



Annamarie van der Merwe
*Chair: Nominations and Corporate
 Governance Committee*

Report of the Nominations and Corporate Governance Committee

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

Committee Chair statement

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

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

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

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

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

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



Committee mandate

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

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

Committee governance

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

Committee meeting attendance

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

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

The Committee's key focus areas and activities in FY25

Governance of the Recapitalisation Plan

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

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

Establishment of the Boxer Board and governance framework

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

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

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

Refresh of Pick n Pay constitutional documents and governance frameworks

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

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

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

Pick n Pay Board composition and leadership succession

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

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

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

CEO succession and executive oversight

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

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

Committee evaluation

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

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

Key areas of focus for FY26

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

Annamarie van der Merwe

Chair: Nominations and Corporate Governance Committee

30 June 2025