



Independent Verification Statement

To the Board of Directors and Management of Woolworths Holdings Ltd.

Introduction

Woolworths Holdings Ltd. (hereafter "Woolworths") commissioned GCX Africa (hereafter "GCX") to perform an independent third party, limited level verification of its Greenhouse Gas (GHG) emissions inventory for the reporting period 1 January 2013 to 31 December 2013 (hereafter 2013).

The verification was carried out in accordance with the International Standard ISO14064-3 (2006) 'Specification with guidance for the validation and verification of greenhouse gas assertions'.

Verification Objectives and Performance Criteria

Woolworths' key verification objectives were to confirm that the 2013 GHG inventory is accurate and complete, and to improve the quality of Woolworths' GHG reporting. Woolworths requested a limited level of assurance on the GHG assertion detailed below.

The criteria for the verification were conformance with the principles, guidance and reporting requirements of the WBCSD/WRI *GHG Protocol Corporate Accounting Standard*, 2nd Edition, 2004 (hereafter "*GHG Protocol Corporate Standard*").

GHG Assertion

The verification procedures assessed Woolworths' 2013 GHG emissions assertion, consolidated using the **operational control** approach, which after final revision on 27 May 2014 was stated as:

Scope 1: 12 703.77 tonnes CO₂e
Scope 2: 312 298.09 tonnes CO₂e
Scope 3: 77 157.63 tonnes CO₂e
Total Scopes 1, 2 and 3: 402 159.50 tonnes CO₂e
Outside of Scopes: 42 090.30 tonnes CO₂e ¹
Total measured GHG emissions: 444 249.80 tonnes CO₂e

Verification Scope

In conformance with ISO14064-3 (2006), the verification process included an assessment of:

- The reporting boundaries selected;
- The quantification methodology and emission factors used;
- The integrity of the historical activity data used;
- The accuracy and completeness of the GHG data and calculations;
- GHG reporting to assess conformance with the criteria/requirements of the *GHG Protocol Corporate Standard*.

¹ GHG emissions from non-Kyoto Protocol refrigerant gas refills. The *GHG Protocol Corporate Standard* states that these emissions should be reported separately from the scopes.



Specific Exclusions from Reporting Boundary

The following entities/facilities are operationally controlled by Woolworths but were excluded from the organizational boundary for 2013 due to data availability:

- All non-SA operations (except Mauritius stores)
- Woolworths Financial Services (1 Head office facility, jointly controlled with Absa)

In addition, the following relevant emissions sources were excluded/incomplete due to data availability:

Scope 1/Outside of scopes:

- Air-conditioning gas refills for some stores and DC's/stockrooms.
- Refrigeration gas refills for 25 stores (gas type unknown) and R404a refills for some WC and KZN stores.

The above exclusions should be disclosed in response to question CC8.4a of the CDP questionnaire.

Scope 3:

- Waste disposal and recycling at all stores and 4 textile DCs/stockrooms.
- Upstream Transportation and Distribution: all inbound and some outbound transport, including cross-border deliveries and exports.

Woolworths Holdings Limited's Responsibility

Woolworths was responsible for the preparation and presentation of the selected subject matter to GCX.

Responsibility of the Independent Verification Provider (GCX)

The verification task was to form an opinion on the above GHG assertion, regarding:

1. Conformance with the general requirements of the *GHG Protocol Corporate Standard*.
2. Completeness and accuracy of the quantified GHG emissions for the 2013 reporting period.

Given that a limited level of assurance was required, no site visits were conducted.

Inherent Limitations

There is an inherent limitation in providing verification of GHG data. Non-financial data is subject to more inherent limitations than financial data, given both the nature and the methods used to determine, calculate, sample or estimate such data.

The assurance engagement did not include an examination of the derivation of GWPs, emission factors, conversion factors, or other derived third party information.

GCX has not conducted any work outside of the agreed scope and we therefore restrict our opinion to the agreed subject matter.





Carbon Disclosure Project Conclusions

For the purposes of reporting to the Carbon Disclosure Project (CDP2014), and in accordance with the **limited** assurance guidelines of **ISO 14064-3(2006)**, all scope 1, scope 2, scope 3 and outside of scopes GHG emissions in the GHG assertion above were verified, and the following was noted:

CDP CC8.5: Data Accuracy			
Scope 1		Scope 2	
Uncertainty Range	Uncertainty Sources	Uncertainty Range	Uncertainty Sources
>10% but <20%	Data gaps, Extrapolation	>2% but <5%	Data gaps, Metering/ Measurement constraints
CDP CC8.6a, 8.7a and 14.2a: Proportion of Emissions Verified			
Scope 1: 100% ; Scope 2: 100% ; Scope 3: 100%			

Final Verifier Opinion and Qualifications

On the basis of the **limited assurance** procedures followed, using the criteria of the *GHG Protocol Corporate Standard*, there is no evidence that Woolworths' 2013 GHG assertion dated 27 May 2014:

1. Has not been quantified and reported in conformance with the general requirements of the *GHG Protocol Corporate Standard*; and
2. Is not materially correct and a fair, complete and accurate representation of the GHG data and information for the 2013 reporting period, with the following qualifications:
 - o Total GHG emissions were under-estimated due to the exclusions and incomplete data listed above.
 - o Where data was not available or there were data gaps, activity data was estimated, which is subject to inherent inaccuracy.
 - o No municipal invoices or meters were checked to verify the monthly electricity and water consumption data provided by the online metering system (MOL).
 - o GHG emissions from the following scope 3 emissions sources are only indicative, as local emission factors were not used: business travel accommodation, recycled/composted waste and packaging (cardboard and plastic bags).
 - o Recalculation of the base year (2007) GHG emissions inventory (due to boundary, calculation methodology and emission factor changes) is still to be completed.

Signed: **Kerry Evans**
Lead GHG Verifier
GCX Africa
Date: 27.05.2014

Signed: **Ohad Shachar**
Managing Director
GCX Africa
Date: 27.05.2014

