

## **A challenging year on many fronts, restructure refocuses on core value proposition and profitability**

|                          |                                                                                                                                  |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| <b>Company/ASX Code</b>  | Woolworths Group Limited/WOW                                                                                                     |
| <b>AGM time and date</b> | 10am on Thursday, 30 October 2025                                                                                                |
| <b>Location</b>          | Woolworths Support Office, 1 Woolworths Way, Bella Vista, NSW                                                                    |
| <b>Registry</b>          | MUFG Market Services Limited                                                                                                     |
| <b>Type of meeting</b>   | Hybrid<br><a href="http://meetings.lumiconnect.com/300-440-356-627">http://meetings.lumiconnect.com/300-440-356-627</a>          |
| <b>Monitor</b>           | Julieanne Mills and Don Adams                                                                                                    |
| <b>Pre-AGM Meeting</b>   | Yes, with Chairman: Scott Perkins, NEDs: Maxine Brenner, Investor Relations: Paul Van Meurs and Company Secretary: Dom Millgate. |

Monitor Shareholding: The individuals involved in the preparation of this voting intention have a shareholding in this company.

### **1. How we intend to vote**

| No. | Resolution description                                                      |         |
|-----|-----------------------------------------------------------------------------|---------|
| 2   | To Adopt the Remuneration Report 2025                                       | Against |
| 3a  | To re-elect Ms Jennifer Carr-Smith as a director                            | For     |
| 3b  | To re-elect Ms Kathee Tesija as a director                                  | For     |
| 3c  | To elect Mr Ken Meyer as a director                                         | For     |
| 4   | Managing Director and Chief Executive Officer F26 Long Term Incentive Grant | For     |
| 5a  | Special resolution to amend our company's Constitution                      | Against |
| 5b  | Farmed seafood reporting                                                    | ABSTAIN |
| 5c  | Seafood sourcing policy                                                     | ABSTAIN |
| 5d  | Classification of beef                                                      | ABSTAIN |
| 5e  | Update Pulp, Paper and Timber Policy                                        | ABSTAIN |

## 2. Summary of Issues and Voting Intentions for AGM/EGM

A difficult year for Woolworths (WOW) with disappointing results in the core food and BigW businesses.

ASA notes that the board may have been distracted by a multitude of problems in FY25; strike action, regulatory inquiries, safety issues, SafeWork findings, a brand-new CEO transitioning, staff exiting, the continuing underpayments issues. WOW brand and reputation suffered, and competitors took advantage of this to take market share.

The ASA consider the CEO transition and related actions to have been poorly managed, and notes media and competitor commentary that the company's reputation weakened in FY25. This is evident in the need to implement the "one off accelerator payments" to 150 key management personnel. This was designed to incentivise the broad cuts that were needed to achieve the simplification of management and support the new leadership team.

WOW argues these are not retention payments and they are supported by real targets that need to be achieved over two tranches by June 30, 2026. (See remuneration below for details.)

We will be voting against the remuneration report due to unplanned accelerator payments to senior management outside normal incentive structures and shareholder-approved governance processes. And also to send a message to the board that they have some accountability for this year's result.

Acknowledging the problems was a good starting point for our meeting. The board believe WOW is back on track and there is some evidence that this is the case.

Inflation has somewhat subsided and prices for goods are improving but the focus on cost of living remains and looks to be a structural shift. There is now a focus on consolidation and simplification of the business back to its core value proposition and profit recovery.

The CEO and board are aligned around expectations with priority areas of improving customer proposition, restoring performance and generating returns. This has seen simplification of the group leadership structure into Retail, E-com and Rewards, \$400m in above store costs savings and a fundamental shift in their "ways of working".

WOW is specifically addressing underperformance by lowering the shelf price on over 500 popular items for a longer period, improving availability of products, accelerating store renewals and providing better everyday rewards offers to regain market share of the value shopper.

Early FY26 continued to trade below expectations.

Currently the share price is languishing back at March 2019 levels and well below the June 30 price, having fallen more than 20% since the results announcement.

While the three directors up for election have great skill sets and provide much needed global retail expertise, we have some concerns about having three out of eight as US based directors. The chair believes that it is difficult to find deep retail expertise in Australian directors. WOW is a Australian and New Zealand based grocery business; how do these directors connect to this market and stay in tune to market forces in Australia?

See [ASA Voting guidelines](#) and [Investment Glossary](#) for definitions.

### 3. Matters Considered

#### Accounts and reports

##### Financial performance

| (As at FYE)                          | 2025  | 2024             | 2023  | 2022  | 2021  |
|--------------------------------------|-------|------------------|-------|-------|-------|
| NPAT (\$m)                           | 963** | 108 <sup>#</sup> | 1,618 | 1,547 | 1,606 |
| UPAT (\$m)                           | 1385  | 1,711            | 1,721 | 1,514 | 1,504 |
| Share price (\$)                     | 31.11 | 33.79            | 39.73 | 35.60 | 38.13 |
| Dividend (cents)                     | 84    | 144              | 104   | 92    | 108   |
| Simple TSR (%)                       | (3.9) | (12.3)           | 14.4  | (4.2) | 21.9  |
| EPS (cents)                          | 78.9  | 8.9              | 133   | 127   | 128   |
| CEO total remuneration, actual (\$m) | 2.97* | 3.97             | 8.65  | 7.39  | 10.82 |

\*Amanda Bardwell did not become CEO until 1 September 2024 when her TFR increased to \$2.15 million, a substantial increase from the TFR of \$1.106 million paid to her up to that time but less than the \$2.5m that was paid to Brad Banducci in 2017 as his initial CEO FR.

\*\* significant items \$422m: included Big W impairment of \$346m before tax, support office and store redundancy and restructuring \$146m, My deal impairment \$52m, Healthy life impairment \$17m,

<sup>#</sup>impacted by NZ impairment (\$1,505m) and EDV sale and loss of significant influence (\$209m) as reported at the half year.

Disappointing year for Woolworths (WOW) sales increased marginally on FY24, but Group EBIT was down 12.6% due to a decrease of 10.5% in EBIT in the core Australian food business and continuing BigW losses. It was also impacted by the pre-Christmas industrial action (\$95m), supply chain commissioning disruption and duel running costs (\$75m) and the acquisition of Petstock.

Group NPAT, impacted by the EBIT and increased financing costs, decreased 17.1% to \$1,385m.

There was continuing growth in eComX with sales up 17.4% driven by demand for on demand delivery. Australian B2B grew EBIT 15.8% driven by PFD and Primary Connect (PC+), the WOW logistics and supply chain business. New Zealand is recovering with EBIT up 40.6% albeit from historical lows indicating that the transformation initiatives are working.

Supply chain improvements are on track to provide cost savings by the end of the calendar year.

Petstock has now settled in with all necessary stores sales completed.

BigW is a business that continues to disappoint, continued losses despite recent changes. FY25 saw a \$346m impairment. Goodwill has now been reduced to zero. Big W's IT

systems will now move to an independent technology platform to provide more “strategic optionality” and hopefully profit recovery. ASA observes that WOW would be open to offers but from whom.

The board acknowledged that there had been a focus on M&A in the recent past and that they now needed to shift the focus back to their core business and value for customers.

## **Governance and culture**

The board has 8 independent directors and executive director Amanda Bardwell. One of the few boards with more women than men at 67%. This will move to 55% after the AGM.

A very simple board skills matrix is provided. We have concerns around the level of retail skills on the board, although the addition of new director Mr Meyer will improve this. We would like to see more Australian retail, innovation, sustainability and operational expertise.

After 12 months the ACCC price gouging inquiry ended in March 2025. Despite the uproar over increased prices and cost of living and the resulting political and media attacks on supermarkets, the ACCC was unable to substantiate claims that WOW or Coles were price gouging. Claims that WOW and Coles operated as a duopoly were also unsubstantiated although the ACCC considers that they operate as an oligopoly with 38% and 29% of grocery sales nationally. The damage to the WOW brand and reputation has been significant. The ACCC noted that Australia has one of the most profitable supermarket sectors in the world. WOW argues that it is a competitive landscape with pressures increasing from other retailers including Bunnings and Chemist Warehouse and online platforms Amazon. The impact on the company from these inquiries would suggest that it is a difficult line to tread between profitability and popularity and reputation directly impacts sales.

The Underpayments saga continues with the recent Federal Court decision finding against WOW and Coles. According to the chair this is an argument that will impact employers across Australia. It relates to the better off overall rule (BOOT) and the record keeping of employee timesheets for its permanent employees, inclusive of breaks. WOW has had timesheets but has not included breaks. The predicted potential impact to WOW is up to an additional \$750 million. WOW defends its position here and has to date paid out those employees subject to this Federal Court decision \$330 million, with overall remediation program costs to date of over \$600m for both salaried store members and Enterprise Agreement team members.

Following the SafeWork findings in relation to the fatality at the Sydney Regional Distribution Centre, further adjustments were made to the F23 STI for executives in roles with responsibilities for safety within the distribution centres at the time. This includes the then CEO Brad Banducci, Chief Supply Chain Officer and MD Primary Connect Annette Karantoni, and Chief People Officer Caryn Katsikogiani. A further 20% overall reduction was applied resulting in zero outcome for Safety. Proceedings are on-going.

No further action will be taken regarding the Jesmond Supermarket death.

The Reprtrak score has fallen to 66.1 from its FY24 score of 74.8 underlining the damage done to brand and reputation.

Deloitte has been the external auditor for some time, there is an extensive review every three years. Audit partner rotation occurs every 5 years and is due in 2027.

### **Key events**

Strike action in November and December saw a significant impact to sales and revenue going into Christmas trading. Qld floods also impacted trading, and the new DC roll out impacted distribution.

Closure of MyDeal with costs of \$100m, consisted of payments of the remaining equity, redundancies and an impairment of \$45m, this will see the consolidation of WOW online presence directed to BigW Marketplace rather than the three separate sites.

Healthylife has been absorbed into eComX.

### **Key board or senior management changes**

Amanda Bardwell's first year as CEO saw the departure of a number of KMP. Moral was low in December according to the board and sighted as a reason for the one-off accelerator payments.

Sally Copland was appointed MD WOW NZ in Feb 25.

Simplification and consolidation of roles and accountability occurred in September 2025.

Stephen Harrison's CFO role expanded to include PFD and Petstock, Amitabh Mall, MD Group e-ComX role was expanded to include Chief Digital and Analytics, and Jane Danziger, MD Customer X portfolio was expanded to include Strategy and Transformation.

Mike Tyquin the MD Cartology joined the executive team his expanded role includes Lead Insights Media and Loyalty.

Board changes will see Holly Kramer retire at the AGM after 9 years. We thank her for her significant contribution as chair of the sustainability committee and her previous role as chair of people and remuneration committee.

Ken Meyer another US based director is joining the board. (See below for details)

### **Sustainability/ESG**

With the 2025 year coming to an end, we look back at what has been achieved from the five-year plan. A new sustainability plan is due in the coming months. According to WOW there has been \$2.8b of net societal benefit during this time. FY 25 highlights include \$145m in support for communities including natural disaster relief, food security and education and health. \$31m was spent with Supply Nation supporting First Nations businesses.

Great progress has been made on reducing waste with 84% waste diversion from landfill in FY25. This has seen, 165 million meals being provided by WOW partnering with Oz Harvest, Foodbank, Sikh family food van, Salvation Army and others. Waste has also been converted to animal feed and compost.

Diversity and inclusivity are embedded in the organisation with a majority female board, a female CEO and significant numbers within the executive team. There is broader diversity within the team, with programs for refugees, First Nations and disability employment. 100 mini woollies are now supporting young people with disabilities.

Safety performance has improved this year with three performance measures now aligned to remuneration in FY25. TRIFR improved 6.2% on FY24, Injury severity improved 12.6%

and HiPo lessons has seen safety changes and a reduction in falls from height in the back dock. WOW continues to advocate for protection of workers from acts of violence and aggression from customers. Sonder is provided 30,000 users with mental health and wellbeing support.

A shift in focus to healthier foods has seen 181 tonnes of salt, fat and sugar removed from WOW own brand products, the introduction of meat alternatives, free fruit for kids, support for breakfast clubs and kid's sports organisations.

The 2023 Redcycle plastics collapse was a setback, but WOW has now re-introduced soft plastic recycling in 500 of their stores. They have been involved in the soft plastics taskforce and SPSA, a coalition of major brands and retailers that aim to establish a broader and more efficient soft plastics collection system by 2026. Overall, they have removed 20,000 tonnes of virgin plastic since 2018. There is more to do but they are making progress.

Primary Connect is striving to achieve a more sustainable delivery system, its Moorebank National Distribution Centre is 5-star green rated with solar panels, LED lighting, rainwater harvesting and 40 EV charging bays and helps to eliminate 23,000 truck movements annually. They have introduced a pilot EV prime mover and other EV vehicles and increased rail transport. Recycled plastic reusable crates are now part of their ecosystem to improve circularity and reduce cardboard boxes. Total solar power generated on ANZ DCs produced 21,087MWh. They now have 75 electric vehicles in the home delivery teams

Refrigeration is slowly evolving with 27 shifting to transcritical CO<sub>2</sub> gases, there is a lot more to do in this area.

They have contributed to improvements in animal welfare, for chickens and pigs. Ecologically responsible sourcing applies to all own brand seafood since 2022 and for seafood ingredients from 2025. Sustainable fishing labelling (marine stewardship council MSC certified) is available on many of WOWs' seafood products. In FY25 they started transitioning all own brand tuna to MSC certified for ecologically responsible fishing

Scope 1 & 2 emissions and emissions intensity continue to decline. There has been a 22.9% reduction in Scope 1 & 2 emissions from F23 baseline via 30% renewable electricity, grid and transport decarbonisation. Renewable electricity is on track for 100% renewable power with secured contracts from 2025.

Scope 3 emissions continue to increase with a total of 35.11 million tonnes of CO<sub>2</sub>-e in FY25. Reporting is still evolving; emissions are difficult to measure, and a reduction cannot be achieved on their own. WOW is working with suppliers, they have assisted agriculture suppliers to understand their emissions through partnerships with Ruminati, a tech company that helps farmers track emissions and supports climate related insights. There is some way to go but they are making progress.

In 2020 the 2025 Sustainability Plan set out to be a net positive by 2050, WOW now recognises that this is unlikely to be possible but are committed to net zero emissions across the value chain by 2050, aligned to a 1.5° C pathway. Science Based Target initiatives (SBTi) were introduced in F24 and WOW is looking towards nature based TNFD reporting.

WOW new strategy includes: a target of 80% reduction in Scope 1&2 emissions by FY30; Target of Scope 3 GHG energy and industrial emissions reduction of 55% by FY33 and

Forestry land and agriculture GHG emissions reduction of 40% by FY33; no deforestation across primary deforestation linked commodities including: beef, timber, pulp and packaging; and continuous improvements in animal welfare and sustainable sourcing.

**ASA focus issues (not discussed above or under remuneration report or re-election of directors)**

## 4. Rationale for Voting Intentions

### Resolution 2 - To Adopt the Remuneration Report 2025 (against)

The remuneration structure is similar to previous years, with additional improvements in the safety measures mentioned above, and a change to the LTI with the relative TSR peer group expanding to the ASX 100 companies. The previous LTI was measured against the top ASX 30 minus the miners. Payout of 50% occurs at the 50<sup>th</sup> percentile and 100% at the 75<sup>th</sup> percentile.

A **one-off accelerator payment** was introduced mid-year, to drive simplification through cost reduction and enhanced productivity. The Tranche 1 (33%) achieved a 50% outcome, or 16.5% overall outcome because 2H EBIT did not meet entry, it was paid in cash. Tranche 2 (67%) will be delivered in performance rights vesting subject to performance over 18 months to 30 June 2026 measured against 50 % cost of doing business **CODB**, 25% voice of customer **VOC** (value for money), 25% voice of team **VOT** (action taken on feedback) This is based on pro rata 100% of TFR as of December 24 for 150 employees at a potential cost of \$14m. The one-off incentive did not apply to the CEO but saw Mr Harrison and Ms Karantoni included.

While these one-off “accelerator” payments may help motivate staff and encourage quick improvements, they arise largely from poor planning and oversight by the board, including the reputational and operational consequences of prior decisions. Importantly, shareholders were not asked to approve these payments, which is contrary to ASA guidelines that significant, unplanned cash incentives to senior management should be subject to stronger disclosure and shareholder approval.

We have decided to vote **against** the remuneration report because of the inclusion of the one-off accelerator payment. We are also sending a message to the board that they have some accountability for the current share price and reputational damage.

More details of on remuneration are in Appendix 1.

### Resolution 3

The ASA has concerns with the number of US based directors on the board with the election of Mr Meyer. We are also concerned about the boards failure to see the shift in market dynamics and the change in customer and community trust and reputation over the last 18 months. We appreciate the board has now recognised this.

Our concern around residency is that the inherent value of understanding and being part of a community is a subtle but powerful underlying benefit to the company. It also aligns to commitment to long term sustainability with retail shareholders.

We appreciate that an outside view provides broad global insight and access to wider skillsets, but we feel that three US based directors out of 8 is too many. This is a company that operates primarily in Australia and New Zealand. The core business is the Australian WOW supermarket business which is facing competition, margin pressure, reputational damage and greater regulatory scrutiny. We feel that a focus on the Australian cadence is particularly important at this time.

We value the deep retail skills and expertise that both current US directors and Mr Meyer bring to the board and the board refresh that Mr Meyer is providing so we will vote for the election of all directors however we would encourage the board to consider this with future board appointments.

### **Resolution 3a - To re-elect Ms Jennifer Carr-Smith as a director (For)**

Ms Carr-Smith was appointed to the Board in May 2019. She is a member of the Risk Committee, Sustainability Committee and Nomination Committee.

She has a background in digital retail, last-mile grocery, and marketplace scale-ups (ex-President & CEO, Peapod; senior roles at Groupon; former Chair, Blue Apron. She is a current Director of Perdue Farms).

Peapod leadership gives her skills highly relevant to WooliesX, e-com profitability and on-time fulfilment. The Groupon and Blue Apron experience is useful as WOW refines digital propositions and promotional cadence.

Her ongoing directorship at Perdue Farms adds a perspective on animal protein sourcing, biosecurity shocks, labour standards, and animal-welfare claims.

We would like her to comment on her ability to measure the Australian cadence/pulse and the regulatory environment from the US, and her available time commitment and contribution to the board.

She holds 14,174 shares.

### **Resolution 3b - To Re-elect Ms Kathee Tesija (For)**

Ms Tesija was appointed to the Board in May 2016. She is a member of the People Committee, Sustainability Committee and Nomination Committee.

Kathee's 30-year career at Target (US) provides significant merchandising and supply-chain expertise and expertise in omnichannel economics.

Kathee has been on the WOW board for 9 years and has made a significant contribution according to the chair. The chair has suggested that this would be Kathee's final term.

The ASA will support her re-election because we recognise the depth of her retail expertise and contribution to overall board skills.

She holds 8,980 shares

### **Resolution 3c - To Elect Mr Ken Meyer (For)**

Mr Meyer was appointed to the board on the 1 October 2025.

He spent 24 years at US Whole Foods Market. His time there as EVP/CEO included the Amazon acquisition of Whole Foods Market.



Meyer's core skill set in fresh food merchandising, in-store execution, and end-to-end supply chain, maps directly to Woolworths' supermarkets, private label, and Greenstock meat. His remit at Whole Foods also included new-store design and innovation and implies a strong bias toward traceability, animal welfare, and responsible sourcing.

Ken is a US based partner of Shore Capital a private equity business focused on food and beverage and founding partner at Midnight Ventures Partners a fund focused on emerging food and consumer brands.

We would like to know what his availability will be in Australia for site visits and how he will measure the market cadence from the US.

We fully support the election of Ken Meyer to the board.

Mr Meyer currently has no shareholding in WOW, we would expect him to comply with the MSR over time.

#### **Resolution 4 - CEO (Amanda Bardwell) F26 Long-Term Incentive grant (For)**

Proposed **117,024 performance share rights** (max), is based on **170% of TFR \$2.15m** and a **VWAP \$31.2328**; part of an LTI at target 100% / max 170% of TFR over 3 years.

Ms Bardwell's 117,024 performance share rights represent the maximum number that will be granted for the LTI component of her FY25 remuneration. The LTI incentives are subject to measures against the relative total shareholder return (rTSR) (40%), Return on Funds Employed (ROFE) (40%) and reputation (20%) and will be awarded commensurate with her performance in these areas. Please see appendix for further details of remuneration.

The ASA feels that the CEOs remuneration is reasonable and aligned to shareholders we will support this resolution.

#### **Resolution 5(a) Special resolution to amend our company's Constitution To insert into our company's constitution the following new clause 8.13: Member resolutions at general meeting**

**"The shareholders in general meeting may by ordinary resolution express an opinion, ask for information, or make a request, about the way in which a power of the company partially or exclusively vested in the directors has been or should be exercised. However, such a resolution must relate to an issue of material relevance to the company or the company's business as identified by the company and cannot either advocate action which would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the directors or the company."**

**(against)** (Requires 75% to pass; contingent items below only put if 5(a) passes.

This resolution has been brought forward by a small number of activist shareholders to highlight what they believe are important issues. These may be peripheral to the main concerns of the business but relate directly to sustainability and reputation.

It highlights the dilemma for the ASA in supporting these amendments to the constitution. On the one hand giving shareholders an additional voice to express their concerns is not against shareholder rights, and we already support an advisory vote on "say on climate". On the other hand, the current environment does not actually prevent these groups from

voicing their concerns and indeed requires the company to consider and respond as they have in this case.

Large ASX listed companies will be targeted by activists for obvious reasons, often these activists reflect consumer concerns, and it would be unwise to ignore these concerns when it may reflect on brand reputation and trust.

In this case we feel that WOW has adequately addressed and is addressing the issues listed below and in fact has a largely progressive approach to the issues (please see sustainability above). Of course, they can always do better, and we encourage them do so where they can.

We will vote **against** all the following resolutions. However, we would like to comment on the specific issues as they pertain to WOW reputation and sustainability. Our expectation is that WOW will act responsibly and within the law regarding their sustainability, and their nature positive commitments.

**Resolution 5(b) - Farmed seafood reporting Shareholders request that Woolworths identify and report on the impacts of farmed seafood it procures for its Own Brand products on endangered species under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) List of Threatened Fauna in its 2026 Sustainability Report.**

We have nothing further to add here.

**Resolution 5(c) - Seafood sourcing policy Shareholders request that Woolworths aligns its Group Seafood Sourcing Policy with a global best practice standard, such as the Conservation Alliance for Seafood Solutions Guidance for Companies, and report to shareholders on progress in meeting these best practice guidelines in its 2026 Sustainability Report.**

We feel on balance WOW currently has an appropriate ASC measure in place, given the government support for the industry, and the recent scientific reports showing improvements to the skate and oxygenation in the harbour. We appreciated this is a contentious issue with stakeholders on both sides with valid arguments. Should the situation deteriorate within Macquarie Harbour or the ASC sustainability classification change, we would expect WOW to act without delay to review their suppliers.

**Resolution 5(d) - Classification of beef Shareholders request that Woolworths include beef in its No Deforestation commitment as a “high risk” deforestation linked commodity, given that beef is the main commodity driving deforestation in Australia and Woolworths is the country’s largest grocery retailer.**

WOW has successfully moved towards no deforestation across a number of high-risk products and beef was considered high risk in Australia until May 2025 when it was re-rated to be a low-risk country by the EU and the Australian government. WOW refers to Beef as a “primary” deforestation linked commodity in line with SBTi.

Beef is considered the leading driver of land clearing and deforestation in Australia particularly in QLD.

WOW already provides a no deforestation policy and guidelines and will assess beef suppliers identified with deforestation on a case-by-case basis. We would expect WOW to review any suppliers that are involved in deforestation in line with their policy.

**5(e) Update Pulp, Paper and Timber Policy Shareholders request that Woolworths consider removing PEFC certification as part of its supplier requirements in its Pulp, Paper and Timber Policy.**

While there may be issues with some PEFC certifications in some jurisdictions, in general certification is a good thing. We would not like to see WOW remove PEFC certifications on products unless they are deliberately deceptive or invalid.

According to WOW their policy requires full chain of custody to be documented and contains due diligence requirements in addition to PEFC certification. PEFC continues to be widely adopted by peers and major global companies. WOW regularly review and actively engage with certification bodies on issues of concern, to support continuous improvement.

**Note: Resolutions 5(b) to 5(e) are contingent advisory resolutions and will only be put before shareholders for consideration at the meeting if resolution 5(a) is passed by special resolution. If resolution 5(a) is not passed, resolutions 5(b) to 5(e) are not required to be put to the meeting. Questions will be able to be asked on each resolution.**

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## Appendix 1

### Remuneration framework detail

| CEO rem. framework for FY26. | Target \$m | % of Total | Max. Opportunity \$m | % of Total |
|------------------------------|------------|------------|----------------------|------------|
| Fixed Remuneration           | 2.150      | 33%        | 2.150                | 24%        |
| STI - Cash                   | 1.075      | 17%        | 1.612                | 18%        |
| STI - Equity                 | 1.075      | 17%        | 1.612                | 18%        |
| LTI                          | 2.150      | 33%        | 3.655                | 40%        |
| Total                        | 6.450      | 100%       | 9.029                | 100%       |

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. \*Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration frameworks set a maximum opportunity amount, but not all.

We have praised the clarity of WOW's remuneration reporting in the past and this year is no exception. We disagree with parts of remuneration policy such as:

1. WOW LTI vests after three years, the ASA prefers a longer vesting period.
2. The relative TSR component of LTI is a 50% payout at the 50<sup>th</sup> percentile, and 100% at the 75<sup>th</sup> percentile. We prefer a 30% payout at the 50<sup>th</sup> percentile scaling to 100% at the 85<sup>th</sup> percentile.

We continue to raise these issues with Woolworths, as we do with other companies where we see similar problems. Maxine Brenner, Chair of the People Committee, points out that surveys show that most companies do not comply with ASA standards and that they are quite content to have a structure that fits the market.

We have discussed the "accelerator" payments problem above and that we will vote proxies against the remuneration report. We have also discussed the STI adjustments flowing through from the FY23 fatal incident.

To summarise the remuneration report:

1. **FY25 STI** is measured against Sales (20%), EBIT (20%), working Capital Days (20%), Customer VOC NPS (20%), safety severity score (7.5%), Safety TRIFR (7.5%), safety HiPo Learning (5%).
2. **FY 25-28 LTI** performance is measured over 3 years against relative TSR (40%), ROFE (40%), and reputation (20%).
3. The **CFO's fixed remuneration** increased to \$1.3m reflecting his expanded accountability and in line with benchmarking.
4. The **FY25 Group STI scorecard outcome** was 60.6% of target largely due to increased sales, customer and safety measure results.
5. There was zero vesting of the **FY23-25 LTI** with all measures below entry.
6. There is a minimum shareholding requirement **MSR** in place for executives and Directors and they are all complying. WOW offers a NED equity plan to assist with share purchases for MSR and tax implications
7. Board discretion, clawback and malus can be applied and have where appropriate.
8. Chair is paid \$825,000 and has an MSR of 200% over 5 years
9. Directors are paid \$262,640 and have a 100% MSR over 3 years
10. There has been no increase in NED fees in FY25.