



WOOLWORTHS HOLDINGS LIMITED
2020 Abridged Good Business Journey Report

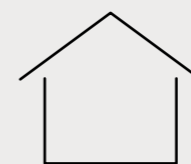
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NAVIGATING OUR REPORT

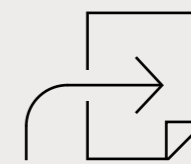
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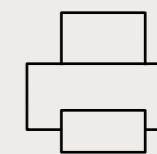
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ABOUT THE WHL GROUP

Woolworths Holdings Limited (WHL) is a southern hemisphere retail Group that has been listed on the Johannesburg Stock Exchange Limited (JSE) since 1997. It is one of the top JSE-listed companies and has a market capitalisation of R34.4 billion as at 28 June 2020. The Group consists of three trading divisions, Woolworths South Africa (Woolworths or WSA), David Jones (DJ), and Country Road Group (CRG). Woolworths Financial Services Proprietary Limited (WFSL) is a joint venture with Absa Bank, which holds the controlling interest. From an operating perspective, Woolworths is the biggest contributor to Group turnover and profit and thus has the largest sustainability impact across the Group.

Profile
LEADING SOUTH AFRICAN RETAILER OFFERING A RANGE OF PRIMARILY PRIVATE LABEL PRODUCTS



OFFERING

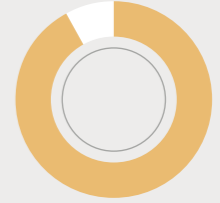
A selected range of quality fashion, beauty, homeware, and food products. Financial services are provided through Woolworths Financial Services (WFS)

BASED IN

South Africa and trading in South Africa and a further 11 countries in Southern Africa



TRADING SPACE
Woolworths
747 000 m²

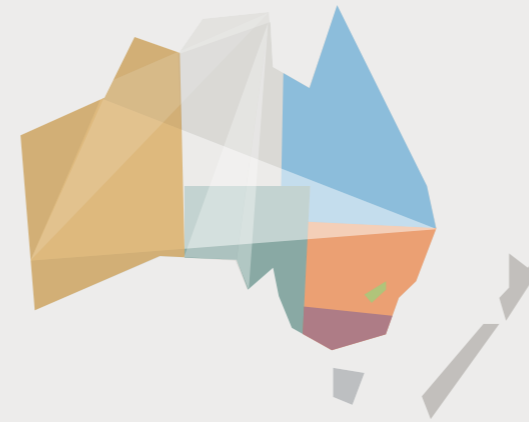


92%
of targets achieved on sustainability scorecard*

CONTRIBUTION

72% of Group employees
83% of Group carbon emissions

Profile
ONE OF AUSTRALIA'S LEADING PREMIUM DEPARTMENT STORES



OFFERING

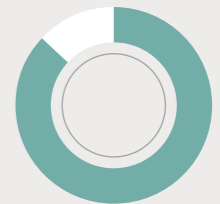
Leading international and local brands with a private label clothing, homeware, and food offering

BASED IN

Australia and trading in Australia and New Zealand



TRADING SPACE
David Jones
472 000 m²

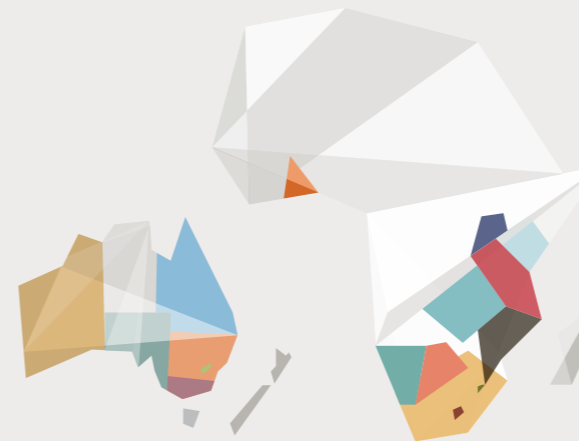


87%
of targets achieved on sustainability scorecard*

CONTRIBUTION

16% of Group employees
14% of Group carbon emissions

Profile
LEADING AUSTRALIAN SPECIALITY RETAILER



OFFERING

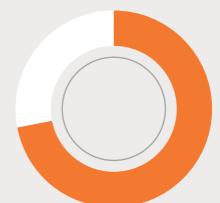
Stylish, high-quality apparel, accessories, footwear, and homeware

BASED IN

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



TRADING SPACE
Country Road Group
115 000 m²



72%
of targets achieved on sustainability scorecard*

CONTRIBUTION

12% of Group employees
3% of Group carbon emissions





Financial information is on a comparable 52-week basis as at 28 June 2020
* The weighted average of performance against all the sustainability targets tracked
** Including concession sales



THE LAST FIVE YEARS

Our 2020 Good Business Journey Group goals, set in 2016, culminated at the end of this financial year.

2020 GROUP GOALS

 <p>Contribute R3.5BN to our communities by 2020</p>	 <p>Halve our ENERGY IMPACT by 2020</p>	 <p>RESPONSIBLE SOURCING of all key commodities by 2020</p>	 <p>Have at least one SUSTAINABILITY ATTRIBUTE for all directly sourced products by 2020</p>
<p>We have contributed a cumulative R3.97BN to our communities over the last five years.</p>	<p>We have achieved a 175% improvement in our energy productivity (m² per MWh) against a 2005 baseline.</p>	<p>Against this target, we report mixed progress across the Group and the commodities. We are particularly proud of our achievement with regard to cotton, where we have made excellent progress from a zero base, and note that further work is required, particularly on palm oil, soy, cellulose fibres and leather.</p>	<p>Woolworths came very close to achieving the target of all directly sourced products containing at least one sustainability attribute. Country Road Group and David Jones both started their journey towards incorporating sustainability attributes into their product design and development later than Woolworths, and we are satisfied with the progress made.</p>

KEY FIVE-YEAR HIGHLIGHTS

<p>THE CONTRIBUTION INCLUDED:</p> <ul style="list-style-type: none"> • R2.9 billion in surplus food donated to charities • R395 million donated to MySchool MyVillage MyPlanet • R251 million in surplus clothing donated to the Clothing Bank 	<p>First major retailer to sign up to the EP100 initiative in 2017 and significantly outperformed the target</p> <p>Six renewable energy installations across the Group</p> <p>Five Green Star rated facilities across the Group 🌱</p>	<p>92% of Woolworths and 80% of Country Road Group cotton sustainably sourced as at year end</p> <p>Country Road Group and David Jones signed the Bangladesh Accord on Fire and Building Safety in 2019</p> <p>Woolworths signed the Vancouver Declaration in 2017, making a commitment to work towards more sustainable sourcing of forest products</p>	<p>PERCENTAGE OF PRIVATE LABEL PRODUCTS CONTAINING SUSTAINABILITY ATTRIBUTES AS AT YEAR-END</p> 
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[USEFUL LINK FOR MORE DETAIL](#)

PLEASE NOTE We began working on a new context-based water target in 2019, and are no longer reporting against our previous goal.

OVERVIEW OF THE GOOD BUSINESS JOURNEY



Rollover for more detailed content

OUR VISION IS TO BE ONE OF THE WORLD'S MOST RESPONSIBLE RETAILERS

The Good Business Journey facilitates our vision to be one of the world's most responsible retailers. It is our Group-wide plan to make a difference for our people, our communities, and for the environment. Embedding the Good Business Journey is one of the WHL Group's strategic focus areas.



FOCUS AREAS

MANAGEMENT AND INTEGRATION

The Good Business Journey is integrated into management's day-to-day decision-making through the use of sustainability scorecards. Each business unit and operating subsidiary has a sustainability scorecard against which they are measured twice per annum. These scorecards include a set of relevant Good Business Journey key performance indicators and associated targets aligned to these eight focus areas and Group goals and commitments. A sustainability score is determined for each business unit and operating subsidiary, whereby the weighted average of performance against all the sustainability targets tracked is calculated in order to assess performance against the Good Business Journey goals and commitments. Relevant key performance indicators and targets are also included in employees' and managements' personal performance scorecards across the Group as part of our Integrated Performance Management system.

Each of our focus areas is broadly aligned to the Sustainable Development Goals (SDGs) and has specific strategies, management approaches, related goals and targets, all of which are discussed further in this report, along with our performance during the year.

CASE STUDY CARING IN ACTION: OUR RESPONSE TO COVID-19

The COVID-19 pandemic and lockdowns significantly affected our operations, employees, suppliers, and customers across the Group. While our food businesses were deemed essential services and continued to operate, our fashion businesses were severely impacted with temporary store closures across the Group. The Group's main focus has been on prioritising the health and safety of employees and customers, assisting communities in need, working with our suppliers to mitigate impacts, and closely managing the financial impacts.

EMPLOYEES

HEALTH AND SAFETY

- Implemented strict health and safety protocols at all our operations across the Group
- Transitioned the vast majority of head office staff across the Group to work from home
- Provided cloth masks to store staff across the Group, and free access to the flu vaccine for all Woolworths staff

FINANCIAL WELLBEING

- Allocated a monthly appreciation allowance to all Woolworths staff classified as essential workers
- Applied for Government wage subsidy schemes for eligible staff at Woolworths, Country Road Group and David Jones
- Encouraged 5 000 stood-down Country Road Group store employees to sign up to Hatch Exchange, a COVID-19 labour exchange, to access temporary short-term work until stores re-opened

EMOTIONAL AND MENTAL HEALTH AND WELLBEING

- Provided all staff across the Group, and their families, access to a confidential employee assistance helpline for psychological and emotional support during the pandemic
- Provided all Woolworths staff who were COVID-19 positive or on precautionary quarantine with support from an external specialist health provider through a dedicated wellness helpline

CUSTOMERS

HEALTH AND SAFETY (IN STORES ACROSS THE GROUP)

- Cleaned and sanitised high traffic areas and equipment regularly
- Placed social distancing decals on floors
- Limited the number of people allowed inside
- Provided hand sanitiser

DONATIONS

- Collected non-perishable grocery and toiletry items from in-store customer donations at Woolworths for distribution to needy families

INCREASED ONLINE SHOPPING CAPACITY

- Rolled out click-and-collect services at over 60 Woolworths stores, increasing online shopping capacity while aiming to keep our customers and staff safer
- Enhanced online delivery capacity across the Group, with additional delivery slots added and dark stores created to cope with increased demand

COMMUNITIES

DONATIONS

- Donated over R4 million to charities and aid organisations to assist healthcare workers, local communities in need, schools, and animal welfare organisations

PROVISION OF FOOD AND MEALS

- Delivered over 3 600 food care packs (prepared by Woolworths) and 200 000 meals (in partnership with Infinity Culinary Training Centre) to communities in South Africa in need and to those ill, in quarantine, or unable to leave home
- Continued donation of surplus food to more than 1 000 charities from Woolworths stores

ENABLING REMOTE ACCESS TO EDUCATION

- Supported remote access to education, working with multiple partners and organisations

SUPPLIERS

ORDERS

- Even with increased promotions to move stock, in certain cases product intake was reduced or delayed, and extended payment terms negotiated

SUPPLIER ASSISTANCE

- Assisted small and medium suppliers with various relief options offered by the Group, government and banks, with the aim of ensuring appropriate support during the pandemic

SHAREHOLDERS AND DEBT FUNDERS

MANAGEMENT OF FINANCIAL IMPACTS

- Reduced Board and senior executive teams salaries and fees across the Group for three months. The savings were used to provide additional financial support, over and above the current interventions, to staff impacted during the crisis
- Instituted significant focus across the Group on facilitating trade and driving revenue, including through online channels. Costs were aggressively reduced, inventory and working capital managed closely, with only critical capital expenditure projects moving forward. Suppliers were engaged to reduce apparel product intake and negotiate extended payment terms
- Proactively engaged with our South African funders
- Provided funding support of A\$75 million to the Australasian businesses in the form of a loan secured by a second lien and obtained the suspension of covenant testing for the Australian funding from banks and bondholders
- Initiated a review of the capital structure of the Australasian entities which will include the restructuring of its borrowings, including a full review of options relating to the Australasian property portfolio
- Undertook discussions with Australasian landlords to accelerate the restructure of our store networks and reduce our floor space. And in South Africa, alternative arrangements were negotiated with landlords to manage lease commitments during lockdown
- Suspended distributions to WHL shareholders until the situation arising from COVID-19 stabilises. Consequently, no final dividend was declared for the year

**TOGETHER
WE WILL MAKE
A DIFFERENCE**

R34M

*allocated by Woolworths
to COVID-19 efforts*

A woman with long dark hair, wearing a tan ribbed top and matching pants, is sitting on the floor and taking a selfie in a large circular mirror. She is holding a black smartphone. A black bag with a gold zipper pull is slung over her shoulder. The background shows a white wall and a small potted plant.

PEOPLE AND TRANSFORMATION

Our Group purpose of adding quality to life for our customers starts with an inspiring people strategy that is focused on ensuring that we create an environment in which our people can thrive and add value to the business. With this, we remain focused on driving a Group people strategy that delivers compelling value propositions for our employees in the regions where we operate.

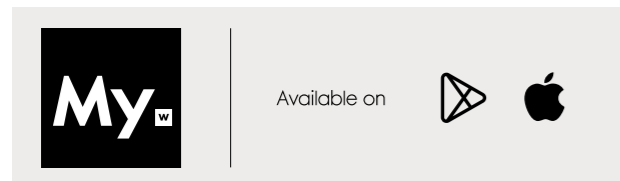
During the COVID-19 lockdown, staff participated in a Woolworths social media campaign, wherein they shared their work from home style. In this image from the campaign, Candice Prinsloo, an Art Director, poses for a selfie.

WHL PEOPLE APPROACH

Our strategic intent remains anchored by our values and centred on delivering unique experiences for both our people and customers. The people strategies in Woolworths South Africa, David Jones and Country Road Group emphasise a people strategy that delivers a people experience that will enable a differentiated customer experience, albeit in varying regional contexts.

HIGHLIGHTS

Woolworths South Africa launched a people app, 'MYWOOLIES APP', in line with the deliverables of the Connected People Council.



A new people management and call centre transformation process for the Australasia region was launched. To drive a culture of recognition, we continued to entrench our values-based culture through piloting values recognition cards.

DIVERSITY AND INCLUSION

We value transformation, diversity, and inclusion as a key component of our Employee Value Proposition and believe that a strong diversity and inclusion strategy that is unique to each of the regions in which we operate should be a key part of our employee attraction and retention framework. As a Group, we also continue to ensure that gender parity remains a focus. We also believe that to remain competitive, we need to ensure that we increase our scope for how we address issues of diversity while building a thriving, future-fit organisation.

[USEFUL LINK FOR MORE DETAIL](#)

<i>Employee headcount</i>	<i>Female representation</i>
WSA 32 371 2019: 33 621, 2018: 32 473	WSA 66% 2019: 66%, 2018: 65%
CRG 5 480 2019: 5 601, 2018: 5 992	CRG 89% 2019: 88%, 2018: 88%
DJ 7 012 2019: 7 609, 2018: 7 634	DJ 76% 2019: 77%, 2018: 77%
WHL 44 863 2019: 46 831, 2018: 46 099	WHL 71% 2019: 70.5%, 2018: 71%

TRANSFORMATION, DIVERSITY, AND INCLUSION IN SOUTH AFRICA

Woolworths South Africa has adopted the nationally legislated Employment Equity (EE) prescripts, and as part of this, we aim to ensure greater participation of historically disadvantaged groups across all spheres and levels within the organisation. Every three years, we draft an EE plan that goes to the Department of Labour, and we are assessed against this.

95.8%
of total Woolworths permanent employees are historically disadvantaged South Africans
 2019: 95.8%, 2018: 95.4%

Women represent
64.3%
of historically disadvantaged South Africans permanent employees
 2019: 64%, 2018: 63.4%

PEOPLE LIVING WITH DISABILITIES

The Department of Trade and Industry (dti) has set a BBBEE target that 2% of the company workforce should be black people with disabilities. We currently have 516 people with disabilities (2019: 569) working for Woolworths.

TRANSFORMATION, DIVERSITY, AND INCLUSION IN AUSTRALASIA

In Australasia, we are committed to equal opportunity in the workplace for all regardless of age, career status, disability, industrial activity, physical features, political belief or activity, pregnancy, race, religion, gender, or sexual preference. Compulsory Equal Employment Opportunity (EEO) training is completed by all new employees to increase awareness of these issues. Country Road Group and David Jones submit their annual Workplace Gender Equity Agency (WGEA) Report detailing female representation in the workplace.

[USEFUL LINKS FOR MORE DETAIL](#)

DEVELOPING AND RETAINING TALENT

Talent development is a key people strategy built into the individual performance plans of each employee. The WHL Group offers a range of internal and externally accredited training and tertiary studies designed to help employees deliver our business strategies, to foster talent and equip employees with vital skills and experience, thus in turn, preparing our employees with skills appropriate for the retail environment.

[USEFUL LINK FOR MORE DETAIL](#)

TALENT DEVELOPMENT IN SOUTH AFRICA

We are clear that transformation through skills development requires us to extend skills development programmes beyond Woolworths, to playing a role in enabling education, capacity building and skills development targeted at improving the employability of graduates from various institutions. In so doing, we ultimately improve the calibre of our future pipeline of employees. We continue to drive pipeline programmes that prepare top talent for future career progression and enable them to operate at the next level of work.

53 CANDIDATES ACCEPTED TO THE GRADUATE DEVELOPMENT PROGRAMME IN 2020



The Woolworths Graduate Development Programme won the South African Graduate Employer Association (SAGEA) Retail Employer of Choice Award for the 5th consecutive year.

TALENT DEVELOPMENT IN AUSTRALASIA

In Australasia, we continued our focus on optimising people processes through integrating the different brands to align with the regional people strategy. We delivered in-house leadership programme through Project Star to help us develop leadership capabilities in stores. David Jones is unique in that it is the only WHL Australasia business with a food offering. We delivered in-store food on-boarding training for store staff, which is based on the Woolworths South Africa Food model and entails training staff on food safety, quality, and hygiene as well as health.

Training Spend

R119.9M

Woolworths

2019: R121.6M, 2018: R110M

R18.7M

Country Road Group

2019: R17.4M*, 2018: R19.9M*

*The CRG value has been restated to include spend from all cost centres; previously it was just the human resource cost centre

R8.4M

David Jones

2019: R9.4M, 2018: R3.1M

TRANSFORMATION IN THE SUPPLY CHAIN

Woolworths has a Supplier and Enterprise Development (SED) programme whose intent it is to remove barriers for emerging black- and black-women-owned businesses to enter our supplier base.

35
suppliers on the
Supplier and Enterprise
Development programme

2019: 46

R2.2BN
towards revenues of
participating small and
medium enterprises

2019: R2BN

R3.1BN
in revenues contributed to
black and black women
owned suppliers

2019: 2.7BN

[USEFUL LINK FOR MORE DETAIL](#)

CASE STUDY BAGPAC CC

BagPac CC (BagPac) is a small family-run enterprise which began in 2011. It is a BBBEE Level 1 contributor and 100% black-woman-owned. The relationship with WHL also commenced in 2011, when they started manufacturing paper bags for Country Road and Trenerly in South Africa. When we announced our journey to remove single-use plastic bags in 2018, it created a business expansion opportunity for BagPac to manufacture and supply us with a paper alternative for our Fashion, Beauty and Home business. They now manufacture 100% recycled paper bags for Woolworths Fashion, Beauty and Home purchases. Through this opportunity, BagPac will be in a position to employ an additional 21 permanent staff members.

LOOKING AHEAD

The Group's focus to enhance our leadership competency and capability for the future will remain a key priority going forward. In navigating complex issues, we need to have a solid and conscious, consistent communication and engagement framework to ensure agility when responding to future crises. It is also important for us as a Group to continue to focus on our transformation initiatives in both regions to enable an inclusive culture that is appreciative of region-specific diversity and transformation challenges.



SOCIAL DEVELOPMENT

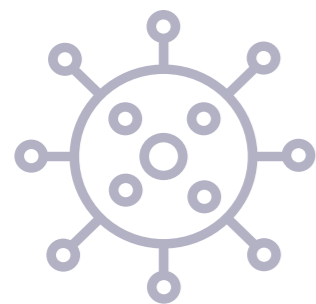
Our social development strategy is not only aligned to our core business strategy, but also to the developmental priorities of the countries in which we are based. We strive to make a meaningful difference in the communities in which we operate.

Living Soils Community Learning Farm Team preparing for the farm's first harvest. From left to right: Thandiwe Mtyingizani, Rirhandzu Marivate, Vuyolwethu Zicina and Phuthuma Mgu.

OUR 2020 GOAL

HIGHLIGHTS

A\$509 600 WAS RAISED AND DONATED BY COUNTRY ROAD GROUP AND DAVID JONES TOWARDS BUSHFIRE RELIEF EFFORTS IN AUSTRALIA

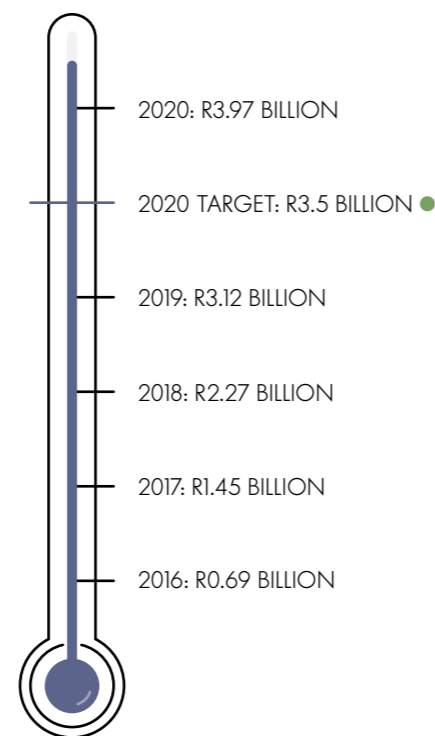


R34M

was allocated by Woolworths to COVID-19 efforts

As a Group, our 2020 goal was to contribute R3.5 billion in monetary donations, sponsorship and surplus food and clothing donations to our communities over 5 years. We are pleased to announce that we exceeded this target.

WHL total corporate social investment contributions to date, against a 2015 baseline



IMPROVING EDUCATION

We can only grow and sustain long-term profit in an inclusive, equitable, growing economy that has a sufficiently skilled society and educated workforce.

MYSCHOOL MYVILLAGE MYPLANET

Started in 1997, MySchool MyVillage MyPlanet is a long-standing multi-partner fundraising programme aimed at fundraising for education. In addition to the usual programmes and funding during the year, strategic donations to COVID-19 relief efforts, supporting key beneficiaries leading the COVID-19 response in South Africa were made.



USEFUL LINKS FOR MORE DETAIL

WOOLWORTHS EDUCATIONAL PROGRAMMES

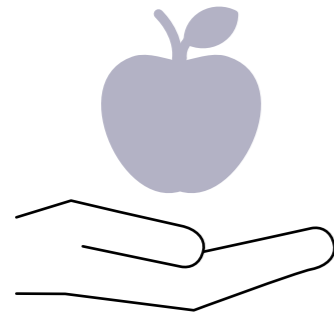
This Programme leverages our expertise in good food, healthy living and sustainability. Educator resources and experiential learning activities related to healthy nutrition and exercise are provided to teachers, learners and parents. During the COVID-19 lockdown, while the Programme was unable to operate in its usual format, education resource material to facilitate teaching and learning at home was provided and 443 online lessons with various schools were hosted.

IMPROVING ACCESS TO FOOD AND HEALTHY NUTRITION

In an environment in which an estimated 30% of food produced goes to waste, while at the same time millions of people are food insecure, we are aware as a food retailer of the role we need to play in working towards a food secure future for all.

CONNECTING SURPLUS FOOD TO NEED

To contribute towards the alleviation of hunger in the communities near to stores, as well as reducing food waste to landfill, Woolworths has for many years diverted surplus food from every Food store to local charities



R643M

worth of surplus food donated

2019: R611M
2018: R570M

OVER THE PAST 16 YEARS, WOOLWORTHS HAS GIVEN BACK CONTRIBUTIONS TO THE VALUE OF R6.5 BILLION TOWARDS A #ZEROHUNGER FUTURE IN SOUTH AFRICA.

[USEFUL LINK FOR MORE DETAIL](#)

EDUPLANT

Through our relationship with EduPlant, we have been helping communities to grow their own food gardens using efficient techniques such as permaculture gardening.



Watch this video to find out how EduPlant, a long-standing Woolworths partner, continues to change lives.

COMMUNITY RESILIENCE

*Key to the success of our business is a healthy and thriving community and workforce.
Our key programmes support physical and mental health.*

CASE STUDY

MIMCO OUR WATCH

PARTNERS
Our Watch

KEY OUTCOMES
A\$233 000 (2019: A\$200 000)

Into our fifth year of partnership, the Mimco Our Watch initiative raises funds and generates awareness of the importance of preventing violence against women. During the year, Mimco used events, promotional activities, partnerships with media, and customer engagement campaigns to drive awareness. A\$233 000 from sales on International Women's Day in March this year were donated to Our Watch. Mimco also partnered with Marie Clare, a leading women's publisher, with an editorial and two podcasts to share the Our Watch story with a wider audience in Australia.



Our Watch Chair and ambassadors at a promotional event held at head office.

From left to right: Natasha Stott Despoja AO (OurWatch Chair), Khadija Giba (Human Rights Activist), Ben Brown (North Melbourne FC Player), Hester Brown (Marriage Celebrant & Gender Equality Advocate), Tayla Harris (Carlton AFLW Player), Tiffany Cherry (Australia Sports Presenter)



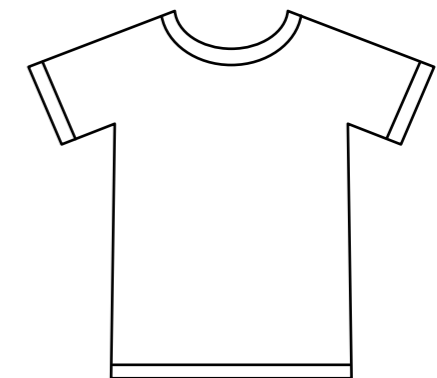
“INTERNATIONAL WOMEN’S DAY AND MIMCO’S PARTNERSHIP WITH OUR WATCH IS AN AMAZING OPPORTUNITY TO STAND TOGETHER AND CELEBRATE ALL WOMEN.”

– Sarah Rovis, Managing Director, MIMCO



A\$430 325 in support provided by David Jones to its six Rose Clinics in 2020, providing complimentary breast screening services for women over 40. The Elizabeth Street Rose Clinic was renovated during the year and fitted with the latest digital technology. This clinic to date has conducted more than 74 000 free screening mammograms.

COVID-19 restrictions forced select clinics to pause screenings in line with government advice.



A\$1.4M

Witchery donation to Ovarian Cancer Research Foundation from the annual White Shirt Campaign

2019: A\$1.7M
2018: A\$1.0M

USEFUL LINKS FOR MORE DETAIL

LOOKING AHEAD

Looking ahead from a social development perspective, we will continue to progress our existing programmes and initiatives as well as seek out and drive collaboration with other like-minded stakeholders towards enhancing delivery against our key social development pillars, enabling wider impacts and the creation of shared value.



HEALTH AND WELLNESS

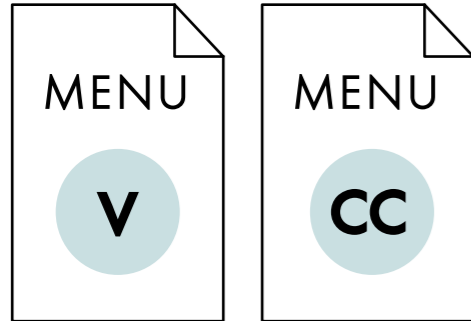
Through this pillar, we continue to inspire the need for leading healthy lifestyles for our customers through offering a variety of healthy nutritional options. We also recognise that the overall health and wellbeing of our employees is critical in sustaining a thriving workforce. We, therefore, also offer a myriad of programmes to support the wellbeing of our employees.

WELLNESS FOR OUR CUSTOMERS

Health and wellness is a key focus across the Group. Over the last few years, the global risk to public health from the rise in non-communicable diseases has been exacerbated by obesity and poor nutrition resulting from the increased consumption of energy-dense, nutrient-poor foods that are high in fat, sugar and sodium, has increased. As a food retailer, we have a responsibility to help our customers lead better lifestyles by providing a variety of healthier food options to support a multitude of dietary needs.

HIGHLIGHTS

There was continuous innovation in and improvement of the development of delicious, nutritionally balanced food, including more plant-based options, at both Woolworths and David Jones



We achieved our goal of having WCafé menus and harvest tables comprise a mix of carb-conscious, vegetarian and vegan meal options

THE GOOD FOOD JOURNEY

The Woolworths Health Manifesto and the David Jones Food and Health strategy outline how we aim to encourage customers to make healthy choices and lead a more balanced, healthier lifestyle through the provision of a variety of healthy and nutritious food options, including plant-based meals, with appropriate product labelling to assist them in making informed choices.

IN SUMMARY

WOOLWORTHS

(Health Manifesto: Living Well starts with Eating Well)

WE AIM TO:

- **inspire** healthy lifestyles by making healthy eating satisfying, delicious and convenient across our product ranges
- **provide** our customers with a variety of product options to meet their dietary needs
- **innovate** to improve the nutritional quality of our foods
- **promote** healthy and informed choices through clear nutrition labelling

DAVID JONES

(Food and Health strategy: Inspire and enable customers to make healthy food choices)

WE HAVE FOUR FOCUS AREAS

- **Avoiders:** to develop food products which enable customers to make informed choices when avoiding certain ingredients
- **Eat well:** to enable customers to choose foods which are 'best for you' and nutritionally 'well balanced'
- **Claims:** communicate nutritional benefits to customers
- **Calories:** to assist customers with portion control by displaying calories on front of pack of single-serve items

USEFUL LINK FOR MORE DETAIL

HEALTHY FOOD

As part of the Good Food Journey, Woolworths continues to ensure that sugar and salt content is reduced in our private label foods products.

DURING THE YEAR, SPECIFIC FOCUS WAS GIVEN TO

- Sugar reduction and portion-controlled formats for ambient cakes and desserts
- Fat reduction or an improved fat profile in our snacking options
- Increasing incorporation of whole grains, legumes and pulses across various products
- Conservative use of sugar in our mueslis, granolas and muffins

5.1 TONNES
of salt removed from Woolworths private label food

2019: 6.7 TONNES
2018: 11 TONNES

7.2 TONNES
of sugar removed from Woolworths private label food

2019: 1.2 TONNES
2018: 43.3 TONNES

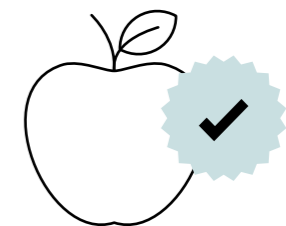
At David Jones, during the year, on-pack labelling was rolled out for nutritional claims where appropriate and calorie labelling for defined single-serve items. Additional healthy snacking options were provided, and confectionery was removed from checkouts and replaced with healthy snacks.

PLANT-BASED FOOD

We have seen a fundamental shift in customers' habits towards plant-based eating, and both Woolworths and David Jones private label food have plant-based food ranges, including dairy alternatives and plant-based beverages.

VITALITY HEALTHYFOOD™

Woolworths' on-going partnership with the Discovery Vitality HealthyFood™ programme incentivises and rewards customers for making healthy food purchasing decisions and avoiding foods that are linked to dietary practices that cause non-communicable diseases such as diabetes, high cholesterol, and high blood pressure. Customers who have linked their Woolworths loyalty cards to Vitality can receive up to 25% cashback when they purchase Vitality HealthyFood™ linked products.



2 903

HealthyFood™ items linked to Vitality rewards

2019: 2 759, 2018: 1 088

WELLNESS FOR OUR EMPLOYEES

As an employer, we know that there are many different aspects to our employees' lives; therefore, providing them with relevant and accessible wellness programmes that allow them to take the best care of themselves, is part of how we deliver on our Group mission of adding quality to life. We are committed to providing a safe and healthy working environment for all our employees.

HIGHLIGHTS

POLITIX SIGNED AN EXCLUSIVE PARTNERSHIP WITH THE COUNTRY'S BIGGEST MEN'S HEALTH ORGANISATION FOR THE MOVEMBER CAMPAIGN



EMPLOYEE ASSISTANCE PROGRAMME

The Group's Employee Assistance Programme (EAP) is a worksite-based programme designed to assist in the identification and resolution of personal concerns that may or may not impact on productivity or work performance. These concerns include but are not limited to, health, marital, family, financial, alcohol, drug, legal, emotional, social, or work stress problems which may adversely affect job performance, productivity, or safety.



Employee Assistance Practitioners

12
WSA

11
CRG and DJ

WELLNESS WEEK

Every year, Woolworths hosts 'Wellness Week' for employees at the head office. This gives employees free voluntary access to health practitioners who screen them for HIV, cholesterol, blood sugar, and blood pressure, assess body mass index, and do eye screening. In addition, wellness events are held in bigger Woolworths stores as well as distribution centres.

WOOLWORTHS PROVIDES FREE VOLUNTARY HIV/AIDS/TB SCREENING AND COUNSELLING TO ALL EMPLOYEES. IN ADDITION, THE DISTRIBUTION OF CONDOMS IN ALL OUR FACILITIES IS ENSURED.

WELLBEING AT OUR BOTANICCA HEAD OFFICE IN AUSTRALIA

Country Road Group and David Jones employees based at the Botanicca head office have the benefit of an on-site gym facility, biometric health checks and weekly yoga classes. Other event-orientated activities such as seated massages, Pilates classes, mindfulness practices, Bike 'n Blend juicing machines, and lunchtime walking groups all contribute to enhancing the physical and mental health of our people. Our retail teams in Brisbane, Melbourne and Sydney also enjoy occasional yoga classes and receive regular health and wellbeing promotional information in-store.

MOVEMBER PARTNERSHIP

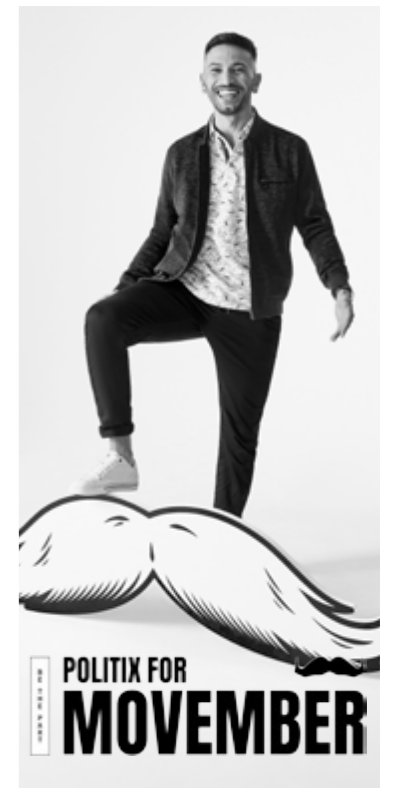
Country Road Group and David Jones continued their Movember campaign this year to raise awareness around issues of men's health such as prostate and testicular cancer as well as men's suicide. The campaign encouraged employees to sign up and grow a Mo (Moustache) or join the 'MOVE' campaign to walk or jog for 60 km in November (at 2 km per day for the month of November). Collectively, A\$179 732 was raised for the Movember Foundation through employee participation.

COVID-19 RESPONSE

One of the Group's main focus areas during the COVID-19 pandemic was prioritising the health, safety, and wellbeing of our employees and customers. At all our facilities, we implemented preventative measures to ensure the safety of our employees and customers.

LOOKING AHEAD

We will continue to improve and entrench the principles of the Good Food Journey in both Woolworths and David Jones. We will also ensure that product development focuses on health and sustainable nutrition and continuously expand our range of healthy food options.





ETHICAL SOURCING®

Through our ethical sourcing programmes we aim to improve the lives of workers in our supply chain, empower communities in the regions from which we source, and reduce and mitigate our impact on the natural environment. Supply chain transformation and transparency continue to be key components of our Good Business Journey.

AN ETHICAL VALUE CHAIN

Continuously strengthening our value chains through our ethical sourcing programmes is non-negotiable so that we can mitigate where necessary, and positively influence where possible, the outcomes and impacts of manufacturing and production.

HIGHLIGHTS

GOOD PERFORMANCE BY THE GROUP IN MEETING TARGETS FOR THE ETHICAL SOURCING OF KEY COMMODITIES



Country Road Group and David Jones became signatories to the Turkmenistan Cotton Pledge

HOW WE ENSURE AN ETHICAL SUPPLY CHAIN

Ethical sourcing requires us to build meaningful and long-term value-sharing relationships with our suppliers and other key stakeholders in the supply chain. Our main focus is on our private label primary suppliers and supply chains. This is where we can exert the greatest influence for positive change and more easily monitor performance. Where possible, we also engage with branded suppliers to ensure that our standards are understood and upheld.

OUR APPROACH TO ETHICAL SOURCING COMPRISES

- ① Supplier codes of conduct
- ② Monitoring of suppliers and ethical audits
- ③ Partnering
- ④ Building awareness and capacity

USEFUL LINKS FOR MORE DETAIL

HUMAN RIGHTS AND ETHICS

All WHL Group suppliers and service providers, whatever their location, are bound by our company Codes of Conduct (codes), all of which are aligned with the International Labour Organisation's conventions in relation to ethical trade and the Ethical Trade Initiative base code. The codes outline our requirements for human rights, labour practices, health and safety standards, environmental stewardship, animal welfare, and our zero tolerance for bribery and corruption, and are supplemented by a number of supporting policies and position statements.



Commencement of a modern slavery risk assessment by Country Road Group and David Jones ↻



Both Country Road Group and David Jones are signatories to the Bangladesh Accord on Fire and Building Safety.



The WHL Group is a signatory to the UN Global Compact.

TRANSPARENCY AND TRACEABILITY



Over
1 050
suppliers globally

across more than
50
countries

TRACEABILITY

The WHL Group continues to work on improving traceability through the supply chain. In 2019, Country Road Group published its factory list and David Jones its private label products supplier map, and in 2020, Witchery published its supplier map.

29% of Woolworths private label Fashion, Beauty and Homeware locally sourced

USEFUL LINKS FOR MORE DETAIL

FAIR WAGES

In November 2019, Country Road Group and David Jones made a public commitment to endorse the Global Living Wage Coalition, the Anker Methodology definition of a living wage, and to promote conditions that support every worker's opportunity to receive a living wage. In support of these commitments and other planned projects on responsible purchasing practices, work commenced this year on developing a roadmap towards supporting a living wage.

A research-based project was undertaken in a number of Chinese factories with the purpose of improving our understanding of a worker's livelihood in our partner factories in order to benchmark and identify opportunities to enable conditions for a living wage.

USEFUL LINKS FOR MORE DETAIL

CASE STUDY

MIMCO PARTNERS WITH HERPROJECT TO INTRODUCE WORKER EMPOWERMENT PROJECT IN BANGLADESH

Mimco has a key focus on female empowerment for not only their customers, but for the women making the products in their supply chain. In 2019, Mimco commenced a partnership with HERproject, an organisation working to educate and empower women working in global supply chains through programmes designed to improve their health and financial independence, at two factories in Bangladesh. Over 2 000 women work across both factories, and of these only 50% have completed school to a primary school level.

During the year, two modules were initiated at the factories, HERhealth and HERfinance. Baseline assessments were completed at each factory to capture general demographic information as well as more targeted and detailed information relating to health and finance. All participants in both modules receive regular workshops and training sessions. For the HERhealth project, a selected group of Peer Health Educators and individuals in the wellbeing committees are undergoing training in order to educate their colleagues in the near future. While progress has slowed due to COVID-19 and lockdowns, reports thus far have shown that the female employees are finding the modules helpful. They have cited examples of how the modules have aided them in creating budgets and saving for items like a fridge, and also to be more knowledgeable about sexual health and the transmission of sexually transmitted infections. An impact study of this initiative will be conducted upon completion of the programme to determine whether to roll this out more widely across the supply chain.



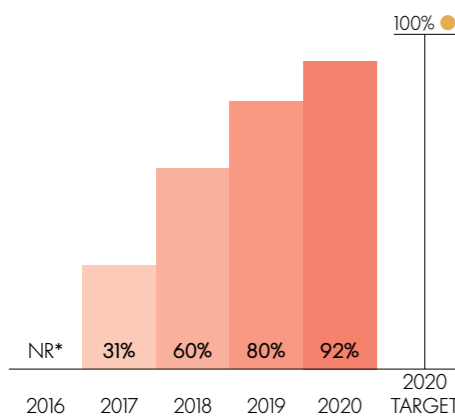
“I ENJOY BEING A PEER HEALTH EDUCATOR BECAUSE I CAN SHARE HEALTH MESSAGES FOR MY FAMILY AND COMMUNITY. MY FAMILY IS ALSO VERY HAPPY THAT I CAN HELP THEM AND OTHERS TO BE HEALTHIER AND LIVE A BETTER LIFE.”

– *Shammi Akter,*
Peer Health Educator

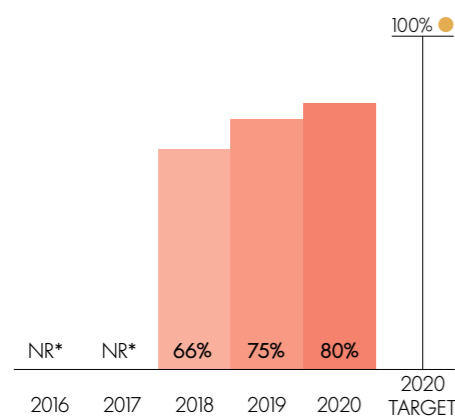
RESPONSIBLE SOURCING

In 2015, the Group made a public commitment that by 2020 all our key commodities would be responsibly sourced. On this journey, we have aimed to contribute to, and create demand for responsible production methods – methods that ensure that commodities are produced in ways that environmental impacts are managed and that are good for the farmers and suppliers themselves as well as their local communities. Our success in achieving 100% responsibly sourced key commodities has been mixed across the Group and the commodities themselves.

Percentage of sustainably sourced cotton



WSA FBH



CRG FBH

97% OF DJ PRIVATE LABEL CONFECTIONERY CONTAINS RESPONSIBLY SOURCED COCOA

98%
of all cocoa sourced for WSA private label food that contains cocoa is responsibly sourced

2020: 98% (TARGET 100%) ●
2019: 98%
2018: 84%

94%
sustainably sourced (mass balance) palm oil – WSA Food

2020: 94% (TARGET 100%) ●
2019: 98%
2018: 97%
2017: 49%
2016: NR*

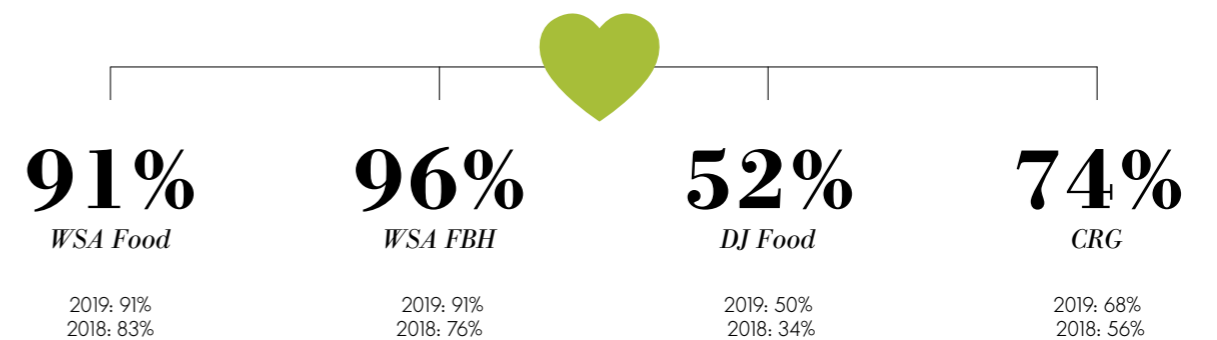
76%
of leather sourced from LWG tanneries – CRG

2020: 76% (TARGET 100%) ●
2019: 69%
2018: 40%
2017: 20%
2016: NR*

SUSTAINABILITY ATTRIBUTES

The Group made a public commitment in 2015 that 100% of directly sourced products sold will have at least one sustainability attribute by 2020. We are pleased to announce that we came very close to achieving this target at Woolworths. While both Country Road Group and David Jones did not achieve this target, they both started their journey towards incorporating sustainability attributes into their product design and development later and we are satisfied with the progress made.

PERCENTAGE OF PRIVATE LABEL PRODUCTS WITH SUSTAINABILITY ATTRIBUTES



USEFUL LINK FOR MORE DETAIL

LOOKING AHEAD

Looking ahead, we are aiming to continue and enhance our focus on transparency and responsible sourcing.

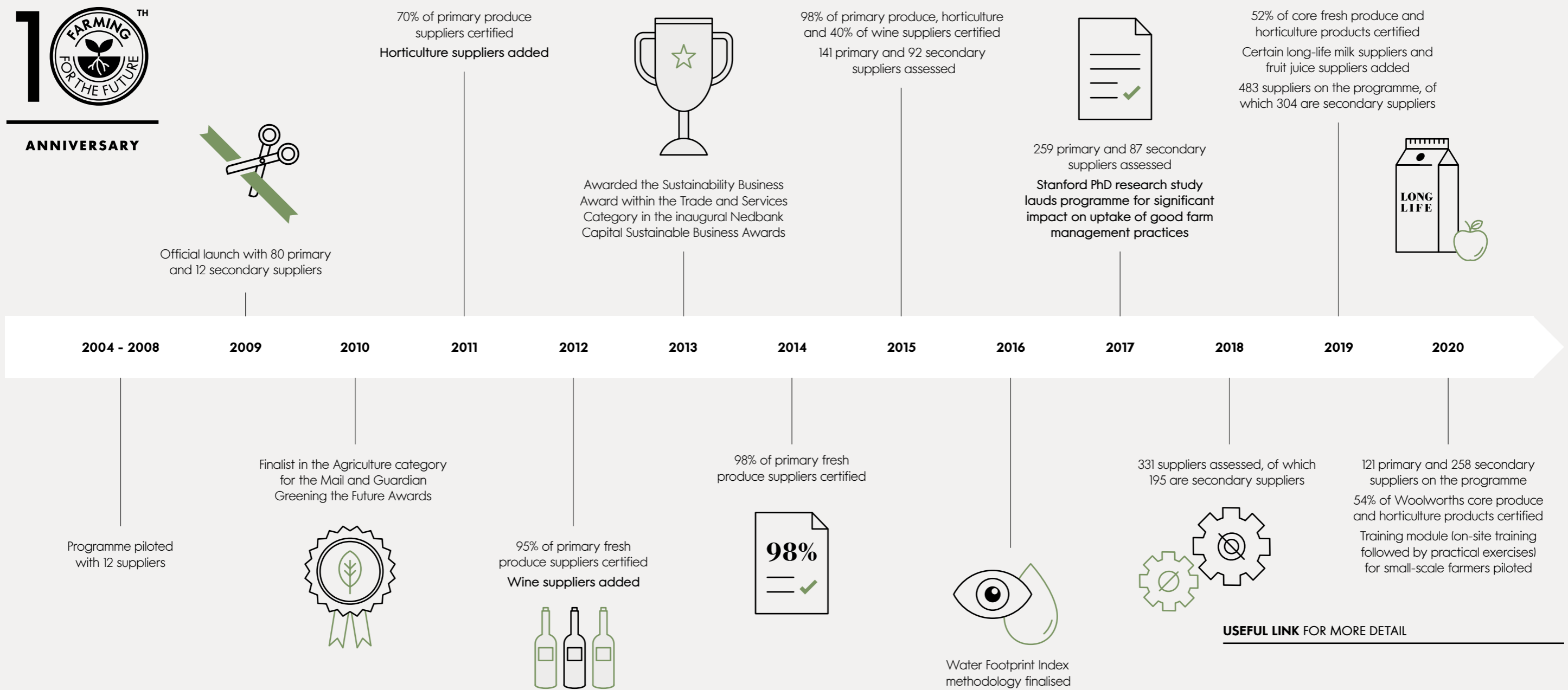


SUSTAINABLE FARMING[®]

Through our sustainable farming programmes and partnerships and in conjunction with our farmers and suppliers, we are working to improve farming and animal welfare practices. In this way, we are aiming to ensure a more sustainable, resilient and inclusive food system for our people, our communities, and the planet.

FARMING FOR THE FUTURE







Globally, food systems have been affected by the impact of climate change and related extreme weather events, soil degradation, worsening water quality and availability, biodiversity loss, declining fish stocks, and in the last few months, the COVID-19 pandemic. In South Africa, where the Woolworths business sources a significant volume of agricultural products, the impact of the ongoing drought continues to be a significant challenge for our farmers and suppliers. In order to address these challenges and enhance the resilience of our supply chain, we have, for a number of years, implemented sustainable farming and fishing programmes.



FISHING FOR THE FUTURE

Woolworths remains deeply committed to procuring all seafood from sustainable fisheries and responsible aquaculture operations. During the year, we embarked on a comprehensive review of our Fishing for the Future programme. As part of the programme refresh, new sustainable seafood targets will be set for 2025 and we will develop a new, more wide-ranging Sustainable Seafood Procurement Policy.

SOME KEY HIGHLIGHTS ALONG OUR FISHING FOR THE FUTURE JOURNEY

<p>2008</p>  <p>First retailer in SA to sign the WWF Sustainable Seafood Retail Charter Developed a Sustainable Seafood Policy</p>	<p>2009</p>  <p>Official launch of the programme First major South African retailer to label seafood in accordance with SASSI's green, orange and red system</p>	<p>2010</p>  <p>Introduced several new sustainable wild-caught fish species First retailer in SA to introduce DNA testing for species validation</p>
<p>2011</p>  <p>Launched MSC-certified, sustainable, local trawl-caught Cape Hake Stopped the procurement of longline caught Yellowfin Tuna</p>	<p>2012</p> <p>Made a commitment that by 2015, all our wild-caught seafood would be either WWF-SASSI green listed, caught from MSC (or equivalent) certified fisheries, or sourced from fisheries that are undertaking time-bound improvement projects Obtained MSC certification for our seafood counters</p>	<p>2015</p>  <p>Developed a pocket-sized Sustainable Seafood Guide for customers</p>
<p>2016</p> <p>Made a commitment that by 2020, all aquaculture species sold will be either WWF-SASSI green-listed, ASC (or equivalent) certified, or from aquaculture operations that are engaged in a credible time-bound improvement project Launched South Africa's first ASC-certified farmed tilapia lines</p>	<p>2017</p>  <p>Launched the first MSC-certified sustainable canned tuna in SA Launched ASC-certified vannamei and black tiger prawns</p>	<p>2020</p> <p>Of the volume (tonnage) of farmed species sold, 99% (2019: 85%) overall meet the 2020 commitments and 98% (2019: 84%) of Woolworths' seafood meets our wild-caught and aquaculture sustainability commitments 100% of fish on WCafé menus is SASSI green listed, GlobalG.A.P., MSC- or ASC-certified</p>

CASE STUDY

A NEW ERA IN AQUACULTURE: SALMAR'S OCEAN FARM 1, THE FIRST OFFSHORE SALMON FARM IN THE WORLD

SalMar, a Norwegian aquaculture company and one of the world's largest producers of farmed salmon, has been supplying salmon to Woolworths since 2015. In 2019, Woolworths received some of the first salmon produced from SalMar's Ocean Farm 1, an innovative, new salmon farm designed and built for exposed, offshore operation. Ocean Farm 1 aims to reduce the environmental footprint of aquaculture, improve fish welfare and resolve nearshore sea space availability challenges. Nearshore aquaculture is often constrained by suitable space, competition with other sectors such as wild capture fisheries, and anthropogenic and natural impacts on coastal ecosystems, such as pollution. In contrast, the benefits of offshore aquaculture, where production is located away from the coastal zone in the deeper ocean, are numerous, with conditions more suited to the production of healthy fish. Steady currents for example, limit exposure to pathogens, thereby improving fish welfare. From an environmental impact perspective, offshore aquaculture has higher flushing rates, which leads to better dispersal of waste particles and greatly reduces localised eutrophication. Farming fish in deeper, open ocean water is also expected to significantly reduce negative impacts on productive benthic fauna and flora ecosystems. Looking ahead, SalMar has commenced the development of a further improved, second offshore fish farm that will have twice the capacity of Ocean Farm 1.

Vessels towing Ocean Farm 1 to its initial pilot project site off the coast of Frøya in Norway. Salmar ultimately intends to locate Ocean Farm 1 in open water, 20 - 30 nautical miles off the coast.



98% OF WOOLWORTHS SEAFOOD MEETS OUR WILD-CAUGHT AND AQUACULTURE SUSTAINABILITY COMMITMENTS

2020 TARGET: 100% ●, 2019: 84% ●, 2018: 80%

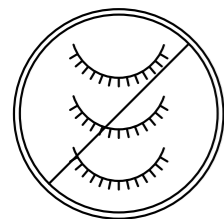
IMPROVING ANIMAL WELFARE STANDARDS

We believe it is our ethical obligation to ensure that our suppliers treat the animals in our supply chain with respect and in the most humane way possible and are committed to a journey of continuous improvement. We are committed to working with our suppliers to improve animal welfare and minimise any potential harm, stress or pain, and aim to meet the Five Freedoms that describe the ideal state of animal welfare. In addition, we expect all our suppliers to adhere to relevant national and international animal welfare standards. In the unlikely event that we become aware that we are stocking a product that breaches legislation or our animal welfare policies and principles, we act promptly to remove this item from sale and take the necessary steps to ensure future compliance.

HIGHLIGHTS



DURING THE YEAR, WE WERE PLEASED TO ACHIEVE OUR GOAL OF HAVING ONLY 100% FREE RANGE CHICKEN, BEEF AND LAMB ON OUR WCAFÉ MENUS AS PART OF OUR GREEN CAFÉS PROGRAMME.



ALL MINK LASHES WERE REMOVED FROM DAVID JONES' BEAUTY RANGE.

USEFUL LINKS FOR MORE DETAIL

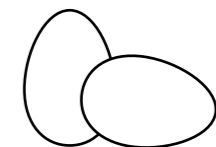
ANIMAL WELFARE IN FOODS

9

farming methods are included in Woolworths outcomes-based measurement programme

2019: 4, 2018: NR*

DURING THE YEAR DAVID JONES CONVERTED ALL OF ITS FRESH CHICKEN FROM RSPCA-APPROVED BARN REARED (INDOOR) TO RSCPA APPROVED OUTDOOR REARED (FREE RANGE)



100%

of Woolworths whole eggs, liquid and powdered egg ingredients are free range


ANTIBIOTICS

Woolworths is on a journey to reduce antibiotic use in our supply chain, particularly shared class antibiotics i.e., those that are critical to human health. The use of antibiotics in animals in our supply chain is informed by our Antimicrobial Guideline, which sets out four principles with regard to antibiotics: record, reduce, replace and refine. In order to establish a baseline of usage, we are currently recording the amount and type of antibiotics used by our suppliers through the outcomes-based animal welfare programme. Once the baseline is in place, we will work from an informed basis to track, trend and promote the reduction of antibiotic use.



SINCE 2002, WOOLWORTHS' AYRSHIRE DAIRY FARMERS HAVE NOT ADMINISTERED ANY rBST TO ANY OF THEIR AYRSHIRE DAIRY COWS.

ANIMAL WELFARE IN FASHION, BEAUTY AND HOME

Rollover below for more detailed content 

We do not permit the testing of our products on animals.

We ceased ordering products containing angora in January 2014.

We are a proud member of the Fur-Free Alliance. We do not permit the use of any natural fur or farmed fur in our products, including branded products supplied to David Jones.

We do not permit live plucking of duck and goose down.

We take a proactive approach to sourcing a sustainable supply of wool that is non-mulesed.

TRACEABILITY

During the year, further to the work with Oritain last year, Country Road Group released a verified Australian merino wool collection traceable to eight Tasmanian farms, all of which are Responsible Wool Standard certified.

USEFUL LINKS FOR MORE DETAIL

LOOKING AHEAD

Looking ahead, we will continue to refine and renew our sustainable farming and animal welfare programmes to assist us in promoting resilience in the supply chain and ensure that the programmes remain at the cutting edge of best practice.



WASTE

We have made great strides towards achieving our vision of zero packaging waste to landfill. This is testament to how taking a systems approach to looking at the entire lifecycle of waste and packaging can yield positive results.

OUR APPROACH TO WASTE AND PACKAGING

We have committed that all our packaging will be reusable or recyclable by 2022. In addition, we also committed to eliminating single-use plastic shopping bags from our operations by 2020. Our approach to packaging is aimed at achieving a balance between a number of important considerations such as food safety, product labelling, product quality, as well as minimising waste.

HIGHLIGHTS

WOOLWORTHS BECAME ONE OF THE FOUNDING MEMBERS OF THE SOUTH AFRICAN PLASTICS PACT 🌱



DAVID JONES AND THE COUNTRY ROAD GROUP ARE MEMBERS OF THE COLLECTIVE ACTION GROUP (CAG) 🌱

WE HAVE EMBEDDED A SYSTEMATIC APPROACH TO PACKAGING AND WASTE WITH A STRATEGY THAT AIMS TO:

- Design packaging to enable a circular economy
- Minimise the need for non-renewable resources in packaging
- Encourage the recycling of our packaging



5

Plastic-bag-free stores at Woolworths

David Jones Capitol Grand is the company's first single-use plastic-bag-free store

SINGLE-USE PLASTIC PHASE OUT

Phasing out unnecessary single-use plastic is a key element of our commitment. Over the years, we have established multiple initiatives to deliver to this commitment.



*David Jones has phased out plastic straws only



100%

recycled paper bags introduced at Woolworths for Fashion, Beauty and Home purchases

50

Woolworths stores offer reusable produce mesh bags

24

Woolworths stores offer low-cost reusable bags

PACKAGING AND CONSUMABLES

HIGHLIGHTS

In support of our vision to achieve zero packaging waste to landfill, our focus has been on reducing the amount of packaging we use, increasing the use of recycled materials in our packaging and also on improving recyclability. We continue to work towards using only sustainably sourced or recycled wood products in our products.

Incorporating recycled polyethylene terephthalate (rPET) in Woolworths products and packaging



Earth Friendly range packaging contains a minimum of 25% rPET and is fully recyclable



20% rPET in peanut butter jars



100% rPET in puffer jackets inners



Private-label mayonnaise and sunflower cooking oil bottles contain an average of 30% rPET



Low-cost reusable bag fabric contains a minimum of 70% rPET

Other Woolworths packaging improvements made

30% PLANT-BASED MATERIAL DERIVED FROM SUGARCANE USED IN HDPE DAIRY CARTONS



Embarked on a trial to replace the polystyrene plastic packaging from our avocado packaging with a FSC-certified kraft tray made from 63% recycled paper

PLASTIC SLEEVE TRAYS AND PACKAGING MATERIAL REMOVED FROM WOOLWORTHS LONGMARKET BARBER RANGE



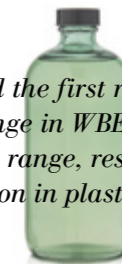
Our onions and potatoes are now in fully recyclable bags made of polyethylene



Cucumbers are now in fully recyclable polyolefin packaging

REPLACING SINGLE-USE PLASTIC IN WCOLLECTION BEDDING AND CURTAIN PACKAGING WITH RECYCLABLE LDPE FABRIC BAGS

Launched the first recyclable glass bottle range in WBEAUTY with the Le Bain range, resulting in 67% reduction in plastic packaging

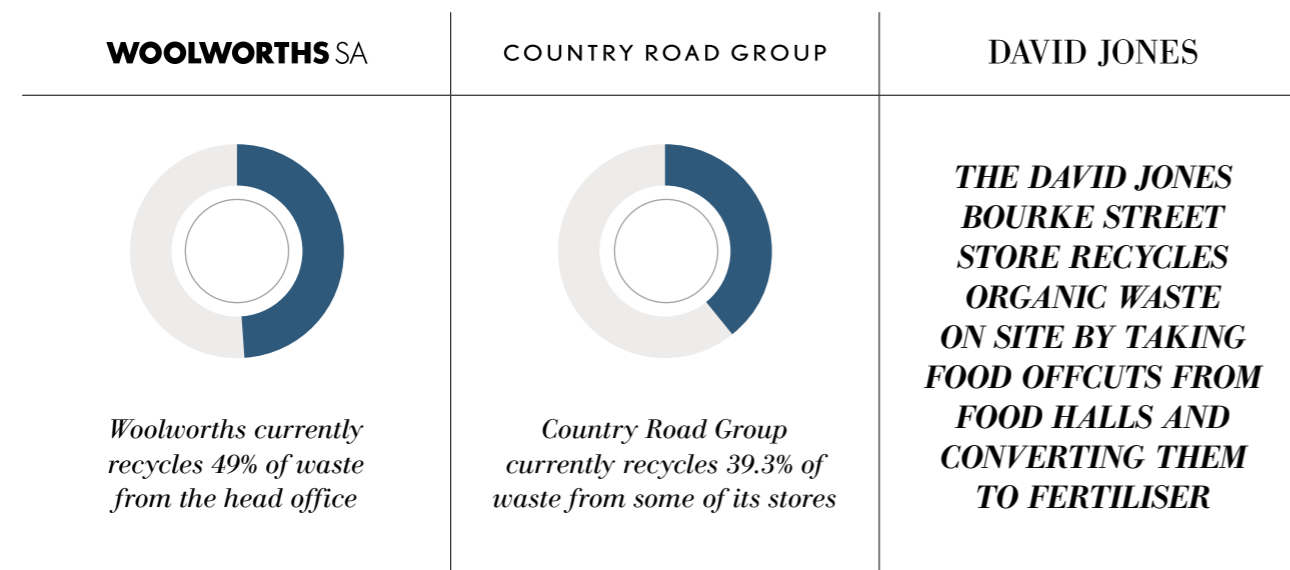


MANAGING OUR WASTE

Our aim is to prevent waste to landfill through establishing systematic waste recovery and sustainable disposal processes in all our operations.

WASTE AND RECYCLING

We have various recycling initiatives and trials at stores, corporate offices, and distribution centres.



Woolworths rescued and recycled 10.7 million hangers last year

(2019: 14.8 MILLION)

David Jones private label, Country Road and Trenergy hangers are collected by The Ideas Company (TIC Group Pty Ltd) for redistribution to suppliers for reuse.

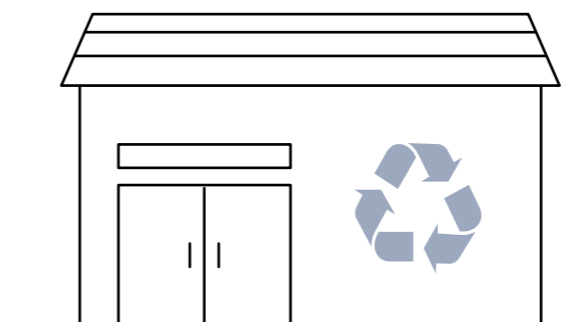
SURPLUS PRODUCT

The Group continues to donate surplus food and clothing to our various charity organisations..

USEFUL LINK FOR MORE DETAIL

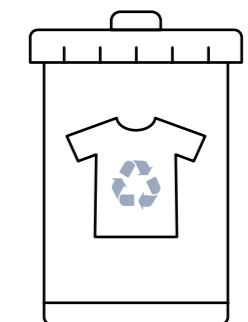
CUSTOMER RECYCLING

Woolworths has been working on increasing recycling rates in South Africa by introducing recycling programmes in areas close to our customers.



3

recycling villages established in KwaZulu-Natal






25

Woolworths stores have clothing recycling bins where customers can donate their pre-loved clothing

ON-PACK RECYCLING LABELS

Woolworths introduced On-Pack Recycling Labels (OPRL) in the South African market six years ago and it has since been adopted by industry in order to standardise recyclability messaging on packaging.

SLEEVE	SLEEVE	LIDDING FILM	TUB
MADE FROM A MINIMUM 70% RECYCLED PAPER	 PAPER RECYCLE	 PLASTIC NOT RECYCLED	 PLASTIC RECYCLE

WWW.WOOLWORTHS.CO.ZA/RECYCLE

CLOSING THE LOOP

In our quest for zero packaging waste to landfill, we are working with a team of partners on a number of closed-loop systems which allow us to find new uses for materials used in the business that otherwise would go to landfill.

RECYCLED MATERIALS IN CLOTHING

Over the years, our Group of companies has innovated to incorporate recycled content in a number of clothing products.

MIMCO USES ITS SIGNATURE REPREVE® LINING FOR A NUMBER OF BAGS. THIS LINING IS MADE FROM rPET

Woolworths used over a million 500 ml PET plastic bottles in its 2020 winter fashion ranges, specifically in items such as puffer jackets, gilets, as well as some polar fleece items across menswear and kidswear. All these bottles have been diverted from landfills, rivers and the ocean.

Trenerly replaced polyester fabric with rPET in women's apparel. It has also started to use rPET and recycled cotton in men's swim shorts.

Country Road, Trenerly and David Jones private label collections use regenerated cashmere, made from recycled pre- and post-industrial cashmere waste in some of their winter ranges.



Country Road Group began making swimwear from discarded fishnets and factory offcuts. These materials are regenerated into high-performance nylon and blended with elastane for increased stretch and durability.

Politix implemented recycled polyester in the linings of their jackets and outerwear. The jackets contain 95% rPET and 5% elastane as well as an rPET lining.

Woolworths launched men's wind- and water-resistant puffer jackets made from approximately 80% recycled fabric, including the zip tape. The shell and lining are each made from 40% recycled nylon, and the soft and comfortable wadding inner is made of 100% recycled polyester.

6.5%
of Woolworths private label clothing sold in FY20 contained recycled polyester

2019: 13%, 2022 TARGET: 25%

The Woolworths Christmas Gifting Window of 2019 won a global prize at the annual Creative Retail Awards in London. It was recognised in two categories: Sustainability and Window Display.

The display, inspired by indigenous South African trees, made use of recycled and recyclable paper to create the leaves using origami techniques. The tree pods contained 20 000 seeds, which were donated to the EduPlant programme, a programme that helps young people learn to grow food sustainably.



[WATCH THE VIDEO](#)

LOOKING AHEAD

As a Group, we will continue to build on our momentum and work towards our target of having all our packaging reusable or recyclable by 2022. We have established strong internal alignment as well as with suppliers and industry partners, which places us in a strong position to deliver to this target. We will accelerate the replacement of the Woolworths Fashion, Beauty and Home plastic bags with a paper bag made from recycled cardboard. The phase-out of single-use plastic packaging where alternatives are viable is an on-going group-wide programme.

[WATCH THE VIDEO](#)

WOOLWORTHS USES FIBRE FROM 100% RECYCLED PLASTIC BOTTLES TO MAKE HOLLOW FIBRE DUVET AND PILLOW INNERS. THIS IS ESTIMATED TO SAVE OVER 1 MILLION BOTTLES FROM GOING TO LANDFILL EVERY YEAR.



WATER

We operate in some of the most at-risk regions when it comes to water availability and the efficient management of this resource remains pivotal in ensuring the continuity of our business. Collaborating with stakeholders across our value chain is important in dealing with water quality and availability challenges as well as proactively implementing solutions to address these.

WATER EFFICIENCY AND STEWARDSHIP

Water is central to everything we do. It is vital to sustain manufacturing and agriculture, for the health and hygiene of our employees and the communities we operate in, and for keeping our facilities operational. Maintaining operations in areas where water remains a key risk in respect of both availability and quality, we continuously implement innovative ways of ensuring that we proactively mitigate against some of the negative impacts associated with our operations while at the same time minimising the risk to our business. Understanding our water risk and impact is therefore essential. We have established a systematic process of managing water across our operations and in the various communities we work with.

DIRECT OPERATIONS

Our direct operations offer us a significant opportunity to test innovative technologies for water efficiency. With every new facility, we evaluate the opportunities for water efficiency by considering factors such as the possibility of installing rainwater collection, greywater and recycling systems, using indigenous shrubs or ground covers for landscaping, installing real-time metering technology as well as other water-efficient fixtures and fittings. Real-time monitoring provides us with water usage data, helping to detect leaks to reduce water usage and potential loss or damage.



54% OF RELATIVE WATER CONSUMPTION SHIFT TO GREYWATER IN SA CORPORATE BUILDINGS

2019: 66%, 2018: 89%

THROUGH THE UNITED NATIONS GLOBAL COMPACT CEO WATER MANDATE, WOOLWORTHS BECAME A PARTICIPANT IN A PILOT PROJECT FOR SETTING CONTEXT-BASED TARGETS FOR WATER.


[USEFUL LINK FOR MORE DETAIL](#)

SUPPLY CHAIN

Across our value chain as a business, the biggest need for water is in the supply chain. The growing of our food products, key commodities, as well as the manufacturing of our textiles requires large amounts of water. In addition, issues of waste water discharge and treatment are critical. Our goal is therefore to continually engage with our suppliers to monitor water usage as well as waste water management. We do this through various programmes such as Farming for the Future and the green factories programme.

[USEFUL LINK FOR MORE DETAIL](#)

DETOX JOURNEY

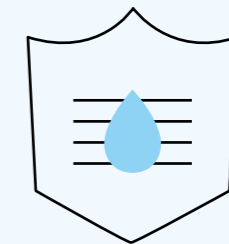
Through our detox programme, we have committed to eliminating 11 key priority chemicals from our clothing supply chain in recognition of their harmful impacts on water resources if not properly managed. Woolworths uses the OEKO-TEX® 100 standard for due diligence and testing; we aim to ensure that the chemicals used in our products are not harmful to the environment and meet our detox commitments. All Country Road Group manufacturers must sign the Environmental Code of Practice (ECOP)  for the dyeing, printing, and finishing of merchandise supplied.

[USEFUL LINKS FOR MORE DETAIL](#)

WATER STEWARDSHIP

Since 2013, Woolworths has been working with WWF-SA and the Alliance for Water Stewardship (AWS) to address water-related risks in the supply chain. Through our strategic partnership with WWF-SA, we committed to establishing one water stewardship project a year. Our first project was in Ceres, and we have continued our support for the farmers in this area. In 2019, we expanded our engagement to the water-scarce Sabie and Crocodile catchment area in the Mpumalanga province of South Africa – an area which is strategically important for sourcing our citrus fruit and nuts.

WOOLWORTHS HAS INITIATED TWO WATER STEWARDSHIP PROJECTS TO DATE



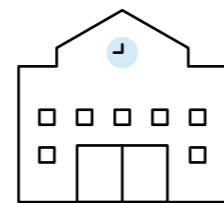
COUNTRY ROAD GROUP AND DAVID JONES PRIVATE LABEL ARE ALSO COMMITTED TO WATER STEWARDSHIP IN THEIR TEXTILES SUPPLY CHAINS

WATER STEWARDSHIP IN OUR COMMUNITIES

Woolworths partners with MySchool MyVillage MyPlanet and various schools through the Department of Basic Education, to bring water-themed lessons to schools. Aligned to the curriculum, this is mainly to bring awareness and educate children on topics such as why water is important, why it is a scarce resource and what risks threaten water security as well as what can be done to conserve water.

EDUCATIONAL INITIATIVES

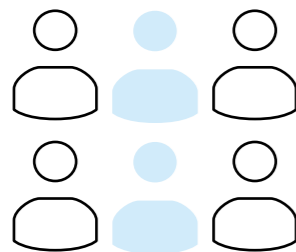
The Woolworths Educational Programme has, over the last four years, presented water conservation lessons to over 300 000 learners in 600 primary schools across the country



Water educational programme reached

101

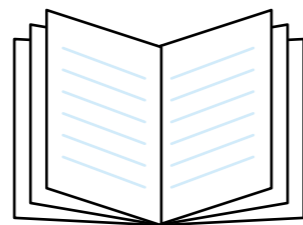
schools this year



reaching

27 890

learners this year



teaching

730

water conservation lessons this year

THE WOOLIES WATER FUND

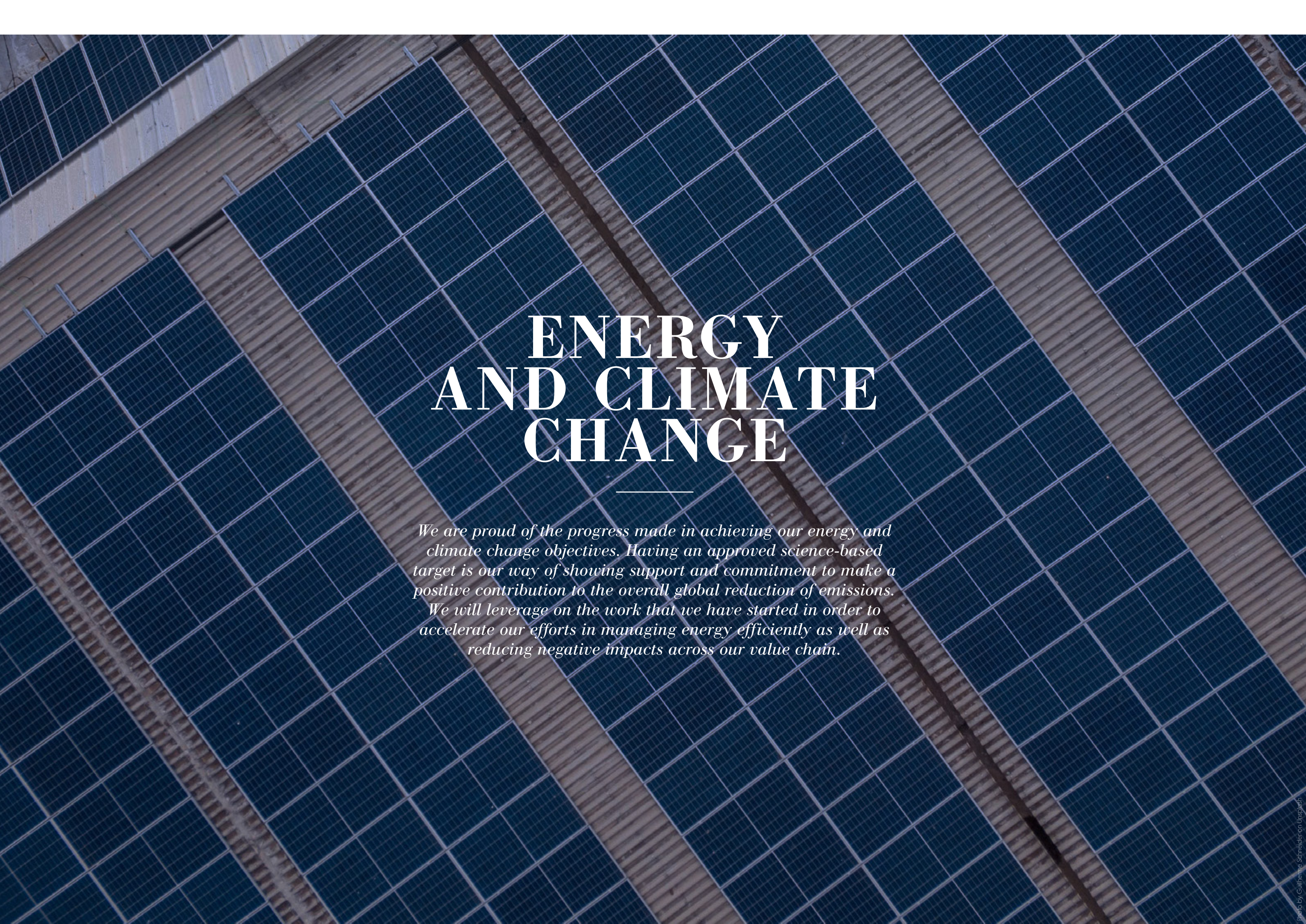
The Woolworths Water Fund was established two years ago in response to the South African government's declaration that the drought in South Africa is a national disaster. In partnership with MySchool MyVillage MyPlanet, it aims to raise much-needed funds for the installation of rainwater harvesting tanks at under-resourced schools across the country. To date, 31 schools have been provided with proper water infrastructure in the form of two 10 000 litre tanks, piping, guttering, fixing of boreholes, filtration systems and pumps.



[USEFUL LINK FOR MORE DETAIL](#)

LOOKING AHEAD

As we move into the next phase of our sustainability strategy to 2025, we look forward to finalising our context-based water targets. These will help cement our water conservation initiatives across our entire value chain, enabling us to have a clearer view of where to invest our efforts. We will also continue to investigate solutions to increase the share of grey water in our operations. For educational activities on water, we will be amending all learning material to ensure we are able to provide online learning resources. This will be an alternative so we are able to present the lessons even during the COVID-19 pandemic.

An aerial, high-angle photograph of a large solar farm. The solar panels are arranged in neat, parallel rows, creating a strong geometric pattern. The panels are a deep blue color, and the metal frames are visible. The perspective is from directly above, looking down at the rows of panels. The lighting is bright, casting soft shadows between the rows.

ENERGY AND CLIMATE CHANGE

We are proud of the progress made in achieving our energy and climate change objectives. Having an approved science-based target is our way of showing support and commitment to make a positive contribution to the overall global reduction of emissions.

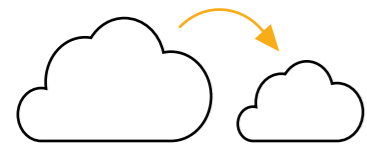
We will leverage on the work that we have started in order to accelerate our efforts in managing energy efficiently as well as reducing negative impacts across our value chain.

MANAGING OUR ENERGY USAGE

Adapting to the impacts of climate change, as well as reducing our energy footprint, forms a significant part of our Good Business Journey programme. Our commitment is to reduce our overall emissions footprint across the value chain, as well as to incorporate more renewable sources of energy across our value chain.

HIGHLIGHTS

WHL IS THE FIRST SA-BASED RETAILER TO HAVE AN APPROVED SCIENCE-BASED TARGET IN LINE WITH THE 1.5°C TRAJECTORY



10.4%

decrease in carbon emissions per general letting area (m²) year-on-year since 2014

[USEFUL LINK FOR MORE DETAIL](#)

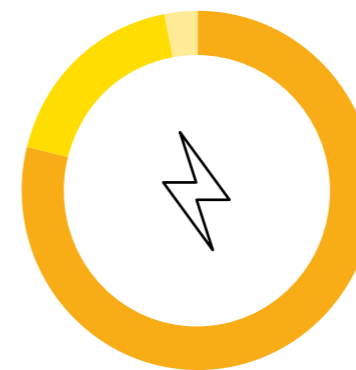
Industry firsts (ratings)
Roll over images below for more detailed content



ELECTRICITY CONSUMPTION

We have continued to focus our efforts on retrofitting all our facilities with the most energy-efficient technology available in the market. This improves our energy productivity and also helps us to derive savings from improved systems that run more efficiently and are easier to maintain. Active monitoring of electricity usage across all our facilities has enabled us to prioritise our efforts in implementing these technologies.

WHL electricity usage breakdown by operating company

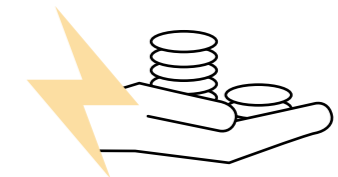


- WSA: 79%
- DJ: 18%
- CRG: 3%

Our total electricity consumption across the business was 497 562 091 kWh (2018: 503 971 981 kWh). This represents a 1% decrease from the previous year.

ELECTRICITY SAVINGS

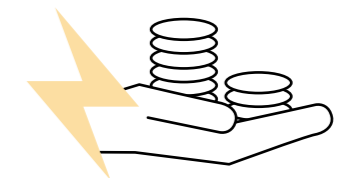
Currently, we are able to qualitatively derive and document benefits from some of our initiatives such as diesel efficiencies, rand value of recoveries of incorrect billings on electricity, and tax rebates, as well as energy-efficiency innovations implemented.



R190M

of total electricity savings in FY20

FY19: R136M, FY18: R117M



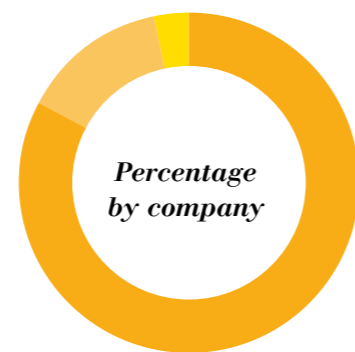
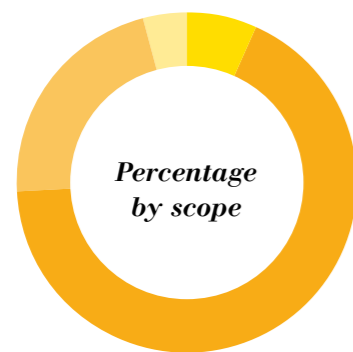
R641M

of electricity savings over 5 years

CARBON FOOTPRINT

We calculate our carbon footprint annually using the Greenhouse Gas Accounting Standard for three scopes within our operational boundary. This current report is for emissions calculated for the period 1 July 2018 to 30 June 2019.

OVERVIEW OF EMISSIONS



THE OVERALL WHL TOTAL SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS INCREASED BY 5.83% (2018: 0.4% DECREASE) AND INCREASED BY 6% (2018: 1% INCREASE) WITH SCOPE 3 INCLUDED.

5-year overview of absolute Scopes 1, 2, and 3 emissions (including non-Kyoto)

2019	721 565 tCO ₂ e
2018	681 836 tCO ₂ e
2017	649 482 tCO ₂ e
2016	660 582 tCO ₂ e
2015	657 965 tCO ₂ e

USEFUL LINKS FOR MORE DETAIL

LOW CARBON TRANSITION

The transition to a low carbon economy is accelerating, and it has become imperative to build climate change resilience within businesses. With the cost of renewables decreasing annually, we continue to explore opportunities to transition our business to cleaner energy. The success in this space is also highly dependent on enabling policies in the locations where we operate

GREEN BUILDINGS

Woolworths approach to green building entails utilising an internal green building protocol. The protocol involves rating and classifying stores into three categories (Platinum, Gold and Silver) based on the green design features they possess.



190

Woolworths green stores to date



renewable energy installations across WHL to date

RENEWABLE ENERGY

In 2015, we made public commitments to source all our energy from renewable sources by 2030. In the last year, we commissioned the extension of solar PV at one of our distribution centres. We currently have six solar PV installations across the Group. In the last year, we generated and consumed on-site 2 256 988 kWh of electricity from these installations (3% of our total electricity usage).



ENERGY EFFICIENT LOGISTICS

The Woolworths partnership with the Imperial Group continues to produce substantial benefits for our sustainable transport strategy. Over the years, we have rolled out fleet management solutions such as route optimisation, fleetboard technology providing real-time operational performance information of individual vehicles, and temperature management of refrigeration systems used in delivery vehicles. In the last year, we embarked on a trial to test the efficiency of a hybrid electric vehicle. However, the trial had to be put on hold due to COVID-19.

CO₂ REFRIGERATION SYSTEMS

Woolworths has been on a journey to install natural gas CO₂ refrigeration systems across all its facilities. This initiative started in 2010, and 100 stores have now been fitted with CO₂ refrigeration systems.

Although we are unable to isolate the energy savings associated with these installations in our stores, we know that they have numerous benefits to the ozone layer as they reduce the release of the ozone-depleting R22 gas (Freon) into the atmosphere.

A stylized illustration of a refrigerator door. The door is white with a black outline and features a vertical handle on the right side. In the upper right corner of the door, there is a yellow snowflake icon. In the center, there is a black snowflake icon. Below the icons, the number '132' is displayed in a large, bold, black font. Underneath the number, the text reads: 'stores have had their fridges fitted with acrylic doors, reducing electricity use by approximately 25% upon installation'. The entire illustration is enclosed in a thin black border.

LOOKING AHEAD

We will continue to roll out energy efficient technology in our stores. We will engage with our suppliers as we work to embed a value-chain approach to energy and carbon reduction. Focus will be given to the sourcing of renewable energy in line with our 2030 target to source all our energy from renewables. As a business based in regions which are expected to be severely impacted by climate change, we support a just transition to a low carbon, climate resilient economy.

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

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