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"We continue to be convinced that the rewards of building a sustainable business far outweigh our substantial investment"

Brian Frost

Last year Woolworths embarked upon delivering an integrated sustainability strategy. This year we continue to both deepen our understanding by engaging with and confronting key sustainability issues. We have reviewed best practices in global reporting and, in line with these learnings, this report signifies a shift from general reporting to detailing specific activities as well as highlighting measurement and monitoring benchmarks, which have become important indicators for our business.

We need to continually focus on balancing the triple bottom line, delivering shareholder returns whilst maintaining ecological balance and social progress. To give a specific example, this year we started to take a long hard look at the plastic packaging used in our foods, balancing the need for economical, recyclable packaging with the need to maintain product safety and quality.

Woolworths has realised that many of our sustainability challenges originate long before a product reaches our shelves. This year, most of our suppliers have been audited in line with our Supplier Code of Business Principles. These audits cover a wide range of issues including child labour, animal welfare, health and safety and environmental impacts.

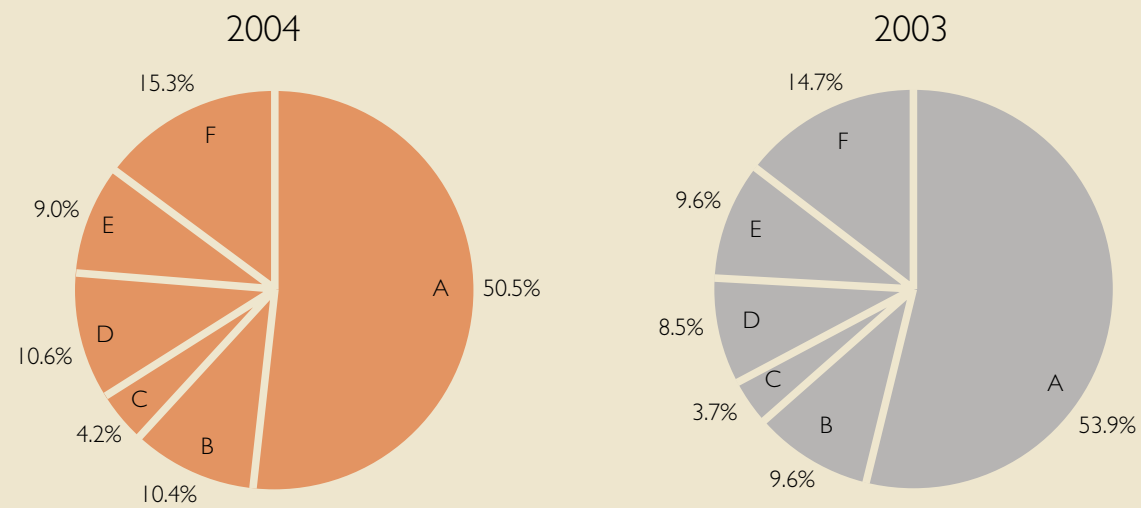
Our appointment to the JSE's newly-formed Socially Responsible Investment Index recognises our reporting initiative in our previous annual report and provides a benchmark for our sustainability reporting into the future.

In its second year of operation, the Woolworths Trust continued with its EduPlant programme and over 3 800 educators from many different schools were introduced to food gardening through 54 workshops. In addition, the Woolworths Trust has worked with the Robin Good Initiative (an NGO) to develop a more effective process for distributing Woolworths surplus food to those in need - we conservatively estimate that we contribute enough food for 7 million meals per annum.

We are proud to report on our progress in all areas over the last year, which you will find clearly mapped in the report that follows. The information in this report relates mainly to our South African business, which accounts for more the major share of our turnover and, in line with global best practice, we have included a Global Reporting Initiative (GRI) index at the end of this report.

There is still a long road to travel but we look forward with anticipation to continuing to meet the challenges of building a sustainable business.

Brian Frost
Brian Frost



	2004 Rm	%	2003 Rm	%
Value added:	11 281.7		10 094.8	
Less: Cost of merchandise	(7 262.2)		(6 358.6)	
Cost of services and other operating expenses	(1 439.1)		(1 369.5)	
Wealth created:	2 580.4		2 366.7	
Distribution of wealth:				
A To employees as salaries, wages and other benefits	1 303.2	50.5	1 276.5	53.9
B To government as income tax (including deferred tax)	268.9	10.4	227.4	9.6
C To lenders as finance costs	108.7	4.2	87.4	3.7
D To shareholders	271.7	10.6	201.3	8.5
E Depreciation	232.8	9.0	227.1	9.6
F Net earnings retained	395.1	15.3	347.0	14.7
Wealth distributed:	2 580.4	100.0	2 366.7	100.0

Cash value added is the wealth expressed in cash terms, that the group has created by purchasing, manufacturing, processing and marketing its products and services.

This statement shows how this cash wealth created has been disbursed among the group's stakeholders.

Sustainable business practices enable an organisation to strive for economic prosperity and growth whilst maintaining and, where relevant, encouraging ecological balance and social progress.

woolworths sustainability guidelines

- Our behaviour will demonstrate the respect we have for our shareholders, our employees, customers, suppliers and their employees, and the communities in which we operate;
- We will work to use natural resources as efficiently as possible so as to minimise waste, and reduce our use of substances and activities that are harmful to people and the environment;
- We care about the source of our products and we are increasingly sensitive to how, where and by whom our products are made, minimising social and environmental impact;
- We will continuously monitor our performance against internal benchmarks and against local and international best practice; and
- Woolworths will listen and understand the concerns, views and opinions of our stakeholders and the communities in which we operate and we will use this understanding to develop informed and confident policies.



listening learning and engaging

stakeholders	how we listened, learned and engaged
Customers	Sales information and regular monitoring of customer perceptions through tracking studies and focus groups; Customer Feedback Express database introduced to manage all communications received via email, telephone, letters and comment slips from stores; Customer returns; Customer requests for new products.
Employees	Regular surveys to measure employee satisfaction and commitment; Communication forums established in stores; Regular senior management store visits; Employment equity meetings; Health and safety meetings; Published Envirowatch newsletters on our intranet.
Shareholders	Annual general meeting; Meetings with analysts and major shareholders; Investor presentations; Increasing interaction and transparency through the business media.
Suppliers including franchisees	Supplier days; Visits, discussions, meetings and performance reviews; Trade shows and exhibitions.
Communities	Ongoing involvement with NGO's including EduPlant, Heartbeat, Community Chest, Child Accident Prevention Foundation of SA and the Children's Hospital Poisons Information Centre; Interaction with local communities through volunteer initiatives by Store Community Affairs teams; Support of the MySchool fundraising programme for schools.
Environment and animal welfare groups	Meetings with organisations such as NSPCA, Wildlife and Environment Society of SA, Organic Agricultural Association of SA, Fairest Cape Association.
Government/Regulators	Ongoing liaison with food standards' authorities such as the Department of Health, Department of Agriculture and the SA Bureau of Standards; Meetings with senior officials and policy makers within environmental government departments such as the SA Department of Water Affairs and Forestry, Landcare SA and the Department of Environment and Tourism; Liaison with Department of Labour regarding Skills Development and Employment Equity.
Industry bodies	Participation in the Cleaner Textile Production project; Participation in the Retailers' Association; Membership of the Consumer Goods Council, National Business Initiative & SA Chamber of Business. In addition to the key stakeholders listed above, Woolworths continues to build constructive and meaningful relationships with many other organisations in South Africa and abroad.



delivering sustainable | products and services

safety

Woolworths concern for the well-being of our customers through the development and promotion of safer products remains at the centre of all our sourcing and development and is embedded in the organisation's structure, policies and practices.

labelling

Woolworths labelling policy is an inclusive policy, providing sufficient information to enable customers to make informed choices about the products they are purchasing. Woolworths textiles' labels contain information which is important and useful to the customer such as fibre content, size, wash care instructions and country of origin. Woolworths foods' labels contain detailed information including information about the ingredients, nutritional values and allergens.

safer food

Woolworths employs more than 50 food technologists whose primary concern is food safety alongside their responsibilities for product quality and the development of new products. Attention to detail at every level of our food production process is of paramount importance and our SANAS-accredited food laboratory continues to run routine checks on food products for any potentially harmful micro-organisms and pathogens.

Woolworths continues to remove as many additives and residues in food as possible:

- pesticide residue levels on fresh produce and heavy metal levels in fish are routinely monitored;
 - unnecessary additives (including preservatives) are removed from foods wherever possible and tartrazine and MSG have been removed from the entire food market;
 - sulphur dioxide has been eliminated from fruit juices; and
 - all yoghurts are free from added preservatives and gelatin.
- Woolworths livestock are reared as humanely as possible:
- Woolworths no longer sells eggs from caged hens;
 - chickens' feed contains no animal by-products;
 - free-range broiler chickens (used for meat production) do not receive routine antibiotics in their food; and
 - Our exclusive range of Ayrshire dairy products is guaranteed free of added hormones.

Woolworths fresh produce is produced with consideration for customer concerns:

- no fresh produce is irradiated, only certain herbs and spices are irradiated as there is no other way of controlling harmful micro-organisms and these products are clearly labelled "radurised" - organic herbs are offered as an alternative; and

■ last year we stated that we wanted to certify our entire fresh fruit and vegetable supplier base to the Eurepgap standard for safe and sustainable agriculture. Although some of our bigger suppliers are already certified, we aim to have all our suppliers trained in preparation for certification by the end of the 2005 financial year:

- Woolworths is a leader in South Africa in the production of organic food, all of which is certified organic by internationally recognised authorities;
- Woolworths organic offering has increased to over 150 food lines, encompassing dairy, eggs, meat, fruit juice and wine as well as a number of grocery lines;
- more than 100 certified organic farmers supply Woolworths;
- following the success of organic foods, we have introduced garments for women and babies containing 100% organic cotton have embarked on a process to increase the amount of 100% organic cotton used in garments; and
- we will be importing a range of toiletries, developed for Marks & Spencer, which contains a high percentage of organic ingredients.

safer clothing, toys and packaging

Our textile technologists continue to enforce strict safety standards in the production of clothing and homeware. A major milestone has been the introduction of the metal detection policy requiring all children's products to be scanned, reducing the risk of any injuries from broken pins and needles. This policy is currently being rolled out to cover all men's and ladies' intimatewear.

Working closely with the Child Accident Prevention Foundation of South Africa we try to ensure that our garments and toys are safe and do not pose any health risk to children:

- all metal trims are nickel free to prevent possible allergic reactions;
- all buttons on baby clothing are lock-stitched to reduce the risk of choking;
- all garments with cords must be security tacked and the cord length must not exceed 14cm;
- we were the first South African retailer to launch a range of reflective school wear in order to make our children safer on the roads;
- all toys are safety tested against EN71, an international toy safety standard;
- all batteries in toys must be encased with the aid of a screw to prevent infants from choking;
- in line with international best practice, we have banned the use of Azo dyes in the production of our textiles due to their environmental and health risks; and
- we are phasing out the use of PVC plastic in packaging - our latest success was a move to PET plastic windows in our underwear boxes, reducing our consumption of PVC by over 30 tons per year.

animal welfare

Woolworths demands that animals destined for our stores are always treated with care and in the most humane way throughout the whole production process. Woolworths will not buy from any farm or abattoir where animals are abused.

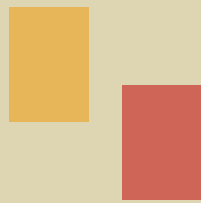
Woolworths suppliers are required to adhere to world-class animal welfare policies and we support the work of the international animal welfare "Compassion in World Farming" which has exposed bad practices in South Africa.

In addition to the introduction of innovative animal welfare practices, for example, limiting our egg range to only include eggs laid by chickens that roam freely in large barns and outside areas, we continue to actively grow our free range product offering wherever possible. More than 25% of the chicken Woolworths sells is now free range.

Further steps have been taken to ensure humane animal practices:

- we continue to enforce the Code of Practice for Animal Welfare developed with the NSPCA for red meat – a Woolworths technologist regularly audits all our farms and abattoirs to ensure conformance to the code;
- we require that all our duck feather and down fillings, used in pillows and duvets, are by-products of the food industry and we do not sell any products made from real fur;
- we have never commissioned or asked our health & beauty suppliers to carry out any testing of our products on animals. We consistently use human tester trials and other types of safety checks and we prefer to use tried and tested ingredients with a good safety record. We follow the British Royal Society for the Prevention of Cruelty to Animals (RSPCA) guidelines and do not use any raw materials tested on animals after 1 January 1998;
- we have instructed our health & beauty suppliers to only use ingredients that are by-products of the food industry; and
- Woolworths supplies the Red Cross Children's Hospital Poisons Information Centre with the formulations of all our toiletry products so that in the event of a poisoning, the correct action can be taken at any time of the day.





waste reduction

As a business, Woolworths is conscious of the fact that packaging waste is of major concern to our consumers. Systems for the recovery and recycling of paper, glass and metal packaging waste in South Africa are relatively far advanced but the systems for plastic recovery and recycling are still in their infancy. Although plastic packaging is widely used for food packaging because of the hygiene, longevity and safety benefits, Woolworths is committed to making its packaging more recyclable, reducing unnecessary packaging and looking at the use of the latest technology in renewable alternatives.

biodiversity

Mindful of the delicate balance between the extraordinary diversity of plant and animal species that exist on earth and the potential impact of production on the natural eco-systems that support all life, we are committed, wherever possible, to supplying products whose production is not harmful to natural eco-systems. To this end, Woolworths is working hard in the following areas:

- eliminating genetically modified ingredients wherever possible and clearly labelling those remaining products that may contain genetically modified ingredients, enabling customers to make informed choices when shopping;
- ensuring that technologists, working with Woolworths carefully selected suppliers, are able to identify the origin of fish catches and that responsible fish harvesting techniques are used in order to protect our fish stocks and conserve threatened species;
- endeavouring to source all our wood based products from certified sustainably harvested forests and when it is not possible to source wood from a certified source, we ensure that the wood comes from a commercial plantation that is responsibly managed and not from natural forests; and
- maintaining a steadfast commitment to our badger-friendly honey policy, first adopted in March 2002, even when adverse weather conditions in 2003 affected our supply of badger-friendly honey. All honey suppliers are audited against this policy ensuring that all honey sold by Woolworths is produced without harm to honey badgers.

recycling

During the past financial year, Woolworths undertook the first formal audit of our rigid plastic foods' packaging (bottles, tubs and trays) to determine how easy it was to recycle. 62% of the items were marked with the correct polymer identification marks and over the next year we will engage with our packaging suppliers to ensure that plans are put in place to mark, over time, all plastic containers with the correct polymer recycling identification marking.

We continue to encourage recycling at all our stores, depots and head office - cardboard, paper and clothes hangers are the major waste materials that we recycle.

Since the ban on free, lightweight plastic shopping bags for food, our bag purchases have decreased by 64% in unit terms. Woolworths art bag range continues to be a favourite with South Africa's consumers and the work of our thirteenth emerging South African artist has just gone into print on the latest bag in the range.



clothes hanger recycling

We have been recycling our hangers since 1986 through a company that we helped to establish called Hangerman. To date over 170 million Woolworths hangers have been sorted and cleaned before being sent back to the clothing suppliers for reuse. A large percentage of the workforce used to clean and sort the hangers is physically or mentally disabled. We also now incorporate 25% recycled material in the manufacture of all Woolworths new blouse plastic hangers.

"The partnership between Woolworths, Hangerman and Orion since June 1986, has not only provided jobs to a large group of people with physical and intellectual disabilities, but in doing so, were also actively involved in preparing many of them to be placed in the open labour market. They cultivated the feeling of self-worth and dignity in many of our disabled by showing them that they are trusted with such an important task to recycle millions of hangers each year. Woolies and Hangerman truly make a positive difference!"

Lizelle van Wyk, CEO of Orion (an organisation for the physically and intellectually disabled in Atlantis)

Recycling at head office

In the last year, Woolworths contracted an organisation to manage all the head office waste and to reduce the cost and the amount of waste going to landfill. Their on-site personnel sort the waste into three grades of paper as well as glass and plastic. Proceeds from this activity are donated equally between the National Botanical Institute's outreach programme and Food & Trees for Africa.

responsible energy usage

The use of energy and its contributions to climate change is arguably one of the biggest environmental challenges we face. Woolworths has developed and implemented a wide range of programmes to improve the eco-efficiency of our stores and other buildings.

In monitoring electricity usage, we have established a benchmark of 502 kWh/m²/year in our corporate-owned stores against which we will monitor usage efficiency in future years. Delivery of product from and between our three main distribution centres to our stores nationally is subcontracted to a specialist transporter and Woolworths works closely with them to monitor the kilometres travelled for Woolworths and the related fuel consumption. Improved efficiencies in the distribution network will reduce the relative distances travelled and the related fuel consumption.

conserving water

Southern Africa is a water scarce region with 60% of the water falling on 20% of the land. Although Woolworths itself is not a big user of water, we recognise the importance of conserving water in the growing and processing of our foods and the manufacture of our clothing as well as minimising the impacts of wastewater in production processes, particularly textiles.

This year, Woolworths initiated discussions with the Department of Water Affairs and Forestry to better understand the issues surrounding water and how they will impact both the supply base and the business in the future. To increase awareness and knowledge amongst Woolworths employees a special edition of Woolworths in-house Envirowatch newsletter was published, focusing on water; to coincide with National Water Week. We will, over the next year, begin to look at the water efficiency of our supply chain more closely and engage more actively with suppliers on this issue.

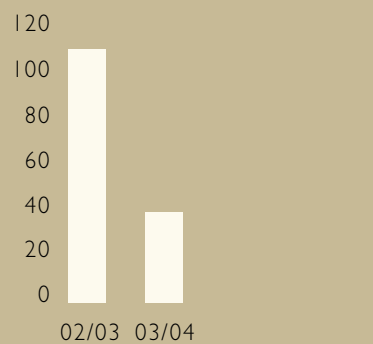
building a more sustainable store

Woolworths is investigating ways of building and operating stores in a more sustainable way. Plans are underway to test some new thinking in the areas of sustainable building on a pilot building including for example:

- making maximum use of the building structure;
- recycling as much of the existing building materials as we can;
- minimising our dependence on municipal treated water;
- ensuring that the site is free of latent environmental risks (e.g. asbestos);
- employing the latest refrigeration technology; and
- making maximum use of natural light.

plastic bag usage

quantity of bags (millions)



water quality management

With the assistance of the CSIR we intend to audit all our major local fabric suppliers during this coming financial year, measuring their production processes against Woolworths Dyeing & Finishing Environmental Code of Conduct. Each chemical used is placed in one of four categories:

- no concerns – no action required;
- banned – either altogether or in certain uses;
- being replaced - a lower level of concern leading to phase out; and
- monitoring – when no definite evidence yet suggests a chemical should be replaced or banned but there are some concerns or scientific research that suggest we need to watch developments carefully.

In addition, we have instructed our suppliers to avoid the use of chrome dyes on wool wherever possible and our textile technology department is represented on the steering committee for the national "Cleaner Textile Production Project" involving the Department of Trade and Industry, the Danish Government, and the local textile industry.



Menswear sales assistant: Peter Thomas

employee | well being

learnerships

In building a high-performance retail organisation, the development of passionate, committed and talented retailer leadership is critical and to this end Woolworths currently offers 10 learnerships.

current learnerships

Business Area	Learnerships offered
Product	<ul style="list-style-type: none"> ■ Trainee buyers, planners and technologists in clothing and home – technical, functional and management skills for middle managers. ■ Trainee buyers, planners, selectors and technologists in foods – technical, functional and management skills for middle managers.
Selling	<ul style="list-style-type: none"> ■ Job Skills – technical and functional skills for sales assistants. ■ Disabled – technical and functional skills for sales assistants. ■ Trainee management – technical, functional and management skills for middle managers. ■ Management in training – technical, functional and management skills for managers with previous work experience.
Finance	<ul style="list-style-type: none"> ■ Associated Accounting Technician (AAT) - technical accounting skills for junior to middle managers. ■ Assistant General Accountants (AGA) – technical accounting skills for middle managers.
All Functional Areas	<ul style="list-style-type: none"> ■ Retail Bridging – provides staff levels with a broad perspective of the retail business (partner with an external learning provider – Knovation). ■ Retail Academy – aimed at developing top performing talent currently at middle management with business leadership retail skills (partner with the UCT Graduate School of Business).

The Job Skills Programmes (currently 3) and Trainee Management Programmes (currently 5) in Selling are accredited in support of Woolworths being recognised as a learning provider. Woolworths plans to gain accreditation for more in-house programmes as well as developing further learnerships in the Operations area.

skills development

Woolworths is committed to the development of all employees and, to this end, supports government initiatives aimed at promoting training, education and development. The total skills development levy paid by the group in the 2003-2004 financial year was R8 756 827 and R4 142 168 was received in rebate.

health and safety

Woolworths is committed to providing a safe and healthy environment for all employees, customers and third party service providers, in our offices, stores and distribution centres. We have a standard set of well-defined and documented health & safety policies and procedures. This information and related guidelines are made available to all employees in all areas of the business and occupational health and safety training is regularly conducted amongst management, employees and contract staff.

The following health and safety risks have been identified as being priority areas:

- emergency preparedness and response;
- armed robbery survival;
- strict adherence to administrative procedures with regard to the Act;
- design and implementation of environmentally and ergonomically-safe stores; and
- good housekeeping on high traffic shop floor surfaces to prevent accidental slips and falls.

All workplace incidents/accidents that require reporting in terms of the Compensation of Injury and Diseases Act (COIDA) are reported to a specialised risk consultancy which administers the documenting and reporting process of all incidents.

Woolworths is committed to increasing the awareness across the business of all aspects of a safe and healthy work environment for all employees, customers and contractors through training and communication.

HIV/AIDS

Woolworths seeks to create a non-discriminatory, supportive environment that minimises the impact of HIV/AIDS on our employees and our business, through sustainable interventions that address risk, focus on the prevention of new infections and prolong the health and lives of those affected. A steering committee was established last year to review and further develop a comprehensive and integrated approach to HIV/AIDS including the formulation of policy and management of related programmes.

HIV/AIDS is prevented through education and the encouragement of safer sexual practices and personal responsibility. At Woolworths, this includes peer education, condom distribution, awareness campaigns and wellness screening. Once an employee is infected, we provide care and treatment seeking to prolong the health and life of those infected, create a supportive work environment and provide support programmes to all affected in the workplace.

Woolworths employee prevalence rate of HIV/AIDS is currently below the national average. Although Woolworths has not noticed any affect on absenteeism and productivity as a result of HIV/AIDS at this stage, Woolworths continues to implement key initiatives in the management of HIV/AIDS including:

- upgrade and improvement of educational materials;
- introduction of a half-day management training session helping managers to manage HIV/AIDS (and any other chronic illness) in the workplace;
- re-evaluation and update of all human resource policies and procedures related to HIV/AIDS;
- a company-wide survey of Knowledge Attitude and Behaviour practices with respect to HIV/AIDS indicating that the vast majority of the respondents are knowledgeable about the risk factors, a few show discriminatory tendencies towards HIV/AIDS and few report risky sexual behaviour; and
- From 1 January 2004, all employees who are members of the Woolworths Healthcare Fund have been given access to anti-retrovirals (ARV's) in addition to the voluntary and confidential HIV testing and counselling that has been available to all members for many years.

Looking ahead, Woolworths will address the lack of access to HIV testing and treatment for the large number of flexitimers employed by Woolworths. Plans are underway to provide an HIV/AIDS disease management programme that includes anti-retroviral therapy for flexitimers. A free "Know Your Status" campaign is also planned for this financial year, which will be managed by an external service provider to ensure confidentiality is maintained.

extending | our influence

Woolworths remains critically aware of the importance of the communities in which we operate, the world beyond our stores. Our active engagement with the community, relevant stakeholders and our suppliers is an integral part of our business practice.

Where we can positively exercise influence, Woolworths has defined policies and procedures to ensure that sustainable business practice is adhered to, protecting our customers, employees and the environment from potential harm.

a sustainable supply chain

All our suppliers including labour contractors (security guarding, cleaning services, trolley collection services and merchandisers) are bound by the Woolworths Supplier Code of Business Principles. The code covers legal, ethical and environmental requirements and helps to ensure that suppliers' employees are treated with respect and fairly rewarded and that the impact on the environment is carefully and appropriately managed.

Each supplier is independently audited for compliance with this code and all Woolworths suppliers have been audited at least once, and

some three times. In the last year over 300 audits were conducted. Suppliers can self-audit using a web-based audit, which is used by some suppliers as a useful performance check for their businesses. About 30% of suppliers scored in excess of 91% in the previous audit, exempting them from re-audit this year. In addition to the Supplier Code of Business Principles audit, a rigorous Food Hygiene and Safety audit is carried out regularly on all our food suppliers. In instances of non-compliance, corrective action is taken and progress is monitored.

supporting south african manufacturing

All our clothing and homeware garments are labelled with the country of production, allowing our customers to choose the source of manufacture.

We prefer to source garments from local South African suppliers and to this end our levels of local procurement of apparel and home textiles in particular, remains high.

Woolworths continues to engage with several of our competitors and other key role players in the retail industry including the Southern African Textile Workers Union (SACTWU) and the National Economic Development and Labour Council (NEDLAC), to work towards a more sustainable approach to growth and development of the local apparel industry.

Initiating sustainability at the heart of Woolworths Foods

Disadvantaged rural farmers became mainstream Woolworths suppliers when, 3 years ago, Assegai Organics, a pack house in Kwazulu Natal, identified an opportunity to engage surrounding rural communities. Products like potatoes and mdumbis have been grown organically, mainly by women, for many years and today, in excess of 100 of these disadvantaged rural farmers now supply Woolworths.



political donations

In celebration of 10 years of democracy, Woolworths made a once-off donation to various political parties.

Black Economic Empowerment

Woolworths recognises the importance of creating sustainable opportunities for black people in all aspects of our business. Employment equity (covered in the People report in this document) is a key driver in our people strategy. We constantly seek opportunities to include products from suppliers from disadvantaged backgrounds, helping them to develop and grow their business.

Woolworths commitment to the development and profiling of South African design, discussed extensively in the Product section of this report, is an important initiative aimed at entrenching small businesses in South Africa.

A transformation committee headed by Chris Nissen will be formed shortly to address transformation within the business. The transformation committee's mandate will include the finalisation of Woolworths BEE scorecard, evaluation of the supplier review and related recommendations and ongoing evaluation of Woolworths performance against employment equity targets.



the Woolworths trust

the woolworths trust

The Woolworths Trust (the trust), launched last year, continues to provide a focused channel for Woolworths substantial corporate social investment efforts and spend, with the Trustees evaluating the changing needs of society on an annual basis and setting relevant parameters for the consideration of requests.

EduPlant

The trust's flagship project is called The Woolworths Trust EduPlant programme, managed by South Africa's leading greening non-profit organisation, Food & Trees for Africa (FTFA). The programme reaches thousands of schools in South Africa situated mainly in the disadvantaged areas, motivating schools and their communities to grow their own organic foods, learn about good nutrition, alleviate poverty and develop skills in line with Outcomes Based Education requirements.

Earlier this year over 3 800 educators were introduced to food gardening through 54 workshops, double the number of last year, reaching a large number of new schools. The workshops cover all aspects of food gardening from garden design to water harvesting, soil

enrichment, the planting of a diverse range of organic food, energy management, livestock integration, recycling and the importance of good nutrition.

After training, the educators return to their schools and train their learners to grow food naturally on the school grounds. FTFA staff visit as many schools as possible, offering free advice. As an additional incentive to maintain their food gardening activities, more than 11 500 schools were invited to participate in the EduPlant Competition. 7 schools from each province were short listed and invited to present their work with prizes awarded to winning schools at a ceremony attended by high-ranking members of the Departments of Education, Agriculture, Water Affairs and Forestry.

At this year's award ceremony, the Woolworths Trust's educational puppet theatre show called "Good Food makes for Good Times" subtitled "The Earthworms, The Aliens and Bad Boy Buti", will be premiered - a fun story, designed to better explain the importance of good nutrition. An animated video of the same story is planned for distribution to all schools early next year.

MySchool programme

The MySchool programme is now a national programme, which enables schools to raise funds through having parents and friends purchase goods from Woolworths stores. By scanning their MySchool card at the till, a percentage of their purchases is donated to the school of their choice. This year more than R3 million was contributed to schools, three times more than last year.

As part of this programme 180 schools around the Western Cape and Gauteng are currently participating in the "MySchool/Making the difference" programme with plans to extend this nationally over the next two years. The programme is sponsored by the Woolworths Trust and takes a holistic approach to teaching learners and parents about the importance of good food and nutrition.

The programme is based on the curriculum for grade four learners and includes a set of six learning modules with teacher resource modules developed in conjunction with the Sports Science Institute and Western Cape Education Department. An experiential component includes field trips (store and supplier visits), the Woolworths Trust EduPlant garden and parent talks.

surplus food donations

Significant quantities of surplus food and clothing, valued at over R120 million per year, continue to be distributed to charities throughout the country. It is estimated that Woolworths surplus food provides more than 7 million meals a year for the needy.

In certain parts of the country, the Robin Good Initiative (a specialist NGO) distributes Woolworths surplus food. Robin Good centralises the distribution thus helping charities obtain a better spread of the surplus food.

"We see Woolworths surplus food doing much more than just feeding. To thousands of AIDS victims it is a new lease on life, to orphans it means someone cares and to the homeless, hope."

Mike Young, Director of the Robin Good Initiative

employee involvement

Woolworths stores and head office departments have always had community affairs committees that raise their own funds and initiate their own projects in their local communities. Encouragement is given to these committees in the form of a matching funds programme managed by the Woolworths Trust.

looking ahead

We have made some good progress in the past year in understanding and proactively addressing the sustainability challenges that confront our business. We will continue to assess and prioritise sustainability initiatives in every aspect of our company, working towards entrenching long-term sustainable practices.

GRI indicator	Topic	Page	Description
general indicators			
1	Vision and strategy	8 10 37	Chairman's report Chief executive officer's report Sustainability
2.1 – 2.8	Organisational Profile	10 72 52 67	Chief executive officer's report Directors' report Woolworths Country Road
2.9	List of stakeholders	37	Sustainability
2.10	Contact details	109	Administration
2.11	Reporting period	-	Year ended 30 June 2004
2.12	Date of most recent previous report	-	30 June 2003
2.13	Scope/boundaries	-	Retail operations
2.14	Significant changes in size, structure, ownership or products/services	10	Chief executive officer's report
2.15	Basis for reporting (JVS etc included or not)	45 80	GRI content index Accounting policies
2.16	Restatement of information	20 80	Finance report Accounting policies
2.17	Decisions not to apply GRI principles	Not applicable	Some principles applied, to be improved upon in future reports
2.18	Criteria/definitions	Not applicable	Only financial definitions provided
2.19	Significant changes in measurement methods	Not applicable	Not relevant – no changes made
2.20 – 2.21	Independent assurance	Not applicable	Not commissioned
2.22	Information availability	109	Administration
3.1	Governance structure of the organisation	22	Corporate governance
3.2	Percentage of the board of directors that are independent, non-executive directors	23	Corporate governance
3.3	Board member expertise	6 10	Woolworths Holdings directorate Chief executive officer's report
3.4	Board level processes	22	Corporate governance
3.5	Link between executive compensation and the achievement of objectives	29	Corporate governance
3.6	Organisational structure and key responsibilities	10 22	Chief executive officer's report Corporate governance
3.7	Code of conduct	22	Corporate governance
3.8	Mechanisms for shareholders to provide recommendations	37 105	Direct contact with group Annual general meeting
3.9 – 3.12	Stakeholder engagement	37	Sustainability
3.13	Precautionary approach	Not applicable	Under review
3.14	Economic, social and environmental charters	34	Sustainability
3.15	Industry and business association memberships	37	Sustainability
3.16	Policies for supply chain management	45	Sustainability
3.17	Approach to managing indirect impacts	45	Sustainability
3.18	Decisions regarding location and change in operations	10	Chief executive officer's report
3.19	Programmes and procedures pertaining to economic and environmental performance	34	Sustainability report
3.20	Certification status	Not applicable	Not applicable

GRI indicator	Topic	Page	Description
	economic performance indicators		
EC1	Net sales	76	Income Statement
EC2	Breakdown of markets by store type	58	Selling
EC3	Cost of all goods, materials and services	36	Value added statement
EC4	Percentage of contracts paid in accordance with agreed terms	Not applicable	Not measured
EC5	Employee remuneration and benefits	28 36 62	Corporate governance Value added statement People
EC6	Distributions to providers of capital, dividends to all classes of shares	36 76	Value added statement Income statement
EC7	Increase/decrease in retained earnings	36 79	Value added statement Statement of changes in ordinary shareholders' interest
EC8	Taxes paid	36 76	Value added statement Income statement
EC9	Subsidies received	42	Skills development levy
EC10	Donations to other community, civil society and other groups	10 34	Chief executive officer's review Sustainability
	environmental performance		
EN1	Total materials used	34	Sustainability
EN2	Percentage of materials used that are waste from sources external to reporting organisation		
EN3	Direct energy use		
EN4	Indirect energy use		
EN5	Total water use		
EN6	Location and size of land owned, leased or managed in biodiversity-rich habitats	Not applicable	Information unavailable
EN7	Description of major impacts on biodiversity	40	Sustainability
EN8	Greenhouse gas emissions	34	Sustainability Note: Detail not currently available but working towards appropriate and meaningful measurement where possible
EN9	Use and emissions of ozone-depleting substances		
EN10	Significant air emissions by type		
EN11	Total amount of waste by type and destination		
EN12	Significant discharges to water by type		
EN13	Significant spills of chemicals, oils and fuels	Not applicable	Not significant
EN14	Significant environmental impacts of principle products and services	34	Sustainability
EN15	Percentage of weight of products sold that is reclaimable versus the percentage that is actually reclaimed	Not applicable	Information unavailable
EN16	Incidents of and fines for non-compliance associated with environmental issues	Not applicable	None

GRI indicator	Topic	Page	Description
	social performance indicators		
	labour practice		
LA1	Breakdown of workforce	63	People
LA2	Employment creation and average turnover	62	People
LA3	Trade union representation	Not applicable	Not disclosed
LA4	Policy and procedures involving information, consultation and negotiation, with employees over changes in the reporting organisations operations	34 60 62	Sustainability Operations People
	health and safety		
LA5	Occupational accidents and diseases	42	Sustainability
LA6	Health and safety committees	42	Sustainability
LA7	Injury, lost days and absentee rates	Not applicable	Recorded but not disclosed
	training and diversity		
LA8	HIV/AIDS policies or programmes	43	Sustainability
LA9	Training per employee level, gender and ethnic split	42 64	Sustainability People
LA10	Equal opportunity policies or programmes and the monitoring thereof	42 63	Sustainability People
LA11	Composition of senior management and corporate governance bodies	22 63	Corporate governance People
LA(A)	Employee benefits beyond those legally mandated	63	People
	human rights		
HR1	Policies, guidelines, corporate structure and procedures to deal with all aspects of human rights	34	Sustainability
HR2	Evidence of consideration of human rights impacts, as part of procurement	34	Sustainability
HR3	Policies and procedures to evaluate and address human rights performance within the supply chain and contractors	43	Sustainability
HR4	Global policy and procedures/programmes preventing all forms of discrimination	42 62	Sustainability People
HR5	Freedom of association policy	63	People
HR6	Child labour policy	43	Sustainability
HR7	Forced and compulsory labour policy	43	Sustainability
	society		
SO1	Policies to manage impacts on communities	34	Sustainability
SO2	Policy/procedures for addressing bribery	22	Corporate governance
SO3	Description of policy/procedures/systems for managing political lobbying and contributions	46	Sustainability
	product responsibility		
PR1	Policy for preserving client health and safety during use of products	38	Sustainability
PR2	Policy/procedures related to product information and labelling	38	Sustainability
PR3	Policy/procedures relating to client privacy	57	Product