



WOOLWORTHS HOLDINGS LIMITED

2019 Social and Ethics Committee Report

As extracted from the 2019 Integrated Annual Report

SOCIAL AND ETHICS COMMITTEE REPORT

The Social and Ethics Committee (committee) is pleased to present its report for the 2019 financial year on behalf of the WHL Group.

The committee is a statutory committee appointed in terms of the Companies Act; however, our mandate extends not only to our South African business but also to David Jones and Country Road Group which operate in Australia and New Zealand.

Our key focus is to assist the Board in setting the tone for an ethical organisational culture as well as to: ensure that fair labour practices are applied across our Group and our supply chain; that there are appropriate strategies in place to contribute to social and economic development; and that we not only utilise our natural resources responsibly but also work towards minimising our impact on the environment in the long term. As a statutory committee, some of our work is compliance-driven; however, we focus on executing a broader mandate to be an agent for positive change by ensuring that our policies and practices add quality to life.

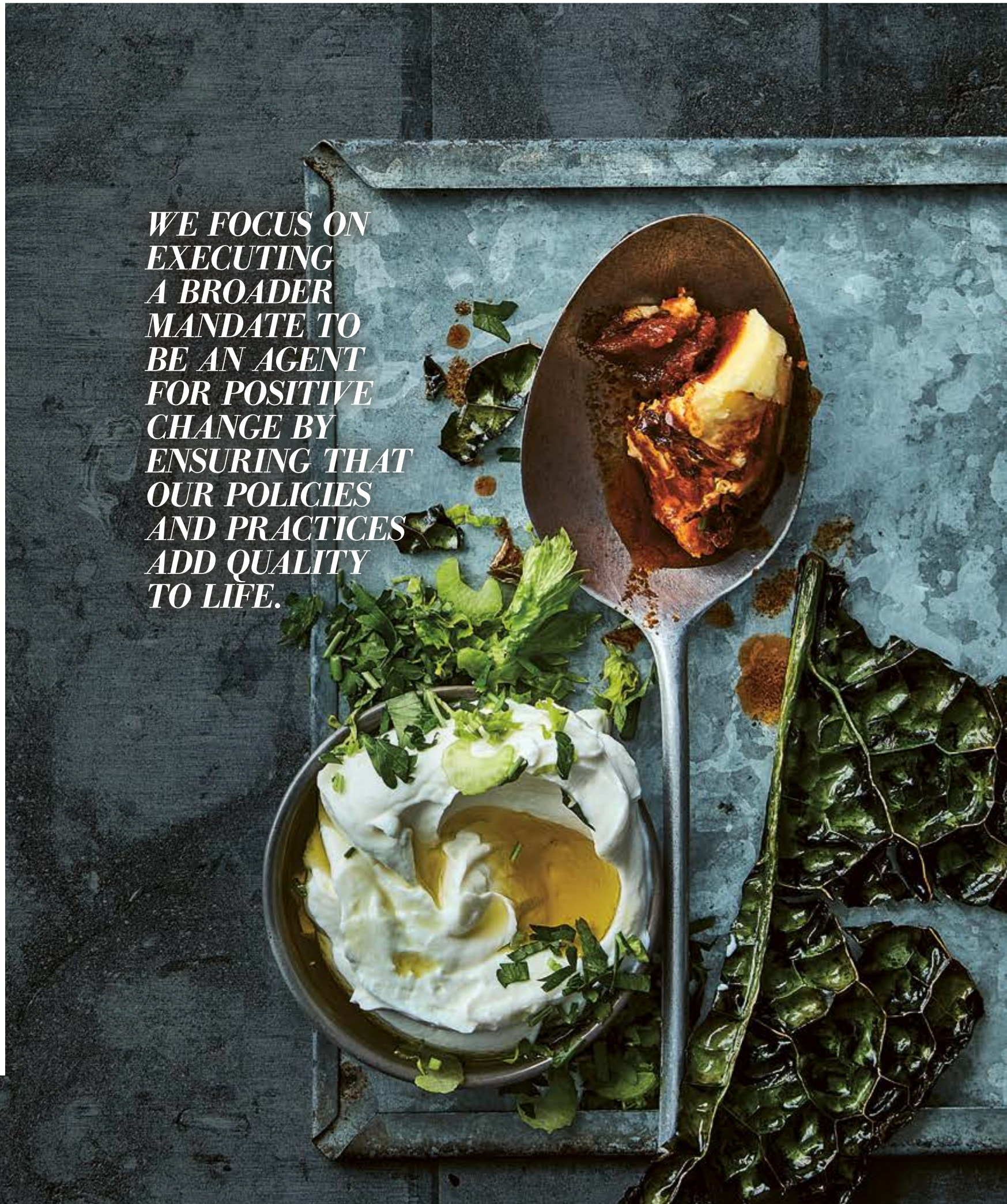
The committee comprises both executive and non-executive directors and, during the year under review, held three meetings. Details of the committee composition and attendance at meetings are included in the Governance Report, while the committee's terms of reference are available on our website at www.woolworthsholdings.co.za.

It has been a difficult year for South Africa (a culmination of many difficult years) in terms of both State and corporate failures within

the ethical domain. We endeavour to impact positively on our workforce, customers and broader society albeit insofar as we can.

Our statutory duties entail:

- Monitoring the Group's activities having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:
 - Social and economic development
 - Good corporate citizenship
 - The environment, health and public safety, including the impact of the Group's activities and of its products or services
 - Consumer relationships, including the Group's advertising, public relations and compliance with consumer protection laws
 - Labour and employment
 - Ensuring that the Group's ethics is managed effectively
- Reporting, through the Chairman of the committee, to the shareholders at the Company's Annual General Meeting on any part of the business of the meeting that concerns the committee's functions.



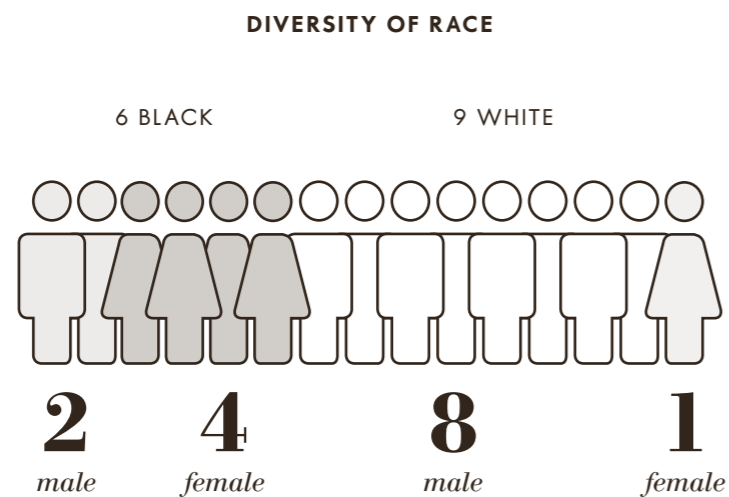
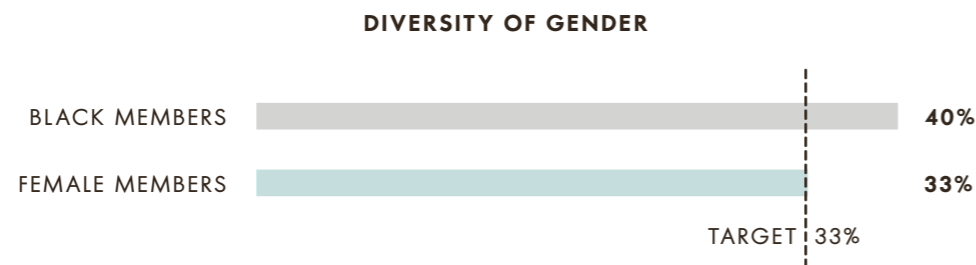
WE FOCUS ON EXECUTING A BROADER MANDATE TO BE AN AGENT FOR POSITIVE CHANGE BY ENSURING THAT OUR POLICIES AND PRACTICES ADD QUALITY TO LIFE.

TRANSFORMATION AND DIVERSITY

As with any journey, our transformation journey is not without obstacles; however, we believe that the strategies to entrench diversity in the boardroom, in our workforce and our supply base are gaining momentum.

BOARDROOM TRANSFORMATION AND DIVERSITY

The Board published its voluntary commitment to maintaining female representation and black member representation at a minimum of 33%. The Board's composition at the time of this report is on target for female representation, while for black member representation the target has been exceeded. Going forward, the Board will endeavour to move towards a 40% level of representation for female directors by 2020 and to maintain black director representation at 40%.



USEFUL LINKS

[2019 BBBEE Verification Certificate](#)

WORKPLACE TRANSFORMATION, DIVERSITY AND INCLUSION

The Group's efforts in delivering on its overall business strategy, together with navigating the current challenging business environment, places increased attention on its Employee Value Proposition and initiatives as we strive to ensure that we retain our key talent and attract new talent to the Group.

In light of this, the Group's people strategy has remained focused on creating an environment in which our employees continue to be engaged and feel like active contributors to value creation and strategy. We have had encouraging feedback from our David Jones and Country Road Group employees following the move into one consolidated office in Melbourne.

Our people and transformation strategy is anchored in our values and observes the principles advocated by the

Universal Declaration of Human Rights and the International Labour Organisation. We value diversity and inclusion and are committed to non-sexism and non-racism across our policies, practices, and daily operations. It is important for us as a Group to continue to focus on our transformation initiatives and evolve them so that we are experienced as a truly transformed employer.

In addition to our overarching commitment to transformation, diversity, and inclusion, each region has a key focus for transformation that is determined by the context and environment in which it operates. As a Group, we continue to support these region-specific strategies with gender parity remaining a focus across the Group.

SOUTH AFRICA

In South Africa we observe the requirements of the Broad-Based Black Economic Empowerment (BBBEE) legislation and, from a people perspective, we focus on human capital transformation, specifically Employment Equity and Skills Development.

EMPLOYMENT EQUITY

In Woolworths South Africa, historically disadvantaged South Africans (HDSA) currently represent 95.8% of total permanent employees, of which 62% are in middle to top management positions. Women represent 64% of HDSA permanent employees.

PEOPLE LIVING WITH DISABILITIES

The recommended BBBEE practice is for 2% of a company's workforce to be black people with disabilities. In South Africa we currently have 569 people with disabilities on our workforce.



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[See 2019 Group Employee Information](#)



Azania Mqayi at the Woolworths Palmyra store coffee cart.

AUSTRALIA

In Australia, transformation focuses on supporting Aboriginal and Torres Strait Islander peoples, including those currently working for the business and those seeking employment as well as customers. Compulsory Equal Employment Opportunity (EEO) training is completed by all new employees to increase awareness of these issues, and David Jones has implemented the David Jones Reconciliation Action Plan.

EMPLOYMENT AND GENDER EQUALITY IN AUSTRALIA

Both Country Road Group and David Jones 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. The two companies adhere to the Workplace Gender Equality Agency compliance-based report, based on the 2012 Gender Equality Act of Australia, and have submitted annual reports detailing female representation in the workplace for FY2019 as:

Proportion of women:



88%

Country Road Group



77%

David Jones

USEFUL LINKS

[See 2019 Group Employee Information](#)

SUPPLY CHAIN TRANSFORMATION

Our Supplier and Enterprise Development (SED) programme in South Africa aims to remove barriers for emerging black and black women-owned businesses to enter into our supplier base. At the heart of the programme is the unlocking of market opportunities for small and medium black and black women-owned enterprises and the further provision of capital and relevant capacity building to deliver to supplier expectations. Woolworths South Africa is on a purpose-led journey to transform entrepreneurial passion and energy into sustainable, local, black businesses absorbed into our supply chain.

In the financial year under review we contributed:

- over R2 billion towards revenues of small and medium enterprises participating in our supplier base
- R2.7 billion in revenues of black and black women-owned suppliers in our supplier base

The 46 beneficiaries of our SED programme have grown from a total revenue of R246 million at the beginning of the period to R293 million by year end as a result of tailor-made support provided by Woolworths South Africa and its partners.



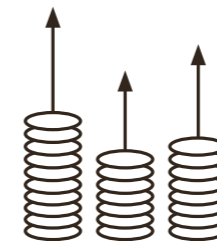
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suppliers on the Supplier and Enterprise Development programme



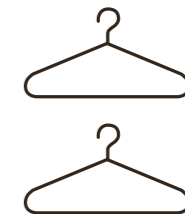
R2.7BN

in revenues contributed to black and black women owned suppliers



R2BN+

towards revenues of participating SMEs



R60.5M

non-cash grant to The Clothing Bank

TALENT DEVELOPMENT

Talent development remains strongly positioned as a mechanism to upskill and advance designated groups, and in the South African context goes hand-in-hand with employment equity (EE). To this end, management is continuously improving the necessary integration between EE and talent development while delivering a value-adding learning and development strategy for a diverse community.

We view skills development as a key enabler of sustainable transformation, particularly in the South African context and to this end, focus on skills development internally as well as enabling education, capacity building and skills development to improve the employability of graduates from various institutions. This will ultimately improve the calibre of our future pipeline and create value for the wider economy.

During the year, we received accreditation by the South African Institute of Chartered Accountants (SAICA) as a training office in terms of SAICA's TOPP training programme (Training Outside of Public Practice). This will enable our aspiring chartered accountant graduates to complete their three years of articles with us to qualify as Chartered Accountants. The accreditation enhances our strategy to grow our own talent and also serves as encouragement for our people who are interested in forging a career as Chartered Accountants. Our first intake of candidates commenced in January 2019. In addition, employees who may not have had the opportunity to complete tertiary studies will now be able to complete a Learnership through Woolworths Finance to obtain their NQF 3 Level Accounting Technician South Africa Certificate. The qualification is the South African Institute of Chartered Accountant's entry- to mid-level designation that helps learners move from being unskilled and unqualified to being accountancy professionals. Both these programmes enable employees to develop the relevant skills for accounting competency in the workplace.

With an increasing demand for access to higher education in our country, our employees are also requesting more opportunities to complete their matric and/or tertiary qualifications. We currently offer funding for tertiary education to our top talent across all levels. It is notable

that despite the funding challenges we have experienced we have been able to address the educational requests of our people. In the last year, we offered 251 employee dependent bursaries amounting to R5 million. We also hosted 102 co-op students for workplace experience, 57 of whom were employed thereafter on long-term contracts of at least 12 months.

In addition to the above initiatives, we also participate in the President's Youth Employment Service initiative to increase employability of youth and build a better South Africa.

Skills development needs and requirements in Australia are substantially different from those in South Africa. One of the key challenges highlighted in 2019 was the need to have a consistent approach and view of talent across the Group. In addressing this, the key focuses for 2019 have been to optimise and streamline the talent and succession process to ensure that talent engagement sessions are objective, strategic, and outcomes driven. Embedding a culture of regular talent discussions that are owned and prioritised by the leaders of the organisation remains central to the people strategy. We have also continued rolling out the Values conversations throughout David Jones and Country Road Group as a priority.

Witchery collaborates with the RMIT University in Melbourne to offer a work placement programme for selected visual merchandising students. Country Road offers 12-month graduate positions for students to be mentored by Country Road's visual merchandising team.

The Woolworths HR team has been awarded the "Best HR team" award by the Institute of People Management (IPM). This award recognises excellence, creativity, innovation and an enterprising spirit within the team, as well as in how people management, development and HR practices are executed in an organisation. Our HR team was commended for making a difference in South Africa by pioneering the TVET Lecture Capacitation Programme (INSIDE RETAIL) plus the ongoing development of unemployed graduates and people with disabilities. We were also recognised for our participation in the YES initiative.

CASE STUDY

YOUTH EMPLOYMENT SERVICE (YES)

Woolworths is committed to making a difference in South Africa and has been involved in making a difference through education by participating in various initiatives like internships, graduate programmes, career exhibitions, and work experience opportunities for unemployed youth and people with disabilities. In March 2018, we became one of the companies partnering with YES (Youth Employment Services) – a CEO-led government initiative launched by President Cyril Ramaphosa aimed at providing one million youth with work experience and helping them gain valuable skills. In the last year, we have collaborated closely with YES and a number of external partners to build an understanding of how to implement YES within the Woolworths environment. Participating in YES has also offered us the opportunity to place learners in

entry-level roles and to build a pipeline of ready-now skilled people for core/scarce roles.

YES employees have been inducted at various Woolworths facilities across the country. At stores, our YES employees will be rotated around the store at approximately three monthly intervals to ensure they experience the complete retail life cycle. They will attend functional and technical training specific to their job role and will attend life skills and financial wellness workshops. Each head-office-based employee will receive a personal development plan based on their specific role, which ranges from visual merchandiser to marketing assistant and graphic designer.

Approximately 450 young people have been offered this opportunity through Woolworths to date.



Woolworths YES employees. From left to right: Nadine Poggenpoel, Lungisa Mjanyelwa, Tara Louw, Warren De Kock, Yonela Gozini, Anastacia Hendricks, Terri Groenewald.

USEFUL LINKS

[2019 Good Business Journey Report](#)

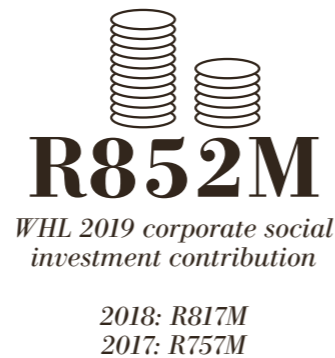
SOCIAL DEVELOPMENT

Our social development strategy reflects our intent to be an active corporate citizen in the countries in which the Group operates and to improving the lives of the communities that help us deliver our business every day. The strategy comprises four pillars that are closely aligned with our overall business strategy, are relevant to the national development priorities in the markets in which we operate, and incorporate the global Sustainable Development Goals. These pillars are:

- Education with the aim of supporting the improvement of educational outcomes in schools. We contribute to this by means of fundraising, positively impacting the education ecosystem and improving the health and wellbeing of learners at school
- Food security to improve access to food and healthy nutrition. We believe that by alleviating hunger by connecting surplus food to need and developing community-based solutions to address food insecurity, we will contribute positively to food security initiatives for the future
- Community resilience to build a thriving and healthy society, customer base and workforce in the regions in which we operate. By partnering with community initiatives, we aim to make a difference, specifically in the areas of physical and mental health
- Involvement of our employees in community-based work so they, too, can contribute to making a difference

In South Africa, social development activities are overseen by The Woolworths Trust in line with our corporate social investment policy. Established in 2003, the Trust is managed by a Board of Trustees and reports to the committee on its activities. Our social development activities in Australia are influenced by the local social context, and the businesses, in partnership with their own strategic partners, relationships and campaigns, focus on community resilience and physical and mental health and wellness

In 2015, we set a Group target to have contributed R3.5 billion in monetary donations and sponsorship as well as surplus food and clothing donations to our communities by 2020. During the course of the 2019 financial year, as we worked towards that goal, our Group's corporate social investment contribution was R852 million.



BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)

Our transformation journey is embedded in our values and desire to improve the quality of life for our employees, customers and other stakeholders. We are, of course, also cognisant of prevailing legislation, such as the BBBEE Act and the BBBEE Codes of Practice.

The Group was rated as a level 7 in 2019, based on the measurement criteria contained in the BBBEE Codes of Practice. The Group's 2019 BBBEE certificate is available on our website. During the year under review, we monitored the Group's plan to further entrench and integrate BBBEE transformation into our strategies and reviewed performance on an ongoing basis. Going forward, we will monitor the reformulation of our transformation targets for 2025.

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[2019 BBBEE Verification Certificate](#)

ANTI-CORRUPTION

During the year, the committee reviewed the Group Anti-Bribery and Corruption Policy which is based on the guidance provided by the Organisation for Economic Co-operation and Development's principles on anti-corruption and the UN Global Compact. The policy articulates and directs the Group's approach to anti-bribery, anti-corruption and sanctions in support of our responsible corporate citizenship.

We are committed to:

- Zero-tolerance of fraud, theft, corruption or any similar illegal behaviour
- Complying with all applicable anti-bribery and corruption laws, regulations, rules, self-regulatory organisation standards and codes of conduct in the countries in which we operate and conducting business transparently and in an honest and ethical manner
- Embedding the business-relevant anti-bribery and corruption compliance framework and processes in our daily activities

- The continuous enhancement of the anti-bribery and corruption risk-based monitoring programme in order to provide assurance to the Board
- Continuously monitoring the regulatory environment to implement appropriate responses to changes and developments

An independently monitored whistle-blowing hotline, Deloitte's Tip-Offs Anonymous, has been made available to employees across the Group as well as to customers and suppliers in the South African business. The hotline enables stakeholders to report suspected fraud or other activities considered to be ethical transgressions and all information reported is treated in the strictest confidence. Tip-Offs training and awareness sessions are conducted periodically to promote utilisation of the facility.

A series of refresher training sessions was also conducted across the Group to ensure heightened awareness of the Group's stance in terms of zero corruption.

ZERO-TOLERANCE OF FRAUD, THEFT, CORRUPTION OR ANY SIMILAR ILLEGAL BEHAVIOUR

HEALTH AND SAFETY

Our Group is committed to providing a safe and healthy environment for all our employees, customers, and contractors. We do so by implementing effective health and safety programmes at each of our locations and by empowering employees to participate in programmes designed to achieve a safe, healthy, and accident-free environment in which to work and trade. Key safety initiatives include regular employee awareness training, quarterly health and safety inspections, and regular internal audit effectiveness reviews.

From a regulatory perspective, the Group's compliance department actively monitors and reports on compliance with health and safety legislation and the reports are reviewed by the Risk and Compliance Committee, which also monitors health and safety risks.

As a business frequented by the public, there are occasional incidents where employees or customers are injured. We ensure that our stores as safe as possible, and treat anyone injured in our stores or other workplaces with care and dignity.

USEFUL LINKS

[Anti-Bribery and Corruption Policy](#)

HUMAN RIGHTS DECLARATION

As a responsible corporate citizen whose purpose is to add quality to life, we are committed to respecting human rights, promoting equality and eradicating discrimination, specifically as these relate to relationships with employees and third parties.

To this end, not only are we signatories to the UN Global Compact, we have also adopted the International Labour Organisation principles, Organisation for Economic Co-operation and Development guidelines, as well as abide by country-specific legislation and regulatory requirements. These have been incorporated into our codes of conduct, policies and procedures across the Group and in all our business operations, including our Supplier Codes Of Conduct which require our business partners to align with our human rights values.

In rare instances where our suppliers may have been found to wilfully breach our Supplier Code of Business Principles, we do not hesitate to cancel our relationship.

We believe that creating a meaningful work environment that enables us to attract, retain, and fully engage diverse talent, and a culture that is free from discrimination and enabling of equal opportunity, leads to enhanced innovation, creativity and business performance. This commitment is reflected in all aspects of policies, practices, and our daily operations.

During the year, both Country Road Group and David Jones signed the Bangladesh Accord on Fire and Building Safety (the Accord). The Accord is an independent and legally binding agreement between brands and trade unions to work together towards a safe and healthy garment and textile industry in Bangladesh.

CUSTOMER RELATIONSHIPS

As a values-led Group that aspires to be 'Customer Obsessed', our customers are a key priority. However, there is a growing understanding that the key to delivering an exceptional customer experience is to invest in our people experience and we, accordingly, focus on both aspects to improve and enhance our relationships with customers.

Issues that are material to our customers are identified through daily interaction in our physical stores as well as on

In 2019, and in order to provide a level of transparency to customers in relation to who makes our products and where they are made, Country Road Group published its factory list and David Jones its private label products supplier map.

In Australia, the Modern Slavery Act (Act) came into effect



FIGHTING MODERN SLAVERY

on 1 January 2019. The Act requires organisations with a consolidated revenue of A\$100 million and above to report annually (with first reports due 31 December 2020) on modern slavery risks in their operations and supply chains, the action they have taken to assess and address the risks, and the effectiveness of their responses. To prepare for this, Country Road Group and David Jones have participated in various industry engagements with the Australian Government on the Act, and have set up a modern slavery cross-functional team. In addition, a full-day workshop was hosted for Country Road Group and David Jones teams and their local Australian suppliers to build awareness on the Act. Speakers included government representatives and modern slavery experts. We will report further in this regard next year.

our digital and social media platforms. In addition, customer focus groups and surveys provide focused input to help identify customer requirements, interests, and concerns, such as the privacy of customer information.

Our statutory mandate requires us to ensure that the Group observes applicable consumer laws, and we are pleased to report that there have been no instances of non-compliance throughout the Group.

STAKEHOLDER ENGAGEMENT

Sound stakeholder engagement facilitates good corporate citizenship and positions us as an active participant in society through proactive engagement and effective responsiveness. We engage openly and inclusively with our stakeholders to better understand their needs and concerns. Our approach is to seek areas of potential partnership, mitigate risks to the business, and create mutual trust and respect.

During the year, our stakeholder engagement programme continued to focus on building new relationships and enhancing existing ones with the South African government, non-governmental organisations, and other relevant interest groups as well as expanding our government relations programme into the rest-of-Africa business. This programme of stakeholder engagement helps the Group better navigate through a complex regulatory, legislative, and political landscape and provides ongoing macro-environmental insights, develops goodwill ambassadors, and, ultimately, ensures our continued social licence to operate.

GOOD BUSINESS JOURNEY

The Group's Good Business Journey demonstrates how we have given meaning to the vision of being one of the world's most responsible retailers. Focusing on the areas of transformation, social development, health and wellness, ethical sourcing, sustainable farming, waste, water, energy and climate change, the Good Business Journey continues to evolve to meet the challenges in business, contribute to social and economic development, and reduce the impact of our business on the environment. Embedding the Good

A significant part of the work is focused on industry participation, and, to this end, management has proactively prepared specific narratives to engage with key stakeholders, ensuring that subject matter experts with the appropriate depth of knowledge and ability to articulate the impacts of potential policies on the business, lead the engagements.

Our stakeholder engagements are grouped into the following focus areas:

- Public policy and advocacy to support a more enabling regulatory environment
- Developing credibility to be recognised as a source of expertise on key issues pertinent to Woolworths
- Creating shared value and socioeconomic performance through real private-public partnerships driven by the desire to do good and be involved in society
- Remaining responsive to the expectations of stakeholders and by managing issues
- Participation on leading business/industry associations

Business Journey throughout the business is one of the Group's strategic focus areas.

The Good Business Journey Report, published as part of the Group's suite of integrated reports, describes all the Group's sustainability initiatives and also provides more information on transformation, our workforce, social development, health and safety, environmental issues and stakeholder engagement, and we encourage you to read the report and to share any comments with us.

THE GOOD BUSINESS JOURNEY CONTINUES TO EVOLVE TO MEET THE CHALLENGES IN BUSINESS, CONTRIBUTE TO SOCIAL AND ECONOMIC DEVELOPMENT, AND REDUCE THE IMPACT OF OUR BUSINESS ON THE ENVIRONMENT.

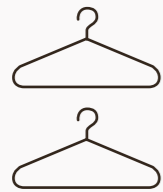
USEFUL LINKS

[2019 Good Business Journey Report](#)

ENVIRONMENTAL MATTERS

All environmental matters are monitored through the Board's Sustainability Committee, which ensures that our sustainability initiatives and objectives are effectively integrated into the business and that the Group operates in an environmentally responsible manner. The committee received feedback from the Sustainability Committee on its initiatives and an overview of the topics considered by the Sustainability Committee during the year can be found on page 134 and in the Good Business Journey Report.

The committee has, nevertheless continued to monitor results of the packaging commitments reported last year including progress made in terms of achieving our vision to reduce packaging waste to landfill to zero, to phase out single-use shopping bags by 2020 and to use reusable or recyclable packaging for our private label products by 2022. Progress in this regard has been made with the following results having been achieved:



14.8M

hangers recycled at Woolworths

2018: 12M
2017: 13.8M



4

Woolworths stores that are plastic bag free



2.4M

Number of reusable bags sold

2018: 1.9M
2017: 1.8M



0.74

Average of plastic bag sales per transaction (Woolworths Food)

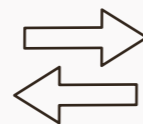
2018: 0.82
2017: 0.83

PACKAGING HIGHLIGHTS FOR 2019

Removal of plastic straws, earbuds, cutlery

Plastic-bag-free store introduction

Introduction of low-cost reusable bag



-8.7%

change in plastic bag sales per transaction

26%

change in reusable bag sales (in units)

CONCLUSION

I am pleased to report on behalf of the committee that the annual self-assessment of our statutory obligations has been undertaken for the year under review and we are satisfied that the committee has discharged its responsibilities appropriately. The Board concurred with this view. I further confirm that the Group continues to meet its environmental, social, and governance responsibilities and, for the period under review, there have been no instances of material non-compliance with legislation or non-adherence to codes of best practice that fall within the committee's mandate.

The Group has retained its inclusion in the FTSE/JSE Responsible Investment Index for 2019/2020 and has been included in the Dow Jones Sustainability Index for the eighth year in succession.

We remain committed to identifying additional strategies to create value and contribute positively to the environmental, societal, and governance requirement of the countries in which we operate and invite our stakeholders to share their views on this report with us by email to Governance@woolworths.co.za. We believe that meaningful feedback from stakeholders is vital to driving our agenda and will help us to deliver more effectively on the Group's goals and targets in terms of transformation.

In closing, I would like to thank the committee members and the executive management team for their inputs and contributions to advancing our social and ethical objectives – there is no alternative in creating sustainable growth and prosperity for all.

N MOHOLI

Chairman of the Social and Ethics Committee

GLOSSARY



ABBREVIATIONS USED IN THIS INTEGRATED ANNUAL REPORT

12mma: 12-month moving average; Used to refer to average market share over a rolling 12-month period

A

aPBT: Adjusted profit before taxation

aEBIT: Adjusted earnings before interest and taxation

AGM: Annual General Meeting; Annual shareholder meeting held in terms of the Companies Act

B

BBBEE: Broad-Based Black Economic Empowerment; Legislation which aims to increase the participation of the majority of South Africans in the economy. Aims to redress the inequalities experienced under apartheid

BPS: Basis points

C

CEO: Chief Executive Officer

COO: Chief Operating Officer

CPI: Consumer Price Index

CPS: Cents per share

CRG: Country Road Group; wholly owned trading subsidiary of WHL based mainly in Australia. Owns the Country Road, Trenery, Witchery, Mimco and Politix brands

CSI/SD: Corporate Social Investment; Component of the BBBEE scorecard which encourages support of charitable and non-profit organisations

CTS: Cost to sell; Expenses expressed as a percentage of turnover

D

DC: Distribution Centre; The food and Fashion, Beauty and Home distribution centres

DJ: David Jones Proprietary Limited; Wholly owned, trading subsidiary of WHL based mainly in Australia

dti: Department of Trade and Industry

E

EBITDA: Earnings before interest, taxation, depreciation and amortisation

EPS: Earnings per share; Profit earned for the period divided by the weighted average number of shares in issue

F

FBH: Fashion, Beauty and Home; An operating segment in Woolworths South Africa which aggregates clothing, footwear, accessories, homeware, beauty and cell phone product buying groups

FD: Group Finance Director

FTE: Full-time equivalent; Number of hours worked by store staff equated back to a person working a 40-hour week

FY: Financial Year

G

GBJ: Good Business Journey; Woolworths Holdings Limited's programme to assist it in achieving its vision of becoming one of the world's most responsible retailers by managing the environmental, social and transformational activities of the Group

GP: Guaranteed Pay; Annual salary and benefits paid to employees

GRC: Governance, Risk and Compliance; Business unit which provides governance, risk, legal and compliance solutions to the business and the Board

H

HEPS: Headline earnings per share; Key measurement of normalised profit per share in South Africa

HDSA: Historically disadvantaged South Africans

I

IPM: Integrated Performance Management; Performance appraisal mechanism to measure employees' achievement against performance goals and behaviours

J

JAWS: JAWS ratio; The percentage increase in sales ahead of increase in expenses

JSE: Johannesburg Stock Exchange; Stock exchange in South Africa on which the company is listed

K

KPI: Key Performance Indicator; Measurable value of performance against target which demonstrates how effectively the Group is achieving its key business objectives

L

LFL: Like for like; Used to compare sales in comparable stores i.e., those stores that are not new and have not had any extension or modernisation to them. Calculated on a 24-month period

LID: Lead Independent Director

LTi: Long-term incentive; Variable remuneration subject to the achievement of performance conditions. Generally a 3-year period

LTIP: Long-term incentive plan; Share scheme instrument allocated to employees in terms of long-term incentive scheme

LTO: Labour turnover; Percentage of employees leaving the business over a defined period

M

MTP: Medium Term Plan; 3-year financial strategic plan

R

ROCE: Return on Capital Employed

ROE: Return on Equity

ROS: Return on sales; Profit after tax expressed as a percentage of turnover

RSP: Restricted share plan; Share scheme instrument allocated to employees in terms of retention scheme

S

SARS: Share appreciation right scheme; Share scheme instrument allocated to employees in terms of long-term incentive scheme

SEC: Social and Ethics Committee; A statutory committee in terms of the South African Companies Act which ensures that a company conducts business in a sound and ethical manner

SRI: Socially Responsibility Index; An index created by the JSE to measure the social responsibility criteria of companies listed on the JSE. The South African equivalent of the Dow Jones Index

STI: Short-term incentive; Variable remuneration subject to the achievement of performance conditions. Generally a 1-year period

T

TCoE: Total cost of employment; Total salary and benefits of employees

V

VP: Variable pay; Remuneration that varies according to the achievement or not of performance conditions

W

WACC: Weighted average cost of capital

WFS: Woolworths Financial Services (Pty) Limited; A joint venture between Woolworths and Barclays Africa Group that supports the Woolworths retail business by providing financial services to Woolworths' customers through in-store cards, credit cards and personal loans

WHL: Woolworths Holdings Limited; Southern hemisphere retail Group that has been listed on the Johannesburg Stock Exchange Limited (JSE) since 1997. The Group trades through three operating subsidiaries, including Woolworths Proprietary Limited (Woolworths or WSA), Country Road Group Proprietary Limited (Country Road Group or CRG), and David Jones Proprietary Limited (David Jones or DJ). Woolworths Financial Services Proprietary Limited (WFS) is a joint venture with Barclays Africa Group, which holds the controlling interest

WHST: Woolworths Holdings Share Trust; The Trust through which the shares allocated for the long-term incentive schemes are managed

WSA: Woolworths/Woolworths SA; A wholly owned trading subsidiary of WHL, mainly based in South Africa

Y

YES: Youth Employment Service; A CEO-led government initiative launched by President Cyril Ramaphosa aimed at providing one million youth with work experience and helping them gain valuable skills

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

We appreciate any feedback on our Integrated Annual Report.
Please contact InvestorRelations@woolworths.co.za
