%)



FY26

Employee representation by gender (%)



■ Male/□ Female

- Top management
- Senior management
- Professionally qualified middle management
- Skilled technical and junior management
- Semi-skilled and discretionary decision-making
- Unskilled and defined decision-making

2. Efficient and productive workforce

Pick n Pay is committed to fostering a high-performance culture that supports operational excellence and sustainable growth. We support this principle by:

- Aligning performance management and reward outcomes with individual and business performance
- Promoting effective leadership and building capable teams to drive productivity and execution
- Regularly reviewing operating structures and ways of working to improve efficiency and cost discipline
- Incorporating measures of efficiency and productivity into performance assessment

3. Fair and responsible remuneration

Pick n Pay is committed to remuneration practices that are fair, equitable and responsible across the organisation. We support this principle by:

- Applying remuneration practices that are fair, transparent and non-discriminatory
- Promoting internal equity and equal pay for work of equal value
- Benchmarking remuneration against relevant market peers to support competitiveness
- Aligning remuneration outcomes with performance, affordability and long-term value creation

4. Responsible executive remuneration

Pick n Pay is committed to remunerating executive directors and senior management in a manner that promotes sustainable long-term value creation. We support this principle by:

- Aligning executive reward outcomes with performance and avoiding excessive reward where performance does not meet expectation
- Balancing the retention of key talent with the attraction of high-quality external talent
- Using long-term incentives to align management and shareholder interests
- Incorporating ESG measures into variable remuneration where they support sustainable value creation

The four principles underpin the Group's remuneration framework and guide the design and implementation of remuneration practices across Pick n Pay. The following section sets out our approach to fair and responsible remuneration.

Fair and responsible remuneration

Pick n Pay is committed to a total reward offering built on a foundation of fair, responsible and performance-aligned remuneration. Our approach seeks to attract, motivate and retain talent, while supporting sustainable business performance and long-term value creation. We assess remuneration as fair and responsible in the context of the following criteria:

Internal equity – employees are rewarded based on role size, skills, experience and performance, with a commitment to equal pay for work of equal value, and consistency across comparable roles.

Market competitiveness – remuneration is benchmarked regularly against relevant national and retail market data to support talent attraction and retention.

Performance alignment – remuneration outcomes are linked to individual and business performance, reinforcing a culture of accountability and delivery.

Affordability and sustainability – reward outcomes are considered in the context of the Group's financial performance, affordability, competitiveness and long-term sustainability.

Governance and compliance – remuneration practices are governed through established oversight structures and comply with applicable legislation and collective agreements.

These principles are applied across employee groups as appropriate to reflect the nature of different roles, market practices and collective bargaining arrangements. During FY26, remuneration and workforce decisions were considered within the context of Pick n Pay's turnaround priorities, balancing fairness, competitiveness and affordability to support the long-term sustainability of the business.

The following section outlines the Group's fair and responsible remuneration approach for non-management bargaining unit employees, management employees and executive directors.

Non-management bargaining unit (NMBU) employees

Pick n Pay undertakes collective bargaining on wages and benefits with recognised labour unions, with 63.7% of our bargaining unit employees belonging to a labour union in FY26. Employees covered by collective agreements are remunerated in accordance with agreed wage scales and benefits, without differentiation based on race, gender or disability.

In negotiating remuneration outcomes for bargaining unit employees, Pick n Pay considers statutory wage requirements, prevailing economic conditions, market benchmarks, employee well-being and the affordability of wage increases within the context of Pick n Pay's financial performance and long-term sustainability.

As part of its turnaround programme, Pick n Pay initiated a formal Section 189A consultation process in May 2026 in respect of store-based employees within the NMBU. Independent benchmarking against large retailers confirmed that aspects of the Pick n Pay store labour model are more complex, less flexible and more costly than prevailing market practice. This includes higher guaranteed hours in certain employee categories, scheduling arrangements that are not fully aligned with customer shopping patterns, and some benefits that are above market norms.

These arrangements limit operational flexibility, increase cost pressure and impact store productivity and profitability. The consultation process is therefore focused on the sustainability of the store labour model, including the review of guaranteed hours, scheduling practices and selected employment benefits. Pick n Pay is proposing alternatives to job reductions and is not proposing reductions to hourly rates of pay and remains committed to providing competitive remuneration for store-based employees.

The consultation remains ongoing through the formal processes established under South African labour legislation, and no outcomes have been concluded. The objective is not to reduce employee numbers, but to achieve a fair, competitive and sustainable labour model that strengthens store profitability, supports future growth and protects jobs wherever possible.

Management employees

Management remuneration is structured to attract, retain and motivate employees with the skills and experience required to deliver the Group's strategic objectives and turnaround priorities.

Remuneration is benchmarked annually against relevant national and retail market data to support external competitiveness, while a consistent job grading methodology promotes internal equity across comparable roles. The proportion of remuneration delivered through variable incentives increases with seniority, reflecting the significant influence executive directors have over strategic, operational and financial outcomes. The Group remains committed to equal pay for work of equal value and regularly reviews remuneration outcomes to identify and address unjustifiable disparities.

The turnaround programme has required difficult decisions that have directly affected management employees. These actions included a salary freeze for senior management and support office employees in FY23 and FY24, and again for senior executives in FY26, as well as organisational restructuring and the implementation of a future-fit operating model. These actions were necessary to improve affordability, strengthen competitiveness and position the business for sustainable recovery.

Executive directors

Executive directors are remunerated in a manner that supports the delivery of the Pick n Pay strategy and the creation of sustainable long-term shareholder value. Remuneration comprises a combination of guaranteed remuneration and performance-linked incentives.

A significant proportion of executive remuneration is delivered through short-term and long-term variable incentives linked directly to the achievement of pre-determined financial, strategic and ESG objectives. This approach aligns remuneration outcomes with business performance and shareholder interests, while supporting the attraction and retention of executives capable of delivering the Pick n Pay turnaround.

Guaranteed and variable remuneration paid to executive directors is benchmarked annually against a comparator group of large JSE-listed companies to ensure remuneration remains fair, competitive and aligned with market practice. Comparator companies are selected with reference to their size, complexity and nature of business. Details of the comparator group used in the most recent benchmarking exercise are provided on page 108 of the implementation report.

Remuneration framework

Pick n Pay's remuneration framework gives practical effect to the Group's remuneration principles and supports fair, competitive and performance-aligned reward outcomes. The framework is designed to attract, motivate and retain a high-performing team while balancing short-term performance with sustainable long-term value creation.

The framework comprises fixed and variable remuneration. Fixed remuneration provides a fair market-related reward for the role performed, while variable remuneration is designed to recognise performance, incentivise the achievement of strategic objectives and align employee and shareholder interests. The relative weighting of these elements varies by role and level of responsibility, with a greater proportion of variable remuneration applying to more senior roles.

Fixed remuneration

Fixed remuneration comprises a guaranteed base salary and benefits and reflects the role performed and the level of responsibility, skills and experience required.

Base salary

- Reflects the role performed and the level of responsibility, skills, experience and competencies required
- Positioned within approved pay structures to support internal equity and market alignment
- Reviewed annually based on individual performance, affordability and market benchmarks

Benefits

- Supports employee well-being and financial security through healthcare, retirement and insured benefits
- Provides access to leave, education support and other development programmes
- Recognises employee loyalty and long service through service-related awards and recognition programmes

Variable remuneration

Variable remuneration comprises short-term and long-term incentives (STI and LTI) designed to reward performance and align remuneration outcomes with the achievement of Pick n Pay segment, divisional and individual objectives over one to three years. The calculation of variable incentives is formulaic in nature and is based on defined business, divisional and individual performance measures. Participation in variable incentive schemes is governed by the relevant scheme rules and remains subject to the approval and oversight of the Remuneration Committee. The Committee retains discretion to adjust incentive outcomes upwards or downwards where formulaic outcomes do not appropriately reflect underlying business performance, affordability, individual contribution or other relevant considerations.

1. Short-term incentives (STI)

1.1 STI performance bonus scheme

The short-term incentive (STI) scheme is designed to drive and reward the achievement of financial, operational and strategic objectives over a one-year performance period. STI outcomes are determined through a formula-driven framework linked to the pre-defined Pick n Pay segment and individual performance objectives.

Overview of the STI bonus scheme

Element	Description
Purpose	To incentivise the achievement of annual financial and operational objectives aligned to the Pick n Pay segment strategy.
Performance period	One financial year
Participation	Executive directors and top, senior and middle management employees. Employees must be employed for a minimum of four months during the financial year, with awards pro-rated where applicable. Fixed-term contractors may participate at the discretion of the Remuneration Committee.
Operation	STI outcomes are determined through a balanced scorecard comprising Pick n Pay segment performance and individual performance objectives. Performance measures and targets are approved annually by the Remuneration Committee.
STI opportunity	Expressed as a multiple of monthly total guaranteed pay (TGP). **CEO[1]** / **CFO** / **Management** Threshold: 5 months / 3 months Target: 7.5 months / 4.5 months Stretch: 10 months / 6 months Management: STI multiples vary by role and level of responsibility
Pick n Pay performance	60% of the STI is linked to pre-defined Pick n Pay segment financial performance measures. No vesting occurs below threshold performance levels: **FY27 performance measures** Growth in: – Weighting: Turnover 40% Trading profit after leases (TPAL) 60% **FY26 performance measures** Growth in: – Weighting: Turnover 40% EBITDA before exceptional items 60% Following shareholder engagement, the Remuneration Committee revised the forward-looking FY27 STI financial performance measure from EBITDA to TPAL. The rationale for this enhancement is outlined below. Appropriate targets for FY28 and FY29 will be set in accordance with the remuneration policy and disclosed in the implementation reports for those years.
Individual performance	40% of the STI is linked to the achievement of pre-determined individual performance objectives, including non-financial and ESG measures, relevant to each participant's role and responsibilities. These personal FY27 targets for the CEO and CFO, directly linked to the delivery of the turnaround plan, will be published retrospectively in the remuneration report next year. Appropriate targets for FY28 and FY29 will be set in accordance with the remuneration policy and disclosed in the implementation reports for those years.
Performance scales	Below threshold: 0% vesting Threshold: 50% of target STI opportunity Target: 75% of target STI opportunity Stretch: 100% of target STI opportunity
Settlement	STI awards are settled in cash following the completion of the annual performance assessment process and approval by the Remuneration Committee.

[1] *CEO, Sean Summers, did not participate in the FY26 STI scheme. In terms of his employment agreement, he becomes eligible to participate from FY27.*

Forward-looking enhancement to the STI bonus scheme

Following shareholder engagement during FY26, the Remuneration Committee reviewed the financial performance measures used in the STI framework to ensure they remain aligned with the Pick n Pay turnaround and are readily understood by shareholders and participants. As a result of this review, the profitability measure of EBITDA pre-IFRS 16 before exceptional items has been replaced with trading profit after leases (TPAL) for FY27 (please refer to page 126 for the calculation of TPAL). The weighting between turnover growth and the profitability measure remains unchanged.

Shareholder engagement highlighted that EBITDA pre-IFRS 16 before exceptional items was a complex measure requiring adjustment and did not provide a clear link to the Group's turnaround objectives. TPAL is a simpler and more transparent measure that aligns directly with the Group's objective of achieving TPAL break-even by FY29. TPAL break-even acts as both a profitability and balance sheet performance indicator, as it is a strong proxy for cash flow break-even.

The measure has also been adopted as the primary financial performance measure in the restricted share plan, creating a consistent link between annual performance, long-term incentive outcomes and the successful delivery of the turnaround plan (refer to page 99 for further information).

1.2 STI for store-level management

A separate short-term incentive scheme applies to qualifying store managers and store management employees. The scheme provides more frequent performance-based rewards linked to key store-level sales, profitability and operational measures. During FY26, the scheme was simplified and refocused around the core metrics that drive store performance, including sales growth, stock management, waste reduction and customer execution standards. The scheme supports improved execution, operational discipline and accountability for customer and profitability outcomes at store level.

2. Long-term incentives (LTI)

Long-term incentives form an important component of Pick n Pay's remuneration framework and are designed to support the delivery of sustainable long-term value creation. The framework promotes the retention of key talent and aligns rewards with the Pick n Pay turnaround targets.

Following a comprehensive review during FY26, the Remuneration Committee approved a revised long-term incentive framework to better align remuneration outcomes with Pick n Pay's strategic priorities, talent requirements and shareholder expectations. The key features of the revised framework are set out below.

Redesign of the long-term incentive framework

In developing the revised framework, the Committee considered the experience and outcomes of the ERPI and RSP schemes, shareholder feedback and prevailing market practice. The review highlighted that, while the RSP had operated as intended for executive directors by aligning remuneration outcomes with shareholder outcomes, it was less effective as a retention and motivation tool for senior and middle management employees during a prolonged turnaround period. These employees play a critical role in delivering the turnaround and may contribute significantly to its success before the benefits are reflected in the Group's financial performance and share price.

The revised framework, therefore, differentiates between these employee groups. Executive directors continue to participate in the Pick n Pay performance-linked restricted share plan (RSP), while a combination of cash and share-based incentives have been introduced for senior and middle management employees, based on performance and contribution applicable to their roles (MPP).

2.1 Cash retention incentive (CRI)

The cash retention incentive (CRI) scheme supports the retention and development of middle management talent and the Group's employment equity, gender diversity and succession planning objectives. Participants are identified through the annual talent review process, with awards made on a rolling basis as employees progress through the business. The scheme is cash-settled and retention-based in nature. Awards are determined as a multiple of monthly salary and vest after a three-year period, subject to continued employment. No performance conditions apply, reflecting the primary objective of retaining and developing talent in the highly competitive retail market. Unvested awards lapse on termination of employment, subject to approved good leaver provisions. For information on FY26 awards, please refer to page 106.

2.2 Executive retention and performance incentive (ERPI) scheme – concluded FY26

The ERPI scheme was introduced in FY24 to retain key leadership talent and support the delivery of critical strategic objectives during the early turnaround period. Structured as a two-year, cash-settled incentive, the scheme applied to the CFO and selected senior management employees who were considered critical to the successful execution of the plan. The final payments under the scheme were made in May 2026, subject to the attainment of the relevant service and performance conditions. The scheme achieved its primary objective of retaining key talent during the early stages of the turnaround and supported the delivery of important individual performance objectives.

In reviewing the future incentive framework, the Committee considered shareholder feedback regarding the participation of executive directors in a cash-based retention scheme. While shareholders generally supported the rationale for the ERPI in the context of the Pick n Pay turnaround, there was a preference for executive directors to participate in remuneration arrangements with stronger alignment to shareholder outcomes through performance-linked share-based incentives.

The ERPI scheme has now concluded and no further cash-based awards will be made to executive directors. Elements of the scheme have informed the design of the revised management incentive framework described on page 100.

2.3 Restricted share plan (RSP)

The RSP aligns participants with long-term shareholder value creation while supporting the attraction and retention of key talent. Awards are granted in shares and are subject to a combination of Pick n Pay performance measures and individual performance conditions over a multi-year period.

Recent vesting outcomes have reflected the challenges experienced in the business. The financial performance conditions attached to the Pick n Pay segment have not been achieved for a number of years, with these portions of the awards forfeited. Only the individual performance component of the awards remained eligible for vesting. As a result, just 25% of the RSP 3 awards vested in FY25. In addition, 50% of the RSP 4 awards due to vest in June 2027 and 50% of the RSP 5 awards due to vest in June 2028 have already been forfeited as the relevant Pick n Pay performance conditions are unlikely to be achieved. In addition, 1 000 000 performance-based shares issued to the CEO in July 2024 have been forfeited as a result of the revision of the Pick n Pay break-even guidance from FY28 to FY29 (refer to page 108).

The Committee remains confident that the RSP has operated as intended. Participants have not been rewarded where Pick n Pay performance fell short of target and participants have shared in the consequences of under-performance alongside shareholders. At the same time, the scheme continued to recognise the achievement of individual performance objectives.

While this outcome is appropriate for executive directors and supports strong alignment with shareholder interests, the Committee concluded that a broader long-term incentive approach is required to address retention risk at senior and middle management levels.

The Committee has therefore retained the RSP for executive directors, while introducing a revised long-term incentive framework for senior and middle management employees that combines share-based and cash-settled incentives.

2.4 Executive restricted share plan (RSP)

The executive RSP is the Group's primary long-term incentive vehicle for executive directors. The scheme aligns executive remuneration with the successful delivery of the Pick n Pay turnaround and long-term shareholder value creation through performance-linked share awards.

Overview of the executive RSP scheme

Element	Description
Purpose	To drive long-term performance, promote executive share ownership and align executive remuneration with sustainable shareholder value creation.
Participation	Chief Executive Officer and Chief Finance Officer
Award opportunity	Annual awards of forfeitable Pick n Pay shares CEO: 100% of TGP over the contract period CFO: 100% of annual TGP
Structure	100% share-based incentive. Awards are granted as zero-strike restricted shares and are subject to continued employment and the achievement of specified performance conditions.
Performance period	Three years
Performance weighting	Percentage of award subject to each performance condition: CEO / CFO Individual key performance indicators: – / 40% Financial performance targets (TPAL): 95% / 55% ESG performance measures: 5% / 5%
Share vesting scale	Below threshold: 0% vesting Threshold: 50% vesting Target: 75% vesting Stretch: 100% vesting
Settlement	Governed by the shareholder-approved LTIP rules and applicable legislation, through the use of treasury shares, open market purchases, or the issue of new shares.
Participant rights	Participants enjoy beneficial ownership and voting rights from the date of award. Shares are held in escrow subject to forfeiture restrictions until vesting. Dividend rights accrue during the performance period and are settled at vesting in proportion to the number of shares that ultimately vest.
Safeguards	• Individual allocations are capped at 1% of issued share capital. • The Company can issue new shares to settle the Group's obligations under its employee share scheme, but issues in this regard are limited to 24 672 516 shares. To date, 15 743 000 shares have been issued, resulting in 8 929 516 shares remaining for this purpose. • Awards are subject to malus and claw-back provisions.

Rationale for the executive RSP performance measures

Following shareholder engagement during FY26, the Committee revised the performance measures used in the RSP to ensure a clear link between remuneration outcomes and Pick n Pay's strategic objectives.

The Committee replaced the previous EBITDA-based performance measure with trading profit after leases (TPAL). TPAL break-even by FY29 is Pick n Pay's primary turnaround objective and the most important financial milestone in the recovery of the Pick n Pay segment. Aligning executive incentives directly to this measure creates a simple, transparent and measurable link between remuneration and the successful delivery of the turnaround.

The Committee deliberately selected TPAL as the principal financial performance measure for the executive RSP. During a complex turnaround, clarity of purpose and alignment of effort are critical. TPAL provides a single, clearly understood objective for management and shareholders.

The Committee acknowledges that shareholders would typically expect a broader combination of income statement, balance sheet, return on investment and shareholder value measures within a long-term incentive framework. However, the Committee believes that a singular focus on TPAL is appropriate during the turnaround period. The objective is to ensure absolute clarity and alignment around the successful delivery of Pick n Pay's most important strategic and financial objective.

The Committee considers TPAL to be a comprehensive and demanding measure. Achieving TPAL break-even requires stronger like-for-like sales growth, disciplined gross profit margin management, productivity improvements, cost-reduction initiatives and the successful implementation of the Group's future-fit operating model. TPAL therefore captures the cumulative impact of the key initiatives underpinning the turnaround.

Importantly, TPAL incorporates the full economic cost of the Group's lease obligations, including right-of-use asset depreciation and lease interest. TPAL also includes PPE depreciation, which is a proxy for through-the-cycle capital investment. The combined effect is that TPAL ultimately reflects the results of capital allocation decisions, and is also a proxy for pre-tax operating cash flow.

The Committee is confident that TPAL is the most appropriate long-term performance measure for Pick n Pay at this stage of its turnaround.

Incorporating ESG performance into the executive RSP

The Committee introduced a forward-looking ESG component into the executive RSP from FY27. While the weighting of 5% is lower than market practice, the Committee believes it is appropriate given Pick n Pay's current stage of recovery. Pick n Pay's most important sustainability objective is restoring profitability and long-term business sustainability. Accordingly, the majority of the incentive opportunity remains linked to the financial and operational outcomes required to deliver the turnaround.

The ESG measures focus on areas that support both the turnaround and Pick n Pay's broader sustainability objectives, namely food waste reduction and the development of employee capability through training and skills development. Refer to page 107 for further information.

2.5 Management performance plan (MPP)

Pick n Pay has introduced a management performance plan (MPP) for selected senior and middle management employees who are critical to the successful delivery of the turnaround strategy. The MPP is designed to support the retention and motivation of key talent through a combination of cash-based retention incentives and share-based awards that recognise sustained performance and align participants' interests with those of shareholders over two and three years.

The cash component (50%) is subject to continued employment and the achievement of individual performance measures aligned to the strategic priorities of the Pick n Pay strategy, while the share-based component (50%) is subject to the same long-term business performance measures as those applicable to the executive restricted share plan.

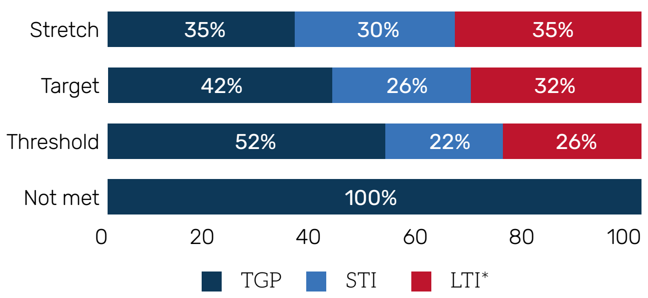
The MPP is not intended to form part of the Group's permanent remuneration framework and will be reviewed annually as the turnaround progresses.

Remuneration mix

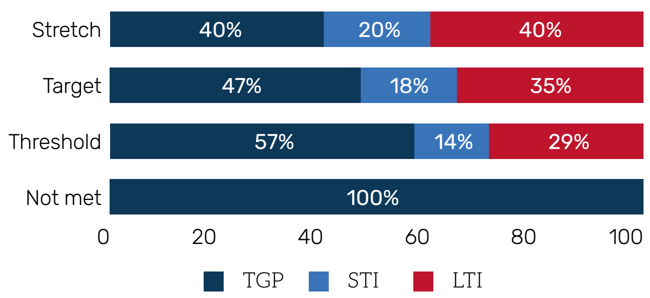
Remuneration is balanced between guaranteed remuneration and variable incentives to align employee and shareholder interests over the long term. A higher proportion of variable remuneration is applied to senior management employees, with a greater emphasis on total guaranteed pay (TGP) for middle and junior management. Variable remuneration comprises short-term incentives (STI) and long-term incentives (LTI) and is considered "at-risk" remuneration as it is dependent on the achievement of performance targets. Performance targets are set to be challenging yet achievable within the context of Pick n Pay's operating environment and strategic objectives.

The graph below presents the potential forward-looking remuneration mix for the Group's CEO and CFO:

CEO remuneration split



CFO remuneration split



* *Calculated on an annualised basis over the contract period.*

Sign-on and retention awards

Sign-on and retention share awards may be used in limited and exceptional circumstances to attract or retain critical talent. These awards are not part of the standard remuneration framework and are applied selectively, subject to defined limits and appropriate governance oversight. Where appropriate, the Committee seeks to align such awards with performance conditions or time-based retention requirements. The Committee remains mindful of shareholder preferences and ensures that the use of such awards is clearly justified and aligned with the long-term interests of the Group.

Governance and safeguards

A number of governance mechanisms are in place, including the ability to lapse, reduce or recover incentive awards where appropriate. In addition, minimum shareholding requirements are in place to reinforce the importance of sustainable long-term performance and alignment.

Malus and claw-back

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 fraud, dishonesty or negligence. Trigger events for the application of malus and claw-back are set out in the policy and include:

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

Any incidents requiring the application of malus or claw-back will be disclosed in the implementation report.

Minimum shareholding requirements

In line with good market practice, the CEO and CFO are required to build up a minimum shareholding in their own name at a specified multiple of their annual TGP over a five-year period. The conditions for MSR are as follows:

- The shareholding must be accumulated over five years from the introduction of the MSR policy on 1 October 2022, or five years from the appointment of an employee into the CEO or CFO role
- The minimum shareholding requirement as a percentage of the annual TGP is as follows:

CEO	200%
CFO	100%

The Committee monitors progress against these requirements on an ongoing basis. These levels are aligned with South African market benchmarks for listed retail companies. The Committee will continue to review MSR levels over time, taking into account market practice and shareholder feedback.

Service contracts and termination benefits

Executive directors and senior management are employed under Pick n Pay's standard employment terms and conditions. The CEO serves under a fixed-term contract until May 2028. The CFO has a 12-month notice period. Employment contracts do not provide for exceptional termination benefits or compensation. Certain senior employees are subject to restraint-of-trade provisions where appropriate. No termination benefits apply to the outgoing CFO, and her employment and restraint period will conclude at the end of March 2027.

Forfeiture and lapse of incentives

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

Remuneration policy on termination of employment

Scenario	Salary and benefits	STI	LTI
Resignation	Paid over notice period	Lapses	Unvested awards forfeited and unvested cash retention amounts repaid
Dismissal	Paid until termination	Lapses	Unvested awards forfeited and unvested cash retention amounts repaid
Early retirement from 55 years	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 on normal payment date; pro rata for time served	Accelerated early vesting; pro rata for time served and performance conditions achieved
Retrenchment	Paid until exit. Severance payments apply	Paid on normal payment date; pro rata for time served	Accelerated early vesting; pro rata for time served and performance conditions achieved

Application of Remuneration Committee discretion

The Remuneration Committee may apply responsible and transparent discretion where formulaic outcomes do not appropriately reflect individual performance, business performance, the Group's overall financial and strategic performance, or other exceptional circumstances. Discretion may be applied upward or downward and is intended to ensure fair and appropriate remuneration outcomes within the approved policy framework. Any exercise of discretion will be appropriately justified and disclosed in the relevant remuneration implementation report. The key areas of discretion are summarised below.

Element	Feature	Remuneration Committee discretion
STI and LTI	Eligibility	Determine participant eligibility, including the participation of long-term contractors where appropriate.
	Award levels	Determine STI and LTI award opportunities and allocation percentages based on a ratio of TGP by participant group.
	Performance conditions	Approve performance measures, targets and weightings.
	Performance period	Determine the applicable performance and vesting periods.
	Change of control	Determine the extent to which awards vest, considering performance achieved and service rendered up to the date of the transaction.
	Termination provisions	Determine the treatment of awards in the event of a participant's departure or a change of control, subject to Board approval where required.
	Malus and claw-back	Recommend the application of malus and claw-back provisions to the Board. The Board retains ultimate authority for any adjustment or recovery of awards.
Discretionary payments	Ex gratia payments	Approve awards in exceptional circumstances, including retention, remuneration adjustments or the recognition of exceptional contribution.
	Sign-on awards	Approve sign-on awards to compensate for forfeited incentives from a previous employer or to attract critical talent.

Linking remuneration to strategic execution

Our remuneration framework supports the delivery of Pick n Pay's strategic priorities. Market-aligned total guaranteed pay enables us to attract and retain key talent, while our short-term and long-term incentive schemes reward the achievement of strategic and financial objectives. The table below illustrates how each element of the remuneration framework aligns with the Group's strategic pillars and the performance measures used to support their successful execution, as described on page 42.

	Remuneration structure					Strategic alignment
Strategic pillar	TGP	STI	LTI: CRI	LTI: MPP	LTI: RSP	
Leadership and people	✓	✓	✓	✓	✓	• Market-aligned remuneration supports the attraction and retention of key talent • CRI supports succession and transformation • With the leadership and people reset substantially complete, STI and LTI personal performance measures focus, where appropriate, on embedding the new structure, talent development, transformation and employee engagement
Recapitalise		✓		✓	✓	• STI and LTI performance measures supported the delivery of the recapitalisation plan • With the recapitalisation complete, STI and LTI personal performance measures focus, where appropriate, on maintaining strong liquidity, disciplined capital allocation, balance sheet strength and improved returns on investment
Store estate reset		✓		✓	✓	• STI and LTI measures supported the successful execution of the store estate reset, including the conversion and closure of under-performing stores • With the store estate reset substantially complete, personal STI and LTI performance measures now focus, where appropriate, on sustaining estate quality, including through refurbishments and improved trading densities and returns on investment
Accelerate like-for-like growth		✓		✓	✓	• Like-for-like sales growth and TPAL are key Company performance measures in the STI and LTI, reinforcing the focus on growing like-for-like sales ahead of like-for-like expense growth • Personal performance measures, as appropriate, support the operational drivers of sustainable sales growth, including in-store execution, customer value, pricing, range, availability and innovation
Strengthen partnerships		✓		✓	✓	• STI and LTI Group performance measures reinforce sustainable sales growth and TPAL break-even, supported by stronger strategic partnerships across the value chain • Personal performance measures focus, where appropriate, on strengthening supplier and partner relationships, improving joint commercial outcomes, and delivering greater value for customers
Create a future-fit operating structure		✓		✓	✓	• STI and LTI Group performance measures reinforce the delivery of sustainable sales growth and TPAL break-even through a simpler, more efficient operating model • Personal performance measures focus, where appropriate, on improving operational efficiency, simplifying ways of working, leveraging technology, and embedding continuous operational improvement

Non-executive directors' fees

Non-executive directors' fees reflect the responsibilities associated with Board and Committee membership. Fees are fixed, paid six-monthly in arrears and are not linked to Group performance or the share price. Fees are not paid on a per-meeting basis, as full attendance is expected at standard Board and Committee meetings. Non-executive directors do not participate in incentive schemes or receive share awards. They serve under formal letters of appointment and are subject to re-election by shareholders on a rotational basis.

Benchmarking and increases

Fees are reviewed annually against a selected peer group of JSE-listed companies of comparable size and complexity, taking into account market capitalisation, turnover and total assets. Comparator companies used for the most recent benchmarking are disclosed in the implementation report on page 108. In considering fee adjustments, the Board considers market practice, affordability and alignment with employee salary increases. Proposed fees are reviewed by the Remuneration Committee and recommended to the Board before being submitted to shareholders for approval.

The table below sets out the principles applied in determining non-executive director fees:

Chair	Fees are benchmarked against comparable roles and reflect the responsibilities and time commitment associated with leading the Board.
Directors	Fees are benchmarked against comparable roles and reflect the responsibilities and time commitment associated with Board membership.
Committee membership	Additional fees recognise the responsibilities and workload associated with serving on Board committees.
Expenses	The Group reimburses reasonable travel and accommodation expenses incurred in the performance of Board duties.

Part 3: Implementation report

Overview of the implementation of the remuneration policy

This implementation report outlines the key remuneration decisions and outcomes for FY26 and explains how Pick n Pay's remuneration policy was applied during the year.

FY26 was an important year for Pick n Pay as it moved from stabilising the business following the recapitalisation in FY25 to executing the turnaround. This required a number of difficult decisions and actions, balancing the interests of employees, shareholders and other stakeholders, while maintaining a clear focus on restoring profitability and long-term sustainability.

Against this backdrop, the Remuneration Committee remained focused on ensuring that remuneration outcomes were fair, responsible and aligned with business performance, individual contribution and affordability considerations. The Committee is satisfied that the remuneration policy was implemented as approved during FY26, with no material deviations from the approved framework. There were no circumstances that warranted the application of malus or claw-back provisions during the year.

The sections that follow summarise the remuneration outcomes for executive directors, management employees and non-executive directors during FY26.

Guaranteed pay

The Committee reviewed the overall value and composition of total guaranteed pay (TGP) for executive directors and senior management employees during FY26. The Committee is satisfied that remuneration remains fair and competitive relative to relevant market benchmarks and appropriately reflects the responsibilities, experience and performance of each individual.

The Board completed its planned succession process for the CFO role during FY26. As part of this process, the remuneration of the CFO role was independently benchmarked against comparable executive roles within the South African retail sector. The benchmarking confirmed that the role was positioned below the market range relative to its size, complexity and responsibilities. Accordingly, the Board approved an adjustment to the remuneration of the CFO role to ensure it remains fair and competitive. The increase reflected in the table below is the outcome of this benchmarking process.

	CEO – Sean Summers FY26 R'000	CEO – Sean Summers FY25 R'000	CFO – Lerena Olivier FY26 R'000	CFO – Lerena Olivier FY25 R'000
Fixed salary	**25 200***	24 900	**7 725**	5 947
Retirement and medical aid	**–**	–	**300**	256
Total guaranteed pay	**25 200**	24 900	**8 025**	6 203

* *The CEO received no increase in FY26; the table reflects the annualisation of the FY25 increase implemented in June 2024.*

Scope of this section

This section explains how the remuneration policy was implemented in FY26, including:

- The application of Pick n Pay's fair and responsible remuneration principles, including pay equity, transformation and the additional disclosures required by section 30B of the Companies Act
- Guaranteed pay, including for the CEO and CFO
- Performance outcomes under the short-term incentive (STI) and long-term incentive (LTI) schemes
- Fees paid to non-executive directors

Annual salary increases

In determining salary increases, the Committee considers a range of factors, including:

- Pick n Pay's financial performance and affordability
- The macro-economic environment and inflationary pressures
- Relevant market benchmarking and competitiveness
- Individual performance and internal equity considerations

Following careful consideration of the Group's financial position and turnaround priorities, an average salary increase of 4% was awarded to employees in our stores and regional support offices during FY26. No salary increases were awarded to executive management, including the CEO and CFO.

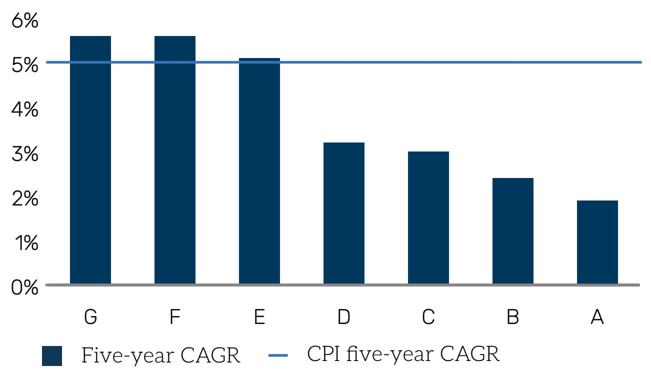
Where increases were granted, the Group applied a matrix-based approach which considered both individual performance and remuneration relative to comparable roles and internal pay scales, consistent with its pay-for-performance philosophy. Additional allocations were made, where appropriate, to address income disparities and progressively narrow identified pay gaps in support of fair and equitable remuneration outcomes.

		Average annual salary increases			
Category	**Grade**	**FY26**	**FY25**	**FY24**	**FY23**
CEO	A	**0.0%**	5.0%	0.0%	0.0%
CFO	A	**27.0%***	5.0%	0.0%	0.0%
Top management	A&B	**0.5%**	5.0%	0.0%	2.5%
Senior and middle management	C&D	**1.8%**	5.0%	1.0%	4.8%
Junior management	E	**3.0%**	6.0%	4.5%	4.6%
Entry level and non-management	G&F	**3.8%**	7.0%	4.5%	5.5%

* *Salary adjustment following market benchmarking.*

The increase for NMBU employees in FY26, as governed by labour union agreements, was on average 6.5%.

Indexed five-year CAGR increase per grade



Fair and responsible remuneration outcomes

Fair and responsible remuneration extends beyond individual remuneration decisions and requires ongoing oversight of remuneration outcomes across the workforce. This includes monitoring income differentials, assessing pay equity across race and gender dimensions, and understanding the factors that influence remuneration outcomes. The disclosures below provide an overview of these outcomes during FY26.

Income differentials across the workforce

The Committee monitors remuneration outcomes across the workforce to ensure they remain fair, responsible and aligned with the Group's remuneration principles.

The remuneration disclosures below – as required by section 30B of the Companies Act – provide an overview of remuneration outcomes across Pick n Pay, and have been calculated using remuneration data for full-time and variable-time employees (excluding learners) in FY26.

Total remuneration	**FY26 R'000**
Highest paid remuneration	**56 717.5***
Top 5% average remuneration	**1 124.5**
Average remuneration	**180.8**
Median remuneration	**121.8**
Bottom 5% average remuneration	**72.3**
Lowest paid remuneration	**67.7**
Pay-gap ratio between Top 5% and Bottom 5% average remuneration	**15.5:1**

* *Annual TGP (R25.2 million) plus the annualised accounting accrual recognised in respect of share-based incentive awards for the year (R31.5 million).*

Basis of calculation

Total remuneration includes total guaranteed pay, variable incentives, once-off payments and, where applicable, the accounting accrual recognised in respect of long-term share-based incentive awards. In the case of share-based remuneration, the amounts reflected represent the accounting expense recognised during the year and may differ from the value ultimately realised by participants. Total remuneration excludes certain additional off-payroll allowances provided to NMBU staff, including transport and meal benefits.

To facilitate comparability across the workforce, remuneration has been annualised to a full-time equivalent basis of 196 hours per month. Actual hours worked by variable-time employees differ from the full-time equivalent assumption used in these calculations. Variable-time employees are scheduled based on contracted hours and operational requirements, and work fewer hours than a full-time employee. Accordingly, while the annualised methodology provides a consistent basis for comparison across the workforce, it does not reflect the actual annual earnings received by variable-time employees.

The lowest paid remuneration reflected in the table above is in respect of a newly appointed Category 1 unskilled general worker remunerated at the applicable prescribed minimum wage of R28.79 per hour in FY26* who had not yet qualified for an annual bonus payment or other employee benefits.

For additional context, the average hourly rate earned by a cashier during FY26 was R40.16 per hour, 20% above the applicable prescribed SD9 minimum of R33.44 per hour. Including the value of benefits provided, the average hourly rate increases to R45.66 per hour, or 36% above the SD9 minimum.

* *Effective 1 March 2026 the minimum wage increased to R30.23 per hour.*

Learners participating in Pick n Pay training programmes have been excluded from the table as they receive a statutory training stipend, which is not comparable with employee remuneration. Had learners been included in the table provided, the lowest paid remuneration would reflect at R42 000, with average remuneration at R180 000, median remuneration at R121 400 and the reported pay-gap ratio would have increased from 15.5:1 to 16.4:1.

Pick n Pay recognises the income disparities that exist within the retail sector. These disparities are driven by the large number of unskilled and semi-skilled employees employed across the Group's retail stores, distribution centres and support operations, compared to a relatively small number of specialist, management and executive employees. Our workforce profile is characteristic of the retail industry, where higher levels of pay are associated with skilled, specialist and senior management roles. Our disclosure reflects emerging practice. We will continue to monitor evolving practice and enhance our disclosure over time to support transparency and comparability.

Race and gender pay equity

Pick n Pay is committed to non-discriminatory remuneration practices. Remuneration is determined with reference to the requirements of a role, taking into account responsibility, skills, experience and individual performance. Pay decisions are not influenced by race, gender or any other unjustifiable factor, with no discriminatory pay practices identified in FY26.

The Remuneration Committee oversees annual pay equity reviews across all occupational levels and employment categories to identify and address any unjustifiable remuneration disparities. The FY26 review did not identify any material or systemic pay disparities that could not be explained by objective factors such as time in role, experience, qualifications, skills or performance. Where marginal disparities were identified, these were considered justifiable based on individual employee circumstances and did not indicate discriminatory remuneration practices.

The Committee continues to monitor remuneration outcomes by race and gender as part of the Group's broader employment equity and transformation agenda. This work supports compliance with the principle of equal pay for work of equal value.

The Group continues to support the advancement of women and historically disadvantaged employees through its employment equity, talent development and succession planning initiatives. Pay equity considerations form part of the Group's broader human capital and transformation agenda and are monitored through established governance structures, including the Employment Equity Forum and the Social, Ethics and Transformation Committee.

STI performance outcomes for FY26

The FY26 STI framework was designed to align management remuneration with the key objectives of the Pick n Pay turnaround plan. Performance was measured using a combination of individual performance objectives and Company financial performance measures.

Individual performance (40% weighting)

FY26 marked the transition from stabilising the business to executing the next phase of the turnaround. Management's focus shifted to delivering more complex strategic initiatives in a challenging operating environment. Many of these initiatives required upfront investment and disciplined execution, with the full financial benefits expected to emerge over time. Individual performance objectives, therefore, remained an important component of the STI framework. These objectives were directly aligned to the six strategic priorities of the turnaround plan and tailored to each executive's area of accountability. Participants who achieved their individual performance objectives in full were eligible to receive up to 40% of their maximum STI opportunity.

Company performance (60% weighting)

The Company financial performance measures comprised turnover growth (40% of financial scorecard) and EBITDA pre-IFRS 16 before exceptional items (60% of financial scorecard), reflecting the key priorities of the turnaround: restoring sales momentum, improving operating performance and executing critical strategic initiatives. For STI purposes, EBITDA was measured before exceptional items relating to severance and restructuring costs (R235 million) and included the full economic cost of operating leases (including IFRS 16 interest charges), ensuring management remained accountable for the underlying operating performance of the business.

Financial performance outcome

The FY26 financial performance framework was designed on the basis that continued investment in the turnaround would be supported through a combination of turnover growth, gross profit margin improvement and efficiency initiatives. Turnover growth was therefore the primary driver of the financial outcome.

Pick n Pay performance measure	Threshold	Target	Stretch	FY26 outcome
Turnover growth	3.0%	4.0%	5.0%	**(1.6%)**

At the target level, turnover growth of 4.0%, together with the planned gross profit margin improvements and efficiency initiatives, would have enabled the business to maintain EBITDA broadly in line with FY25, despite continued investment in the turnaround. This would have represented improvement at the trading profit after lease interest level.

During FY26, underlying South African like-for-like sales growth improved to 2.8%, including 3.9% growth in company-owned supermarkets, a relatively strong performance in the current retail market. However, total turnover declined by 1.6%, reflecting the impact of the store reset programme and the store closures and conversions undertaken over the past two years.

Management delivered the planned gross profit margin improvements and tightly managed like-for-like operating cost growth, despite continued investment in strategic marketing initiatives and targeted recruitment to strengthen in-store execution. However, with turnover growth below the threshold level, the business did not generate sufficient sales to offset these planned investments and achieve its target objective of maintaining EBITDA in line with FY25.

EBITDA (before exceptional items) was a loss of R1.1 billion. Nevertheless, the EBITDA performance measure was achieved at threshold, reflecting the delivery of the planned gross profit margin improvements and efficiency initiatives despite the weaker sales outcome. Accordingly, only 18% of the maximum available STI opportunity in respect of the financial performance measures vested.

FY26 STI outcome for executive directors

CEO Sean Summers did not participate in the FY26 STI scheme. In terms of his employment agreement, he becomes eligible to participate from FY27. CFO Lerena Olivier participated in the FY26 STI scheme and was eligible for an STI award of R3.1 million against a maximum opportunity of R5.4 million (8 times monthly TGP). The award reflected the achievement of her individual performance objectives, including:

- Maintaining liquidity and balance sheet strength throughout the year
- Delivery of the future-fit supply chain initiatives
- Successful implementation of the support office reset

Cash retention incentive award (CRI)

The CRI is a long-term retention mechanism aimed at selected middle management employees identified through Pick n Pay's talent and succession planning processes. The scheme supports the retention of key talent and contributes to the Group's transformation objectives. Awards are determined as a multiple of monthly salary, depending on role, vest after a three-year service period and are subject to continued employment. The table below summarises the CRI awards granted during FY26 and FY25:

CRI award metrics	FY26 award	FY25 award
Number of employees	**155**	157
Award date	**June 2025**	June 2024
Vesting date	**June 2028**	June 2027
Female representation	**50%**	48%
ACI representation	**55%**	54%

Executive retention and performance incentive (ERPI)

The ERPI award granted in FY24, with 37 participants, reached the end of its two-year performance and retention period during FY26. Vesting was subject to continued employment and the achievement of performance conditions linked to the six strategic pillars of the turnaround plan. Performance conditions linked to the recapitalisation programme, leadership and people initiatives, and the store reset programme vested at an average of approximately 80% of the available opportunity, reflecting the substantial completion of these priorities. Performance conditions linked to accelerating like-for-like sales growth, strengthening strategic partnerships and implementing future-fit initiatives vested at an average of approximately 60% of the available opportunity, reflecting the work still required to complete the turnaround. As described in Part 2 of this report, the scheme has been replaced by a revised long-term incentive framework for senior management that provides a stronger balance between retention and performance and enhances alignment with shareholder interests.

Restricted share plan awards (RSP)

The RSP is the Group's primary long-term incentive scheme for executive directors and selected senior management employees. The scheme is designed to align participants with long-term shareholder value creation through share ownership and performance-linked vesting conditions. The table below summarises the outstanding RSP awards granted during FY25 and FY26. Vesting remains subject to the achievement of the applicable Pick n Pay performance conditions and continued employment. RSP earnings targets for the CEO, CFO and certain Group employees (those who support both Pick n Pay and Boxer), are a balanced blend of Pick n Pay and Boxer performance targets. Boxer performance targets are detailed in their remuneration report.

RSP award metrics	RSP 5	RSP 4
Award date	June 2025	June 2024
Vesting date	June 2028	June 2027
Participants	74	74
Shares awarded	3.6 million	3.4 million
Personal performance weighting	50%	50%
Threshold: 50% vesting	3 performance rating	3 performance rating
Target: 70% vesting	3+ performance rating	3+ performance rating
Stretch: 100% vesting	4 performance rating	4 performance rating
Pick n Pay performance weighting	50%	50%
Pick n Pay performance measure	TPAL[1]	EBITDA[2]
Threshold: 50% vesting	TPAL: (R850 million)	50% reduction in FY25 EBITDA losses by FY27
Target: 70% vesting	TPAL: (R450 million)	Linear vesting between threshold and stretch
Stretch: 100% vesting	TPAL break-even by FY28	EBITDA break-even by FY27
Awards forfeited during the year	1.8 million	1.7 million
Awards in flight	1.8 million	1.7 million

[1] *Please refer to Note 4 on page 126.*
[2] *Please refer to Note 3 on page 126.*

Pick n Pay has extended the delivery timeline of the TPAL break-even target from FY28 to FY29. As a result, 50% of the RSP 4 and RSP 5 awards were forfeited as the relevant Pick n Pay performance conditions are unlikely to be achieved in the original timeframe. For details of the RSP awards held by CFO, Lerena Olivier, refer to page 110, and for rewards issued to CEO, Sean Summers, linked to these targets, refer to page 108.

Future RSP 6 awards

Subject to shareholder approval of the remuneration policy and implementation report at the forthcoming AGM, the Committee intends to make an RSP 6 award during FY27. The proposed award will be aligned to the executive restricted share plan described in the remuneration policy and will remain subject to continued employment and the achievement of the applicable performance conditions.

Proposed RSP 6 award metrics	CFO	Management
Award date	August 2026	August 2026
Vesting date	June 2029	June 2029
Allocation	100% of annual TGP	50% of annual TGP (with 50% of annual TGP in cash in line with the management performance plan (MPP))

Proposed performance measures	CFO weighting	Management weighting	Performance condition
Personal KPIs	40%	Assessed under MPP	**CFO FY29:** • Pick n Pay ROIC at break-even (0%) • Completion of future-fit strategic pillar
Pick n Pay trading profit after leases (TPAL)	55%	95%	**FY29 TPAL** • Threshold: 50% vesting (R1.0 billion) • Target: 75% vesting (R600 million) • Stretch: 100% vesting Break-even
Waste reduction	3%	3%	FY26 base year: 30bps improvement in food waste as a percentage of relevant sales by FY29
Training and development	2%	2%	An average of 20 000 customer service training interventions and 7 000 fresh skills training interventions per annum by FY29

RSP awards: CEO

As disclosed in the FY25 remuneration report, the Committee awarded Sean Summers 4.0 million performance-based RSP shares in July 2024. The award was specifically designed to support the turnaround of the Pick n Pay supermarket business and included a combination of strategic, operational and financial performance conditions.

Award date	Performance condition	Shares awarded	Vesting date	Status
July 2024	Implementation of new leadership and operating structure	2.0 million	October 2025	Vested
July 2024	Development and implementation of the CEO succession plan	1.0 million	February 2028*	In flight
July 2024	FY27 Pick n Pay EBITDA break-even	1.0 million	February 2027	Forfeited

* *The vesting period has been amended from February 2027 to February 2028 to align more closely with Sean Summers' retirement date of May 2028.*

The third tranche was forfeited during FY26, reflecting the revised turnaround timeline and the extension of Pick n Pay's TPAL break-even target to FY29.

As disclosed in the FY25 remuneration report, the CEO's fixed-term contract has been extended to May 2028 to support continuity through the turnaround and an orderly succession process. In line with the Group's remuneration policy, the CEO remains eligible to participate in the RSP scheme.

Future RSP awards: CEO

Subject to shareholder approval of the remuneration policy and implementation report at the forthcoming AGM, the Committee intends to make further RSP awards to the CEO during FY27. The proposed award reflects shareholder feedback received on the previous award structure and increases the emphasis on stretching financial performance measures aligned to the successful delivery of the Pick n Pay turnaround plan and the Boxer growth strategy. The performance conditions of these awards will be directly linked to those of the senior management of the Pick n Pay and Boxer teams. The vesting period of the proposed award extends beyond the CEO's planned retirement date and is intended to reinforce alignment with the successful completion of the turnaround and an orderly leadership transition.

Award date	Performance condition	Weighting	Vesting date	Status
August 2026	Pick n Pay TPAL break-even by FY29*	65%	February 2029	Proposed
August 2026	Aligned with Boxer FY29 targets	30%	February 2029	Proposed
August 2026	Pick n Pay ESG targets**	5%	February 2029	Proposed

* *Threshold, target and stretch achievement aligned to those of RSP 6.*
** *Aligned to those of RSP 6.*

Non-executive directors' fees

The Committee reviewed and recommended non-executive director remuneration to the Board for shareholder approval at the AGM on 6 August 2026. The Committee proposes all fees to be increased by 4%, in line with the CPI increase approved by shareholders at the 2025 AGM.

Non-executive director	FY27 proposed R	FY26 previously R	% change
Chair (including participation in all committees)[1]	**2 600 000**	2 500 000	4%
Lead independent director (LID) (including participation in all committees)[1]	**n/a**	1 687 500	–
Non-executive director	**530 720**	510 300	4%
Chair of the Audit, Risk and Compliance Committee	**458 650**	441 000	4%
Chair of the Remuneration Committee	**243 520**	234 150	4%
Chair of the Social, Ethics and Transformation Committee	**243 520**	234 150	4%
Chair of the Nominations and Corporate Governance Committee	**243 520**	234 150	4%
Member of the Audit, Risk and Compliance Committee	**218 400**	210 000[2]	4%
Member of the Finance and Investment Committee[3]	**156 000**	150 000	4%
Member of the Remuneration Committee	**115 050**	110 600	4%
Member of the Social, Ethics and Transformation Committee	**115 050**	110 600	4%
Member of the Nominations and Corporate Governance Committee	**109 200**	105 000	4%

1 *Gareth Ackerman retired as Board Chair on 5 August 2025 and was succeeded by James Formby, who received a pro rata fee in FY26, based on his time in the role of LID and his time as Board Chair. The LID fee fell away on his appointment as Chair.*
2 *Correction – the FY26 fee was recorded in error as R110 600 in the prior year remuneration report, rather than the actual fee of R210 000, as set out correctly in the FY25 Corporate Governance Report (being unchanged from FY25).*
3 *The Committee is chaired by the Board Chair, who does not receive an additional fee for chairing this Committee.*

Comparator companies for benchmarking

Clicks Group Limited; The Foschini Group Limited; Truworths International Limited; Mr Price Group Limited; Shoprite Holdings Limited; Pepkor Holdings Limited; SPAR Group Limited; Woolworths Holdings Limited.

Directors' remuneration

Executive directors	Fees for Board meetings R'000	Fees for Committee and other work R'000	Base salary R'000	Retirement and medical contributions R'000	Total fixed remuneration R'000	Short-term incentive bonus R'000	Total remuneration R'000	Long-term awards charges – current year[1] R'000
2026								
Sean Summers[2]	**–**	**–**	**25 200**	**–**	**25 200**	**–**	**25 200**	**31 517**
Lerena Olivier	**–**	**–**	**7 725**	**300**	**8 025**	**3 130**	**11 155**	**3 792**
Total remuneration	**–**	**–**	**32 925**	**300**	**33 225**	**3 130**	**36 355**	**35 309**
2025								
Sean Summers[2]	–	–	24 900	–	24 900	–	24 900	40 198
Lerena Olivier	–	–	5 947	256	6 203	2 989	9 192	1 896
Total remuneration	–	–	30 847	256	31 103	2 989	34 092	42 094

1 *The long-term awards expense or recoupment is determined in accordance with IFRS 2 Share-Based Payments and IAS 19 Employee Benefits and reflects the current year's charge or recoupment recorded in the Group's statement of comprehensive income. The fair value of awards is determined at grant date and is recognised in the statement of comprehensive income over the period during which the employee becomes unconditionally entitled to the award (the vesting period). Depending on the nature of the vesting criteria, long-term awards expense may be reversed and recouped by the Group if the vesting criteria are not met.*
2 *Serves as a non-executive director of the Boxer Retail Limited Group; any fees earned in relation to this are paid to Pick n Pay Retailers Proprietary Limited.*

Total fees of non-executive directors

Directors	Directors' fees R'000	Lead independent director R'000	Audit, Risk and Compliance Committee R'000	Finance and Investment Committee R'000	Remuneration Committee R'000	Social, Ethics and Transformation Committee R'000	Nominations and Corporate Governance Committee R'000	Total fees R'000
FY26								
Gareth Ackerman[1]	**2 702**	**–**	**–**	**88**	**55**	**–**	**–**	**2 845**
Jonathan Ackerman	**510**	**–**	**–**	**–**	**–**	**111**	**–**	**621**
Suzanne Ackerman[2]	**510**	**–**	**–**	**–**	**–**	**131**	**–**	**641**
Haroon Bhorat[3]	**510**	**–**	**210**	**150**	**111**	**214**	**60**	**1 255**
James Formby[4]	**1 250**	**844**	**–**	**–**	**–**	**–**	**–**	**2 094**
David Friedland[5]	**255**	**–**	**105**	**75**	**–**	**–**	**–**	**435**
Aboubakar Jakoet	**510**	**–**	**441**	**150**	**111**	**–**	**105**	**1 317**
Thabo Leeuw	**43**	**–**	**18**	**–**	**–**	**9**	**–**	**70**
Grant Pattison	**43**	**–**	**18**	**12**	**9**	**–**	**–**	**82**
Audrey Mothupi-Palmstierna	**510**	**–**	**210**	**–**	**234**	**–**	**105**	**1 059**
Annamarie van der Merwe	**510**	**–**	**–**	**–**	**–**	**111**	**234**	**855**
Pooven Viranna	**383**	**–**	**158**	**–**	**–**	**9**	**–**	**550**
Total	**7 736**	**844**	**1 160**	**475**	**520**	**585**	**504**	**11 824**

1 *Gareth Ackerman was paid a Chair's fee for only 6/12 months.*
2 *Chair (outgoing) of the Social, Ethics and Transformation Committee; Chair's fee for 2/10 months and Committee fee for 10/12 months.*
3 *Appointed as Social, Ethics and Transformation Committee Chair, 10/12 months.*
4 *James Formby LID 6/12 and Chair, 6/12. Also serves as a non-executive director of the Boxer Retail Group for which he earned R1.8 million in addition to the above disclosed amount.*
5 *David Friedland retired at the AGM, 6/12 months.*

Directors	Directors' fees R'000	Additional ad hoc fees[1] R'000	Lead independent director R'000	Audit, Risk and Compliance Committee R'000	Finance and Investment Committee R'000	Remuneration Committee R'000	Social, Ethics and Transformation Committee R'000	Nominations and Corporate Governance Committee R'000	Total fees R'000
FY25									
Gareth Ackerman	4 893	–	–	–	–	–	–	–	4 893
Jonathan Ackerman	510	–	–	–	–	–	111	–	621
Suzanne Ackerman	510	–	–	–	–	–	234	26	770
Haroon Bhorat	510	–	–	210	150	111	83	26	1 090
Mariam Cassim[2]	170	–	–	70	–	–	–	–	240
James Formby[1,3]	–	210	1 688	–		–	–	–	1 898
David Friedland[1]	510	210	–	210	150	–	–	26	1 106
Aboubakar Jakoet[1]	510	210	–	441	150	111	–	78	1 500
Audrey Mothupi-Palmstierna	510	–	–	210	–	234	–	105	1 059
David Robins[4]	255	–	–	–		–	28	–	283
Annamarie van der Merwe	510	–	–	–	–	–	111	201	822
Total	8 888	630	1 688	1 141	450	456	567	462	14 282

1 *Once-off fee approved by shareholders at the 2024 AGM to recognise the additional guidance provided by the directors in a number of critical areas, including liquidity management, the Group's debt restructure and the two-step recapitalisation plan.*
2 *Mariam Cassim resigned as an independent non-executive director on 5 July 2024.*
3 *Serves as a non-executive director of the Boxer Retail Group for which he earned R0.8 million in addition to the above disclosed amount.*
4 *David Robins retired as a non-executive director on 27 August 2024.*

Share awards held by executive directors

2026	Calendar year granted	Award grant price R	Balance held at 2 March 2025	Granted/ (exercised)	Forfeits	Share price at exercise R	Balance held at 1 March 2026	Available for take-up
Sean Summers								
Restricted shares	2024	Nil	2 000 000	(2 000 000)	–	28.30	–	n/a
	2024	Nil	2 000 000	–	(1 000 000)	–	1 000 000	February 2028*
			4 000 000	(2 000 000)	(1 000 000)	–	1 000 000	
Lerena Olivier								
Share options	2019	58.05	80 000	–	–	–	80 000	Now
	2019	58.05	60 000	–	–	–	60 000	Now
	2019	58.05	60 000	–	–	–	60 000	September 2026
Restricted shares	2022	Nil	34 800	(34 800)	–	27.20	–	n/a
	2026	Nil	–	234 666	(117 333)	–	117 333	February 2027
	2026	Nil	–	279 788	(139 894)	–	139 894	February 2028
			234 800	479 654	(257 227)	–	457 227	

* The vesting period has been amended from February 2027 to February 2028 to align more closely with Sean Summers' retirement date of May 2028.

Directors' interest in ordinary shares

2026	How held[1]	Balance held at 2 March 2025	Additions/ grants	Disposals	Vesting	Forfeits	Balance held at 1 March 2026[2]	Beneficial/ non-beneficial interest[3]
Gareth Ackerman	Indirect	2 746 492	–	–	–	–	2 746 492	Beneficial
Ackerman Pick n Pay Foundation[4]	Indirect	153 981	–	–	–	–	153 981	Non-beneficial
Ackerman Family Investment Holdings Proprietary Limited[5]	Indirect	2	–	–	–	–	2	Non-beneficial
Ackerman Investment Holdings (RF) Proprietary Limited[6]*	Indirect	189 334 996	–	(64 038 857)	–	–	125 296 139	Non-beneficial
Mistral Trust[7]	Indirect	4 533 300	–	–	–	–	4 533 300	Non-beneficial
Sean Summers	Direct	345 391	2 000 000	–	–	–	2 345 391	Beneficial
	Direct – RSP	4 000 000	–	–	(2 000 000)	(1 000 000)	1 000 000	Beneficial
Lerena Olivier	Direct	163 078	34 800	(16 182)	–	–	181 696	Beneficial
	Direct – RSP	34 800	514 454	–	(34 800)	(257 227)	257 227	Beneficial
Suzanne Ackerman	Indirect	1 072 919	–	–	–	–	1 072 919	Beneficial
Jonathan Ackerman	Indirect	1 537 256	–	–	–	–	1 537 256	Beneficial
Aboubakar Jakoet	Direct	10 000	–	–	–	–	10 000	Beneficial
	Indirect[8]	750 000	–	–	–	–	750 000	Beneficial
	Indirect	13 995	–	–	–	–	13 995	Non-beneficial
James Formby	Direct	6 130	–	–	–	–	6 130	Beneficial
	Indirect	63 306	–	–	–	–	63 306	Beneficial

David Friedland retired as an independent non-executive director effective 5 August 2025.

1 *Direct interests represent a holding in the director's personal capacity. Indirect interests represent a holding by a trust or a company (of which the director is a trustee, director or shareholder, as relevant), or by a spouse or minor children of directors.*
2 *There have been no changes in the directors' interest in shares since 1 March 2026 up to the date of approval of the 2026 Integrated Annual Report.*
3 *Beneficial interest represents an interest in shares in which a person is entitled to receive income payable in respect of that shareholding and/or obtain any benefit as a result of holding those shares. Non-beneficial interest represents an interest in shares in which a person will not benefit directly as a result of holding those shares.*
4 *The indirect non-beneficial interest in the Ackerman Pick n Pay Foundation represents the holdings of Gareth Ackerman and Suzanne Ackerman in their capacities as trustees.*
5 *The indirect non-beneficial interest in Ackerman Family Investment Holdings Proprietary Limited represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman.*
6 *The indirect non-beneficial interest in Ackerman Investment Holdings (RF) Proprietary Limited represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman.*
7 *The indirect non-beneficial interest in Mistral Trust represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman in their capacity as trustees and/or potential beneficiaries.*
8 *Defined as an indirect beneficial shareholding in terms of JSE classifications. However, the director only has a 10% shareholding in the company that holds these shares, does not exercise any control over the shares, and receives no direct benefit.*
* *During the period under review, the Ackerman Family, through Ackerman Investment Holdings (RF) Proprietary Limited, sold 64 038 857 ordinary Pick n Pay Stores Limited shares by way of an accelerated bookbuild offering. Refer to page 111 for the impact on voting rights.*

Directors' interest in B shares

2026	How held[1]	Balance held at 2 March 2025	Balance held at 1 March 2026[2]	Beneficial/ non-beneficial interest[3]
Gareth Ackerman	Indirect	4 216 004	4 216 004	Beneficial
Ackerman Investment Holdings (RF) Proprietary Limited[4]	Indirect	310 989 391	310 989 391	Non-beneficial
Mistral trust[5]	Indirect	6 703 896	6 703 896	Non-beneficial
Suzanne Ackerman	Indirect	1 489 399	1 489 399	Beneficial
Jonathan Ackerman	Indirect	1 782 990	1 782 990	Beneficial

As previously announced, Ackerman Investment Holdings (RF) Proprietary Limited and its related and inter-related persons (collectively, the "Ackerman Family") disposed of 64 038 857 ordinary shares on 17 November 2025, and the 105 186 279 B shares held by the Ackerman Family that were previously attached to such ordinary shares have ceased to have voting rights. Subject to the requisite shareholder approval being obtained at the 2026 AGM, these "unstapled" B shares will be repurchased by the Company for a nominal price of R0.00001 per B share and cancelled, as contemplated in the Memorandum of Incorporation (MOI).

1 *Direct interests represent a holding in the director's personal capacity. Indirect interests represent a holding by a trust or company (of which the director is a trustee, director or shareholder, as relevant), or by a spouse or minor children of directors.*
2 *There have been no changes in the directors' interest in shares since 1 March 2026 up to the date of approval of the 2026 audited Group Annual Financial Statements.*
3 *Beneficial interest represents an interest in shares in which a person is entitled to receive income payable in respect of that shareholding and/or obtain any benefit as a result of holding those shares. Non-beneficial interest represents an interest in shares in which a person will not benefit directly as a result of holding those shares.*
4 *The indirect non-beneficial interest in Ackerman Investment Holdings (RF) Proprietary Limited represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman.*
5 *The indirect non-beneficial interest in Mistral Trust represents a portion of the holdings of Gareth Ackerman, Suzanne Ackerman and Jonathan Ackerman in their capacity as trustees and/or potential beneficiaries.*