

27 September 2022

ASX Market Announcements Office  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

## 2022 Annual General Meeting

Woolworths Group will hold its 2022 Annual General Meeting (AGM) as a hybrid meeting on Wednesday, 26 October 2022 at 10.00am Brisbane time, AEST (11.00am AEDT) at the Brisbane Convention & Exhibition Centre in Brisbane, Queensland and online at [web.lumiagm.com/352167462](http://web.lumiagm.com/352167462).

Attached for release is the 2022 AGM Notice of Meeting and proxy form sent to shareholders today.

Information on how to participate in the AGM is set out in the Notice of Meeting, including how to watch or listen, and how to vote and ask questions.

**Authorised by:** Kate Eastoe, Group Company Secretary

## For further information contact:

### Investors and analysts

Paul van Meurs, Head of Investor Relations

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Email: [pvanmeurs@woolworths.com.au](mailto:pvanmeurs@woolworths.com.au)

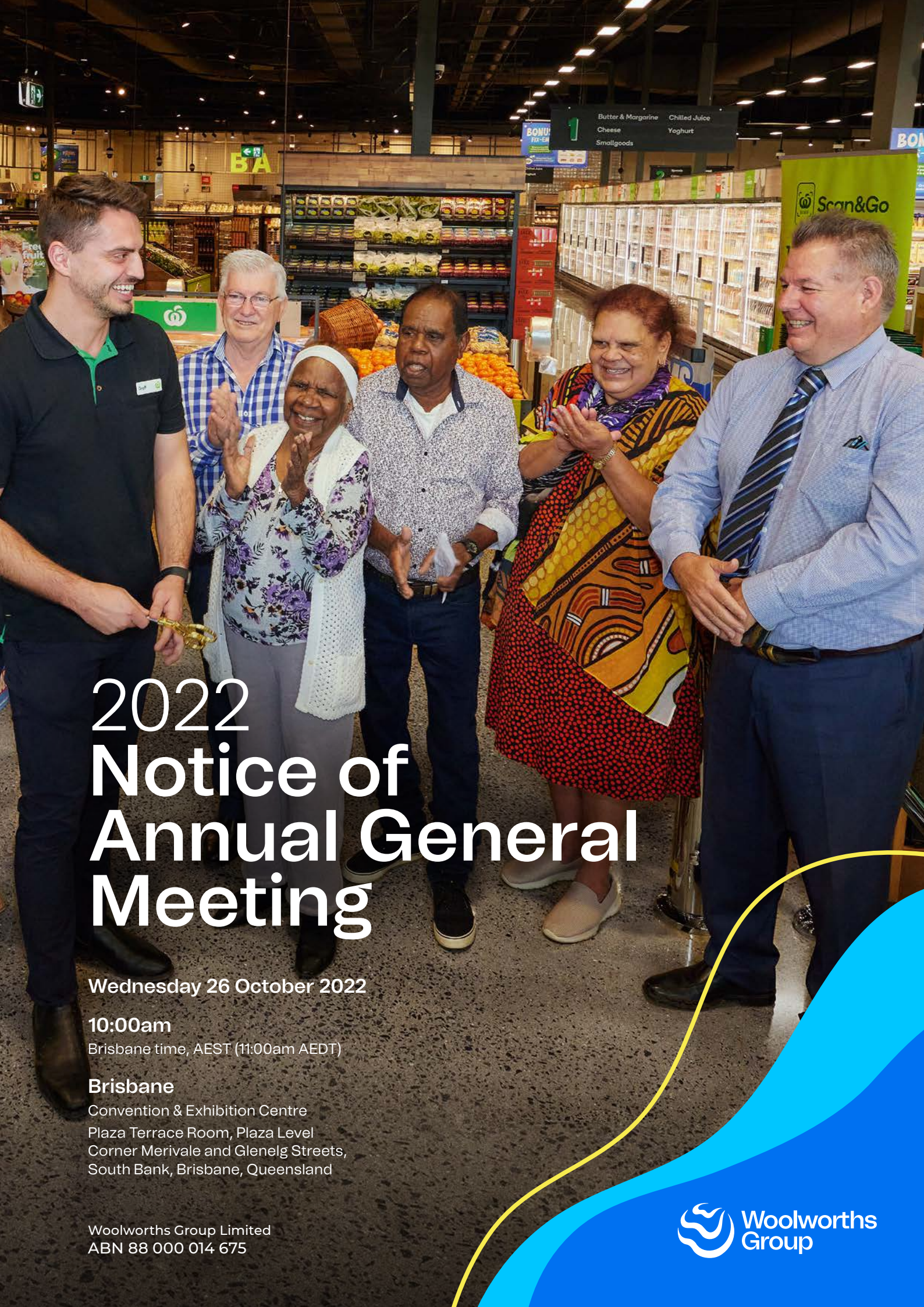
### Media

Woolworths Press Office

Tel: +61 2 8885 1033

Email: [media@woolworths.com.au](mailto:media@woolworths.com.au)





# 2022 Notice of Annual General Meeting

Wednesday 26 October 2022

10:00am

Brisbane time, AEST (11:00am AEDT)

## Brisbane

Convention & Exhibition Centre  
Plaza Terrace Room, Plaza Level  
Corner Merivale and Glenelg Streets,  
South Bank, Brisbane, Queensland

Woolworths Group Limited  
ABN 88 000 014 675



## Message from the Chair

On behalf of your Board, I am pleased to invite you to the 2022 Annual General Meeting (AGM or Meeting) for Woolworths Group Limited. A Notice of Meeting and Explanatory Notes outlining the business of the meeting and important information for shareholders is set out on the following pages and is also available on the Group's website at [woolworthsgroup.com.au](https://www.woolworthsgroup.com.au) under investors.

The health and safety of our shareholders, team members, their families and the broader community remain a priority. Whilst at the time of publication of this Notice of Meeting, there are no Australian Government restrictions related to the COVID pandemic. In order to mitigate any COVID transmission risks and protect the health and safety of all attendees, the Board recommends that shareholders only attend the Meeting if they are not displaying any symptoms of COVID. Shareholders not wanting to attend in person are encouraged to submit a proxy vote in advance of the Meeting or participate online. Details on how to participate in the AGM are set out on page 4 of this Notice of Meeting.

As we have seen, the situation can change rapidly. In the event it is necessary for Woolworths Group to make alternative arrangements in relation to how the 2022 AGM will be held or conducted, we will provide updates to shareholders via our website and the ASX announcements platform.

As announced in July, I will retire as Woolworths Group Chair and non-executive director at the conclusion of this AGM. It has been a privilege to be the Chair of Woolworths Group for the last seven years. I am proud of the work that the team and directors have achieved together in transforming Woolworths Group for the benefit of our shareholders, team members and customers. It will be my great pleasure to hand over the Chair to Scott Perkins at the conclusion of the meeting.

Thank you for your continued support of Woolworths Group. I look forward to welcoming you to our 2022 AGM.



Gordon Cairns  
CHAIR

**“Thank you for your continued support of Woolworths Group. I look forward to welcoming you to our 2022 AGM.”**



# Notice of 2022 Annual General Meeting

Notice is given that the 2022 Annual General Meeting of shareholders of Woolworths Group Limited (Woolworths Group or Group) will be held in Brisbane on Wednesday, 26 October 2022 at 10:00am Brisbane time, AEST (11:00am, AEDT).

The AGM will be held as a hybrid meeting at the Brisbane Convention & Exhibition Centre (BCEC) and online at [web.lumiagm.com/352167462](https://web.lumiagm.com/352167462), which will allow shareholders and proxyholders to watch, vote and ask questions (by text or audio function) during the AGM in real time, regardless of their location. A telephone line will also be available to allow shareholders and proxyholders to listen to the AGM. Information on how to participate in the AGM is set out in this Notice of Meeting.

## AGM timing

Please note the AGM has been scheduled for Brisbane time and references to AEST are references to that time. References to AEDT are references to the time in New South Wales, Victoria, Tasmania and the Australian Capital Territory.

## Venue

The AGM will be held in the Plaza Terrace Room on the Plaza Level of the BCEC, corner of Merivale and Glenelg Streets, South Bank, Brisbane, Queensland. The location of the BCEC is shown on the map **below**. Please use the main entrance located at the corner of Merivale and Glenelg Streets and take the escalators, stairs or lift up to the Plaza level to access the Plaza Terrace Room. More information can be found online at [www.bcec.com.au](https://www.bcec.com.au)



### Access by train

South Brisbane Railway Station adjacent to the Convention Centre on Grey Street or South Bank Railway Station are the most convenient stations to the BCEC.



### Access by bus

The Cultural Centre Station on Melbourne Street and the South Bank Busway Station corner of Colchester and Tribune Streets are closest to BCEC.



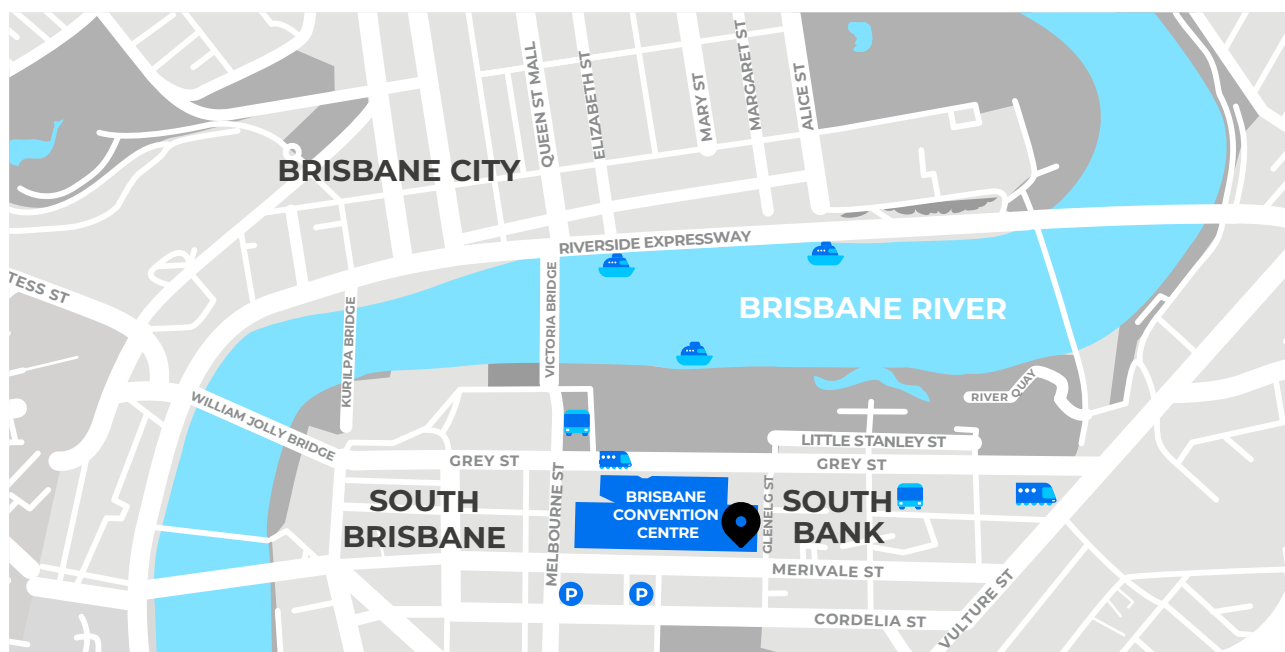
### Access by ferry

The public transport ferries CityCats operate every day and stop at the South Bank River Terminal on the Clem Jones Promenade. The inner-city ferry travels between the CBD, North Quay and Kangaroo Point, stopping at South Bank Terminal 1 and 2 on the Clem Jones Promenade.



### Car parking

Undercover parking is available with direct lift access to the BCEC. The most suitable car park for the event will be car park 1 or 2, entrance via Merivale Street. More information on BCEC car parking can be found online at <https://www.bcec.com.au/visit/car-parking/>



Recommended entrance to the BCEC, corner of Merivale and Glenelg Streets.

# How to participate in the AGM

The Woolworths Group AGM will be held as a hybrid meeting at 10:00am Brisbane time, AEST (11:00am, AEDT) on Wednesday, 26 October 2022 at the Brisbane Convention & Exhibition Centre and online at [web.lumiagm.com/352167462](http://web.lumiagm.com/352167462). Important information is contained in this Notice of Meeting. You can participate in the following ways:

## Before the AGM

### Access the Notice of Meeting

Oct  
26

- Access online at [woolworthsgroup.com.au](http://woolworthsgroup.com.au)
- Request a hard-copy **Notice of Meeting** by phone: +61 1300 368 664 or email: [woolworths@linkmarketservices.com.au](mailto:woolworths@linkmarketservices.com.au)



### Vote or appoint a proxy

- Follow the AGM voting link emailed to you or return the hard-copy proxy form
- If you appoint a proxy other than the Chair, you must provide your intended proxy's email address. The Chair will act as your proxy by default if you do not provide an email address for your proxy or you do not appoint someone else in the proxy form
- Your proxy will be sent a code via email no later than 24 hours prior to the AGM. This code is required to register to attend the AGM and vote by proxy via the online portal
- If you have more than one shareholding, we strongly encourage you to vote your shareholding **prior to the AGM** via one of the methods detailed under the heading 'Voting Instructions' on page 6 of the NOM



For your vote or proxy appointment to be valid, it must be received by:

**10:00am (AEST),  
(11:00am, AEDT)  
Monday,  
24 October 2022**

### Ask a question

- Follow the AGM voting link emailed to you or request a question form by phone: +61 1300 368 664 or email: [woolworths@linkmarketservices.com.au](mailto:woolworths@linkmarketservices.com.au)

## At the AGM

Join the AGM online: [web.lumiagm.com/352167462](http://web.lumiagm.com/352167462)



### Watch online

- **Anyone can watch the AGM online**
- Access the online portal via [web.lumiagm.com/352167462](http://web.lumiagm.com/352167462)
- Select your registration type: guest, shareholder (including body corporate representatives and attorneys) or proxyholder
- If you select 'shareholder', enter your SRN/HIN or employee ID and postcode (or country code if outside Australia. Country codes can be found in the AGM Online Portal Guide). Your SRN/HIN is on the top of your proxy form
- If you are a proxyholder, enter the code that Link Market Services will email to you 24 hours before the AGM
- The online portal will display a split screen of the live webcast and AGM presentation



### Vote online

- Shareholders (including proxyholders, attorneys and body corporate representatives) can vote online through the online portal at any time from the commencement of the AGM until closure of voting as announced by the Chair
- Once logged in, shareholders can access the voting screen by clicking on the Voting tab at the top of the screen



### Listen by telephone

**You can listen to the AGM by telephone:**

- Dial 03 4158 8532 (within Australia) or +61 3 4158 8532 (outside Australia) at least five minutes before the AGM starts to allow time to register your attendance
- It will not be possible to vote or ask a question by telephone



### Ask a question online

- Shareholders (including proxyholders, attorneys and body corporate representatives) can ask a question once logged in via the online portal

#### Written questions

- Access the question screen by clicking on the Messaging tab at the top of the screen, typing your question and selecting the 'send' icon
- Written questions submitted online will be read out to the AGM by a moderator

#### Audio questions

- Once the meeting commences, select the Home tab and follow the 'Asking Audio Questions' link
- Enter the requested details and click 'Submit Request' to join the audio questions queue
- Shareholders will be able to listen to the AGM while waiting to ask their question

# Business

The items of business should be read in conjunction with the explanatory notes on pages 8 to 15. The explanatory notes form part of this Notice of Meeting.

The Chair will call a poll for all proposed resolutions.

## 1. Financial Report

To receive the financial statements, Directors' Report and Auditor's Report for the financial year ended 26 June 2022.

Note: No resolution is required for this item of business.

## 2. Re-election of directors

- a. To re-elect Ms Jennifer Carr-Smith as a director
- b. To re-elect Ms Holly Kramer as a director
- c. To re-elect Ms Kathee Tesija as a director

Note: Each resolution will be voted on separately.

## 3. Remuneration Report

To adopt the Remuneration Report for the financial year ended 26 June 2022.

Note: This resolution is advisory only and does not bind the Group. The directors will consider the outcome of the vote and feedback from shareholders at the meeting when considering the Group's remuneration policies.

### Voting exclusion statement

Woolworths Group will disregard any votes cast on resolution 3:

- By or on behalf of a member of the Key Management Personnel (KMP) whose remuneration is disclosed in the Remuneration Report or their closely related parties (any spouse, dependent, certain other close family members or any company they control) (Closely Related Parties), or
- By a member of KMP at the date of the AGM or their Closely Related Parties as a proxy, unless the vote is cast as a proxy for a person entitled to vote on the resolution:
  - In accordance with a direction as to how to vote in the proxy appointment, or
  - By the Chair of the AGM pursuant to an express authorisation in the proxy appointment to vote undirected proxies as the Chair sees fit, even though resolution 3 is connected with the remuneration of members of the KMP.

## 4. Managing Director and Chief Executive Officer F23 Long Term Incentive Grant

To approve the grant of performance share rights to the Managing Director and Chief Executive Officer under the Woolworths Group Incentive Share Plan.

### Voting exclusion statement

Woolworths Group will disregard any votes cast on resolution 4:

- In favour of the resolution by or on behalf of Mr Banducci or any of his associates, or
- As a proxy by a member of KMP at the date of the AGM or their closely related parties, unless the vote is cast:
  - As proxy or attorney for a person entitled to vote on the resolution in accordance with the directions in the proxy appointment
  - By the Chair as proxy or attorney for a person entitled to vote on the resolution in accordance with an express authorisation given to the Chair to vote as the Chair sees fit, even though resolution 4 is connected with the remuneration of a member of the KMP, or
  - By a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided:
    - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution, and
    - The holder votes on the resolution in accordance with the directions given by the beneficiary.

Kate Eastoe  
COMPANY SECRETARY

27 September 2022

# Important Information

## Key dates

### Eligibility to vote

You are entitled to vote at the AGM if you are a shareholder at 6:00pm Brisbane time, AEST (7:00pm, AEDT), Monday, 24 October 2022.

### Last time and date to submit proxy form

10:00am Brisbane time, AEST (11:00am, AEDT), Monday, 24 October 2022.

Proxy forms received or online proxy voting instructions recorded after this time will be invalid.

## Voting instructions

### By proxy

- Your appointment of a proxy must be received by the share registry, Link Market Services Limited (Link) no later than 10:00am Brisbane time, AEST (11:00am, AEDT), Monday, 24 October 2022. If it is not received by this time, it will not be valid.

### You can lodge the proxy form:

- Online: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au);
- By mail: to Link (using the enclosed reply paid envelope) to: Woolworths Group Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia;
- By fax: to Link on +61 2 9287 0309; or
- By hand during business hours (Monday to Friday, between 9:00am and 5:00pm), AEDT to: Woolworths Group Limited C/- Link Market Services Limited Level 12, 680 George Street, Sydney NSW 2000 Australia

### By attorney

- You can appoint up to two attorneys to attend the AGM on your behalf under a power of attorney. A copy of the power of attorney must be received by Link no later than 10:00am Brisbane time, AEST (11:00am, AEDT), Monday, 24 October 2022, unless it has been previously provided. Your attorney(s) will need your SRN/HIN and postcode for the holding to register on your behalf.

### By body corporate representative

- In order for a body corporate shareholder to attend and vote at the AGM, an individual must be appointed to represent the body corporate. Appointed body corporate representatives will need to provide a signed 'Appointment of Corporate Representative' form to Link no later than 10:00am Brisbane time, AEST (11:00am, AEDT), Monday, 24 October 2022, unless it has been previously provided. The form can be obtained online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or by calling Link on +61 1300 368 664. Body corporate representatives will require the SRN/HIN and postcode for the holding to register as a shareholder at the AGM.

## Undirected proxies and Chair voting intentions

If you appoint the Chair as your proxy and do not direct the Chair how to vote, you are authorising the Chair to cast your undirected vote on all proposed resolutions as the Chair sees fit.

If you appoint any other member of Woolworths Group's KMP or their Closely Related Parties as your proxy, they will not be able to vote your proxy on Items 3 or 4 unless you direct them how to vote.

If you intend to appoint a KMP or their Closely Related Party or the Chair as your proxy, you are encouraged to direct them how to vote on Items 3 or 4 by marking 'For', 'Against' or 'Abstain' for each of those items of business.

The Chair intends to vote undirected proxies able to be voted **IN FAVOUR** of all the proposed resolutions.

The Chair's decision on the validity of a direct vote, vote cast by a proxy or vote cast by a shareholder (including by body corporate representative or attorney) is conclusive.

## Questions

Shareholders who are entitled to vote at the AGM may submit written questions before the AGM by returning the question form sent to them or online through the Link investor centre at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). We will address key themes from questions submitted before the AGM during the meeting.

During the AGM shareholders and their authorised representatives can ask questions from the floor or via the online portal. Questions should relate to the item of business being considered. As with every general meeting, the Chair reserves the right to determine that questions on a certain topic should no longer be asked, once she or he has determined that shareholders as a whole have had a reasonable opportunity to ask questions on that matter.

### How to ask questions about issues you are experiencing as a customer

If you have questions about your experience as a Woolworths Group customer, please raise those questions through our Customer Service team, who will be able to assist with any concerns.

You can chat online to one of our customer service representatives at:

Website: [www.woolworths.com.au/shop/discover/about-us/contact-us](http://www.woolworths.com.au/shop/discover/about-us/contact-us)

Phone: 1300 767 969



# Explanatory Notes

## 1 Financial Report

The Corporations Act requires the Financial Report, Directors' Report and Auditor's Report of Woolworths Group for the period ended 26 June 2022 to be laid before the AGM.

If you have registered as a shareholder (including body corporate representatives and attorneys) or proxy, you will be able to ask questions.

General questions not related to the other Items of Business of the AGM should be asked at this time.

There is no requirement for a formal resolution on this item. Accordingly, there will be no formal resolution put to the AGM.

## 2 Re-election of directors

### Background

Ms Carr-Smith, Ms Kramer and Ms Tesija each retire by rotation at the end of this AGM and each offer themselves for re-election.

### Assessment of candidates

Woolworths Group has robust processes that underpin the Board's assessment whether to recommend a candidate for election and re-election to the Board. The Board, incorporating feedback from the Nomination Committee:

- Reviews the skills and experience of individual directors and the Board as a whole, having regard to a skills matrix. An assessment of the optimum mix of skills, experience and diversity takes place annually, taking into account the strategy and objectives of the Group. A summary of the collective skills, experience and diversity of the current directors, assessed against the Board's skills matrix, is set out on page 59 of the 2022 Annual Report
- Evaluates the performance of each director annually. These evaluations are facilitated by an external advisor based on feedback from other directors and senior management. The Board aspires to a high level of performance from each director
- Requires that appropriate checks into a candidate's background and experience are made before appointing a new director. The Group operates businesses that require regulatory approval before a candidate can become a director. Background and reference checks were completed for each director and appointments were made following receipt of all regulatory approvals
- Assesses director independence annually and as required. The Board (other than each candidate in respect of their candidacy) considers each of Ms Carr-Smith, Ms Kramer and Ms Tesija to be independent
- Considers the workload of each director. Prior to offering themselves for re-election, Ms Carr-Smith, Ms Kramer and Ms Tesija have each confirmed that they will have sufficient time to fulfil their responsibilities as a director
- Reviews potential conflicts of interest. The Board is satisfied that any risk of potential conflict due to the other roles of each of Ms Carr-Smith, Ms Kramer and Ms Tesija are able to be managed within the Board's conflict management practices
- Regularly confirms that no change in circumstances has occurred that could affect any of the above assessments with respect to a director

The outcome is that each candidate has been assessed as a suitable director for Woolworths Group.

### Candidate Details

A brief summary of each candidates' qualifications, skills and experience is set out on pages 9 to 10.

## 2(a) Re-elect Ms Jennifer Carr-Smith

**Independent non-executive director**  
**BA Economics, MBA**



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

Ms Carr-Smith is a seasoned board director and online retail executive with experience across organisations undergoing rapid growth and transformation in a number of sectors, including consumer packaged goods, apparel and grocery.

Ms Carr-Smith has over 25 years' experience with diverse organisations from start-ups to large global companies. She is currently Chief Operating Officer of Athena Consumer Acquisition Corporation. She has previously held roles as Senior Vice President, General Manager of North America Local at Groupon and President and CEO of Peapod, an online grocery delivery service.

Ms Carr-Smith is currently Chair of Blue Apron and a director of Full Harvest and Perdue Farms.

The Board considers that Ms Carr-Smith's extensive experience leading retail and consumer businesses, track record of building and scaling companies, disrupting incumbent businesses, and online retail operating experience leveraging digital, data and technology has enabled her to continue to make a valuable contribution to the Board since her appointment.

## 2(b) Re-elect Ms Holly Kramer

**Independent non-executive director**  
**BA (Hons), MBA**



Ms Kramer was appointed to the Board in February 2016. She is Chair of the Sustainability Committee and a member of the Risk Committee and Nomination Committee.

Ms Kramer is an experienced non-executive director and chief executive, with extensive experience in retail and consumer markets across a range of industries. She has long been an advocate for gender equality, business ethics, culture and sustainability. She is the former CEO of Australian retailer, Best & Less. She has more than 25 years of experience in general management, marketing and sales, including roles at Ford Motor Company (in the US and Australia), Telstra Corporation and Pacific Brands.

Ms Kramer is currently a director of Endeavour Group Limited, Fonterra Co-operative Group Limited and Abacus Property Group. She is also Pro Chancellor of Western Sydney University. Ms Kramer was previously Deputy Chair of Australia Post and a non-executive director of AMP Limited.

The Board considers that Ms Kramer's operating background running businesses in retail and consumer markets, experience in senior marketing and sales roles, and her customer-centric focus contribute significantly to the mix of skills and experience on the Board. Ms Kramer's engagement with numerous external organisations, focused on the issues of natural capital, food security/waste, human rights and consumer education as well as her genuine interest as a sustainability advocate benefit the Board greatly in her role as Chair of the Sustainability Committee.

## Explanatory Notes (continued)

### 2(c) Re-elect Ms Kathryn (Kathee) Tesija

**Independent non-executive director**  
BSRMM (Fashion Merchandising)



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

Ms Tesija has extensive retail experience in the US market, particularly in merchandising and supply chain management. During her 30-year executive career with Target Corporation in the US, she served as Chief Merchandising and Supply Chain Officer and Executive Vice President.

Ms Tesija is currently a director of Clorox Company and a senior advisor and consultant for Simpackful, a retail consulting agency in the US. She was previously a director of Verizon Communications, Inc.

The Board considers that Ms Tesija's international insights into consumer behaviour across retail markets, practical operating experience leading the merchandising and supply chain functions for an international retailer, and understanding of strategy, digital and data contribute significantly to the mix of skills and experience on the Board.

#### Board recommendation

The directors (other than each candidate in respect of their candidacy) recommend that shareholders vote **FOR** resolutions 2(a), 2(b) and 2(c).



### 3 Adopt Remuneration Report

Woolworths Group's Remuneration Report for the financial year ended 26 June 2022 (F22) is set out on pages 70 to 93 of the 2022 Annual Report.

The 2022 Annual Report is available on Woolworths Group website at [woolworthsgroup.com.au](https://www.woolworthsgroup.com.au)

#### What is Woolworths Group's remuneration framework?

The Remuneration Report includes an explanation of the Woolworths Group's remuneration framework and the remuneration arrangements in place for the non-executive directors, the Managing Director and CEO and other KMP.

The Group's remuneration framework outlined in the F22 Remuneration Report has applied throughout F22. Full details are set out in the Remuneration Report.

The remuneration framework is reviewed every year and new performance measures are set annually. The Board had not proposed changes for the 2023 financial year (F23).

#### What is the Board's assessment of the Group's F22 performance and link to remuneration?

A detailed summary of the Board's assessment of the Group's performance is set out in the Remuneration Report.

#### Short-Term Incentive Plan (STI Plan)

Alignment of our STI arrangements from the CEO through to our store teams is a key symbol of our Customer 1st Team 1st culture and our shared accountability for transforming our business. Individual STI outcomes reflect business performance against the STI scorecard, individual contribution to these results and ways of working and core values. The Board also reviews executive behaviour and any malus policy considerations when determining STI outcomes for executive KMP. All measures and targets are reviewed annually so that the STI drives the right outcomes each year.

The F22 plan assumed COVID impacts would unwind throughout the year. The subsequent waves of COVID significantly impacted trading, and inflation and supply chain pressures worldwide also accelerated through H2. The raw F22 STI scorecard outcome of 60% reflected these factors, with strong Sales performance offset by adverse impacts on EBIT, Customer Satisfaction and Working Capital Days, which were all below Entry. Pleasingly, we improved our Safety performance, with an outcome above Stretch.

The Board reviewed the F22 STI scorecard outcome in light of its long-standing incentive adjustment principles. In relation to the Working Capital Days metric, the drivers of the below-Entry outcome were considered, the most material of which was the Board-endorsed decision to build inventory across key categories from early 2022. The Board exercised its discretion to set the outcome on the Working Capital Days metric at Entry. This resulted in the Group STI scorecard outcome increasing from 60% to 70% of Target. A full breakdown of scorecard outcomes can be found on page 76 of the Remuneration Report.

For all executive KMP, 50% of their F22 STI award will be deferred into share rights for two years (DSTI), and the remaining 50% will be paid as cash. Shareholder approval is not sought for the grant of DSTI to Mr Banducci on the basis that these share rights represent payment for past performance, the underlying shares must be bought on-market, and the DSTI remains subject to the Group's malus and clawback considerations.

#### Long-Term Incentive Plan (LTI Plan)

The F20-F22 LTI Plan aligned executives to overall Group performance through three equally weighted measures focused on strategic business drivers and long term shareholder return:

- Relative Total Shareholder Return (rTSR)
- Sales Per Square Metre (Sales/sqm)
- Return on Funds Employed (ROFE)

Although COVID had a significant impact on ROFE, strong sales/sqm and rTSR performance over the three year performance period resulted in vesting of 66.7% of the performance rights awarded under the F20-F22 LTI Plan, reflecting an aggregate outcome between Target and Stretch.

The Board is pleased that despite recent volatility, our team has delivered substantial value to our shareholders over the three-year performance period, achieving a TSR of 38.4%, ranking Woolworths Group at the 78th percentile of our comparator group.

The Board is seeking shareholder approval for a grant of Long Term Incentive (LTI) to Mr Banducci. Full details are set out in Resolution 4.

## Explanatory Notes (continued)

### Did the Board make any adjustments to incentive payments in F22?

After identifying a number of underpayment issues in F20 for our award covered salaried team, the Board commissioned a rigorous end-to-end review to proactively identify any other instances of non-compliance. This review has been closely monitored by a sub-committee of the Board and is expected to be completed by the end of this calendar year. We were disappointed that a number of further issues were identified during F22. Some of these impacted the financial results on which incentives were paid to our senior leaders in prior years. In response, the Board has reduced F22 STI incentives for some current Group Executive Committee members and LTI or DSTI vesting for some past Group Executive Committee members to recover any incentives inadvertently overpaid to those leaders. The Board will continue to actively monitor this program until the work is completed.

Resolution 3 is advisory only. The Board will take the outcome of the vote and shareholder feedback into consideration when reviewing the remuneration framework for future years.

#### Board recommendation

The directors recommend shareholders vote **FOR** resolution 3.

## 4 Approve Managing Director and Chief Executive Officer F23 LTI Grant

Mr Banducci's F23 LTI grant is subject to the Group meeting performance conditions that have been determined by the Board and are designed to align the Group's and Mr Banducci's interests with those of shareholders. Details of the performance conditions are on pages 12 to 15 of this Notice of Meeting.

### Why is shareholder approval being sought?

ASX Listing Rule 10.14 requires shareholder approval for the acquisition of securities by a director under an employee incentive scheme. Listing Rule 10.14 therefore applies to the grant of performance share rights to Mr Banducci as Managing Director and Chief Executive Officer of Woolworths Group.

Approval is sought to grant Mr Banducci performance share rights under the LTI Plan.

Shareholder approval under Listing Rule 10.14 would not be required if the shares to be allocated on vesting of the performance share rights were required to be purchased on-market (as opposed to being issued) by the LTI Plan rules.

While it is not currently intended that shares will be issued to satisfy any award under the LTI Plan, shareholder approval is nonetheless sought to preserve flexibility in case it is considered in Woolworths Group's best interests to issue shares rather than source them on-market when the performance share rights vest.

If shareholder approval is not obtained, then, subject to the achievement of the performance and service conditions described in this Notice of Meeting, Mr Banducci will receive a cash payment at the end of the performance period, in each case equivalent in value to the performance share rights he would have received had shareholder approval been obtained.

### What is the CEO's proposed F23 LTI grant?

The proposed F23 grant to Mr Banducci is 123,013 performance share rights. This is the maximum number of performance share rights that will be granted to Mr Banducci, and represents the LTI component of his F23 remuneration package.

Mr Banducci's remuneration package for F23 also includes:

- Total fixed remuneration of \$2,600,000
- STI equal to 100% at target (and 150% at maximum) of his total fixed remuneration (paid 50% in cash and 50% in share rights deferred for 2 years). STI is payable based on performance of the Group against the Board-approved performance measures, and the Board's assessment of Mr Banducci's individual performance with our ways of working and core values

The maximum number of performance share rights has been calculated based on 170% of Mr Banducci's total fixed remuneration as at 1 July 2022, which was \$2,600,000, and a grant price of \$35.9309, which was the 5 day volume weighted average share price (VWAP) of Woolworths Group shares up to and including 1 July 2022 (the start of the performance period).

The actual value (if any) that Mr Banducci will receive from this grant cannot be determined until the end of the three-year performance period, and will depend on the extent to which the performance conditions are achieved, the number of dividend equivalent rights allocated on vesting, and the Woolworths Group share price at the time of vesting.

The grant value was set by the Board having regard to Mr Banducci's overall remuneration package, the nature of his position, the purpose of the LTI component in Woolworths Group's remuneration strategy, and independent benchmarking regarding current market practice.

### How was the number of performance share rights calculated?

The formula used to calculate the maximum total number of performance share rights to be granted to Mr Banducci is:

Number of performance share rights =

$170\% \times \$2,600,000$

VWAP of Woolworths Group shares of \$35.9309

= 123,013 performance share rights

### What are the key terms of the CEO's proposed F23 LTI grant under the LTI plan?

#### Entitlements

Each performance share right is a right to acquire one share in Woolworths Group, subject to the achievement of the performance conditions set out below.

Performance share rights are granted at no cost to the participant. They are non-transferable, except with the express approval of the Board or its delegate or by force of law on death or legal incapacity. They do not carry any dividend or voting rights prior to vesting.

#### Grant date

If shareholder approval is obtained, the performance share rights will be granted to Mr Banducci as soon as practicable after the AGM, but in any event, within 12 months of the AGM, and will have an effective grant date of 1 July 2022. This is consistent with the effective grant date for the other team members participating in the LTI Plan.

#### Performance measures

The performance share rights are subject to three performance measures that will be tested separately:

1. **Relative Total Shareholder Return (rTSR):** Measured by taking into account the change in the Woolworths Group share price over the relevant performance period as well as the dividends received (which are assumed to be reinvested into Woolworths Group shares). The comparator group is the ASX30 excluding metals and mining companies. This condition was chosen because it provides alignment with shareholder value creation.
2. **Return on Funds Employed (ROFE):** Measured by dividing Woolworths Group's earnings before interest and tax (EBIT) before significant items by average funds employed including significant item provisions. ROFE is an important measure to drive the delivery of long term shareholder value through earnings growth and the disciplined allocation of capital.
3. **Reputation:** Reputation plays a key role in the extent to which customers choose to engage with Woolworths Group. It represents delivery against our purpose (internally), commitments (externally) – including our response to climate change – and evolving expectations of our customers. It also takes into account our relationship with our team, suppliers, and other key stakeholders. Externally measured by the RepTrak® Pulse Score Survey conducted by the Reputation Institute, the Reputation score measures the level of trust a respondent has towards a company. A score between 0–100 is calculated based on ratings using a 1–7 scale from 4 statements relating to 'Trust', 'Admiration & respect', 'Good feeling', and 'Overall reputation'. Including this measure in the LTI will keep these matters in sharp focus as management seeks to deliver on the Group's strategy. The outcome at the end of the performance period will be calculated using the average of the previous 12 months rolling 12 month scores in the final year of the performance period.



## Explanatory Notes (continued)

### Performance targets

#### Relative TSR

This measure requires minimum performance at or above the 50th percentile of the comparator group over the performance period before vesting commences. Stretch performance is reached at the 75th percentile of the comparator group. 40% of the total award will vest subject to performance against this rTSR measure.

#### ROFE

The ROFE target is based on the Group's strategic plan and is reflective of the Group's continued growth objectives and market conditions. 40% of the total award will vest subject to performance against this ROFE measure.

#### Reputation

The Reputation target is based on the Group's objective of enhancing its reputation with customers, team, suppliers and other key stakeholders. Reputation is calculated as the average of the previous 12 months rolling 12-month scores in the final year of the plan vs. the baseline. 20% of the total award will vest subject to performance against this Reputation measure.

#### Disclosure

Consistent with the Group's approach to setting and reporting performance against incentive measures, the Remuneration Report at the end of the performance period will set out Woolworths Group's actual relative TSR, ROFE and RepTrak performance, the Entry, Target and Stretch performance targets, as well as the Board's commentary on the progress made by the Group over the performance period.

#### Vesting schedule

The vesting schedule for each performance measure is:

F23-25 LTI PERFORMANCE	RTSR	ROFE	REPUTATION
Below Entry	0%	0%	0%
At Entry	20%	8%	4%
At Target	n/a	24%	12%
At or above Stretch	40%	40%	20%

Vesting between each performance level will be on a straight-line basis. While the weighting on the rTSR and ROFE measures has increased from the prior plan, the vesting slope on both those measures remains unchanged. Each performance measure operates independently and will be tested separately.

#### Performance period

The performance period is three years, commencing on 1 July 2022 and ending 30 June 2025.

#### Dividend Equivalent Rights

At the time of vesting, Mr Banducci will be allocated additional share rights based on an amount equivalent to any dividends that would have been paid and reinvested on the shares underlying his vested performance share rights during the performance period (Dividend Equivalent Rights). These Dividend Equivalent Rights will immediately convert into shares upon vesting of Mr Banducci's performance share rights. These shares are expected to be purchased on-market, however the Board may, in its discretion, decide to make a cash payment in lieu of vested Dividend Equivalent Rights.

#### Board Discretion

Consistent with the plan rules, the Board has ultimate discretion in determining the final vesting outcome of the award. When considering performance against each of the three performance measures, the Board may adjust these outcomes in cases of unexpected or unforeseen events impacting performance outcomes, performance with regard to non-financial risk, an outcome which would cause significant reputational damage to the Woolworths Group brand, or a broader assessment of performance indicating there should be an adjustment so that the reward outcome is appropriate. If and where the Board exercises discretion in relation to executive KMP it will disclose the actions taken in the Remuneration Report.

**Cessation of employment**

If Mr Banducci ceases employment with the Group before the end of the performance period, the Board will assess the treatment of any unvested performance share rights. Shareholders provided the Board with flexibility to exercise discretion on cessation of employment for KMP at the 2020 AGM. A summary of how the Board would expect to exercise this discretion is set out in the 2022 Remuneration Report.

**Lapse of performance share rights**

The Board may determine that any unvested performance share rights granted to Mr Banducci will lapse or be forfeited in certain circumstances such as in the case of fraud, wilful misconduct and dishonesty.

**Change of control**

On a change of control of Woolworths Group, the Board has discretion to determine whether some or all of the unvested performance share rights held by Mr Banducci will vest, remain 'on-foot' (i.e. remain subject to the original performance/ vesting period and performance conditions) or lapse, having regard to all relevant circumstances.

**Hedging policy**

Mr Banducci may not hedge equity securities that are unvested or subject to restrictions.

**Other details**

Further information in accordance with ASX Listing Rules 10.14 and 10.15

- No director other than Mr Banducci is currently eligible to participate in the LTI Plan
- No directors other than Mr Banducci have received a grant of any equity securities under the LTI Plan since the last approval given by shareholders under ASX Listing Rule 10.14 at the 2021 AGM
- Mr Banducci has previously received 614,739 performance share rights at no cost under the LTI Plan as part of his remuneration from Woolworths Group.
- No loan will be provided by the Group in relation to the grant or exercise of the performance share rights proposed to be provided to Mr Banducci
- If shareholder approval is obtained, details of the performance share rights granted to Mr Banducci under the LTI Plan in F23 will be set out in future Remuneration Reports.

Details of any securities issued under the LTI Plan will be published in the Group's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTI Plan after this resolution is approved and who are not named in this Notice will not participate until approval is obtained under ASX Listing Rule 10.14.

**Board recommendation**

The directors (with Mr Banducci abstaining) recommend that shareholders vote **FOR** resolution 4. Mr Banducci does not make a recommendation in respect of the resolution in view of his personal interest in the resolution.





**LODGE YOUR VOTE**

**ONLINE**
<https://investorcentre.linkgroup.com>

**BY MAIL**

Woolworths Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia


**BY FAX**

+61 2 9287 0309


**BY HAND**

Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000


**ALL ENQUIRIES TO**

Telephone: 1300 368 664

Overseas: +61 1300 368 664


**X99999999999**
**PROXY FORM**

I/We being a member(s) of Woolworths Group Limited (Woolworths Group) and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**
☐ **the Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named or an email address is not provided, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of Woolworths Group to be held at **10:00am Brisbane time, AEST (11:00am, AEDT) on Wednesday, 26 October 2022 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a hybrid meeting. You can participate by attending in person at Brisbane Convention & Exhibition Centre (BCEC) on the corner of Merivale and Glenelg Streets, South Bank, Brisbane, Queensland; or online at [web.lumiagm.com/352167462](http://web.lumiagm.com/352167462). The **Notice of Meeting** can be viewed and downloaded at [woolworthsgroup.com.au](http://woolworthsgroup.com.au).

**Important for Resolutions 3 & 4:** If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Resolutions 3 & 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of Key Management Personnel (**KMP**).

**The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.**

**VOTING DIRECTIONS**

Proxies will only be valid and accepted by Woolworths Group if they are signed and received no later than **10:00am Brisbane time, AEST (11:00am, AEDT) on Monday, 24 October 2022**.

Please read the voting instructions overleaf before marking any boxes with an ☒.

**Resolutions**
**For Against Abstain\***
**For Against Abstain\***
**2a** To re-elect Ms Jennifer Carr-Smith as a director

☐ ☐ ☐
**3** To adopt the Remuneration Report for the financial year ended 26 June 2022

☐ ☐ ☐
**2b** To re-elect Ms Holly Kramer as a director

☐ ☐ ☐
**4** To approve the grant of performance share rights to the Managing Director and Chief Executive Officer under the Woolworths Group Incentive Share Plan

☐ ☐ ☐
**2c** To re-elect Ms Kathee Tesija as a director

☐ ☐ ☐


\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)




Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all shareholders must sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Woolworths Group share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name and email of that individual or body corporate in Step 1. A proxy need not be a shareholder.

### DEFAULT TO CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as they see fit. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting Link Market Services on 1300 368 664 or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) state the percentage of your voting rights or number of shares applicable on each of the first Proxy Form and the second Proxy Form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, all shareholders must sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting online the appropriate "Certificate of Appointment of Corporate Representative" must be received at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am Brisbane Time, AEST (11:00am, AEDT) on Monday, 24 October 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MOBILE DEVICE

Link's voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

Woolworths Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)