

**WOOLWORTHS HOLDINGS LIMITED (“GROUP” or “THE COMPANY”)  
MINUTES OF THE ANNUAL GENERAL MEETING (“AGM”) OF SHAREHOLDERS  
HELD AT WOOLWORTHS HOUSE, LONGMARKET STREET, CAPE TOWN AND BY ELECTRONIC  
COMMUNICATION ON WEDNESDAY, 22 NOVEMBER 2023 AT 10:00**

**CHAIRMAN**

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

**ATTENDANCE**

**Directors:** Hubert Brody (Chairman)  
Roy Bagattini (Group Chief Executive Officer)  
Pinky Moholi (Lead Independent Director)  
Lwazi Bam  
Christopher Colfer  
Rob Collins  
Belinda Earl  
David Kneale  
Sam Ngumeni  
Thembisa Skweyiya  
Clive Thomson

**Group Company Secretary:** Chantel Reddiar

**External Auditors:**  
KPMG Inc. (KPMG) Edward Belstead  
Imraan Jeeva

**Legal Advisors:** Jesse Watson  
(Webber Wentzel) Riyaad Cruywagen

**Transfer Secretaries:** Wynand Louw  
(Computershare) Mnandi Bestbier

**Shareholders:** 31 shareholders were present in person/present by representation (including six 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.

**Guests:** 50 guests registered their attendance at the AGM.

**1. WELCOME AND QUORUM**

The Chairman welcomed all attendees to the Company’s 93<sup>rd</sup> AGM which was being hosted by way of a hybrid meeting.

As the necessary quorum was present in accordance with both the Companies Act, No. 71 of 2008, as amended, (“Companies Act”) and the Company’s Memorandum of Incorporation (“MOI”), the Chairman declared the meeting duly constituted.

## 2. MEETING PROCEDURE

The Chairman clarified the meeting and voting procedures given the hybrid format, and advised attendees that all questions would be dealt with at the start of the meeting before the tabling of the resolutions.

Voting was opened on the electronic voting platform for shareholders attending the meeting virtually, as well as in person. Voting remained open until all resolutions had been tabled, after which the Chairman notified attendees that voting would close.

## 3. VOTING

The Chairman, having the required authority, informed the meeting that voting on the business being put to the meeting would be decided by means of a poll. In addition, the Group Company Secretary explained how the electronic voting platform functioned.

The voting percentages for the passing of the resolutions were noted as follows:

- for ordinary resolutions 1 to 4, 50% or more;
- for non-binding advisory resolutions 1 and 2, 50% or more and in the event that these resolutions did not receive 75% or more of shareholder support, a specific engagement process would be followed, details of which were provided at the end of the AGM; and
- for special resolutions 1 and 2, 75% or more.

## 4. NOTICE OF AGM

The Notice convening the AGM for the year ended 25 June 2023 (“Notice”), which was distributed to shareholders and published on the Company’s website on 29 September 2023, was taken as read with the consent of the meeting.

## 5. QUESTIONS

The Chairman opened for questions from attendees via the online platform and in the auditorium in no particular order. The following questions (in italics below for ease of reference) were received and responded to:

- (1) *In your trading update you mention the impact of congestion at the ports as one reason for trading being down – just last week it was reported that 71 000 containers are stuck on ships. How will this impact Christmas and Black Friday trade?*

The CEO confirmed that the challenges at the ports, as well as weather conditions, had caused delays in the arrival of certain summer stock which had affected trade. Weather disruptions had prevented ships from docking in Cape Town which resulted in them being rerouted to dock in other parts of the province. The stock had now arrived, and Woolworths South Africa (“WSA”) was set for the upcoming Black Friday and Christmas trading periods. Management was also comfortable with the current inventory levels.

Looking ahead, ongoing congestion at the ports was expected, especially in Durban, however, as most of WSA’s imports came through the Cape Town port, the impact was not expected to be as significant.

- (2) *Your recent sales update reported pretty strong top-line growth in your Foods business. Who do you think you're taking market share from, and to what extent are you having to increase your level of promotional and discount activity, given the very competitive market, to achieve that level of sales growth?*

The CEO responded that performance was not driven by discounting but was the result of trading the business more efficiently. A range of process and systems enhancements had been implemented which had enabled the Food team to optimise running the business more rigorously, ultimately translating into better gross profit margins.

- (3) *Can shareholders attending electronically, ask their questions verbally, or are online participants only allowed to post written questions?*

The Chairman responded that written text capability was provided for attendees joining the meeting electronically.

- (4) *Remuneration Policy and Implementation: It is difficult to determine how the Long-Term Incentive ("LTI") performance conditions were set and calibrated for the sale of David Jones, to determine if they are sufficiently stretching? There is poor disclosure on ESG metric targets and actual performance for the LTI scheme.*

The Remuneration and Talent Management Committee ("Committee") Chair responded that the LTI performance conditions for FY24 were based on continuing operations so that the 2026 performance testing could be performed on a like-for-like basis.

On the adHEPS target, which was set at CPI +4% over the next three years, the Committee Chair noted that given the economic headwinds in both South Africa and Australia, the business would have to deliver double digit growth to meet these targets and as such, the Committee was of the view that the adHEPS target represented sufficient stretch.

Regarding the ROCE target, which was set at WACC +5%, the Committee had deliberated at length on the expected performance of the business over the next three years. Taking into consideration that the business was going into an investment phase in both South Africa and Australia, the Committee had elected not to set the ROCE target at a level that could discourage the necessary reinvestment in growth of the business. The Committee had concluded that the ROCE target was appropriately stretching, and if achieved, would deliver outstanding performance in comparison to the Group's peers.

The Committee Chair noted, relative to the ESG disclosures that the transformation target had been set at 87.93%, while the environmental targets, which are linked to the Group's sustainability funding, had not been finalised with the Group's lenders. These would be disclosed ex-post facto in the 2024 Integrated Report.

- (5) *Implementation: The overall executive quantum is too high compared to peers. Please advise what peer group is being used and weightings?*

The Committee Chair clarified that the Committee had used a combination of peer groups based on JSE listed retailers and other JSE listed companies of a comparable size for South African benchmarking. A similar set was used in Australia to determine Australian remuneration. Given the extensive benchmarking of both individual pay and incentive schemes (the overall cost of which was 11.1% of the Company's comparable Group adjusted profit before tax), the Committee was of the view that the level of executive remuneration were appropriate.

- (6) *Board gender diversity is still below target at 25%. What is being done by the Nominations Committee to rectify this. As a fashion and retail company this should be a priority for the company.*

The Chairman responded that Board diversity and achieving the Board gender and diversity targets of 40% and stretch target of 50% was of utmost importance to the Nominations Committee and remained a key consideration in the recruitment of new non-executive directors. The Board had met its gender and diversity targets for some time, however, there had been retirements and departures that had adversely impacted the gender and diversity statistics.

Ms Thembisa Skweyiya, the Chair of the Social and Ethics Committee, added that although gender representation on the Board was not currently optimal, from an organisational perspective, there had been significant progress. In this regard, 70% of Group employees were female, with 46% holding senior management positions and 41% in top management.

- (7) *Regarding the target to source 100% of the Company's energy from renewable energy sources by 2030, it is noted that there are no interim targets to track the progress against this target. Will the Committee reconsider the inclusion of targets for progressive procurement of renewable energy, otherwise the 2020 target is merely just a hopeful statement rather than a commitment to be achieved?*

The Sustainability Committee Chair responded that there was a great deal of uncertainty in this space given the legislative and policy dynamics. Notwithstanding this, the Sustainability Committee and management remained committed to the set targets and progress towards the achievement of the targets was being made in certain areas.

The CEO added that this was a fast-changing and unstable environment with many variables, which made setting definitive annual targets complex. However, based on the Company's track record of achieving stretch sustainability targets, he was confident that with greater levels of collaboration, the 2030 target would be achieved notwithstanding that some parts of the achievement of the target were out of management's control. In addition, the Board and the Sustainability Committee held management accountable and received regular feedback on progress at the various Board and Committee meetings.

- (8) *What is the purpose of providing the previous two years number (and percentage change column) in the segmental review in the Integrated Report? There appears to be inconsistency in the percentage number change, and the numbers may be confusing to other people.*

The Chairman noted the comments and advised that the Group Finance Director would look into the issue raised.

- (9) *During the Western Cape taxi strike, did employees who were unable to report to work due to safety concerns receive their full remuneration?*

The CEO responded that there had been a remarkable effort by employees and management to find ways to offset the impact of the taxi strike on both the business and employees. Typically, the business applied a no work no pay principle, however, in this instance employees were allowed to offset their available leave days to cover the number of days that they were absent from work, due to the taxi strike.

- (10) *Woolworths has commendably achieved its targeted hourly rate for the lowest paid employees which exceeds both the minimum wage and the sectorial determination. Crucial to note is that in its Implementation Report, the Company emphasises the importance of a Just Wage. We note with concern that the CEO's remuneration has tripled primarily driven by the outcome of the*

*achievement of the three-year performance allocations. How can the CEO's remuneration be deemed as fair and responsible in the broader context of overall employee remuneration?*

The Committee Chairman noted that WSA's hourly rate for its store staff was 57% above the national minimum wage and c.20% above the sectorial determination. This was part of a broader package of initiatives aimed at improving the quality of employees' lives.

Regarding the CEO's package, the Committee Chairman highlighted the various components that made up the CEO's remuneration, namely:

- a base pay component that is benchmarked against other JSE listed retailers and listed entities of a comparable nature, as well as comparable entities in Australia;
- the STI component of R28m, which is 150% of the CEO's gross pay (capped), in the context of the Group's overachievement of budget by 120%; and
- the full vesting of his LTI given that 100% of the performance conditions had been met. Performance conditions included the delivery of HEPS growth exceeding CPI +3% (resulting in shareholder returns of over c.53% over the three-year period); and cashflow targets which were clearly impacted by the CEO's delivery of the sale of David Jones (delivering ROCE of over 17% over the period).

The Chairman also reiterated the Company's commitment to disclosure by highlighting the Company's disclosures in the Group's Barometer for Fair and Responsible Pay ("Fair Pay Barometer").

- (11) *With regards executive compensation benchmarking, does the remuneration committee determine the multiple for executive compensation (in aggregate and respectively) and compare this to the average employee compensation at the group?*

The Committee Chair noted that the Committee viewed compensation holistically as evidenced in the extensive benchmarking undertaken, the Just Wage Initiative, and the disclosures in the Fair Pay Barometer. The Chairman added that the Company would also make the necessary disclosures relating to pay differentials between executive and average employee compensation as proposed in the amendments to the Companies Act, to the extent that the amendments come into effect.

- (12) *It is unfortunate that verbal questions are not allowed at this meeting, the technology is there to use, and it can be argued that this contravenes the Companies Act, in that it does not allow shareholders to "participate reasonably effectively in the meeting".*

*In our recent engagement with management, it was noted that in seeking to recruit new board members, Woolworths prioritizes candidates with substantial experience of sitting on listed company boards.*

*While we understand this approach, it does appear that it could hamper the board's ability to recruit directors with the skills and experience required to manage the significant climate and sustainability-related challenges faced by all companies. People who have been trained in and worked in depth in these fields are unlikely to have decades of experience on the boards of listed companies.*

*Could the board explain how it plans to address this skills gap, beyond simply providing training on climate and sustainability-related issues to existing board members?*

The Chairman noted the comment relating to attendees online not being able to pose their questions verbally.

Moving onto the question relating to Board member experience, the Chairman noted that the Board was of the view that a certain level of business experience (in the listed environment) was an essential attribute for a non-executive director to effectively operate as a director of a listed entity. Without this experience it became difficult to integrate a candidate onto the Board. In searching for candidates, the Nominations Committee looked for candidates with a mix of skills. For example, Belinda Earl, the Sustainability Committee Chair, was a founding member of Positive Fashion which supports the British Fashion Council in its endeavours to reduce the fashion industry's climate and societal impacts. Rob Collins has a deep understanding of the UK food sector particularly in terms of sustainable farming practices; and as Vice Chairman of the Royal Countryside Fund, he is involved in work to improve the sustainability of British farming and rural communities. Lwazi Bam, serves on the Presidential Climate Finance Task Team. Based on their experience and skills in sustainability, Rob Collins and Lwazi Bam were currently being considered for appointment to the Sustainability Committee.

*(13) In light of the increased competitive environment with peers such as Shoprite spending over R8.5bn in capex over the next year, how is the board viewing capital allocation in terms of organic growth, acquisition opportunities and returning cash to shareholders via dividends and buybacks?*

The CEO responded that in considering capital allocation it was important to strike the right balance between a healthy balance sheet and the opportunity to reinvestment into the business. The Group's capital allocation framework provided a number of growth initiatives and investment into the business. The Group planned to invest c.R10bn over the next three-years in organic growth and growth-enabling initiatives. The recent acquisition of Absolute Pets was cited as a growth-enabling initiative aimed at accelerating the Group's pet strategy to become the end-to-end pet care destination of choice in South Africa.

Regarding dividends, the CEO highlighted that the Group's dividend policy had been reinstated at 70% payout ratio, with the recent dividend pay-outs being among the highest in the Group's history. Share buybacks were seen as a significant lever to drive further shareholder value and return in appropriate circumstances, and management would continue to evaluate further share buyback opportunities.

The emphasis was on remaining a cash generative business that delivered a net positive annual cash position, notwithstanding the various capital expenditure initiatives and investments.

There being no further questions, the Chairman proceeded to the next item.

## **6. ADOPTION OF AUDITED ANNUAL FINANCIAL STATEMENTS ("AFS") AND REPORTS**

The audited consolidated AFS of the Company and the Group for the financial year ended 25 June 2023, incorporating the Directors' Report, Independent Auditor's Report, and Audit Committee's Report, were each presented.

The Chairman reported that the Company had received an unqualified audit opinion on the consolidated AFS of the Company and the Group for the year ended 25 June 2023.

## **7. SOCIAL AND ETHICS COMMITTEE ("SEC") REPORT**

The report on matters within the SEC's mandate as required in terms of the Companies Act, as well as highlights and activities undertaken during the year, was presented and the SEC Chairman provided an overview of the Committee's focus areas in 2023 and areas of emphasis in 2024.

## **8. ORDINARY RESOLUTION 1: ELECTION OF DIRECTOR**

Ordinary resolution number 1 related to the election of Lwazi Bam as a director. Lwazi Bam was appointed to the Board as a non-executive director on 1 May 2023 and was proposed for election by shareholders in compliance with the Company's MOI. The Chairman noted that Lwazi's biographical details was set out in Annexure B to the Notice of AGM.

## **9. ORDINARY RESOLUTION 2: RE-ELECTION OF DIRECTORS**

Ordinary resolution numbers 2.1, 2.2 and 2.3 related to the re-election of directors retiring by rotation, namely Roy Bagattini, Sam Ngumeni and Clive Thomson, respectively. Being eligible, they had offered themselves for re-election, each by way of a separate vote, and the Board had recommended that each of the directors be re-elected. The Chairman noted that biographical details of each of these directors was set out in Annexure B to the Notice of AGM.

## **10. ORDINARY RESOLUTION 3: ELECTION OF AUDIT COMMITTEE MEMBERS**

Ordinary resolution numbers 3.1, 3.2, 3.3 and 3.4 related to the election of Audit Committee members, namely Lwazi Bam, Christopher Colfer, Thembisa Skweyiya and Clive Thomson, respectively. The Companies Act requires that all members of the Audit Committee be elected by shareholders on an annual basis. The members of the Audit Committee, each being suitably qualified, had offered themselves for election by way of separate votes and the Board had recommended that each of the directors be duly elected. The Chairman noted that biographical details of each of these directors was set out in Annexure B to the Notice of AGM.

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

Ordinary resolution 4 related to the re-appointment of the Company's auditors, KPMG Inc. until the conclusion of the 2024 AGM. The Audit Committee had conducted an assessment on the Group's external auditors, and was satisfied that the auditors are independent, effective and accredited with the JSE, and had recommended their re-appointment, which the Board supported.

## **12. NON-BINDING ADVISORY RESOLUTION 1: ENDORSEMENT OF THE COMPANY'S REMUNERATION POLICY**

Non-binding advisory resolution 1 which dealt with the Remuneration Policy as set out in the Integrated Report, was tabled and recommended for approval.

The Chairman noted that in line with WHL standing practice, engagement with shareholders had been conducted during the year, and certain of the proposals that had been received regarding the 2022 Remuneration Policy and Implementation had now been implemented. Details of these were set out in the explanatory notes to the AGM notice and in the 2023 Remuneration Report.

In addition, the Group Company Secretary and the Group Head of Remuneration and Benefits had engaged with various shareholders after release of the 2023 Integrated Report. The focus of the engagements in the main was to acquaint shareholders with the new incentive scheme implemented by the Group. The Board Chairman and the Chair of the Remuneration and Talent Management Committee had subsequently engaged with shareholders who had specifically requested them to do so. As a result of these engagements, the Board had a clear understanding of the areas where shareholders believed the Group was doing well and areas that may require improvement, notably the LTI's stretch targets. In addition, the Board would take note of shareholder sentiment expressed at the AGM.

**13. NON-BINDING ADVISORY RESOLUTION 2: ENDORSEMENT OF THE COMPANY’S REMUNERATION IMPLEMENTATION REPORT**

Non-binding advisory resolution 2, which dealt with the Remuneration Implementation Report as set out in the 2023 Integrated Report, was tabled and recommended.

**14. SPECIAL RESOLUTION 1: APPROVAL OF NON-EXECUTIVE DIRECTORS’ FEES**

Special resolution numbers 1.1, 1.2 and 1.3 were tabled and proposed. The resolutions dealt with the proposed fees (exclusive of VAT) to be paid to: non-executive directors on the Board and Board Committees, United Kingdom-based non-executive directors; and the Australian-based non-executive director for the period 1 January to 31 December 2024, details of which were contained in the Notice of AGM.

**15. SPECIAL RESOLUTION 2: GENERAL AUTHORITY TO ACQUIRE (REPURCHASE) SHARES**

Special resolution 2 was tabled and proposed. The resolution dealt with the granting of a conditional general authority for the Company and/or its subsidiaries to acquire the Company’s shares, on terms and conditions the directors deem fit and subject to the provisions of the JSE Listings Requirements.

**16. GENERAL**

The Chairman declared that all the ordinary and special resolutions had been passed by the requisite majority. Non-binding resolutions 1 and 2, relating to the Remuneration Policy and the Remuneration Implementation Report had not been endorsed by at least 75% of shareholders. The Chairman noted that engagements with major shareholders prior to the AGM, indicated that shareholders were primarily of the view that the Group’s growth potential should be reflected more robustly in the LTI stretch targets.

In respect of the Remuneration Implementation Report specifically, the Chairman noted that the voting protocol of certain shareholders was to link their Remuneration Implementation Report vote to the Remuneration Policy vote, which precluded shareholders who had not endorsed the Remuneration Policy from endorsing the Remuneration Report.

As the Remuneration Implementation and Remuneration Reports had not received the requisite 75% endorsement at the AGM, shareholders were invited to forward their written submissions on the Reports to the Group Company Secretary by close of business on Friday, 1 December 2023, with an indication as to whether they wished to participate in a follow-up engagement. Further details in this regard would be provided in the AGM results announcement to be published on SENS later that day.

**17. CLOSURE**

The Chairman thanked all for their attendance and participation, noting that the Board aimed to be responsive to the views of shareholders and the wider stakeholder group and would report back on the results of such engagements in the 2024 suite of reports.



He thanked the Board, the CEO and the executive team, together with all staff, suppliers and service providers for their unwavering commitment and hard work during the year.

The Chairman then declared the meeting closed.

**APPROVED AND SIGNED ON 21 FEBRUARY 2024.**

A handwritten signature in black ink, appearing to be 'B. G.', written over a horizontal line.

**CHAIRMAN**

**ANNEXURE A**

The total issued share capital\* of the Company as at the record date of 17 November 2023 was 988,695,949 ordinary shares, including 84,261,465 Treasury Shares.

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 ISSUED SHARES*	SHARES ABSTAINED DISCLOSED AS A % OF TOTAL ISSUED SHARES*
	FOR	AGAINST			
<b>Ordinary Resolution 1: Election of director – Lwazi Bam</b>	96.88%	3.12%	743,097,762	75.16%	0.01%
<b>Ordinary Resolution 2: Re-election of directors</b>					
Ordinary Resolution 2.1 • Roy Bagattini	98.67%	1.33%	743,095,462	75.16%	0.01%
Ordinary Resolution 2.2 • Sam Ngumeni	99.60%	0.40%	743,095,462	75.16%	0.01%
Ordinary Resolution 2.3 • Clive Thomson	99.25%	0.75%	743,097,768	75.16%	0.01%
<b>Ordinary Resolution 3: Election of Audit Committee members</b>					
Ordinary Resolution 3.1 • Lwazi Bam	97.85%	2.15%	743,097,768	75.16%	0.01%
Ordinary Resolution 3.2 • Christopher Colfer	97.07%	2.93%	743,095,468	75.16%	0.01%
Ordinary Resolution 3.3 • Thembisa Skweyiya	99.94%	0.06%	743,095,468	75.16%	0.01%
Ordinary Resolution 3.4 • Clive Thomson	98.65%	1.35%	743,097,768	75.16%	0.01%
<b>Ordinary Resolution 4: Re-appointment of KPMG Inc. as external auditor</b>	99.83%	0.17%	743,097,768	75.16%	0.01%
<b>Non-binding Advisory Resolution 1: Endorsement of the Remuneration Policy</b>	46.55%	53.45%	743,079,246	75.16%	0.01%
<b>Non-binding Advisory Resolution 2: Endorsement of the Remuneration Implementation Report</b>	74.26%	25.74%	743,079,246	75.16%	0.01%
<b>Special Resolution 1: Remuneration of Non-Executive Directors for the period 1 January 2024 to 31 December 2024 (exclusive of value-added tax)</b>					
Special Resolution 1.1 • Board and Board Committees	98.11%	1.89%	743,052,509	75.15%	0.01%
Special Resolution 1.2	98.72%	1.28%	743,052,509	75.15%	0.01%

<ul style="list-style-type: none"> <li>• United Kingdom-based non-executive directors</li> </ul>					
Special Resolution 1.3 <ul style="list-style-type: none"> <li>• Australia-based non-executive director</li> </ul>	78.35%	21.65%	743,036,599	75.15%	0.01%
<b>Special Resolution 2:</b> <b>General authority to acquire (repurchase) shares</b>	99.98%	0.02%	743,021,557	75.15%	0.02%