

This governance statement was approved by the Board on 27 September 2023 and is current as at that date.

Principle 1 – ETHICAL STANDARDS

“Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.”

The Company is committed to fostering the highest standards of ethical behaviour and good conduct. We believe this is at the heart of having a reputation as a trusted and respected company that promotes honesty, integrity and ethical conduct across the organisation in decision-making and day-to-day behaviour.

Code of Ethics

The Company's Code of Ethics sets out the standards of conduct expected of everyone working at The Warehouse Group, including Directors, team members, contractors and any other person engaged by the Company. Anchored in the Company's vision of “Helping Kiwis Live Better Every Day” and purpose “to make sustainable living easy and affordable for everyone”, the Code of Ethics sets out the principles that guide decision-making and sets expectations of the conduct that is consistent with the Company's values and behaviours, business goals and legal obligations. An introduction to the Code of Ethics forms part of the induction and training process of new employees.

The Company has an external hotline and web address (managed by an independent third party), which any employee can contact confidentially if they wish to report any misconduct or other concerning behaviour at The Warehouse Group, including breaches of the Code of Ethics.

The Code of Ethics also outlines the potential consequences of, and internal reporting procedures for, any breaches. Sanctions for breaches may include serious disciplinary action, removal from office and dismissal, to the extent permitted by law and as appropriate given the specific circumstances.

The Code of Ethics is available in the Corporate Governance section of the Company's website.

Financial Products Trading Policy

The Company is committed to transparency and fairness in dealing with all its stakeholders and to ensuring adherence to all applicable laws and regulations. The Financial Products Trading Policy governs trading in the Company's securities by Directors, team members and other associated persons. The policy and timing of black-out periods is set out in the Financial Products Trading Policy, which is available in the Corporate Governance section of our website.

Principle 2 – BOARD COMPOSITION AND PERFORMANCE

“To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives.”

Responsibilities of the Board

The central role of the Board is to set the strategic direction of the Company, to select and appoint the Company's Group Chief Executive Officer (CEO) and to oversee the Company's management and business activities, with the primary objective to create and continue to build sustainable value for shareholders. This requires consideration of and regular engagement with all stakeholders that are critical to our success, including shareholders, employees, customers, suppliers and communities, as determined by the Company and the Board.

The Board Charter, which is available in the Corporate Governance section of the Company's website, sets out how the Board will achieve its purpose. The Charter is reviewed at least every two years and it was last reviewed and approved in September 2022. The Board's responsibilities, as described in the Charter, are set out in the adjacent table.

Management and administration of the Company is undertaken by the Group CEO, who is assisted by the Leadership Squad, in accordance with the strategy, plans and delegations approved by the Board. The Board has implemented appropriate procedures to enable Management to undertake its delegated duties and for performance to be assessed. More information can be found in the Remuneration section on page 99.

The Board

The Board comprises eight Directors: Joan Withers (Chair), Tony Balfour, Dean Hamilton, John Journee, Caroline Rainsford, Julia Raue, Rachel Taulelei and Robbie Tindall. Director profiles are available on pages 92 and 93.

Chair

Joan Withers is the chair of The Warehouse Group Board. She was first appointed in 2016, and she is an independent, non-executive director whose responsibilities include:

- Providing leadership to the board and to the company;
- Ensuring the efficient organisation and conduct of the Board;
- Monitoring board performance annually;
- Facilitating board discussions to ensure core issues facing the company are addressed;
- Briefing all Directors in relation to issues arising at board meetings;
- Facilitating the effective contribution and ongoing development of all Directors;
- Promoting consultative and respectful relations between board members and between the board and Management; and
- Chairing Board and shareholder meetings.

The Warehouse Group Board Charter states that the Board Chair must not also be the Company's Chief Executive Officer.

Director Appointments

Procedures for the appointment and removal of Directors are governed by the Company's Constitution and the NZX Listing Rules. The Corporate Governance and Nominations Committee is delegated responsibility for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise. In doing so the Committee will seek to identify the necessary and desirable competencies which will ensure that any candidate it puts forward will enable the Board to:

- Fulfil its responsibilities;
- Represent a variety of skills, expertise and experience (including commercial and/or industry experience and diversity of background and thought); and
- Competently address accounting, finance and legal matters.

The terms and conditions of appointment are set out in a letter of appointment that details the Director's duties, term of appointment (subject to shareholder approval), expectations of the role and remuneration. A copy of the standard letter is available in the Corporate Governance section of the Company's website.

The Company indemnifies and provides insurance to Directors in accordance with the Companies Act 1993, for certain claims that may be brought against them as directors.

Board responsibilities

Strategy and Planning	<ul style="list-style-type: none"> • Set strategic direction and appropriate operating frameworks; • Monitor Management's performance within those frameworks;
People Resources	<ul style="list-style-type: none"> • Ensure that the Board is and remains appropriately skilled to meet the changing needs of the Company; • Ensure there are adequate resources available to meet the Company's objectives; • Appoint and remove the Group CEO and oversee succession plans for the Leadership Squad; • Set criteria for, and evaluate the performance of, the Group CEO and approve their remuneration; • Annually review, approve and adopt the Diversity and Inclusion Policy and diversity objectives, and measure achievement against the objectives;
Financial Performance and Risk	<ul style="list-style-type: none"> • Approve and monitor financial reporting and capital management including the payment of dividends; • Monitor the financial solvency of the Company; • Subject to shareholder approval being granted, approve the appointment and retention of the external auditor; • Ensure that effective risk management procedures are in place and are being used;
Health and Safety	<ul style="list-style-type: none"> • Ensure, so far as is reasonably practicable, a safe and healthy working environment is provided and maintained for all employees, customers, contractors and visitors; and
Ethical Behaviour and Corporate Governance	<ul style="list-style-type: none"> • Promote and authorise ethical and responsible decision-making by the Company; • Ensure the Company has appropriate corporate governance structures in place including standards of ethical behaviour; • Approve timely and balanced communication to shareholders.

Director Induction and Development

When appointed to the Board, all new directors undergo a detailed induction programme to familiarise them with the Company’s businesses and strategy.

Ongoing training includes briefings by senior management and guest speakers on relevant industry and competitive issues, occasional overseas study tours and site visits.

Director Independence and Conflicts

The factors that the Board considers when determining the independence of a Director, including the requirements of the NZX Listing Rules, are set out in full in the Board Charter. The Board assesses the independence of each Director on their appointment and at least annually thereafter.

Of the Board’s eight Directors, Joan Withers (Chair), Tony Balfour, Dean Hamilton, John Journee, Caroline Rainsford, Julia Raue and Rachel Taulelei are considered to be independent non-executive directors. The Board acknowledges the length of tenure as directors of Tony Balfour and John Journee, 11 years and 10 years, respectively. The Board considers that Tony and John each continue to bring an independent view to all discussions relating to the Company. In addition, new Directors were appointed in each of 2020, 2021 and 2022, and the Board considers that the retention of the institutional knowledge held by Tony and John remains valuable to the

Board. Robbie Tindall is not considered to be independent, by virtue of his association with various shareholdings in the Company.

The Board is conscious of its obligation to ensure that Directors avoid conflicts of interest between their duty to the Company and their own interests. Where potential conflicts of interest arise then the Director must disclose their interest. Directors and team members are required to minimise any potential conflicts, in accordance with the Company’s Code of Ethics.

Board Structure, Skills and Composition

The Board comprises Directors with a mix of qualifications, skills and experience appropriate to the Company’s existing operations and strategic direction. A comprehensive matrix of director skills is set out below, and qualifications and experience of individual directors are detailed on pages 92 and 93.

Future Directors Programme

Continuing the Company’s commitment to supporting the next generation of governance talent in New Zealand as part of the Future Directors initiative administered by the New Zealand Institute of Directors, the Board appointed Jeremy O’Brien as a Future Director in April 2023.

Takeover Protocols

The Company has takeover protocols in place that meet the requirements of the NZX Code.

Relevant Board Skills to execute Group Strategy	Joan Withers	John Journee	Robbie Tindall	Julia Raue	Tony Balfour	Dean Hamilton	Rachel Taulelei	Caroline Rainsford
Industry specific								
Operational experience in the retail industry								
Brand, marketing and customer experience								
Integrated retail experience								
Digital and technology experience								
Direct sourcing experience								
Logistics experience								
Specific to Group strategy								
Development of a high-performance culture								
Senior leadership of change management at scale								
Transformation and business disruption experience								
Innovation and entrepreneurship								
Government relations								
Union relations								
Environment and Corporate Social Responsibility experience								
Subject-matter expertise								
Development and execution of business strategy								
Governance experience								
Large company leadership experience								
Finance Accounting expertise								
Audit committee/risk management experience								
Regulatory knowledge and experience								
Health and safety experience								
HR/Learning and development experience								
Financial markets experience								
Community and iwi relationships								
Shareholder and investor relations experience								

Primary skills
 Secondary skills

Board Evaluation

The Chair, with the assistance of appropriate external advisors, regularly assesses the performance of individual directors, while directors also assess the collective performance of the Board and the performance of the Chair. Formal, external facilitated evaluations are conducted regularly, with one undertaken in 2023.

Board Tenure

The Constitution provides that the minimum size of the Board shall not at any time be fewer than five and the Board has fixed the maximum number of Directors to be 10. Each year, any director who is required by the NZX Listing Rules or the Company’s Constitution to retire will retire from office and may offer themselves for re-election at the Annual Shareholders’ Meeting.

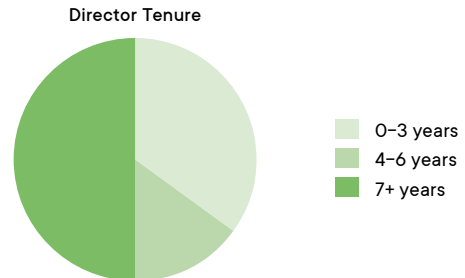
The Board does not believe that any Director has served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director’s ability to act in the best interests of the Company. New Directors were appointed to the Board in 2020, 2021 and 2022, and the Board considers that it has an appropriate balance of tenure.

Name of Director	Originally Appointed	Last Reappointed/Elected
Joan Withers	23 September 2016	25 November 2022
Julia Raue	23 September 2016	25 November 2022
Antony (Tony) Balfour	15 October 2012	26 November 2021
John Journee	17 October 2013	26 November 2021
Dean Hamilton	20 April 2020	27 November 2020
Robert (Robbie) Tindall	27 November 2020	27 November 2020
Rachel Taulelei	12 February 2021	26 November 2021
Caroline Rainsford	30 August 2022	25 November 2022

Principle 3 - BOARD COMMITTEES

“The Board should use committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.”

The Board has established committees that focus on particular areas of the Board’s responsibilities and together ensure the efficient performance of the Board, and the achievement of corporate governance outcomes. The committees report to the Board on all material matters and issues requiring Board decisions. From time to time, the Board may create ad hoc committees to examine specific issues on its behalf. The current committee structure is set out in the table below.



COMMITTEE	ROLES AND RESPONSIBILITIES	MEMBERSHIP	MEETINGS
People and Remuneration Committee	Review and make recommendations in relation to the human resources strategy, the Company’s remuneration policies and practices, and the remuneration and performance of the Group Chief Executive Officer.	Comprised a majority of non-executive, independent directors. Current members: • Tony Balfour (Chair) • Joan Withers • Robbie Tindall • Rachel Taulelei • Caroline Rainsford	At least twice a year
Corporate Governance and Nominations Committee	Ensure a high level of corporate governance through continuous monitoring of international corporate governance best practice as promulgated by the relevant authoritative bodies. Ensure that the Board is populated with an appropriate mix of skills and experience among its members, who collectively provides the diversity of thought and judgement required.	Comprised a majority of independent directors. Current members: • Joan Withers (Chair) • Tony Balfour • Dean Hamilton • Robbie Tindall	At least once a year
Disclosure Committee	Support the Company in meeting its disclosure obligations as set out in the NZX Listing Rules, the Companies Act 1993 and any other applicable regulations.	Comprised the Board Chair, Chair of the Audit and Risk Committee, Group Chief Executive Officer, Chief Financial Officer, Disclosure Officer and any other director appointed by the Board as a member. Current members: • Dean Hamilton (Chair) • Joan Withers • Robbie Tindall • Group CEO, CFO and Company Secretary	Held as required
Audit and Risk Committee	Assist the Board to fulfil its risk and audit responsibilities.	Comprised at least three independent directors. The Chair will be independent and may not be the Chair of the Company. Current members: • Dean Hamilton (Chair) • Joan Withers • John Journee • Julia Raue	At least three times each year
Health, Safety and Wellbeing Committee	Assist the Board to govern health, safety and wellbeing.	Comprised all Directors. Chair: Julia Raue	At the discretion of the Committee Chair
Environmental and Social Sustainability Committee	Assist the Board to govern the Company’s environmental, social and sustainability responsibilities.	Comprised a majority of independent directors and the Group Chief Executive Officer. Current members: • Rachel Taulelei (Chair) • Tony Balfour • Julia Raue • John Journee • Joan Withers • Group CEO	At least four times each year

BOARD MEETINGS AND ATTENDANCE

The table below outlines the number of meetings of the Board and Board committees during the year ended 30 July 2023 and director attendance at these meetings

	Board	Audit and Risk Committee	People and Remuneration Committee	Corporate Governance and Nomination Committee	Health, Safety and Wellbeing Committee	Disclosure Committee	Environmental and Social Sustainability Committee
Number of Meetings	13	6	4	3	4	4	4
Joan Withers	13	6	4	3	4	4	4
Tony Balfour	12		4	3	3	1 ¹	3
John Journee	13	5			3	2 ¹	4
Dean Hamilton	13	6		3	4	4	
Caroline Rainsford ²	13		2		3 ²	1 ¹	1 ¹
Julia Raue	12	6			4		3
Rachel Taulelei	13		4		2	1 ¹	4
Robbie Tindall	13		4	3	4	4	

¹ Non-committee member in attendance ² Appointed to the Board on 30 August 2022 and the People and Remuneration Committee in November 2022.

Principle 4 – REPORTING AND DISCLOSURE

“The Board should demand integrity in financial and non-financial reporting and in the timeliness and balance of corporate disclosures.”

The Board is committed to providing full and timely financial and non-financial information that is accurate, balanced, meaningful and consistent. As a listed company, keeping the market informed is a key component to ensuring that its securities are valued fairly.

Market Disclosure Policy

The Board has a Market Disclosure Policy that describes the processes designed to ensure that the Company meets its reporting and disclosure objectives and all disclosure obligations under the NZX Listing Rules.

To assist the Company with its Market Disclosure Policy, the Board has appointed a Disclosure Committee. The Committee is responsible for making decisions on what should be disclosed publicly under the Market Disclosure Policy. The Company Secretary is the Disclosure Officer of the Company and has responsibility for ensuring compliance with the continuous disclosure requirements and overseeing and co-ordinating disclosure to the market.

Publication of Key Governance Documents

The Company publishes its Code of Ethics, Board and Committee Charters, Director Letter of Appointment and key Company policies in the Corporate Governance section of its website, thewarehousegroup.co.nz.

Financial Reporting

The Audit and Risk Committee oversees the quality and integrity of external financial reporting including the accuracy, completeness and timeliness of financial statements and is committed to providing balanced, clear and objective financial reporting.

It reviews half-yearly and annual financial statements and makes recommendations to the Board concerning accounting policies, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external and internal audit.

Management accountability for the integrity of the Company's financial reporting is reinforced by certification from the Group CEO and the Group CFO. The Group CEO and CFO have provided the Board with written confirmation that the Company's financial report presents a true and fair view, in all material respects, of the Company's financial position for the year ended 30 July 2023, and that operational results are in accordance with relevant accounting standards.

Non-financial Reporting

Communities and the environment are at the heart of the Company's culture. The Company reports annually its financial and non-financial contribution to the community, as well as audited figures on its greenhouse gas emissions. The Company's philosophy, achievements, and material environmental, economic and social risks are outlined in its Integrated Report.

Use of Information by Directors

During the financial year, there were no notices from Directors of the Company, or its subsidiary companies, requesting to disclose or use Company information received in their capacities as Directors of the Company or its subsidiary companies which would not otherwise have been available to them.

Principle 5 – REMUNERATION

“The remuneration of directors and executives should be transparent, fair and reasonable.”

The Company's remuneration philosophy, policy and details regarding Director and executive remuneration (including remuneration components and performance criteria) are discussed on the following pages.

Group Remuneration Philosophy

The Group's Remuneration Policy supports its objective to attract, retain and motivate high-calibre diverse team members to achieve the Company's business objectives and create shareholder value.

The Group's Remuneration Policy is guided by the principles that remuneration practice should:

- Be clearly aligned with the Group's vision, values and corporate strategy;
- Support the attraction, retention and engagement of team members;
- Appropriately reflect market practice and conditions;
- Recognise individual performance and competency; and
- Recognise team and company performance and the creation of shareholder value.

Leadership Squad Remuneration

The Chief Executive Officer and direct reports to the Chief Executive Officer (Leadership Squad or LS) have their remuneration reviewed annually by the People and Remuneration Committee. From time to time third-party remuneration consultants are also used to benchmark total remuneration packages of the LS against a peer group of companies. The People and Remuneration Committee recommends to the Board for approval any proposed changes. The remuneration of the LS is made up of the following components:

- Fixed annual base salary;
- Short-term incentives based on the Group's financial targets and individual performance targets; and
- Long-term incentives based on Total Shareholder Return with cost of equity plus 1% being used as the performance measure over a three-year period.

The individual objectives of each LS member that impact their fixed base salary and short-term incentives are tied to a variety of matters, including impact on team members and customers. These metrics are assessed using measures such as eNPS and perfect shopping trip scores. LS members are also eligible to receive an employer KiwiSaver contribution of up to a maximum of 3% of gross taxable earnings if they belong to the KiwiSaver scheme.

Short-Term Incentives

The Group's short-term incentive scheme (STI) for the Leadership Squad is designed to link at-risk incentive payments to the achievement of the Group's desired financial outcomes and to recognise participants' individual contribution to the Group's success. The targets are reviewed and set each year. In FY23, Group Earnings before interest and taxes (EBIT) was set as the financial measure, to ensure that the company linked its planned top-line growth to incentive payments. The financial component was weighted at a total of 70% of the total on-target incentive. For the individual component, each participant was set a number of objectives and key results, and the individual performance was weighted at a total of 30% of the total on-target incentive. The STI on-target dollar value for each LS participant ranges from 40% to 50% of base salary. The maximum payment under the STI scheme is reviewed and set each year and this year was 120% of the on-target dollar value.

CORPORATE GOVERNANCE

Long-Term Incentives

Members of the Leadership Squad are eligible to participate in the Group's long-term incentive (LTI) scheme. The objectives of the LTI scheme are to:

- Provide an award to eligible LS members who are considered to be key to the future success of the Group as an incentive in order to retain the services of those eligible LS members in the future;
- Provide an award to eligible LS members as a retention strategy;
- Ensure the long-term incentives of the eligible LS members are more closely aligned with Shareholder outcomes; and
- Recognise and reward the future performance of eligible LS members and their contribution to the future success of the Group by providing an award to those eligible LS members.

The current scheme is a cash-settled scheme and the performance target is absolute TSR against the Group's cost of equity plus 1% over a three-year performance period. The LTI on-target dollar value for each LS participant is 40% of base salary and the Chief Executive Officer's is 50% of base salary. Payment under the scheme is capped and that cap is reviewed each year. The current cap is 150% of the on-target dollar value. The Group's long-term incentive scheme has clawback provisions enabling the Group to clawback awards that have vested in the event of certain types of activity including fraud, dishonesty, and material financial misstatements.

DIRECTORS' REMUNERATION

The current Directors' fee pool limit is \$990,000, which was approved by the shareholders at the 26 November 2021 Annual Shareholders' Meeting. Fees are paid for Board and committee roles as indicated below. Directors are reimbursed for reasonable travel and other costs associated with fulfilling their role. The Chair does not receive additional fees for membership of Board committees.

Director Remuneration

Board/Committee Name	Position	Fees (Per Annum)
Board of Directors	Chair	\$182,600 ¹
	Member	\$87,000
Audit and Risk Committee	Chair	\$27,500
	Member	\$10,000
People and Remuneration Committee	Chair	\$25,000
	Member	\$6,600
Health, Safety and Wellbeing Committee	Chair	\$20,000
	Member	-
Environmental and Social Sustainability Committee	Chair	\$20,000
	Member	\$6,600
Corporate Governance and Nomination Committee	Chair	-
	Member	-
Disclosure Committee	Chair	-
	Member	-

¹ Includes attendances at committee meetings

DIRECTOR REMUNERATION FY23

The fees paid to non-executive directors for services in their capacity as Directors during the year ended 30 July 2023, totalling \$934,617, were paid as set out below.

Name of Director	Board Fees ¹	Audit and Risk Committee ¹	People and Remuneration Committee ¹	Corporate Governance and Nominations Committee	Disclosure Committee	Health, Safety and Wellbeing Committee ¹	Environmental and Social Sustainability Committee ⁵	Shares and Other Payments or Benefits	Total Individual Remuneration
Joan Withers (Chair)	\$182,600 (Chair)	- (member)	- (member)	- (Chair)	- (member)	- (member)	- (member)	-	\$182,600
Tony Balfour	\$87,000	-	\$25,000 (Chair)	- (member)	-	- (member)	\$6,600 (member)	-	\$118,600
John Journee ¹	\$87,000	\$10,000 (member)	-	-	-	- (member)	\$6,600 (member)	-	\$103,600
Dean Hamilton ²	\$87,000	\$27,500 (Chair)	-	- (member)	- (Chair)	- (member)	-	-	\$114,500
Caroline Rainsford ³	\$80,117	-	\$4,400 (member)	-	-	- (member)	-	-	\$84,517
Julia Raue	\$87,000	\$10,000 (member)	-	-	-	\$20,000 (Chair) ¹	\$6,600 (member)	-	\$123,600
Rachel Taulelei	\$87,000	-	\$6,600 (member)	-	-	- (member)	\$20,000 (Chair)	-	\$113,600
Robbie Tindall ⁴	\$87,000	-	\$6,600 (member)	- (member)	- (member)	- (member)	-	-	\$93,600

¹ John Journee received an additional fee of \$6,785 as a director of subsidiary company TheMarket.com Limited from 1 August 2022 to 1 March 2023.

² Dean Hamilton received an additional fee of \$6,785 as a director of subsidiary company TheMarket.com Limited from 1 August 2022 to 1 March 2023.

³ Caroline Rainsford was appointed as a Director on 30 August 2022 and a member of the People and Remuneration Committee in November 2022.

⁴ Robbie Tindall received an additional fee of \$6,785 as a director of subsidiary company TheMarket.com Limited from 1 August 2022 to 1 March 2023.

REMUNERATION REPORT

1. CEO remuneration 2023 (\$ 000s)

	Base Package			Pay for Performance			Total Remuneration
	Salary	Taxable Benefits	Subtotal	STI	LTI	Subtotal	
Nick Grayston	1,588	81	1,669	189	935	1,124	2,793

2. 5 year summary of CEO remuneration (\$ 000s)

Year	Group CEO	Total Earnings Paid	Base	Taxable Benefits	STI	STI as % of Maximum	LTI
2023	Nick Grayston	2,793	1,588	81	189	20%	935
2022	Nick Grayston	3,568	1,513	103	877	97%	1,075
2021	Nick Grayston	2,378	1,461	69	-	-	848
2020	Nick Grayston	2,862	1,461	97	-	-	1,304
2019	Nick Grayston	1,972	1,435	66	471	48%	-

Explanation of the above items

- The 2023 Long Term Incentive (LTI) value above relates to the FY20 – FY22 LTI scheme but was paid in FY23. The performance targets for the FY21–FY23 LTI and FY23 STI schemes were not achieved and accordingly no payments will be paid in FY24 under either scheme.
- The STI payment is a discretionary STI payment and the first of two discretionary STI payments as the FY22 STI target was not achieved. The second deferred discretionary STI payment of \$567,183 will be paid in FY24.
- The actual remuneration paid includes holiday pay paid as per New Zealand legislation.
- Taxable benefits are the value of employer KiwiSaver contributions.

3. Breakdown of CEO pay for performance (2023)

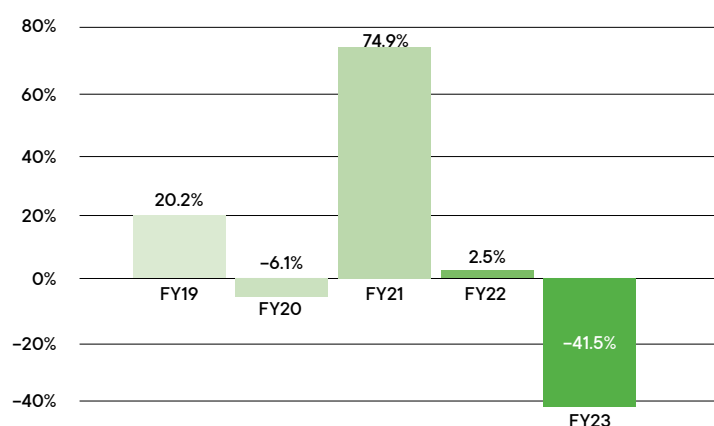
	Description	Performance Measures	Percentage Achieved
Short-Term Incentive (STI)	Set at 50% of base salary for on target performance. Combination of financial and non-financial performance measures.	Financial measures: 70% weighting: The financial measures are based on achieving Group EBIT budget (excluding STI).	0%
	For this to be payable, the Group must firstly achieve a gate opener of 90% of the Adjusted NPAT budget and a minimum level of individual performance must be achieved.	Individual measures 30% weighting: Individual goals relate to delivery of strategic priorities, delivering core business drivers and building capabilities.	0%
Long-Term Incentive (LTI) for the 3 years FY20–FY22.	Cash based scheme. Potential 50% of base salary for on target performance.	100% weighting based on the three-year Group Adjusted NPAT calculated as a percentage of the budgeted Group Adjusted NPAT. 50% of potential paid if 95% or greater of target achieved, increasing to a maximum of 150% for achievement of 125% and above.	128%

4. CEO retention incentive arrangement

In FY23 the Group awarded the CEO 1.6 million share rights in The Warehouse Group Limited as part of a long-term retention incentive arrangement. For each share right, the CEO is eligible to be issued or transferred, for nil cash consideration and before tax, one fully paid ordinary share on 1 October 2026 (together with dividend equivalents).

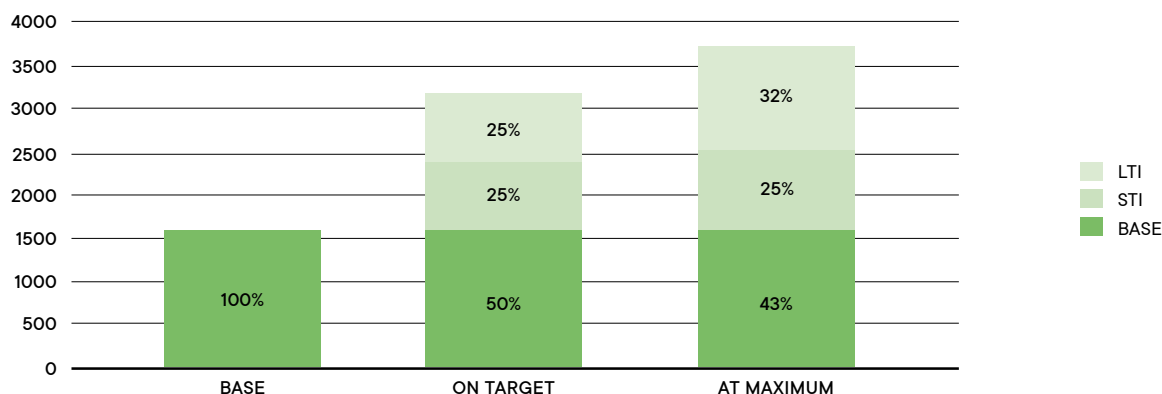
The issuing or transferring of the ordinary shares is subject to the CEO remaining employed by the Group through to 1 October 2026, unless otherwise agreed with the Board, meeting certain performance criteria determined by the Board, and subject to the CEO developing potential internal successors by August 2024 that are approved by the Chair.

5. Five year summary of Total Shareholder Return performance



REMUNERATION REPORT (CONTINUED)

6. Potential CEO remuneration (2024)



	Base Package 2024			Pay for Performance at Target 2024				
	\$ 000	Salary	Taxable Benefits	Subtotal	STI	LTI	Subtotal	Total Remuneration
Nick Grayston		1,588	48	1,636	794	794	1,588	3,224

Explanation: Base salary remains at \$1.588 million for the financial year. STI is 50% of base salary for on-target performance and the maximum payment is 120% of the STI target dollar value. The gate for payment is 90% of 2024 Group Adjusted NPAT budget. The STI is split: 70% based on Group financial results and 30% individual performance against goals. LTI is 50% of base salary, settled in cash, and is payable at the end of the three-year performance period if The Warehouse Group's target of absolute TSR against the Company's cost of equity plus 1% is achieved for the three-year period.

7. Scheme investments awarded to CEO

Year Invited	% of Salary	Settlement	Performance Period	Measure
FY20	50%	Cash	August 2019 to July 2022	Three-year Group Adjusted NPAT achieved calculated as a percentage of the budgeted Group Adjusted NPAT.
FY21	50%	Cash	August 2020 to July 2023	Absolute TSR against the Company's cost of equity plus 1% over a three-year performance period
FY22	50%	Cash/Shares	August 2021 to July 2024	Absolute TSR against the Company's cost of equity plus 1% over a three-year performance period
FY23	50%	Cash	August 2022 to July 2025	Absolute TSR against the Company's cost of equity plus 1% over a three-year performance period
FY24	50%	Cash	August 2023 to July 2026	Absolute TSR against the Company's cost of equity plus 1% over a three-year performance period

TSR measure ensures Management's long-term incentives (LTIs) are more closely aligned to shareholder outcomes. The maximum payment under the FY22 to FY24 LTI schemes is 150% of the LTI target dollar amount.

8. Additional disclosures

Description	Performance Measures
1. TSR Methodology	Total Shareholder Return has been calculated as the movement in the share price during the period plus any dividends paid.
2. Board Discretion	The Board of Directors exercised discretion with regard to the CEO's FY22 STI as set out in the notes in section 2 above.
3. Omissions	No information has been omitted relating to CEO remuneration.
4. Any Other Items	There are no other items payable to the CEO that have not been disclosed.
5. Benefits	There are no benefits attributable to the CEO due to any loans made.
6. Withholdings	No part of the CEO remuneration has been withheld for any purpose.
7. Related Parties	No related parties are involved with the CEO remuneration.

The ratio of CEO total remuneration to the median The Warehouse Group employee total remuneration paid in FY23 is 57:1. This ratio reflects the fact that approximately 80% of The Warehouse Group's 11,000 team members are employed in its stores and distribution centres and are paid retail market rates for those roles.

The CEO's total remuneration decreased by 22% while the median employee remuneration increased 4% in FY23, resulting in a compensation ratio of -6:1, being the ratio of percentage decrease in CEO total compensation to the increase in median total compensation for all employees.

TEAM MEMBERS' REMUNERATION

Grouped below are the number of team members or former team members, not being Directors or former Directors, who received remuneration and other benefits valued at or exceeding \$100,000 during the period 1 August 2022 to 30 July 2023.

Remuneration includes redundancy payments and termination payments made during the year to team members whose remuneration would not otherwise have been included in the table reported below.

Remuneration (\$ 000)	Number of Team Members	Remuneration (\$ 000)	Number of Team Members	Remuneration (\$ 000)	Number of Team Members
100 - 110	132	260 - 270	4	430 - 440	1
110 - 120	103	270 - 280	6	440 - 450	1
120 - 130	100	280 - 290	6	590 - 600	1
130 - 140	81	290 - 300	1	620 - 630	1
140 - 150	81	300 - 310	4	670 - 680	1
150 - 160	50	310 - 320	4	680 - 690	1
160 - 170	24	320 - 330	1	730 - 740	1
170 - 180	47	330 - 340	7	770 - 780	1
180 - 190	41	340 - 350	1	890 - 900	1
190 - 200	16	350 - 360	1	1,030 - 1,040	1
200 - 210	13	360 - 370	2	1,070 - 1,080	1
210 - 220	19	370 - 380	2	1,100 - 1,110	1
220 - 230	13	390 - 400	3	1,120 - 1,130	1
230 - 240	6	400 - 410	1	2,790 - 2,800	1
240 - 250	8	410 - 420	3		
250 - 260	5	420 - 430	1		

Principle 6 – RISK MANAGEMENT

"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."

Risk Management Framework

Risk is the chance of something happening that will have an impact on business objectives. Having established an acceptable risk tolerance, the Company's approach is to identify, analyse, evaluate and appropriately manage risk in the business.

Material Risks Identified

Information on material risks the Company faces and how they are managed is set out on page 30.

Risk Management Roles and Responsibilities

The Board is responsible for reviewing and approving the Company's risk management strategy. The Board delegates day-to-day management of risk to the Group CEO, who may further delegate such responsibilities to executive and other officers. Inherent in this delegation is the belief that responsibility for managing risks in the business is the domain of the business unit.

Risk Monitoring and Evaluation

While the Board is ultimately responsible for the risk management of the Company, the Audit and Risk Committee reviews the reports of Management and the external and internal auditors on the effectiveness of systems for internal control, financial reporting and risk management. To assist in discharging this responsibility, the Board has in place a number of strategies designed to safeguard the Company's assets and interests and ensure the integrity of reporting. These reports include quarterly reviews of store audit results and quarterly reports on internal audit findings.

Health and Safety

The Company's approach and process on health and safety matters are set out on pages 46 and 47.

Principle 7 – AUDITORS

"The Board should ensure the quality and independence of the external audit process."

Approach to Audit Governance

The independence of the external auditor is of particular importance to shareholders and the Board. The Audit and Risk Committee is responsible for overseeing the external audit of the Company. Accordingly, it monitors developments in the areas of audit to ensure its policies and practices are consistent with best practice in these areas.

The Board has adopted a policy on audit independence, the key elements of which are:

- The external auditor must remain independent of the Company at all times and must comply with all relevant ethical requirements and professional standards regarding independence;
- The external auditor must monitor its independence and annually report to the Board that it has remained independent;
- The audit firm is permitted to provide certain non-audit services, set out in the Audit and Risk Committee Charter, that are not considered to be in conflict with the preservation of the independence of the auditor; and
- The Audit and Risk Committee must approve all non-audit work assignments that are awarded to an external auditor, and the value of non-audit work must be reported at every Board meeting.

Engagement of the External Auditor

The Company's external auditor is PricewaterhouseCoopers (PwC). PwC was appointed by the Company's shareholders at the 2004 Annual Shareholders' Meeting in accordance with the provisions of the Companies Act 1993 (Act). PwC is automatically reappointed as auditor under section 207T of the Act.

Attendance at the Annual Shareholders' Meeting

PwC, as auditor of the 2023 Financial Statements, has been invited to attend this year's Annual Shareholders' Meeting and will be available

to answer questions about the conduct of the audit, preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

The Company's corporate legal advisors, Russell McVeagh, will also attend the Annual Shareholders' Meeting.

Internal Audit

The Company has an internal audit function that is independent of the Company's external auditors. The internal audit function of the Company is undertaken by Ernst & Young and the Company's own internal audit teams. The respective internal audit teams report to and are directed by the Audit and Risk Committee.

Each year, the internal audit programme is approved by the Audit and Risk Committee. The programme of audit work considers the most significant areas of business risk in the Company and is developed following discussions with Management, review of the business process model of the Company and consideration of strategic risks relevant to the Company. The programme also considers risks in relation to major projects that are planned or currently under way.

The role of internal audit is to:

- Assess the design and operating effectiveness of controls governing key operations, processes and business risks;
- Provide the Board with an assessment, independent of Management, as to the adequacy of the Company's internal operating and financial controls, business processes, systems and practices; and
- Assist the Board in meeting its corporate governance and regulatory responsibilities.

Principle 8 – SHAREHOLDER RIGHTS AND RELATIONS

"The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

The Company is committed to providing a high standard of communication to its investors. The Company believes effective communication achieved by equal access to timely, accurate and complete information that allows investors to make informed assessments of the Company's value and prospects. Investor communication is governed by the Company's Investor Communications Policy.

The Company has an investor relations programme which includes communication through:

- Periodic and continuous disclosure to the NZX;
- Annual reports;

- The Annual Shareholders' Meeting;
- The Company's website, which includes financial and operational information, and key corporate governance information; and
- Analyst and investor briefings and roadshows.

Engagement with Investors

The Company values its dialogue with strategic stakeholders, institutional and retail investors, and believes effective engagement benefits both the Company and investors. Annual Shareholders' Meetings, analyst and investor briefings and roadshows provide an important opportunity for this dialogue. Shareholders have the opportunity to also submit questions and comments through investors@thewarehouse.co.nz.

Website

The Company's website contains a comprehensive set of investor-related material and data, including NZX disclosures and media releases, interim and annual reports, share price and dividend information, shareholder meeting materials and the Company's governance charters and policies.

Annual Shareholders' Meeting (ASM)

The ASM provides an opportunity for Directors, the Group CEO, the Leadership Squad, and the Company's external auditor to meet shareholders and answer any questions they may have.

The ASM is held at a convenient time and location. The 2022 ASM was held as a hybrid meeting (being a combination of the physical meeting as well as a virtual online meeting) on 25 November 2022. The Notice of Meeting was published on 26 October 2022. The 2023 ASM will be held on 24 November 2023.

In accordance with the Companies Act 1993 and NZX Listing Rules, the Company refers any significant matters to shareholders for approval at the ASM, and shareholders are given the opportunity to vote by proxy ahead of the meeting or by polling if attending the meeting in person or online.

ELECTRONIC COMMUNICATION

The Company moved to electronic reporting in 2016, noting a key component of the Company's strategy is cost effectiveness and minimising the Company's impact on the environment. Shareholders can request a hard copy of the Annual Report to be mailed to them free of charge by contacting Computershare, the Company's share registrar. Shareholders are encouraged to provide their email addresses to Computershare to enable them to receive all other shareholder materials electronically.

Computershare Investor Services Limited

Telephone: +64 9 488 8777

Email: enquiry@computershare.co.nz

CELEBRATING DIVERSITY AND INCLUSION

Diversity of gender, skill, age, experience and beliefs are valued and the provision of equal opportunities for all employees and those looking to join the Company is fundamental to the way we operate as a business. For the year ended 30 July 2023 the Board is satisfied that the Company achieved its gender diversity objectives and other measurable objectives. Details regarding the Company's Diversity and Inclusion Policy, goals and performance criteria are detailed below.

The Group strives to create a workplace where our people can bring their whole selves to work. Not only is this the right thing to do for our team members, we also believe that a diverse team and an inclusive workplace leads to more innovation, better decision-making, more opportunities for all our people and the communities in which we operate, and better performance outcomes for the Company. That is why we're committed to continuously identifying ways we can improve diversity and inclusivity.

AREA OF FOCUS		GENDER											
Objective		Improve representation of women at senior levels of the business											
Target		2022					2023						
50% of senior leadership roles held by women	Female representation by role	Female	Male	Other/Not disclosed	Total	% of Female	Female	Male	Other/Not disclosed	Total	% of female		
	Board	3	4	-	7	42.9%	4	4	-	8	50.0%		
	Executives	2	8	-	10	20.0%	3	7	-	10	30.0%		
	Direct report to executive team	25	23	-	48	52.1%	25	21	-	46	54.3%		
	Total Leadership	27	31	-	58	46.6%	28	28	-	56	50.0%		
	Other	6,360	4,782	198	11,340	56.1%	5,992	4,602	185	10,779	55.6%		
	Total employees (excluding Board)	6,387	4,813	198	11,398	56.0%	6,020	4,630	185	10,835	55.6%		
	Female representation by employee status	Female	Male	Other/Not disclosed	Total	% of female							
	Permanent	Not disclosed in 2022					5,045	3,835	138	9,018	55.9%		
	Fixed term						91	91	12	194	46.9%		
Casual						884	704	35	1,623	54.5%			
Female representation by full/part time employment	Female	Male	Other/Not disclosed	Total	% of female								
Full time	Not disclosed in 2022					2,971	2,698	70	5,739	51.8%			
Part time						2,165	1,228	80	3,473	62.3%			
Casual						884	704	35	1,623	54.5%			
100% Gender pay equity (undisclosed gender data is not included)	Category	Number of employees in each category			Median pay ratio	Gender pay gap	Number of employees in each category			Median pay ratio	Gender pay gap		
	Group - Total				11,200	100%	0%				10,650	101%	-1%
	Leadership				58	90%	10%				56	89%	11%
	SSO - Agile				1,003	99%	1%				937	99%	1%
	SSO - Other				515	79%	21%				277	77%	23%
	Stores				8,668	103%	-3%				8,554	100%	0%
Distribution Centres				956	100%	0%				826	98%	2%	
AREA OF FOCUS		AGE											
Age representation		2022					2023						
		Under 30 years old		30-50 years old		Over 50 years old		Under 30 years old		30-50 years old		Over 50 years old	
		#	%	#	%	#	%	#	%	#	%	#	%
Board		-	-	3	38%	5	63%	-	-	3	38%	5	63%
Executives		-	-	4	40%	6	60%	-	-	4	40%	6	60%
Direct report to executive team		-	-	31	65%	17	35%	-	-	30	65%	16	35%
Other		5,468	48%	3,750	33%	2,018	18%	5,094	47%	3,581	33%	1,998	18%
Total (106 were non-disclosed)		5,468	48%	3,787	33%	2,046	18%	5,094	47%	3,618	33%	2,025	19%

Diversity, Inclusion and Wellbeing initiatives

Objective: Develop and celebrate our diversity

We continue to build our diversity, equity and inclusion across the business through the implementation of our Diversity and Inclusion (D&I) strategy. This is supported by regular D&I surveying of our teams including a D&I specific questionnaire sent to all team members in October 2022. Moving forward, this will be embedded as part of our quarterly engagement survey cycle.

Key achievements in FY23 include:

- Launched four team member-led community groups: Te Ao Māori, Pride, Wāhine (women) Advocates and Neurodiversity. These groups meet regularly and are supported by executive co-sponsors to discuss actions and initiatives that bring to life each of these pillars;
- Held celebrations for our team members including Matariki, Māori Language Week, International Women's Day and Pride Month (including attendance at Big Gay Out in Auckland);
- Rainbow Tick accreditation: Rainbow Tick Accredited since 2019;
- Supporting women: 70 team members graduated from the Lean In programme, which aims to offer women peer-to-peer mentoring and support networks;
- Māori competence: 28 senior leaders graduated from the Te Kaa programme,

which aims to develop foundational knowledge about Māori culture and customs when leading teams and the business;

- Neurodiversity: Partnered with Brain Badge to offer a series of workshops on types of neurodiversity and different ways of thinking.

Objective: Support team member wellbeing

Continued to support team members through physical, mental and financial ways of working and wellbeing initiatives including offering confidential coaching, counselling and wellbeing support through Benestar. Initiatives included Auckland Round the Bays, Wellbeing Week, White Ribbon Day, Gumboot Friday and Pink Shirt Day.

Objective: Continue to support our people through inclusive policies and benefits

Our specific people policies include:

- Gender Transition Policy: 10 days paid leave;
- Family Violence Policy: 15 days paid leave and three free nights' accommodation;
- Parental Leave Policy: 26 weeks full pay (government payment topped up), Ease Back to Work and Be There for Partners leave; and
- Lifestyle Leave and Career Break options are available to team members looking to spend more time with family, progress personal goals or travel.