## WITH TOMORROW IN MIND

IN BUT

JOIN US ON OUR GOOD BUSINESS JOURNEY



# THE ROAD AHEAD

ACHIEVING SUSTAINABILITY IN OUR SUPPLY CHAIN AND OUR OWN OPERATIONS CAN'T BE DONE OVERNIGHT. IT'S AN ONGOING JOURNEY.

#### OUR VISION IS TO:

 $\begin{array}{c} \text{CONTRIBUTE} \\ \textbf{R3.5 billion} \\ \text{TO OUR COMMUNITIES} \\ \text{OVER 5 YEARS} \end{array}$ 

SAVE **500 BILLION** LITRES OF WATER OVER 5 YEARS

HALVE OUR ENERGY IMPACT BY 2020 AND SOURCE ALL OUR ENERGY FROM RENEWABLES BY 2030

## RESPONSIBLE SOURCING OF ALL KEY COMMODITIES BY 2020

HAVE AT LEAST **1 SUSTAINABILITY ATTRIBUTE** FOR ALL DIRECTLY SOURCED PRODUCTS BY 2020



THIS HEART SYMBOLISES ALL THE THINGS WE ARE DOING TO MAKE A DIFFERENCE IN THE WORLD.





#### WE'RE ON A JOURNEY TO MAKE A DIFFERENCE

Sustainability is one of the core values of Woolworths and is deeply entrenched in the heart of our business. Our **Good Business Journey** encompasses the issues that matter most to us as a business, and to our colleagues, customers, shareholders and other stakeholders. Today, doing business isn't only about profit, **but about contributing to economic development and giving back** to our people and our planet.

To Woolworths, this means taking the lead in terms of addressing the sustainability of our value chain from field to shelf and beyond. From a social perspective, our aim is to contribute meaningfully towards community development priorities wherever we operate, build long-term partnerships with our suppliers and support the growth of small to mediumsized business enterprises.

We want to make an ongoing impact to alleviate critical environmental and social issues in our supply chain, **particularly in the areas of better working conditions, food security and nutrition, animal welfare, sustainable employment creation and support for local businesses**.







"IN THIS BOOK YOU'LL MEET SOME OF THE PEOPLE WHO WORK HARD EVERY DAY TO ACHIEVE THIS VISION."



As a food and clothing retailer we're part of a complex, globalised supply chain with the potential to work with and influence both suppliers and customers.

We also know that what constitutes "Good Business" is a moving target, and we must push ourselves to achieve more ambitious targets and goals, which we've done by setting challenging Group targets for 2020 and beyond.

Our mission in the next phase of our Good Business Journey is to entrench ourselves even more firmly as a leader in the African and Australian marketplace and ensure we deliver on our vision **to be the most sustainable retailer in the southern hemisphere.** 

JUSTIN SMITH GROUP HEAD OF SUSTAINABILITY, WOOLWORTHS HOLDINGS

In this book you'll meet some of the people who work hard every day to achieve this vision. We recognise that collaboration is an essential part of responding to some of the global environmental and social challenges we are facing and **we thank the suppliers, customers, charities, governments and other partners who have joined us on this journey.** 

#### MAKING A DIFFERENCE, TOGETHER WOOLWORTHS AND WWF-SA

On our mission to go easy on the planet, we are always looking for guidance from those who lead the way. In 2012, the World Wide Fund for Nature South Africa (WWF-SA) joined us on our Good Business Journey and a valuable partnership was born.

By combining our knowledge, expertise and resources, **we have taken great strides in areas like sustainable fishing, water conservation and food security**. WWF-SA has also helped us understand the impact that some of our most important products, like cotton T-shirts, milk and beef have on the environment.

As Tatjana von Bormann of WWF-SA says, "Ultimately, what underpins our partnership is a shared sense of urgency in addressing natural resource risks and a willingness to collaborate and seek creative solutions. WWF-SA has been repeatedly encouraged by Woolworths' willingness to explore new ideas and take courageous risks.

The more we learn and share, the more we can help to make a difference."







"I REALISED THAT WHAT I REALLY WANTED TO DO, WAS TO GROW FOOD."



#### DID YOU KNOW?

Through our Enterprise and Supplier Development Programme, **Woolies supports emerging, primarily black-owned businesses** to become part of our supply chain through technical and financial support to **help create viable and sustainable businesses**.

#### TRANSFORMING LIVES EMPOWERING PEOPLE TO HELP THEMSELVES

You wouldn't expect to find a former telecoms technician born in the bustling urban hub of Sophiatown, Johannesburg farming in the Magaliesburg Valley, but that's exactly where supplier Jimmy Botha now grows baby spinach, rocket, wild rocket and basil for Woolworths.

It all started at a young age when he developed a love for cooking while preparing meals for his siblings. "I realised that what I really wanted to do, was to grow food," he explains. That dream was put on hold when he had the chance to follow a career in telecommunications. Ten years later his career led him to a piece of ground that let him follow his childhood dream - with mentoring and financial assistance from Woolies through the Supplier and Enterprise Development programme, and support from another Woolworths supplier, In2Food.

Today Jimmy employs 42 people on his 15 hectare farm, and his daughter is studying agriculture at the University of the Free State so she can follow in her father's footsteps.









"WITH WOOLIES AS A RETAIL PARTNER, THE EXPLORATION OF IDEAS AND FRONTIERS IS POSSIBLE."

DR KLAUDIA SCHACHTSCHNEIDER PROGRAMME MANAGER WATER STEWARDSHIP, WWF-SA

#### EVERY DROP COUNTS WATER STEWARDSHIP IN THE WESTERN CAPE

Both South Africa and Australia are water-scarce countries and are facing the added challenges of climate change, rising temperatures and drought, not to mention population growth.

In South Africa, agriculture accounts for over 60% of freshwater use. Woolworths, along with the Alliance for Water Stewardship (AWS), GIZ and Marks & Spencer, have been working together with WWF on a Water Stewardship project among stone fruit growers in the Ceres Valley of the Western Cape.

Together with the Council for Scientific and Industrial Research (CSIR) the nine participating farmers analysed their water use and are implementing changes in line with AWS guidelines. In the upper Breede River catchment area we are now focusing on implementing catchment-based initiatives to address larger-scale water issues. These include **urban water quality issues, alien plant clearing and the provision of more water related information, allowing easier implementation of water stewardship projects in the future.** 





#### **UNCHARTED WATERS** FISHING WITH TOMORROW IN MIND

Armed with as much information as possible, and with allies like the Marine Stewardship Council (MSC), the Aquaculture Stewardship Council (ASC) and the Southern African Sustainable Seafood Initiative (WWF-SASSI), **Woolworths is playing an important role in ensuring that there will still be plenty of fish in the sea for future generations**.

In 2012, Woolworths committed that by 2015, all our wildcaught seafood would be either WWF-SASSI Green-listed, caught from MSC for equivalent) certified fisheries, or sourced from fisheries that are undertaking credible, time-bound improvement projects. By the end of 2015, we achieved 93% of these goals, and by February 2016, this increased to 97%. The remaining 3% of our volume sales comes from wild-caught fish species that are not currently assessed by either WWF-SASSI or MSC. **We do not sell Red-listed fish species**.

We're now working on improving the sustainability of the farmed fish in our supply chain. It is our goal that by 2020, all aquaculture species sold by Woolworths 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.





**DID YOU KNOW?** Woolworths introduced a **Sustainable Seafood Policy** in 2008 and was South Africa's first retailer to sign the WWF-SASSI Retail Charter.



EDUPLANT TEACHES COMMUNITIES HOW TO GROW THEIR OWN FOOD SUSTAINABLY.

ZINZI MGOLODELA HEAD OF BEE & TRANSFORMATION, WOOLWORTHS





#### WE'RE HELPING KIDS GROW OUR PARTNERSHIP WITH EDUPLANT

Along with their lessons, learners at hundreds of schools throughout South Africa are learning how to grow good, healthy food thanks to **EduPlant, a programme initiated and managed by South African NGO, Food & Trees for Africa**.

EduPlant, a national permaculture food gardening and greening programme for schools, educates teachers, learners and their surrounding communities how to create sustainable food gardens.

Over the past 12 years, the Woolworths Trust has donated more than R24 million to this programme. This forms part of our long-term commitment to improving food security in South Africa.

Many of the schools use the fresh produce that is grown in their gardens to supplement their school feeding schemes.





#### FARMING FOR THE FUTURE FOOD WITH TOMORROW IN MIND

If you've shopped for Woolies fruit or vegetables any time since 2009, you would have seen our **Farming for the Future** logo. Farming for the Future is a holistic approach that takes the guesswork out of farming. Instead of just doing what they've always done, **our farmers make responsible decisions about irrigation, fertiliser and pesticide use,** based on real-time measurements.

"Farming for the Future takes the best of organic farming and applies them to conventional farming," explains Kobus Pienaar, Manager Good Business Journey, Woolworths Foods. **"It's all about building up soil quality, which is the key to sustainable farming."** 

KOBUS PIENAAR MANAGER GOOD BUSINESS JOURNEY, WOOLWORTHS FOODS

"Healthy soil retains water better, so it needs less irrigation. It also encourages biodiversity and requires fewer chemical interventions, which means less chemical run-off. That helps maintain water quality, which is a vital issue in South Africa."

"Ultimately Farming for the Future helps ensure we produce sufficient food to meet the needs of our customers now, and for future generations."

KOBUS PIENAAR

FRUITWAYS, GRABOUW

# **"FARMING FOR THE FUTURE IS ABOUT MINIMISING THE IMPACT OF FARMING ON THE ENVIRONMENT."**



### LEADING THE WAY WITH FREE RANGE EGGS

Animal welfare has always been an integral part of our Good Business Journey. That's why we believe that the hens that lay our eggs should be free to behave the way they would naturally, and not be kept cooped up in cages.

We source some 120 million eggs every year. About half of them are sold in cartons; the rest are turned into pasteurised liquid egg used in food products. As of 2015, over 95% of Woolworths private label food products containing egg as an ingredient are now made with free range eggs, and we are aiming to reach 100% in the near future. **Woolies is the only major South African retailer to sell only free range whole eggs**.

JOSH CHETTY BUYING MANAGER POULTRY, WOOLWORTHS FOODS

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"WE WANTED TO FREE OUR EGG-LAYING CHICKENS FROM THEIR CAGES AND MAKE THEIR LIVES MORE COMFORTABLE."





#### DID YOU KNOW?

Since 2008, **Beauty without Cruelty** approves the entire Woolworths Private Label range of cosmetics and toiletries, which means it is **not tested on animals**, in-line with our animal welfare policy.

## "IT TOOK THE VISION OF WOOLWORTHS TO NOT ONLY PREACH WHAT WAS REQUIRED, BUT ALSO PRACTICE IT."

PROPET, CAPE TOWN





**DID YOU KNOW?** We're **reducing plastic bag usage** by working with a small local enterprise called **lsikhwama**, who makes our colourful reusable shoppers using fabric **containing 80% recycled PET.** 

## **WASTE NOT** REDUCE, REUSE, RECYCLE

The amount of waste generated every year across the globe is truly staggering. That's why the Woolworths Group is committed to the policy of 'Reduce, Reuse, Recycle' and **our ultimate goal is zero waste to landfills from our operations.** 

Woolworths' journey with Extrupet started in 2009 with the introduction of the first locally manufactured packaging containing recycled post-consumer polyethylene terephthalate (PET) bottles. With guidance and support from Woolworths, the company's facilities have since expanded and now produce a variety of materials used in Woolies products, including recycled PET foods packaging as well as the fibres which go into our reusable fabric shopping bags, our recycled polyester jeans and even the stuffing of some of our pillows and duvets.

We're proud to have supported this initiative - **it represents** a major milestone in our commitment to innovative packaging and reducing plastic waste going into landfills.

CHANDRU WADHWANI JOINT MANAGING DIRECTOR, EXTRUPET

#### DID YOU KNOW?

Woolworths started sourcing UTZ-certified cocoa in 2012. We've come a long way since then and as from 2015, **we are sourcing 100% UTZ-certified cocoa for our private label chocolate boxes, slabs and bars.** We are now also commited to sourcing 100% UTZ-certified cocoa as an ingredient in all Woolies branded foods by 2018.







TYRONE WILLIAMS FOOD TECHNOLOGIST, WOOLWORTHS

D ARTISAN CHOCOLATE. PAARI



#### **BETTER FOR PEOPLE AND PLANET** SOURCING UTZ-CERTIFIED COCOA FOR OUR CHOCOLATE

Part of our Good Business Journey means ensuring the food we sell is grown or made in ways that benefit the people and places that produce them. One example is our commitment to using only responsibly sourced cocoa.

"We're working with an international organisation called UTZ to support responsible, and environmentally sound cocoa farming. The programme enables farmers to learn better farming methods and increase cocoa yields, improve working conditions, take better care of their children and the environment and also help prevent deforestation," explains Woolies food technologist Tyrone Williams.

Woolies has been on a journey with DV Chocolates, supplier of locally produced artisanal chocolate since 2011. DV's African Collection use only UTZ sourced cocoa from the Bundibugyo region of Uganda. What makes DV Chocolate unique is the African grown, African crafted and African owned story which is incredible when you consider that most of the world's cocoa beans come from Africa, however very little is made on the continent. "In choosing a retail partner it was important to us that their values were aligned with ours, which is the reason why we choose to partner exclusively with Woolworths in the South African market," explains Peter de Villiers of DV Chocolate.



#### SWITCHING OVER USING ENERGY WISELY, WHEREVER WE ARE

When it comes to energy efficiency, we have already taken great strides as a Group. Between 2004 and 2015, **we reduced the relative energy consumption across Woolworths stores by 40%** through various energy-saving strategies.

#### LES HALL REAL ESTATE MANAGER, WOOLWORTHS

Our 'Metering Online' monitoring system lets us keep an eye on our electricity consumption throughout our South African and African operations in real time. We've installed solar panels on the rooftops of two buildings at our Head Office and the first phase of **one of South Africa's largest solar installations is underway at one of our biggest distribution centres**.



WOOLWORTHS HEAD OFFICE, CAPE TOWN CBD

DID YOU KNOW? Each of our stores is carefully assessed by the real estate team to incorporate green building features which reduce energy, save water, minimise waste generation and maximise the use of sustainable building materials. STREET T

"LITTLE BY LITTLE, WE ARE DECREASING OUR CARBON FOOTPRINT."

LES HALL





#### DID YOU KNOW? In 2004, Woolworths became the first South African retailer to introduce 100% organic cotton to our women's and babywear ranges.

## **TOMORROW'S COTTON TODAY**

As a member of the international Better Cotton Initiative (BCI), we are using more sustainable cotton and promoting farming methods that protect nature, conserve water and care for the people who produce it.

We've worked hard with our suppliers to get key spinners BCI accredited and develop BCI-specific sourcing strategies.

Real change is not achieved overnight - it happens one step at a time. Our aim is to have at least 60% of our conventional cotton converted to sustainable cotton by 2020.





THAT THE **BUSINESS.**"

# **"WE REALISE ONLY WAY TO** ACCOMPLISH **OUR GOALS IS TO CHANGE OUR APPROACH TO**

## **ONE GROUP** ONE JOURNEY

We are not alone on this journey. Our expanded southern hemisphere footprint provides the opportunity to further entrench Woolworths' vision and values across our Australasian Country Road Group and David Jones operations, while still respecting the local culture and context of business in that region.

## THE POWER OF COLLABORATION

MIMCO designs unique accessory collections. Through a collaboration with the Ethical Fashion Artisans (EFA), MIMCO had the opportunity to work with Kenyan artisans to create a capsule collection. The first range was delivered to market in February 2015, with a third collection launched in February 2016 - coinciding with MIMCO's 20th birthday collection. The EFA is a programme of the International Trade Centre and a joint project of the United Nations and World Trade Organisation.

**DOES FASHION HAVE** THE POWER TO MAKE **A DIFFERENCE? OF** COURSE, WE JUST HAVE TO OPEN OUR EYES AND DO THE **RIGHT THING.** 

#### Supporting marginalised communities through paid work is an important initiative for MIMCO.

Through the EFA, communities are trained to manufacture pieces and fulfil commercial orders. In return, the artisans earn a living wage and gain the power to transform their lives and those of the people in their communities.

This collaboration is underpinned by MIMCO's robust sustainability strategy, which includes a commitment to maintaining high ethical standards throughout the supply chain across all product ranges. All MIMCO suppliers are required to comply with their Code of Labour Practice, which is aligned with the International Labour Organisation conventions in relation to ethical trade.







#### THE ARTISANS EARN A LIVING WAGE AND GAIN THE POWER TO TRANSFORM THEIR LIVES.





#### FASHION WITH HEART

Since 2000, Witchery and the Ovarian Cancer Research Foundation (OCRF) have united in the fight to save lives. Through the annual White Shirt Campaign, funds raised have enabled the OCRF to appoint several full-time research scientists and buy vital medical equipment, to assist their efforts in finding an early detection test for ovarian cancer.

#### THE CAMPAIGN **IS RAISING AWARENESS** FOR OVARIAN **CANCER AND** GENERATING FUNDS FOR VITAL RESEARCH.

Its success is based on the simplicity of the message: 100% of gross proceeds from the sale of each white shirt goes directly to the OCRF.

In 2015, Witchery received the Fashion with Heart award at the Prix de Marie Claire Awards in recognition of the annual White Shirt Campaign and efforts to raise funds for the OCRF.

#### EMPOWERING WOMEN TO FIGHT BACK

It's daunting to think that one in eight Australian women will be diagnosed with breast cancer in their lifetime. As part of its commitment to health and wellness, David Jones has partnered with BreastScreen associations in each state to establish Rose Clinics, initially in the Sydney flagship store in 2002, and now in the Melbourne, Brisbane, Adelaide and Perth stores. Here, women aged 40 and over can get screened for breast cancer, for free.

The clinics use state of the art digital mammography technology, offering a first class clinical service in a comfortable, non-clinical environment. David Jones has supported the clinics through a contribution of over A\$950 000 annually. This includes the provision of space and funding of wages for the nurses to facilitate the screening in these clinics.

The response to the programme has been overwhelming, with over 35 000 women undertaking breast screening at David Jones Rose Clinics in 2015 alone, and taking one giant leap for early detection.



LENS."



## **"IT INSPIRES ME** TO KNOW THAT WE ARE LOOKING **AT SUPPORTING** THE COMMUNITY WITH A DIFFERENT

A GROUP EFFORT In 2015, 650 David Jones staff members hit the road at the Mother's Day Classic running event, raising over A\$80 000 for breast cancer awareness.

## WOOLWORTHS

#### JOIN OUR JOURNEY ♥

Our Good Business Journey is not just about doing business with tomorrow in mind. It's also about every one of us doing what we can to go easy on the planet. From taking responsibility for our own environmental impact at work and home, to choosing products that are socially responsible or taking the time to support our favourite charities and giving something back to our local communities.

Every step we take in the right direction is one step closer to a better tomorrow. To find out more about what we're doing, visit www.woolworths.co.za/goodbusinessjourney www.davidjones.com.au/gbj/ www.countryroad.com.au/sustainability @WoolworthsGBJ

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## DAVID JONES COUNTRY ROAD GROUP

COUNTRY ROAD MIMCO TRENERY WITCHERY