

WOOLWORTHS HOLDINGS LIMITED

ABRIDGED GOOD BUSINESS JOURNEY REPORT

2024

START

NAVIGATING OUR REPORT

ICONS USED IN THIS REPORT

NAVIGATING OUR REPORT

This report is only available digitally as a commitment to our GBJ. It is interactive and can be navigated using the tools depicted below:



Back to contents page



Useful links for more detail



More information on the web

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OUR STAKEHOLDERS

We have numerous stakeholder groupings that impact us or that we, either directly or indirectly, impact through our business activities. We believe that strong, sustainable stakeholder relationships form the foundation of our ability to create shared value in the short, medium, and long term. These relationships are key to a more sustainable and successful business and future. Our stakeholders are denoted with the icons below:



Customers



Employees



Suppliers



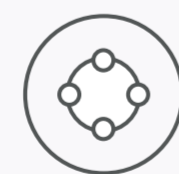
The Media



Shareholders



Debt Funders



Communities and Other



Industry Organisations



Academic Institutions



Government and Regulators

OUR GBJ FOCUS AREAS

Our GBJ enables a consistent approach to managing sustainability issues across the Group. The programme has eight key focus areas, which are denoted with the icons below:

OUR REPORTING SUITE

Our sustainability reporting suite consists of this report and accompanying appendices which can be found on our website. Our full suite is listed below:

- 2024 Good Business Journey Report
- 2024 Good Business Journey Abridged Report
- 2024 Task Force on Climate-Related Financial Disclosures Report
- 2024 GRI Index
- 2024 JSE Sustainability and Climate Change Guidance Index
- 2024 ERM Independent Moderate Assurance Statement
- 2024 Good Business Journey Assurance Criteria
- 2024 Assurance Summary
- 2024 External Recognition
- 2024 Key Sustainability Indicators
- 2024 Mapping of Vision 2025+ goals to UN SDGs
- 2024 Position Statements, Guidelines, and Policies
- 2024 Glossary
- 2024 BBBEE Certificate
- Carbon Footprint Verification Statement for the 2024 financial year
- 2023 CDP Climate submission for the 2022 financial year
- 2023 CDP Water submission for the 2022 financial year
- 2023 CDP Forests submission for the 2022 financial year
- 2024 Good Business Journey Investor Presentation
- 2024 Good Business Journey Investor Presentation Video
- 2024 Ellen MacArthur Foundation submission for the 2023 financial year

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OUR GROUP

Our Group consists of two omnichannel trading divisions, both targeting mid-to-upper-income customers who value quality, innovation, value, and sustainability.

Woolworths South Africa (WSA) contains Fashion, Beauty and Home (FBH) and Food businesses, and Country Road Group is an Australian house of brands, including the Country Road, Witchery, Trenergy, Mimco, and Politix brands.

Each company provides customers with compelling loyalty benefits and offers through dedicated loyalty programmes, which are key to building customer engagement and loyalty, and driving personalisation, customer acquisition, frequency, and spend. Financial services are offered for WSA customers through Woolworths Financial Services (WFS), a joint venture with Absa Group Limited.



WOOLWORTHS

Fashion, Beauty and Home

OFFERING:

Predominantly trusted, quality wardrobe essentials, edited and relevant fashion, beauty and homeware, and highly select third-party brands complementing customers' shopping experience



BASED IN:

South Africa, and trading in South Africa and a further 10 countries in southern Africa



431 000M²

trading space across 290 store locations



20%

contribution to Group turnover and concession sales

30%

contribution to Group aEBIT

5.6%

online sales contribution to SA sales, with sales fulfilled from dedicated distribution facility, available for home delivery and Click-and-Collect

Food



OFFERING:

Largely private-label range of quality, innovative, and sustainable food products, and customers' most wanted brands, allowing them to complete their shop with us



BASED IN:

South Africa, and trading in South Africa and a further 6 countries in southern Africa



308 000M²

trading space across 651 store locations

62%

contribution to Group turnover and concession sales

56%

contribution to Group aEBIT

5.5%

online sales contribution to SA sales, with sales fulfilled from physical stores, available for scheduled, Click-and-Collect or on-demand delivery



3.4M

 active loyalty members, tracking 89% of revenue

33 020

 employees

89%

 targets achieved on sustainability scorecard

COUNTRY ROAD GROUP

OFFERING:

Private-label, stylish, high-quality apparel, accessories, footwear, and homeware



BASED IN:

Australia, and trading in Australia, New Zealand, and South Africa



102 000M²

trading space across 653 store locations



18%

contribution to Group turnover and concession sales

10%

contribution to Group aEBIT

27.6%

online sales contribution, with sales fulfilled from dedicated Omni-channel Fulfilment Centre, available for scheduled or Click-and-Collect delivery

2.4M

 active loyalty members, tracking 74% of sales

5 603

 employees

THE GOOD BUSINESS JOURNEY

The GBJ is central to the Group's strategy and supports our vision to be one of the world's most responsible retailers. For more information on the Group's strategic framework, refer to the Integrated Annual Report.

The GBJ strategy for 2025 and beyond is known as Vision 2025+. It will enable the Group to be a leading, purpose-driven, truly connected retailer. It aims to address the complex and interconnected sustainability challenges and opportunities we face now and in the future.

Vision 2025+ has three main pillars, which we address through eight focus areas. Each pillar and focus area has ambitious goals that deliver the overall strategic intent of Vision 2025+. It also delivers clearly defined strategies and management approaches.

The WHL Board approved Vision 2025+ and its underlying goals in 2021.

GBJ IS OUR COMMITMENT TO CARING FOR OUR ENVIRONMENT, PEOPLE, AND COMMUNITIES



UNDERLYING PRINCIPLES: TRANSPARENCY, CIRCULARITY, INNOVATION, COLLABORATION



A YEAR IN REVIEW

INCLUSIVE JUSTICE



Formed the Community Inclusive Justice Institute (CIJI) NPC, which will be responsible for implementing the CSI strategy for Woolworths.



Successfully launched the Our Leadership Way Programme with the top 70 leaders in South Africa through a two-day immersion session.



Woolworths donated R816M worth of surplus food to needy communities and charities.



Woolworths Holdings Limited was ranked in the Top 20 companies for gender equality in emerging markets. We were one of four South African corporates in the ranking and the only retailer to make the list.



Woolworths supported 15 young entrepreneurs through our Youth Makers programme.



Woolworths contributed R7 billion (2023: R7 billion) in revenues of Black and Black women-owned suppliers in our supplier base.

ETHICAL AND FAIR



Woolworths received a Special Recognition Award from Compassion in World Farming for its 20 years of leadership in championing cage-free systems for laying hens.



85% of Woolworths Food products are part of the Farming for the Future programme.



Through Country Road's support of the Landcare Biodiversity Project, 59.6 hectares of farmland have been restored in New South Wales in Australia. Country Road has also extended the partnership agreement for the project until 2026.



100% of Woolworths Food and 87.28% of private label FBH products have at least one sustainability attribute.



100% of Woolworths' palm oil, cocoa and timber are responsibly sourced.



90% of Woolworths Food and 33% of Woolworths FBH products are locally sourced from South Africa.

THRIVING AND RESILIENT



The first two Country Road sites received 6-star Green Star certification.



Woolworths South Africa launched the first axle-powered truck refrigeration in Africa, which uses kinetic energy harvested from the truck's axle to power the refrigeration and reduce carbon emissions.



100% of all Woolworths FBH stores are now plastic shopping bag free, meaning all stores across the Group have phased out plastic shopping bags.



Woolworths trialled the removal of plastic barrier bags in stores, with plans to roll out the initiative nationally. This will be a first in South Africa.














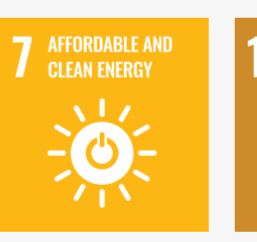




Woolworths successfully hosted its first in-person Good Business Journey Week, engaging employees through insightful guest talks and an interactive exhibition showcasing our sustainability partners.

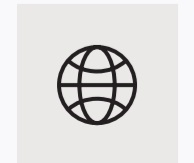


Woolworths was awarded the 2024 PETCO Best Design for Circularity for our iced tea range, for our first-in-South Africa recyclable polyolefin shrink sleeve ensuring both bottle and sleeve can now be recycled.

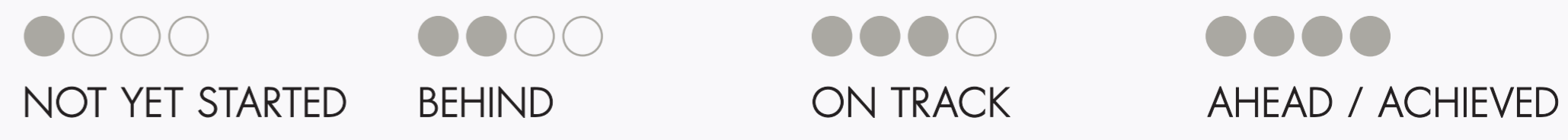
MEASURING OUR PROGRESS AGAINST VISION 2025+

 INCLUSIVE JUSTICE	PROGRESS	READ MORE	 ETHICAL AND FAIR	PROGRESS	READ MORE	 THRIVING AND RESILIENT	PROGRESS	READ MORE
Achieve BBBEE level 4 by 2025 <div data-bbox="759 685 885 725">●●●●</div>			Have a fully transparent, traceable, and ethical supply chain by 2025 <div data-bbox="1724 665 1850 705">●●○○</div>			Achieve net zero carbon impact by 2040 <div data-bbox="2705 656 2831 695">●●●○</div>		
Move from “Improver” to “Achiever” in the UN Women Empowerment Principles assessment by 2025 <div data-bbox="759 884 885 924">●●●○</div>			Develop a roadmap by 2022 for achieving a living wage for all workers across our supply chain <div data-bbox="1724 825 1850 864">●●●●</div>			Source 100% of our energy from renewable sources by 2030 <div data-bbox="2705 785 2831 825">●●○○</div>		
Complete our Just Wage journey to exceed retail and legislative minimum rates <div data-bbox="759 1083 885 1123">●●●●</div>			Responsibly source all key commodities from traceable sources by 2025 <div data-bbox="1724 984 1850 1023">●●●○</div>			Work with our suppliers and partners to create net positive water impact in water-stressed basins in our value chain by 2050 <div data-bbox="2705 914 2831 954">●●●○</div>		
Implement our Employment Equity Plan for the period until 2025 and achieve compliance status <div data-bbox="759 1272 885 1312">●●●○</div>			All private label products can be reused, repaired, resold or recycled by 2025 <div data-bbox="1724 1133 1850 1172">●●○○</div>			All our packaging will be reusable or recyclable by 2022 <div data-bbox="2705 1043 2831 1083">●●●○</div>		
Related UN SDGs <div data-bbox="142 1451 743 1570">      </div>			Related UN SDGs <div data-bbox="1107 1451 1471 1570">    </div>			Related UN SDGs <div data-bbox="2088 1451 2689 1570">      </div>		

For more information on each goal, including the definition, why we set it, how we plan to achieve it, challenges we face, KPIs used to measure and report our performance, and baseline data, refer to the Our Goals section on the website.



PROGRESS KEY



GOVERNANCE AND MANAGEMENT OF OUR GOOD BUSINESS JOURNEY

The WHL Board is ultimately responsible for the GBJ. The WHL Board Sustainability Committee and the WHL Board Social and Ethics Committee support the Board in this regard. The Board delegates operational responsibility for the GBJ to the WHL Chief Executive Officer, and the WHL, Woolworths and CRG Executive Committees (Excocos).

The Group Head of Sustainability, Director of Corporate Affairs, Group People Director, and the Excocos are responsible for implementing the GBJ strategy and performance. They are supported by teams across the business who integrate GBJ into day-to-day operations. They report twice yearly against sustainability and corporate scorecards on the business's GBJ performance. These teams also participate in an internal Sustainability Steering Committee that meets quarterly to share progress updates and GBJ-related trends and content.

There are various policies, position statements, and internal reporting systems for data and information collection and reporting that support these teams in delivering the GBJ programme across the Group.

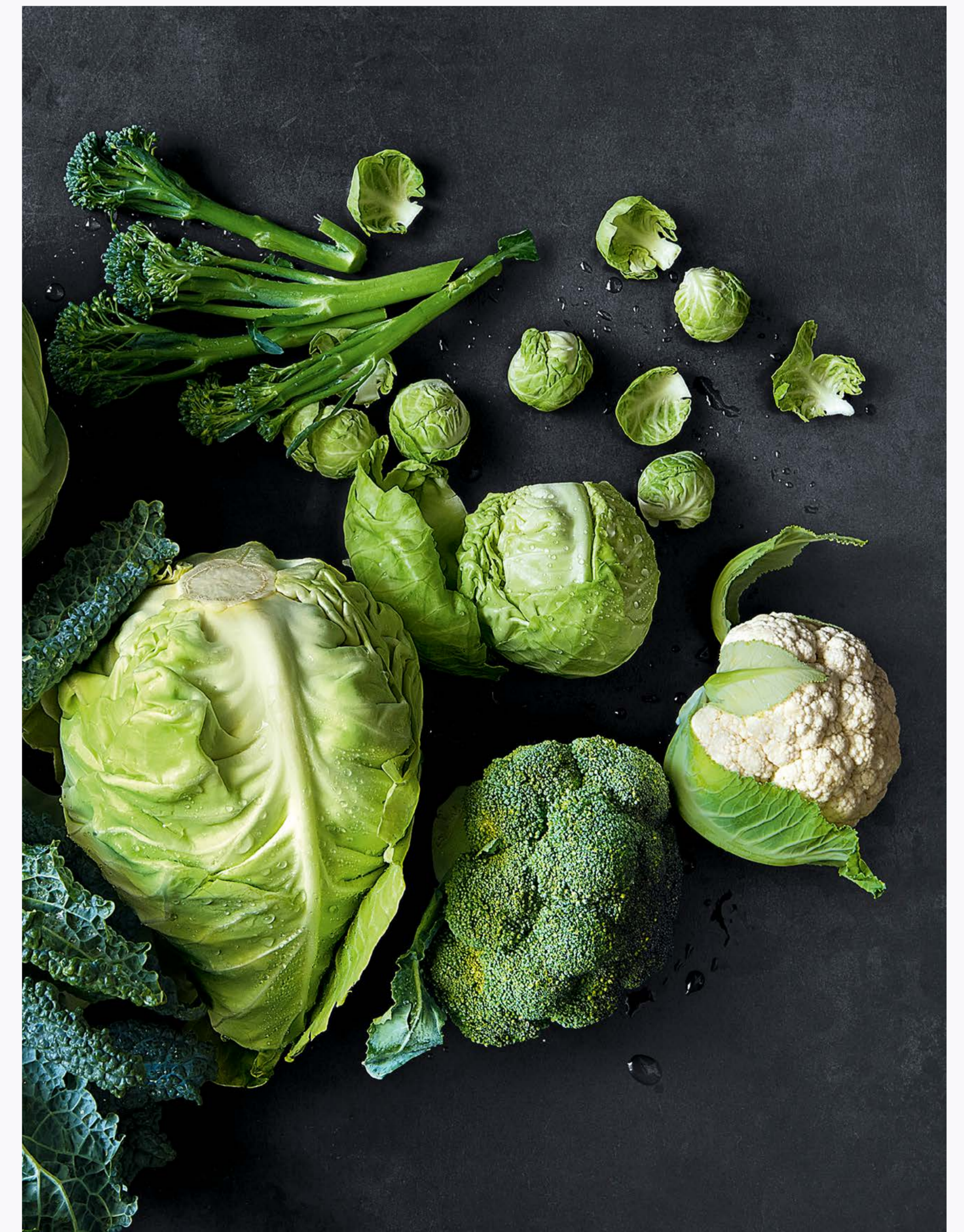
DIRECTOR TRAINING ON GBJ-RELATED MATTERS

During the year, internal subject matter experts took the Board through a textile circularity immersion to gain more insights into the sourcing and manufacturing processes of our FBH products. The Board also attended a panel discussion on the role of corporates in driving social justice during our GBJ week.

For more information, refer to the Governance and Management section on our website.

VISION 2025+ PILLARS COVERED

BOARD OVERSIGHT	1	WHL Board	iji	🤝	☀️
	2	WHL Board Sustainability Committee		🤝	☀️
		WHL Board Social and Ethics Committee	iji		
MANAGEMENT OVERSIGHT	3	Executive Committees (Excocos)	iji	🤝	☀️
	4	Group Head of Sustainability		🤝	☀️
		Director of Corporate Affairs and Group People Director	iji		
CO-ORDINATION AND IMPLEMENTATION	5	Sustainability, Corporate Affairs, and Human Resources teams	iji	🤝	☀️
	6	Scorecards	iji	🤝	☀️
	7	Policies and position statements	iji	🤝	☀️
	8	Reporting systems	iji	🤝	☀️



RISK AND MATERIALITY

Vision 2025, and the material issues we include in this report, are informed and refreshed annually based on the results of our sustainability risk assessment and materiality determination process.*

SUSTAINABILITY RISKS

We follow a robust risk assessment approach to determine our sustainability risks, aligned to the Group's integrated risk assessment and management approach. Risk registers are developed for key business areas to ensure we document all identified risks, weighted and prioritised according to the agreed risk assessment method, and identify action plans to mitigate the risks.

For more information on the Group's integrated risk assessment and management approach, refer to the Enterprise Risk Management section of the Integrated Annual Report.

MATERIALITY DETERMINATION

IDENTIFICATION AND REFRESH

Material sustainability issues are identified and assessed annually across the Group through internal stakeholder engagement, the risk assessment process, and a desktop review of peer sustainability reports, media and news articles, global collective commitments, and global sustainability and reporting tools and indices. This is supplemented by a formal external stakeholder engagement process every three to five years.

During the year, we performed a materiality refresh exercise in which we conducted internal stakeholder engagement, selected external engagement with key stakeholders, and a desktop review.

MATERIAL ISSUES


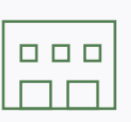


The exercise revealed that our material issues, reflected in the table that follows, remain relevant and complete.

THE FOLLOWING ISSUES HAVE, HOWEVER, BEEN FURTHER EMPHASISED OR ELEVATED DURING THE YEAR:

- Climate change – including the need for a just transition, having clear roadmaps to achieve net zero, enhanced disclosures in annual reporting suites, loss and damage funding, plant-based diets
- Biodiversity loss – including its link to agriculture, deforestation, and climate change
- Packaging, plastic, and circularity
- Presence of forever chemicals in water
- Food security, loss, and waste
- Responsible sourcing – support of local suppliers, ensuring appropriate working conditions, protection of human rights, payment of living wages

The WHL Board Sustainability Committee reviewed and approved the materiality determination process in February 2024.



<p>MATERIAL ISSUES</p>	<p>CLIMATE CHANGE Climate change will have far-reaching impacts across our value chain, presenting physical and transition risks to our business. Therefore, to ensure the long-term sustainability of the Group, climate change adaptation and mitigation while working to ensure a just transition are necessary.</p>	<p>WATER A large portion of our supply chain, our customers, and our direct operations are based in areas where water quality and availability are at significant risk. Therefore, we need to address water challenges in these areas to ensure the continuity of our operations and product supply, and conserve and protect this precious resource for our customers and communities.</p>	<p>BIODIVERSITY Nature is declining globally at unprecedented rates, and the extent of species extinction is accelerating. This increasing biodiversity loss is a critical risk to our business, the health and wellness of our customers and employees, and the economy as a whole.</p>	<p>PACKAGING, WASTE, AND THE CIRCULAR ECONOMY The world has finite resources. We cannot continue to operate a linear take-make-waste approach. We must fundamentally rethink how we design, use, and reuse products, plastics and other packaging to transition towards a more circular economy approach to business.</p>	<p>RESPONSIBLE SOURCING, TRANSPARENCY, AND TRACEABILITY Multi-tiered and geographically dispersed supply chains like ours can have significant negative social impacts. We need to ensure we operate in a way that respects human rights and protects the environment and the welfare of animals.</p>
<p>RISKS</p>	<ul style="list-style-type: none"> • Threat to supply, quality, and availability of raw materials • Supply chain and logistics disruptions • Food insecurity and food price inflation • Lack of availability and increased cost of electricity and/or low-emission technology • Failing governmental and municipal infrastructure • Business disruption due to energy interruptions and/or extreme weather events • Reduced customer demand for unsustainable products 	<ul style="list-style-type: none"> • Food insecurity and food price inflation • Contamination of available water resources through pollution • Changing weather patterns resulting in regional droughts • Threat to supply, quality, and availability of raw materials • Failing governmental and municipal infrastructure • Reduced customer demand for unsustainable products 	<ul style="list-style-type: none"> • Threat to supply, quality, and availability of raw materials • Food insecurity and food price inflation • Reduced customer demand for unsustainable products 	<ul style="list-style-type: none"> • Lack of widely available recycling infrastructure and technology • Lack of cost-effective and recyclable substrates and fibre alternatives • Food waste sent to landfill due to inappropriate packaging • Reduced customer demand for unsustainable products • Increased demand for customer take-back options • Increased regulations and cost of compliance with applicable laws and regulations • Threat to supply of non-renewable raw materials 	<ul style="list-style-type: none"> • Poor working conditions in the supply chain • Workers in the supply chain paid below minimum wage • Human rights abuses in the supply chain, such as modern slavery, forced labour or child labour • Poor animal welfare
<p>MITIGATIONS</p>	<ul style="list-style-type: none"> • Implementation of energy-efficiency initiatives in direct operations • Renewable energy installations • Implementation of energy-efficient logistics and rollout of electric vehicles 	<ul style="list-style-type: none"> • Implementation of water-efficiency initiatives in direct operations • Implementation of a detox strategy to remove harmful chemicals from clothing manufacture • Involvement in water stewardship projects in key sourcing regions • Installation of water tanks and handwashing stations at various schools 	<ul style="list-style-type: none"> • Implementation and support of sustainable and/or regenerative farming and fishing programmes • Use of alternative fibres 	<ul style="list-style-type: none"> • Implementation of waste reduction and circular economy initiatives such as phase-out of non-recyclable single-use plastic, use of recycled or renewed content in products, and donation of surplus products • Implementation of circular fashion models, such as rental and resale • Provision of customer take-back facilities at stores 	<ul style="list-style-type: none"> • Sourcing commodities through recognised international responsible sourcing programmes and certification schemes • Mandatory compliance by suppliers with our policies and position statements monitored through regular audits • Living wage roadmap and modern slavery reporting
<p>CROSS-CUTTING MITIGATIONS</p>	<p>Implementation of the Factories of the Future Programme with Woolworths suppliers Working to ensure each private-label product has a sustainability attribute Ongoing training of staff and suppliers on sustainability-related topics Proactive stakeholder engagement with governments, regulators, and industry Membership in sustainability-related global organisations</p>				
<p>PORTION OF THE VALUE CHAIN IMPACTED</p>	<p>  RAW MATERIALS, PROCESSING, AND MANUFACTURING  DIRECT OPERATIONS  CUSTOMERS AND COMMUNITIES </p>				<p>  RAW MATERIALS, PROCESSING, AND MANUFACTURING </p>
<p>RELATED VISION 2025+ PILLARS</p>					
<p>RELATED FOCUS AREAS</p>					

For more information on the material issues: HEALTH, SAFETY AND WELLBEING and DIVERSITY AND INCLUSIVE GROWTH refer to the Material Matters section of the Integrated Annual Report.

THE ROLE OF STAKEHOLDER ENGAGEMENT

We are committed to developing and maintaining quality relationships with our stakeholders to create shared value for all in the short, medium, and long term.

Our philosophy is to engage authentically, openly, and inclusively with our stakeholders, enabling us to better understand them, benefit from their insights, focus on their priorities, and address their concerns. It also allows us to seek areas of potential partnership, mitigate risks to the business, and create mutual trust and respect. This is integral to the ongoing daily management of the Group, and key to identifying the material matters that could significantly impact our performance and sustainability.

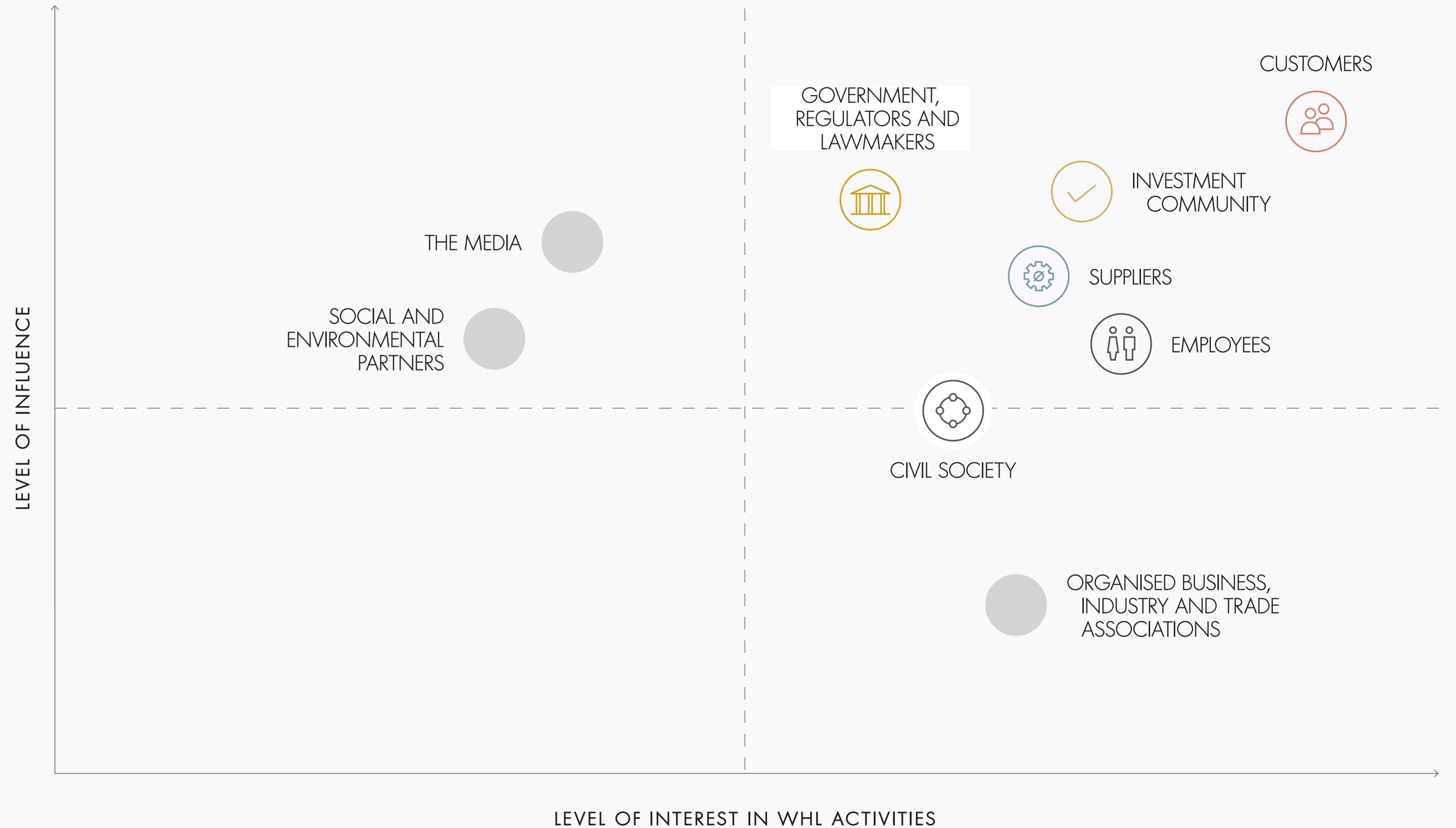
THE ROLE OF STAKEHOLDER ENGAGEMENT

Our stakeholder engagement programme helps the Group better navigate our complex landscapes, provides ongoing insights, develops goodwill ambassadors, holds us accountable to our promises, and ultimately ensures our sustainability. This is particularly true when we need to adapt and react quickly to rapidly evolving social, technological, and environmental events, which we can identify through regular and constructive stakeholder engagement.

The Board is committed to strong, ethical, and transparent stakeholder engagement. Our management teams are empowered by the Board to ensure that we remain accessible to our stakeholders, and that we identify, monitor, and address their needs and concerns as well as the related material matters, risks, and opportunities. The Board receives regular reports from these stakeholder engagements, with the Social and Ethics Committee conducting annual stakeholder engagement self-assessment reviews.

Our GBJ plays an important role in stakeholder engagement. We endeavour to meet the demands of our current stakeholders without compromising the ability of future generations to also fulfil their wants and needs.

Our stakeholders, their interests, and their level of influence in our operations vary according to geographical location, business area, and the nature of their interest. The manner, level, and extent of our engagements are driven by their influence, interests, expectations, and concerns. These relationships are depicted in the accompanying graph, which is reviewed annually. This graph outlines the influence of the material stakeholders versus their interest in our Group.



During the year, we actively and frequently engaged with our material stakeholders to gain valuable insights from them, which inform our material matters, our related strategies and GBJ focus areas. This also allows us to address their needs, expectations, and concerns, and create sustainable value for them and, in turn, for our Group as a whole.

STAKEHOLDER ENGAGEMENT

CASE STUDY

ENGAGING OUR EMPLOYEES

From 21 to 23 May 2024, we invited employees at the Woolworths head office campus to our first in-person Good Business Journey week.

This internal employee engagement programme, offered us the opportunity to:

- Drive high performance that delivers results
- Focus on the customer and balance quality and speed

We themed the three days to align with our GBJ pillars. It included live panel discussions featuring internal subject matter experts and influential external organisations. We had exhibitions from key partners with live demonstrations and mini masterclasses on how employees can incorporate GBJ into their own lives. We also had a sustainability tour to expose employees to the sustainability initiatives within head office, and a Woolworths FBH expo showcasing its sustainability efforts.

The events were very well attended, with employees participating both in person and virtually. We were particularly pleased with the number of store-based staff who participated in the sessions virtually.



CASE STUDY

ENGAGING OUR SHAREHOLDERS

On 18 September 2023, we held our third annual investor summit dedicated to GBJ to provide deeper insights to our shareholders into the Group's sustainability strategy and performance.

Presentations were conducted by Roy Bagattini (Group CEO) on our approach to sustainability and Vision 2025+ targets, Zyda Rylands (CEO Woolworths Food) on the Good Business Journey of the food business, Chan Pillay (Commercial Director: Woolworths Food) on the new Woolies quality standard and Latiefa Behardien (Chief Technical Sustainability Officer: Woolworths Food) showcasing these efforts.





INCLUSIVE JUSTICE

We care for our people and are committed to being a diverse and inclusive business, enhancing the wellbeing of our employees, customers, and communities.

Focus areas in this pillar

PEOPLE	13
SOCIAL DEVELOPMENT	15
HEALTH AND WELLNESS	17

Related UN SDGs

- 1 NO POVERTY**: Icon showing a family of four.
- 4 QUALITY EDUCATION**: Icon showing an open book and a pencil.
- 5 GENDER EQUALITY**: Icon showing a female symbol with an equals sign.
- 8 DECENT WORK AND ECONOMIC GROWTH**: Icon showing a bar chart with an upward arrow.
- 10 REDUCED INEQUALITIES**: Icon showing a double-headed vertical arrow with horizontal bars.



PEOPLE

WHY IS THIS FOCUS AREA IMPORTANT?

To be one of the world's most responsible retailers, we must evolve and develop our People policies and practices. In developing our People Value Proposition – our 'People Promise' – and delivering key, strategic people initiatives, we have created a framework against which we will continue to progress and improve the lived experience of our people.

RELATED UN SDGs



In this focus area

STRATEGY & MANAGEMENT APPROACH

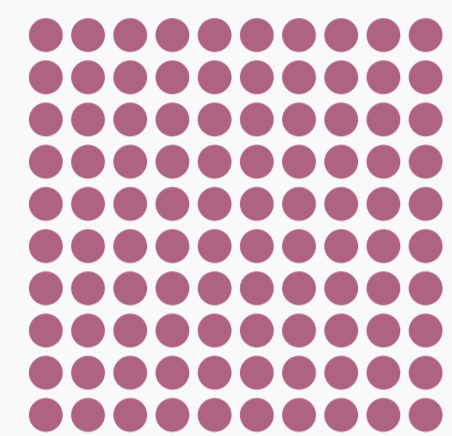


OVERVIEW

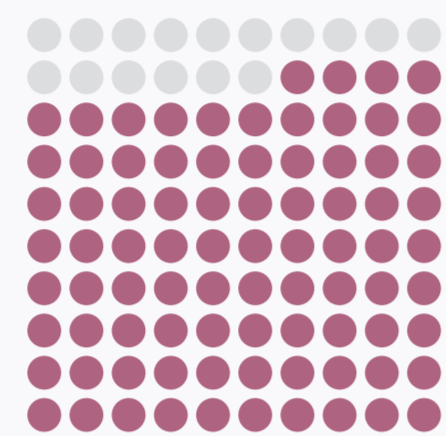
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OVERVIEW

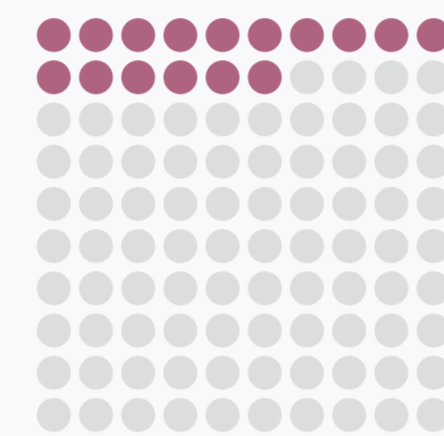
HEADCOUNT



WHL
38 642
 2022: **37 746**,
 2023: **38 732**



Woolworths SA
33 034
 2022: **32 019**,
 2023: **32 675**

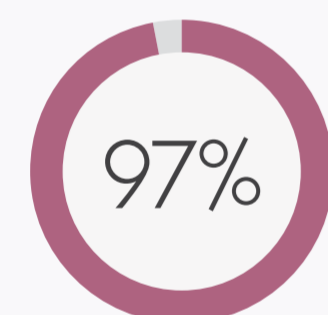


Country Road Group
5 608
 2022: **5 727**,
 2023: **6 057**

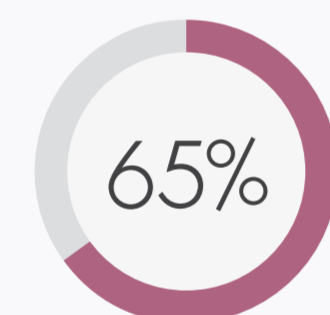
HIGHLIGHTS

- Successfully launched the Our Leadership Way Programme with the top 70 leaders in South Africa through a two-day immersion OLW session
- Launched the inaugural Woolworths CEO Excellence Awards, which recognises exceptional employees and places even greater emphasis on delivering extraordinary outcomes
- Woolworths was ranked in the top 20 (and was the only South Africa retailer) among companies advancing gender equality in emerging markets
- We have made incremental shifts in African Black representation with the opportunities that have become available in recruitment and promotions, while managing the stretched sectoral targets

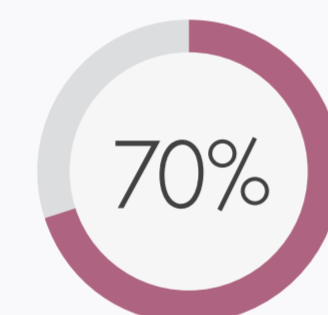
EMPLOYMENT EQUITY EMPLOYEES IN WOOLWORTHS SA



Permanent



Women



Top and middle management

PEOPLE WITH DISABILITIES

529

Total

92%

Black

2022: **563 total, 94% black** 2023: **490 total, 92% black**

LOWLIGHTS

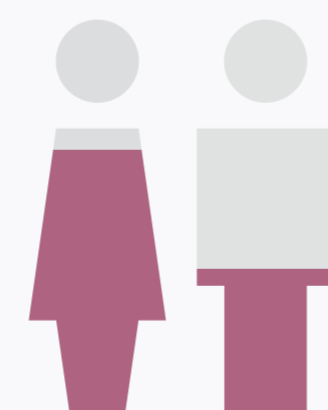
- Competition for key talent across retail and other sectors in South Africa
- Retention efforts continue to be a challenge, specifically in the Black African cohort

WOMEN IN TOP AND SENIOR MANAGEMENT



Woolworths SA: **43%** Country Road Group: **58%**

GENDER REPRESENTATION



Woolworths SA
 Female: **67%** Male: **33%**



Country Road Group
 Female: **88.5%** Male: **11.5%**

LOOKING AHEAD

- We will continue to cascade our Our Leadership Way Programme to the next cohort of leaders in our Group
- We will roll out our digital learning platform, WLearn, to all head office areas
- We will cascade our Re-imagine Freedom campaign across leadership groups as part of Our Inclusive Way

SOCIAL DEVELOPMENT

WHY IS THIS FOCUS AREA IMPORTANT?

As a responsible corporate citizen, and in line with our commitment to Inclusive Justice, we have a responsibility to play a meaningful role in addressing the economic and societal needs and expectations of our communities.

We can only grow and sustain long-term profit in an equitable and inclusive economy with a sufficiently skilled, educated, thriving, and healthy community.

RELATED UN SDGs



In this focus area

STRATEGY & MANAGEMENT APPROACH



OVERVIEW

16

OVERVIEW

HIGHLIGHTS

- Formation of the Community Inclusive Justice Institute (CIJI) NPC, which will enable Woolworths to have a sustainable Inclusive Justice community impact

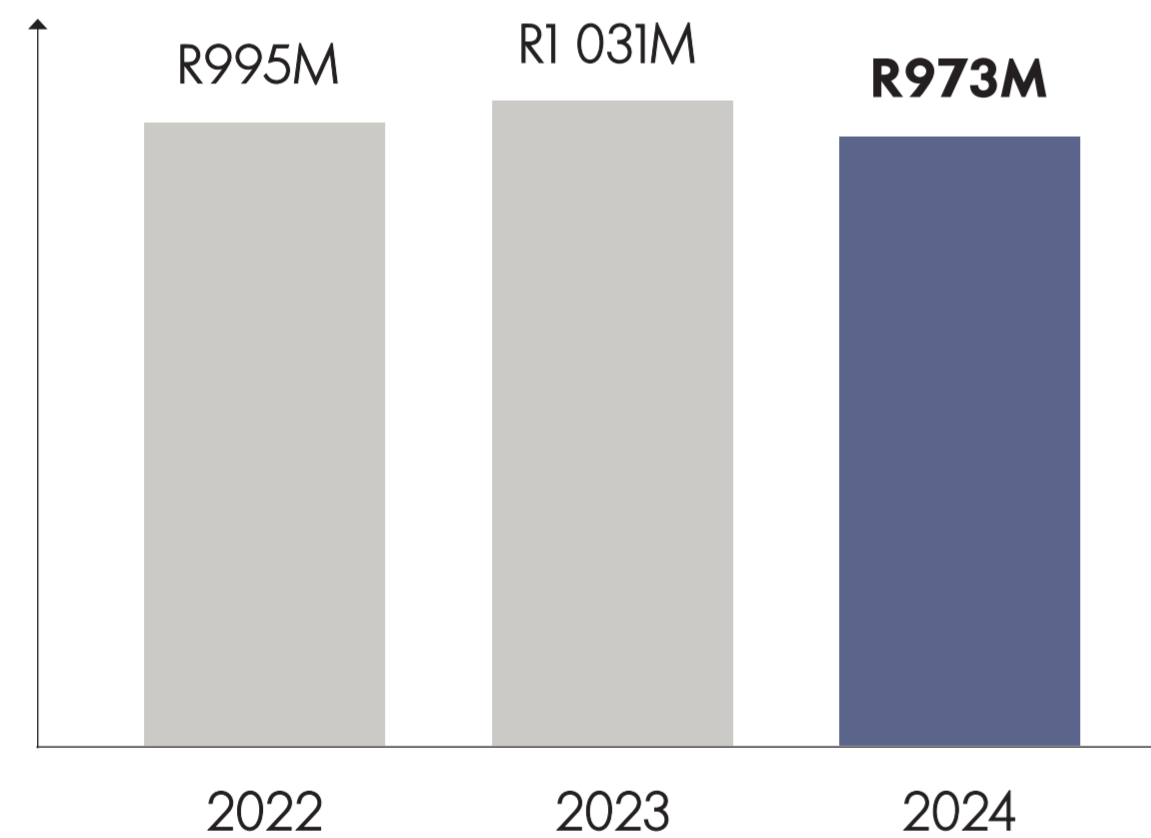
LOWLIGHTS

- Floods in the Western Cape negatively impacted the harvest of the Living Soils Community Learning Farm

LOOKING AHEAD

- We will grow the number of registered users of the Making the Difference Online Platform to 100 000
- We will continue to support the work of our #ZeroHunger partners and conduct an impact assessment of their work in the next financial year

TOTAL GROUP COMMUNITY IMPACT CONTRIBUTION



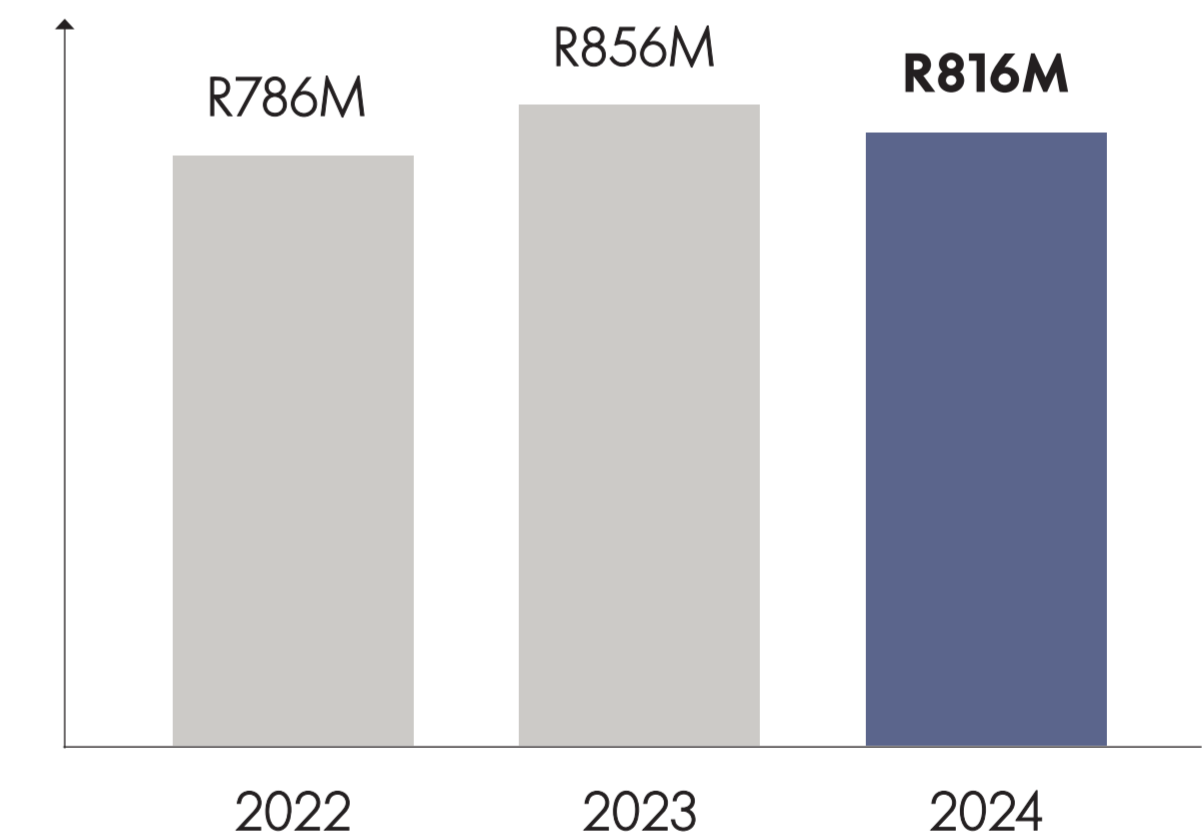
A\$1.2M

Donated by Witchery to the Ovarian Cancer Research Foundation from the annual White Shirt Campaign¹

2021: A\$0.5M 2022: A\$0.7M

¹ Witchery reports donations to OCRF a year in arrears

RAND VALUE OF SURPLUS FOOD DONATED BY WOOLWORTHS



R73M

TO MYSCHOOL

2022: R64M 2023: R65M

R13M

TO MYVILLAGE

2022: R10M 2023: R11M

R16M

TO MYPLANET

2022: R12M 2023: R14M



HEALTH & WELLNESS

WHY IS THIS FOCUS AREA IMPORTANT?

We need to create a supportive working environment that enables employees to thrive. A strong focus on employee wellbeing is also integral to our People Value Proposition.

As a food retailer, we should inspire our customers to make healthy choices by providing a wide range of healthy food options.

RELATED UN SDGs



In this focus area

STRATEGY & MANAGEMENT APPROACH



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**ZERO EMPLOYEE FATALITIES
ACROSS THE GROUP**

75

**NUMBER OF PRODUCT LINES IN OUR
PLANTLOVE RANGE (2023: 64)**



**EXPANDED THE EMPLOYEE
WELLNESS DAY TO THREE DAYS**



*We will transition
to a digital tool for
reporting and managing
sexual harassment
and grievance cases
to improve employee
experience and
case management*

HIGHLIGHTS

- Successful wellness days completed nationally in South Africa
- Improved data on employee wellness from Pulse survey and wellness information, which give direction to focused support on stress and burnout
- Introduced a Harassment at Work policy, with well-accessed training material

LOWLIGHTS

- Woolworths Food initiated a product recall after levels of aflatoxins were discovered to exceed legal limits
- Country Road Group recalled a product after a customer discovered a defect

LOOKING AHEAD

- We plan to conduct a harassment survey
- We will commence the rollout of our staff wellbeing strategy

ETHICAL AND FAIR

We care how our products are made, and are committed to a fully transparent, traceable, and ethical supply chain.

Woolworths
SUPPORTING SUSTAINABLE COTTON
MADE IN SOUTH AFRICA
/ SLIM FIT / COTTON
S

Focus areas in this pillar

ETHICAL SOURCING	20
SUSTAINABLE FARMING	22

Related UN SDGs



ETHICAL SOURCING


WHY IS THIS FOCUS AREA IMPORTANT?

The diverse and often complex supply chains involved in producing our products can have significant human rights and environmental risks and impacts. Our ethical sourcing programmes allow us to mitigate these risks and impacts where necessary, and positively influence them where possible.

RELATED UN SDGs



In this focus area

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PERFORMANCE SUMMARY

VISION 2025+ GOAL:

HAVE A FULLY TRANSPARENT, TRACEABLE, AND ETHICAL SUPPLY CHAIN BY 2025

Baseline	CRG: tier 1 supplier list published WSA: no supplier lists published
2022	WSA FBH tier 1 supplier list mapped and published ¹
2023	WSA FBH tier 2 supplier list mapped
2024	WSA FBH tier 2 supplier list mapping continues
Progress	●●●○

VISION 2025+ GOAL:

DEVELOP A ROADMAP BY 2022 FOR ACHIEVING A LIVING WAGE FOR ALL WORKERS ACROSS OUR SUPPLY CHAIN

Baseline	no roadmap in place
2022	roadmap in development
2023	roadmap developed
2024	roadmap in place
Progress	●●●●

VISION 2025+ GOAL:

RESPONSIBLY SOURCE ALL KEY COMMODITIES FROM TRACEABLE SOURCES BY 2025

% of commodities responsibly sourced	refer to details in the Responsible Sourcing section that follows
Baseline	refer to 2020 GBJ Report
Progress	●●●○
% of commodities responsibly sourced and traceable	refer to details in the Responsible Sourcing section that follows
Baseline	0%
Progress	●●○○

HIGHLIGHTS

- Country Road Group developed and published its internal Responsibly Sourced Materials Manual
- Our first coffee supplier has been given Farming for the Future status

LOWLIGHTS

- Loadshedding remains a challenge for local suppliers as prolonged use of generators increased input costs
- The drought in Tanzania caused severe damage to 20% of the seedlings we donated to smallholder farmers

LOOKING AHEAD

In line with our Vision 2025+ strategy, we will continue to focus on transparency, traceability, and responsible sourcing.

We aim to:

- Maintain ongoing engagement with industry partners, including making progress toward becoming a full member of ETI
- Continue internal training and engagement in responsible and ethical sourcing practices
- Continue working on commodity roadmaps for traceability to facilitate the publication of the Group's full supply chain in future

¹. Coverage of tier 1 suppliers: WSA FBH: 56%, CRG: 100%.





SUSTAINABLE FARMING

WHY IS THIS FOCUS AREA IMPORTANT?

Nature is declining globally at unprecedented rates, and the extent of species extinction is accelerating. This increasing biodiversity loss is a significant risk to our business and the health and wellness of our customers, employees, and society.

In addition, food systems globally have been affected by climate change and related extreme weather events, soil degradation, and worsening water quality and availability. To address these challenges and enhance the resilience of our supply chain, we need to contribute to creating a more sustainable food system. We do this through our regenerative agriculture programmes, actively managing environmental impacts, and prioritising the welfare and dignity of people and animals in our supply chain.

RELATED UN SDGs



In this focus area

STRATEGY & MANAGEMENT APPROACH



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OVERVIEW

HIGHLIGHTS

- Country Road extended the partnership agreement of the Biodiversity Project with Landcare Australia to 2026
- Woolworths received a Special Recognition Award from Compassion in World Farming for its 20 years of leadership in championing cage-free systems for laying hens

LOWLIGHTS

- Permit approval processes have resulted in a delay to installing a native fish passage on Biodiversity Project 3
- Floods and loadshedding impacted the Farming for the Future scores of our suppliers

LOOKING AHEAD

We will continue to refine our sustainable farming and animal welfare programmes to assist us in promoting supply chain resilience and regeneration, and to ensure our programmes remain in line with best practice.

More specifically, we will:

- Expand the Biodiversity Project to a new cotton farming region
- Aim to complete the onboarding of our seafood supply chain companies onto our traceability platform

PERFORMANCE SUMMARY VISION 2025+ GOAL:

All private label products to support regenerative farming practices by 2030

WSA FOOD:

Baseline:	52% (2019) ²
2022:	80%
2023:	79%
2024:	100% of private label produce and horticulture lines on the Farming for the Future Programme
Progress	●●●○

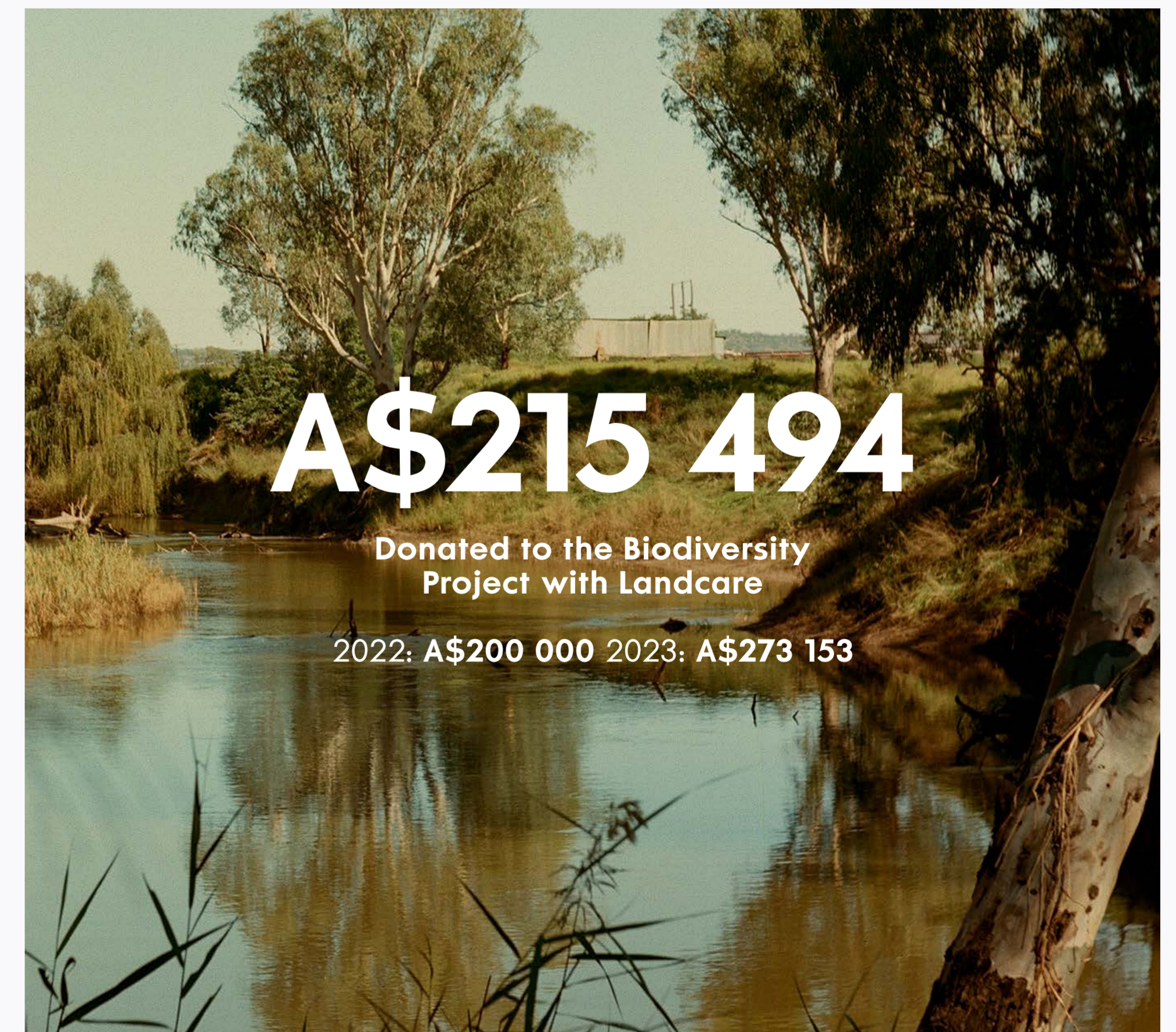
WSA FBH, AND CRG:

Baseline:	still to be determined
2022 – 2024:	researching regenerative farming programmes
Progress	●●○○

98.98% OF WOOLWORTHS SEAFOOD BY VOLUME MEETS OUR WILD-CAUGHT AND AQUACULTURE SUSTAINABILITY COMMITMENTS¹



1. Our commitment is that all our wild-caught seafood and aquaculture species are to be either WWF-SASSI green-listed, caught from MSC or ASC (or equivalent); Woolworths considers GSSI recognised certification as equivalent) certified fisheries and aquaculture operations, or sourced from suppliers who are undertaking credible, time-bound improvement projects.
2. Produce, wine, horti and dairy



THRIVING AND RESILIENT

We care for the environment, and are committed to working towards net zero impact and a just transition to a low carbon economy.

Focus areas in this pillar

PACKAGING AND WASTE	25
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ENERGY AND CLIMATE CHANGE	29

Related UN SDGs

2 ZERO HUNGER

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

PACKAGING AND WASTE

WHY IS THIS FOCUS AREA IMPORTANT?

A significant amount of product and packaging produced globally ends up in landfill, is incinerated, or leaks back into the environment. This is a waste of precious natural resources and a source of pollution.

We aim to reduce waste sent to landfills across our value chain, minimise the use of non-renewable resources, and drive a market for recycled materials by using them in our operations, packaging, and products. We also encourage the recycling, reuse, repair or repurposing of our products and packaging. We reduce the negative environmental impacts of landfilled products and packaging through this approach.

RELATED UN SDGs



In this focus area

STRATEGY & MANAGEMENT APPROACH



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PERFORMANCE SUMMARY

VISION 2025+ GOAL

ALL OUR PACKAGING WILL BE REUSABLE OR RECYCLABLE BY 2022

Baseline Not established before reporting commenced

2022 WSA Food: 98%, WSA FBH: Baseline in progress

2023 WSA Food: 98%, WSA FBH: 50%¹

2024 WSA Food: 98.7%, WSA FBH: 93.8%

Progress

VISION 2025+ GOAL

HALVE FOOD LOSS AND WASTE IN OUR OPERATIONS AND ACROSS OUR TOP 30 SUPPLIERS BY 2030

Baseline 2022 (2.3% food waste to landfill)

2022 2.3% food waste to landfill

2023 2.7% food waste to landfill

2024 3.2% food waste to landfill

Progress

VISION 2025+ GOAL

ALL OUR PRIVATE LABEL PRODUCTS CAN BE REUSED, REPAIRED, RESOLD, OR RECYCLED BY 2025

Baseline Still to be determined

2022, 2023 Work underway

2024 Work underway

Progress

VISION 2025+ GOAL

ALL OUR PRIVATE LABEL CLOTHING, BEAUTY, AND HOME PRODUCTS TO CONTAIN AT LEAST ONE RENEWED, REUSED, OR RECYCLED PRODUCT MATERIAL INPUT BY 2030

Baseline Still to be determined

2022, 2023 Work underway

2024 Work underway

Progress

HIGHLIGHTS

- 100% of all Woolworths FBH stores are now plastic shopping bag free, meaning all stores across the Group have phased out plastic shopping bags
- Woolworths Foods conducted a successful 12-store trial to test the removal of plastic barrier bags² and is using the learnings to plan a phase-out in all stores
- 12 tonnes of Country Road textile waste has been recycled in the past two years through the Towards Circularity programme

LOWLIGHTS

- Introducing recyclable packaging remains a financial challenge, with new solutions often costing more than existing ones. We expect to see these costs drop over time as adoption rates increase

LOOKING AHEAD

- Woolworths will continue to work on finding solutions for the 2% of its Food packaging with no global recyclability solutions, like floss capsules, polony casings, stacker crisps tubes and others
- We are exploring the desirability and feasibility of deploying a packaging returns process for Woolworths Dash paper bags. This will give customers an easy and convenient way of recycling them

1. Estimated baseline.

2. Barrier bags are classified as an unnecessary and problematic plastic type – the bags are technically recyclable, but not effectively recycled.

PROGRESS KEY

NOT YET STARTED

BEHIND

ON TRACK

AHEAD / ACHIEVED



WATER

WHY IS THIS FOCUS AREA IMPORTANT?

The Group operates in areas where water stress remains a risk for the business and communities.

Water is essential to our operations. It is vital for agriculture and manufacturing, the health and hygiene of our employees and communities, and keeping our facilities operational.

RELATED UN SDGs



In this focus area

STRATEGY & MANAGEMENT APPROACH



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PERFORMANCE SUMMARY

VISION 2025+ GOAL:

WORK WITH OUR SUPPLIERS AND PARTNERS TO CREATE NET POSITIVE WATER IMPACT IN WATER-STRESSED BASINS IN OUR VALUE CHAIN BY 2050.

Our work with the UN Global Compact CEO Water Mandate's Water Resilience Coalition continues with the aim to unpack how to define, measure, and monitor this context-based goal.

Progress

74%

of Woolworths facilities are monitored on a real-time basis

2022: 83% 2023: 81%

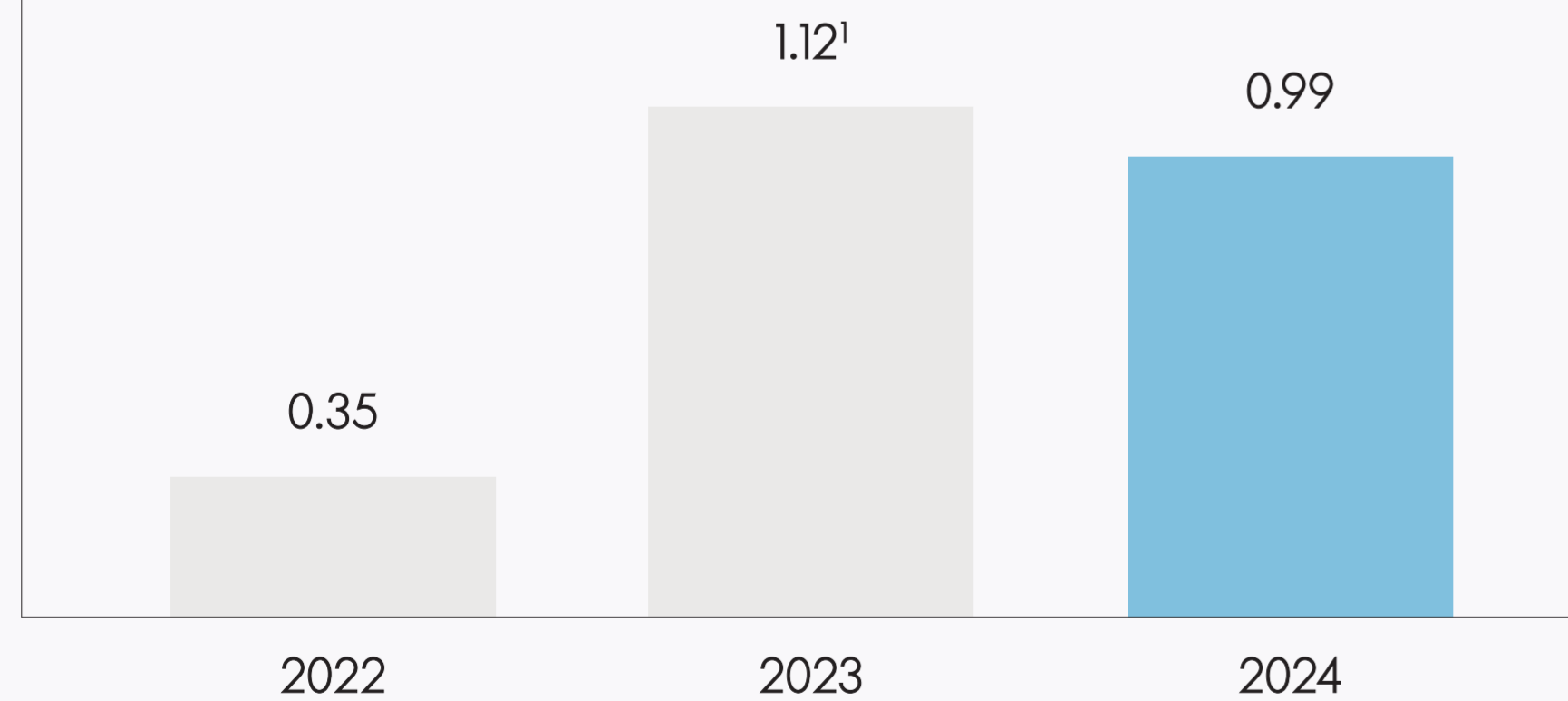
HIGHLIGHTS

- Woolworths FBH has updated its Environmental and Chemical Policy to include restricted chemicals
- The Woolies Water Fund launched the 'Water Hero' competition, which encourages schools to save water

LOWLIGHTS

- Heatwaves in South Africa have impacted water consumption through the need to hose down generators
- Water supply interruptions have resulted in the need to reinstall emergency water tanks in stores
- Construction work at our Midrand distribution centre has increased our water consumption

WATER CONSUMPTION INTENSITY AT DISTRIBUTION CENTRES (KL/M²)



The Woolies Water Fund has donated 34 water tanks to schools this year. These have facilitated the supply and capacity to store 34 000 litres of water from rainwater harvesting.

LOOKING AHEAD

We will continue to:

- Roll out emergency backup water tanks to stores
- Eliminate hazardous chemicals from our Woolworths FBH products
- Install water tanks in additional schools through the Woolies Water Fund

1. Intensity increased due to loss of borehole pumps due to loadshedding, and damages to the sprinkler system (at Midrand distribution centre).

ENERGY & CLIMATE CHANGE

WHY IS THIS FOCUS AREA IMPORTANT?


We aim to mitigate the risk of climate change to our business, direct operations, and value chain by reducing our carbon footprint, working with suppliers to do the same, and driving greater energy efficiency.

We are committed to contributing to the global efforts of limiting global temperature increases to 1.5 °C above pre-industrial levels. While climate change poses a great risk to our business, it also allows us to innovate as we adapt to a rapidly changing environment.

RELATED UN SDGs



In this focus area

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OVERVIEW

PERFORMANCE SUMMARY

VISION 2025+ GOAL:

ACHIEVE NET ZERO CARBON IMPACT BY 2040

Achieve net zero carbon Scope 1 and 2 emissions by 2040, with 50% reduction by 2030; and work with our top suppliers, representing 25% of total procurement spend (in rand), to set their own reduction targets

Reduction in Scope 1 and Scope 2 emissions:¹

Baseline 2019 Scope 1 and Scope 2 emissions: 536 562 tCO₂e

2022 16%

2023 20%
Three Woolworths Food suppliers have set their science-based targets

2024 30%
23 Woolworths Food suppliers have set their science-based targets

Progress ●●●○

VISION 2025+ GOAL:

Source 100% of our energy from renewable sources by 2030

2022 3%

2023 6%

2024 3%

Progress ●●○○

171

Woolworths stores have natural gas refrigeration systems

2022: 138, 2023: 155

Country Road's Climate Fund committed

A\$547 000

to our first three beneficiaries working on projects to mitigate climate change and build climate resilience

HIGHLIGHTS

- For the first time, two Country Road sites received six-star Green Star certification
- Launched our first-ever axle-powered truck, which uses the truck's engine to power refrigeration

LOWLIGHTS

- Resistance of electricity supplying authorities (Eskom/municipalities) in enabling large-scale renewable energy systems connection
- Far-reaching impacts of loadshedding, from increased operating costs to numerous breakdowns, and implications for renewable energy projects viability

LOOKING AHEAD

We will continue to explore initiatives that will contribute towards reducing our energy use and carbon emissions across the Group

Specifically:

- Country Road Group will review requirements for and applicability of the future Green Star fit-outs tool to our portfolio
- We will continue ongoing strategic engagements with landlords to source renewable energy
- We will continue to maximise the self-generation of electricity wherever we own properties or control roof space
- We will aim to expand our fleet of axle-powered trucks

To find out more about what we're doing, visit

For company-specific information, visit

 [Country Road](#) | [Mimco](#) | [Trenery](#) | [Politix](#) | [Witchery](#)

We appreciate any feedback on our Good Business Journey Report. Please contact GoodBusinessJourney@woolworths.co.za