

**WOOLWORTHS HOLDINGS LIMITED (“THE COMPANY”)
MINUTES OF THE ANNUAL GENERAL MEETING (“AGM”) OF SHAREHOLDERS
HELD AT 10:00 ON WEDNESDAY, 27 NOVEMBER 2019
IN THE AUDITORIUM, WOOLWORTHS HOUSE, CAPE TOWN,**

CHAIRMAN

The AGM was chaired by Mr Susman, Chairman of the Board of the Company.

ATTENDANCE

Directors present: Simon Susman (Chairman)
Hubert Brody (Deputy Chairman)
Ian Moir (Group Chief Executive Officer)
Tom Boardman (Lead Independent Director)
Zarina Bassa
Reeza Isaacs
David Kneale
Nombulelo Moholi
Sam Ngumeni
Zyda Rylands
Thembisa Skweyiya
Clive Thomson
Belinda Earl - via videoconference

Apologies: Andrew Higginson
Christopher Colfer

Group Company Secretary: Chantel Reddiar

External Auditors: Cornea de Villiers
(Ernst & Young Inc. (EY)) Lucian Rolleston

Legal Advisors: Johannes Smit
(Webber Wentzel) Riyaad Cruywagen

Transfer Secretaries: Wynand Louw
(Computershare) Mnandi Bestbier
Sandy Ehlers
Hawa Haffejee
Andrej Vladar (Lumi)

Shareholders: 42 shareholders were present in person/present by representation (including twelve Directors holding shares). The number of shares voted in person, by proxy or by representation, on each of the resolutions tabled at the AGM, is provided in Annexure ‘A’ attached.

Visitors: 54 visitors signed the visitors’ attendance register.

1. WELCOME AND APOLOGIES

The Chairman welcomed all stakeholders to the AGM. Apologies were noted from Messrs Andrew Higginson and Christopher Colfer, both independent non-executive directors.

The Chairman noted that the Board had been engaging continuously with stakeholders who had provided their input on performance, environmental, social and governance matters. The Board also regarded the AGM as an important part of its ongoing engagement process.

Before proceeding with the formal business of the AGM, the Chairman reflected on the changes to the Board that were announced during the year and noted that:

- both he and Mr Tom Boardman would step down after the AGM. He thanked Mr Boardman for his invaluable counsel to both himself and the Board as well as for Mr Boardman's contributions over the years;
- Mr Hubert Brody would succeed him as Chairman, subject to shareholder confirmation at the AGM;
- Ms Zarina Bassa would succeed Mr Boardman as Lead Independent Director;
- the leadership transition was in line with the Board's long-term succession planning strategy and had been carefully considered with a view to enabling a transition that would be supportive of the next phase of the Company's growth and future development;
- as part of the Board's succession planning, Ms Thembisa Skweyiya, Mr David Kneale, Ms Belinda Earl, Mr Christopher Colfer and Mr Clive Thomson had been appointed to the Board as independent non-executive directors; and
- the Board acknowledged the contributions of Ms Siza Mzimela, Ms Gail Kelly and Mr Patrick Allaway who had resigned during the financial year.

2. CONSTITUTION OF MEETING

The Chairman confirmed that in terms of the Companies Act, No. 71 of 2008, as amended, ("Companies Act") and the Company's Memorandum of Incorporation, the required quorum was present.

3. NOTICE OF ANNUAL GENERAL MEETING

The Notice convening the AGM for the year ended 30 June 2019 ("Notice"), as distributed to members on 30 September 2019 and published on the Company's website, was taken as read with the consent of the meeting.

4. VOTING RIGHTS OF SHARES

The Chairman, having the required authority, informed the meeting that all resolutions would be decided by means of a poll.

The Chairman further noted that for ordinary resolutions 1 to 4 to be passed, more than 50% of the total exercisable votes represented in person or by proxy (“Votes”) at the AGM would be required. For ordinary resolution 5 to be passed, more than 75% of the Votes at the AGM would be required.

As outlined in the Notice, ordinary resolutions 6 and 7 are non-binding advisory resolutions relating to the endorsement of the Remuneration Policy and Remuneration Implementation Report by shareholders. The Chairman noted that if ordinary resolutions 6 or 7 are voted against by 25% or more of the Votes, the Company would be required to engage with dissenting shareholders.

For special resolutions 1 and 2 to be passed, at least 75% of the Votes would be required.

5. ELECTRONIC VOTING METHOD

The Chairman informed the meeting that voting would be by way of the electronic devices provided to each shareholder on registration and Mr Vladjar (Lumi’s representative) provided a demonstration on the use of the devices.

6. MINUTES OF THE PREVIOUS MEETING

The minutes of the previous annual general meeting held on 30 November 2018 and signed by the Chairman as a true record on 20 February 2019, were available on the Company’s website.

7. PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS (“AFS”) AND REPORTS

7.1 Annual Financial Statements, Directors' Report and Audit Committee Report

The audited consolidated AFS of the Company and the Group for the financial year ended 30 June 2019, incorporating the Directors’ Report, the Independent Auditor’s Report and report of the Audit Committee, were each presented.

The Chairman noted that the Company had received an unqualified audit opinion on the consolidated AFS of the Company and the Group for the year ended 30 June 2019.

7.3 Social and Ethics Committee Report

The report of the Social and Ethics Committee was presented and the Chairman invited comments on the report of the Social and Ethics Committee, as included in the Group’s 2019 Integrated Annual Report and there being no comments, the meeting proceeded to the ordinary resolutions.

8. ORDINARY RESOLUTION NO. 1: APPOINTMENT OF CHAIRPERSON

It was **RESOLVED** that Mr Hubert Brody be elected as Chairperson of the Company with the effect from the conclusion of the AGM.

9. ORDINARY RESOLUTION NUMBER 2: ELECTION OF DIRECTORS

Messrs Kneale, Colfer and Thomson and Mesdames Skweyiya and Earl were appointed as independent non-executive directors during the year. Being eligible, they had offered themselves for election, each by way of a separate vote.

Ordinary resolution number 2.1: Election of Mr David Kneale

It was **RESOLVED** that Mr David Kneale be elected as an independent non-executive director of the Company.

Ordinary resolution number 2.2: Election of Ms Thembisa Skweyiya

It was **RESOLVED** that Ms Thembisa Skweyiya be elected as an independent non-executive director of the Company.

Ordinary resolution number 2.3: Election of Ms Belinda Earl

It was **RESOLVED** that Ms Belinda Earl be elected as an independent non-executive director of the Company.

Ordinary resolution number 2.4: Election of Mr Christopher Colfer

It was **RESOLVED** that Mr Christopher Colfer be elected as an independent non-executive director of the Company.

Ordinary resolution number 2.5: Election of Mr Clive Thomson

It was **RESOLVED** that Mr Clive Thomson be elected as an independent non-executive director of the Company.

10. ORDINARY RESOLUTION NUMBER 3: ELECTION OF AUDIT COMMITTEE MEMBERS

The members of the Audit Committee of the Company, each being suitably qualified, offered themselves for election, by way of separate votes.

Ordinary resolution number 3.1: Election of Ms Zarina Bassa

It was **RESOLVED** that Ms Zarina Bassa be elected as a member of the Company's Audit Committee until the conclusion of the Company's 2020 AGM.

Ordinary resolution number 3.2: Election of Ms Thembisa Skweyiya

It was **RESOLVED** that Ms Thembisa Skweyiya be elected as a member of the Company's Audit Committee until the conclusion of the Company's 2020 AGM.

Ordinary resolution number 3.3: Election of Mr Andrew Higginson

It was **RESOLVED** that Mr Andrew Higginson be elected as a member of the Company's Audit Committee until the conclusion of the Company's 2020 AGM.

Ordinary resolution number 3.4: Election of Mr Christopher Colfer

It was **RESOLVED** that Mr Christopher Colfer be elected as a member of the Company's Audit Committee until the conclusion of the Company's 2020 AGM.

Ordinary resolution number 3.5: Election of Mr Clive Thomson

It was **RESOLVED** that Mr Clive Thomson be elected as a member of the Company's Audit Committee until the conclusion of the Company's 2020 AGM.

11. ORDINARY RESOLUTION NUMBER 4: RE-APPOINTMENT OF EXTERNAL AUDITOR

The Chairman noted that the Audit Committee had conducted an assessment on the Group's external auditors and was satisfied that the auditors were independent, effective and accredited with the JSE Limited ("JSE"). As such the Audit Committee had recommended their re-appointment, which recommendation the Board supported.

In response to a query from the floor, the Deputy Chairman confirmed that Ernst & Young Inc. ("EY") had been the Company's external auditors for 87 years. He acknowledged that EY's tenure was indeed long, however, the Audit Committee reviewed the independence of EY and of the designated audit partner on annual basis and was satisfied as to their independence and accreditation with the JSE. The Deputy Chairman further noted that external auditor rotation would be implemented in the next two years.

It was **RESOLVED** that the re-appointment of EY as the Group's external auditors be approved.

12. ORDINARY RESOLUTION NO. 5: AMENDMENTS TO THE RULES OF THE WOOLWORTHS PERFORMANCE SHARE PLAN ESTABLISHED IN TERMS OF THE WOOLWORTHS HOLDINGS SHARE TRUST DEED

The Chairman noted that the amendments being proposed introduced malus and clawback provisions to align the Performance Share Plan rules with best governance practices and to provide a legal mechanism to recover the value of share awards from an executive or to lapse unvested awards should it be required in defined Malus Events – for example, should an executive commit an act of gross misconduct or cause material reputational and/or financial damage to the Group.

The proposed amendments to the Performance Share Plan rules would be effective as from the date of the AGM, subject to being approved by shareholders, and would apply to awards made after that date. Similar amendments had been implemented in respect of the Company's Restricted Share Plan and Short term Incentive Plan.

It was **RESOLVED** that the amendments to the rules of Woolworths Performance Share Plan established in terms of the Woolworths Holdings Share Trust Deed be approved.

13. ORDINARY RESOLUTION NUMBER 6: ENDORSEMENT OF THE COMPANY'S REMUNERATION POLICY

The Chairman informed attendees that due to the Group's 2018 Remuneration Implementation Report receiving the endorsement of 60.26% of shareholders at the Annual General Meeting in 2018, dissenting shareholders had been invited to engage with the Remuneration Committee. Their inputs and comments, together with those received directly from key stakeholders prior to the 2018 Annual General Meeting, had been carefully considered by the Board, and the Remuneration Committee in particular, and a number of changes had been implemented as a result. The Board convened a separate Remuneration workshop to deliberate on the various issues, a summary of which had been set out the Notice and the detailed changes incorporated into the 2019 Remuneration Policy and Implementation Report. In addition, both Mr Brody and Ms Bassa had engaged with shareholders in early November 2019, before the AGM, to understand any shareholder concerns in general, as well as on remuneration matters.

It was **RESOLVED** as a non-binding advisory resolution that the Company's Remuneration Policy be endorsed.

14. ORDINARY RESOLUTION NUMBER 7: ENDORSEMENT OF THE COMPANY'S REMUNERATION IMPLEMENTATION REPORT

Mr Adrian Davey (Deputy Company Secretary) noted the following queries from Aeon Investment Management ("Aeon"), which had been received by way of letter:

1. What is the Group CEO's remuneration in absolute terms, and in comparison to South African peers is relatively high in a world of growing inequality?
2. Companies in South Africa use mostly the same remuneration consultants, this results in executives benefiting from an ever-increasing peer group comparison. What is the board's position on this?
3. Please disclose the constituents (excluding those used for the long-term incentive scheme) of the comparator group used in determining the CEO remuneration.
4. The chairman, lead independent director and treasury committee member's fees increased by 30.2%, 20% and 191.9% respectively. These increases and in absolute amounts are in our view also excessive. What comparator group (actual constituents) is used as a benchmark? We recognise that the Chairman will have more responsibilities as indicated by the Lead Independent Director.

In responding to Aeon's questions, Mr Boardman, Chairman of the Company's Remuneration Committee, noted that the incoming Chairman and Lead Independent Director had engaged with Mr Mohamed of Aeon and his team on 13 November 2019, at which engagement the issues raised had also been addressed. Mr Boardman then responded to the questions as follows:

- (i) Inequality was an issue that was being grappled with on a country-wide basis and would remain an issue for some time. The Group CEO's remuneration had been comprehensively reported in absolute terms in the Remuneration Implementation Report. The Group CEO had not received an increase in his guaranteed package for the last three years. In 2015 and 2016, post the acquisition of David Jones, the

Company had shown strong growth and it was only in the last three years that growth had been relatively poor as reflected in the share price. During the nine years that the Group CEO had led the Group, the share price was up 239% and profit before tax had increased by 162%. For the current year, the share price had increased 21.5% on a calendar basis. In addition to not having any increase in his guaranteed package over the past three years, the Group CEO did not receive a bonus and neither did any of his long term incentives (LTIs) vest.

- (ii) The appointment of consultants was an ongoing challenge for the Remuneration Committee given that there were not many available in the market to prevent the effect outlined by Aeon. The Remuneration Committee had endeavoured to mitigate this by using the services of multiple consultants (such as DJ Capital or PwC) and would continue to do so.
- (iii) The Group CEO's package was benchmarked against: South Africa (JSE) Retailers; the Top 30 JSE Listed Companies; International retailers and a peer group of similar size companies. The comparator groups used for the benchmarking of the proposed non-executive director fees included an industry based group of JSE retail companies, a peer group of similar size JSE retail companies, and an international group of retail companies.
- (iv) The incoming Chairman and Lead Independent Director had both been tasked with additional oversight of the local and international businesses and had been requested to free up additional capacity (with consequential reduction in their earnings from these undertakings) in order to give the necessary attention to their new roles.

There being no further questions, the Chairman invited shareholders and attendees to vote on ordinary resolution number 7.

It was **RESOLVED** as a non-binding advisory resolution that the Remuneration Implementation Report be endorsed.

The Chairman noted that the resolution had not been endorsed by more than 75% of the Votes. As a substantial amount of time had already been spent engaging with shareholders, as evidenced by the high level of shareholder endorsement on the Remuneration Policy, the Board would reflect on further improvements that may be required in respect of the implementation of the Remuneration Policy. Accordingly, shareholders would be invited to submit any additional concerns to the email address at governance@woolworths.co.za (available from the Group Company Secretary after the AGM) by 6 December 2019 to enable direct engagement with the Remuneration Committee. The Remuneration Committee would then deliberate on any shareholder feedback received at its Remuneration Committee meeting at the end of February 2020 and would host a remuneration call with interested shareholders in March 2020 to provide initial feedback on outcomes.

15. SPECIAL RESOLUTION NUMBER 1: GENERAL AUTHORITY TO REPURCHASE SHARES

It was **RESOLVED** that the Company and/or any of its subsidiaries be authorised by way of a general authority to acquire issued ordinary shares of the Company from any person (including any director or prescribed officer of the Company or any person related to any director or prescribed officer of the Company) from time to time, on such terms and conditions as the Directors of the Company may determine in accordance with the requirements of the Company's Memorandum of Incorporation, the Companies Act and the Listings Requirements of the Johannesburg Stock Exchange (JSE) from time to time, which requirements currently provide that:

- any such repurchase shall be implemented through the order book operated by the JSE trading system, without any prior understanding or arrangement between the Company and the counterparty (reported trades being prohibited);
- this general authority shall be valid until the earlier of the Company's next Annual General Meeting or the expiry of a period of 15 months from the date of passing of Special Resolution 1;
- acquisitions by the Company may not, in aggregate, exceed 5% of the Company's issued share capital as at the date of the passing of Special Resolution 1;
- ordinary shares may not be acquired at a price greater than 10% above the weighted average of the market value at which such ordinary shares are traded on the JSE as determined for the five business days immediately preceding the date of acquisition of such ordinary shares;
- an announcement in accordance with paragraph 11.27 of the JSE Listings Requirements is published as soon as the Company, or any of its subsidiaries, has cumulatively acquired not less than 3% of the ordinary shares in issue as at the date of the passing of Special Resolution 1 and for each subsequent acquisition constituting on a cumulative basis, not less than 3% in aggregate of the number of ordinary shares in issue as at the date of the passing of Special Resolution 1;
- the Company and/or its subsidiaries may not acquire any ordinary shares during a prohibited period as defined in the JSE Listings Requirements unless a repurchase programme is in place where the date and quantities of the ordinary shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE prior to the commencement of the prohibited period;
- the Company's subsidiaries may not acquire ordinary shares issued by the Company if the acquisition of such shares will result in them holding, on a cumulative basis, more than 10% of the number of ordinary shares in issue in the Company;
- no voting rights attached to the ordinary shares acquired by the Company's subsidiaries may be exercised while the shares are held by them and they remain subsidiaries of the Company;
- the Board of Directors shall have authorised the acquisition, the Company shall have passed the solvency and liquidity test in terms of Section 4 of the Companies Act and since the solvency and liquidity test was considered, no material changes to the financial position of the Company and its subsidiaries have occurred; and

- the Company only appoints one agent at any point in time to effect the repurchases on its behalf.

16. SPECIAL RESOLUTION NUMBER 2: APPROVAL OF NON-EXECUTIVE DIRECTORS' FEES

It was **RESOLVED** that the VAT exclusive fees payable to non-executive directors for the period 1 January to 31 December 2020, details of which were set out in the Notice of AGM, be approved.

17. CLOSURE

The Chairman handed over to the incoming Chairman, Mr Brody. Mr Brody thanked shareholders for their votes of confidence in him to lead the Board after Mr Susman stepped down. On behalf of the Board, management and all Woolworths' employees, Mr Brody extended deepest thanks and appreciation to Mr Susman for the passion and wisdom he had shared and for building Woolworths into a company that was deeply rooted in values, passionately delivered on sustainability and brought real value to all stakeholders.

Mr Brody noted that while Mr Susman would be stepping down as chairman, his association with Woolworths would continue in the role as Honorary President. In this role, Mr Susman would provide support and advice, mentor talented employees and continue his deep association with the Group by devoting his time to the advancement of the Company's participation in civil and corporate society.

The Chairman thanked the Directors, management and staff across all geographic regions for the work they had contributed not only during the year but throughout the years that he had been on the Board and part of the Woolworths family.

There being no further business to discuss, the Chairman extended thanks to shareholders and attendees for their attendance and contributions at the meeting. The Chairman further wished Mr Brody well as he took on the role of Chairman of the Board. The Chairman thereafter declared the meeting closed.

Annexure 'A': Results of the poll

Detailed results are attached as Annexure A.

APPROVED AND SIGNED THIS 19th DAY OF FEBRUARY 2020.



CHAIRMAN

ANNEXURE A

The total issued share capital of the Company as at the record date of 22 November 2019 was 1 048 526 838 ordinary shares with total votable shares, excluding 84 307 873 Treasury Shares, being 964 218 965.

Details of the voting statistics for each resolution are as follows:

	VOTES CAST DISCLOSED AS A % OF TOTAL SHARES VOTED AT THE AGM		NUMBER OF SHARES VOTED	SHARES VOTED DISCLOSED AS A % OF TOTAL VOTEABLE SHARES	SHARES ABSTAINED DISCLOSED AS A % OF TOTAL VOTEABLE SHARES
	FOR	AGAINST			
Ordinary Resolution 1: Appointment of Chairperson	99.97	0.03	739 653 661	76.71	0.09
Ordinary Resolution 2: Election of Directors					
Ordinary Resolution 2.1 • David Kneale	99.98	0.02	739 656 761	76.71	0.09
Ordinary Resolution 2.2 • Thembisa Skweyiya	99.99	0.01	739 652 461	76.71	0.09
Ordinary Resolution 2.3 • Belinda Earl	99.98	0.02	739 656 761	76.71	0.09
Ordinary Resolution 2.4 • Christopher Colfer	99.98	0.02	739 653 661	76.71	0.09
Ordinary Resolution 2.5 • Clive Thomson	99.98	0.02	739 656 761	76.71	0.09
Ordinary Resolution 3: Election of Audit Committee members					
Ordinary Resolution 3.1 • Zarina Bassa	97.90	2.10	739 544 426	76.70	0.11
Ordinary Resolution 3.2 • Thembisa Skweyiya	99.99	0.01	739 652 009	76.71	0.10
Ordinary Resolution 3.3 • Andrew Higginson	97.91	2.09	739 652 461	76.71	0.09
Ordinary Resolution 3.4 • Christopher Colfer	99.96	0.04	739 649 361	76.71	0.10
Ordinary Resolution 3.5 • Clive Thomson	99.98	0.02	739 461 961	76.69	0.09
Ordinary Resolution 4: Re-appointment of Ernst & Young Inc. as external auditors	71.86	28.14	739 548 266	76.70	0.11
Ordinary Resolution 5: Amendments to the Woolworths Performance Share Plan	99.87	0.13	739 252 586	76.67	0.14

	VOTES CAST DISCLOSED AS A % OF TOTAL SHARES VOTED AT THE AGM		NUMBER OF SHARES VOTED	SHARES VOTED DISCLOSED AS A % OF TOTAL VOTEABLE SHARES	SHARES ABSTAINED DISCLOSED AS A % OF TOTAL VOTEABLE SHARES
	FOR	AGAINST			
Ordinary Resolution 6: Endorsement of the Remuneration Policy	95.23	4.77	739 408 641	76.68	0.11
Ordinary Resolution 7: Endorsement of the Remuneration Implementation Report	69.25	30.75	739 325 418	76.68	0.13
Special Resolution 1: General authority to acquire (repurchase) shares	98.96	1.04	739 583 118	76.70	0.10
Special Resolution 2: Non-Executive Directors fees for the period 1 January 2020 to 31 December 2020 exclusive of value-added tax	94.66	5.34	739 486 335	76.69	0.11