



WOOLWORTHS HOLDINGS LIMITED



2017 GOOD BUSINESS JOURNEY REPORT

INTERACTIVE SUMMARY

# 2017 GOOD BUSINESS JOURNEY REPORT



## WHERE DOES IT WORK?

The document contains live links which will work anywhere where there is an internet connection. You can also view it as a standalone PDF with no connection.



## HOW TO USE IT

Download it to your computer, smartphone or tablet. Once the file has been downloaded it may be used any time. Explore by clicking on the section you would like to visit in the navigation panel, or by clicking the left and right arrows.

# CELEBRATING TEN YEARS OF OUR GOOD BUSINESS JOURNEY

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*Our Good Business Journey was launched in April 2007. At the time, a strategic platform such as this was the first of its kind in South African retail. It represented the innovative thinking that has been important to Woolworths since it was founded over 85 years ago, and a way that the existing social and environmental initiatives as well as those of our stakeholders, including employees, customers, and suppliers, could unite under one banner.*

Over the last ten years the Good Business Journey has set new standards across its eight focus areas of transformation, social development, health and wellness, ethical sourcing, sustainable farming, waste, water and energy. Our strategy has continued to evolve, as the world around us changes, and now also encompasses Woolworths Australasian business'. We've learned a lot along the way and we continue to learn from both our successes and mistakes. The issues behind the Good Business Journey have, if anything, become even more important than they were ten years ago as the world becomes ever more volatile – politically, socially, and in terms of climatic conditions and events.

This is an important celebration which allows us to remind ourselves that business is no longer about profit alone, but about creating shared value and delivering on our commitments and responsibilities to empowering our people and protecting our planet.

**“OUR VISION IS TO BE ONE OF THE WORLD’S  
MOST RESPONSIBLE RETAILERS”**



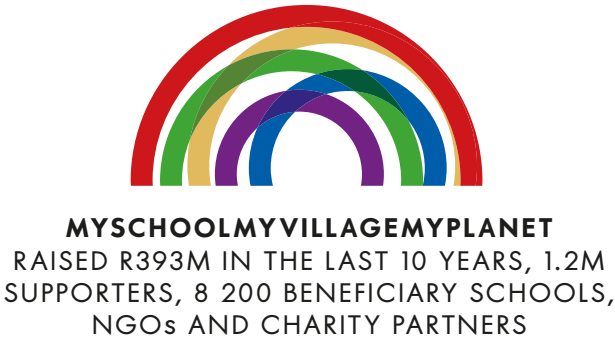
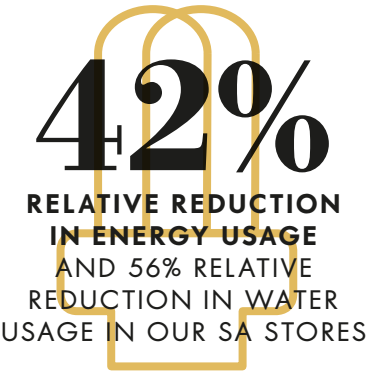
**WATCH OUR JOURNEY** ♥

# GBJ 10 YEAR HIGHLIGHTS

10 Years ago we set out with our Good Business Journey.  
We've come a long way since then.



**GOOD BUSINESS JOURNEY**  
PEOPLE | PLANET | COMMUNITY



# OUR SOUTHERN HEMISPHERE FOOTPRINT

Today, more than ever, the retail sector is in the spotlight for ensuring the sustainability of products, operations and supply chains. Woolworths Holdings Limited is a South African company with a southern hemisphere footprint. As a largely private label group, offering clothing, homeware, food and beauty we believe each of our three Group companies has a responsibility to influence positive change along our supply chain.

## WOOLWORTHS SA

### PROFILE

Leading South African retailer offering a range of primarily private label products

703

Store locations



### OFFERING

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



31 267

Employees



## DAVID JONES

### PROFILE

One of Australia's leading premium department stores

43

Store locations



### OFFERING

Premium retailer offering leading international and local brands with private label general merchandise and food offering



7 663

Employees



## COUNTRY ROAD GROUP

COUNTRY ROAD MIMCO TREENERY WITCHERY POLITIX

### PROFILE

Leading Australian speciality retailer

741

Store locations



### OFFERING

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



5 590

Employees



# JOURNEY TO 2020

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In 2016, we launched five strategic commitments that aim to drive towards an even more ambitious sustainability vision across the Group. These five bold and aspirational commitments are still supported by over 200 targets across our business, serve to focus all of our efforts around these critical areas, to drive systematic change and innovation across our business. These commitments enable a heightened focus on measurement and allow better integration into our balanced scorecard system. In addition, we are increasingly moving towards using available science to drive our target setting and are a member of the We Mean Business Coalition of businesses committed to driving this best practice throughout the business sector.

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CONTRIBUTE **R3.5BN** TO OUR COMMUNITIES BY 2020

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SAVE **500BN** LITRES OF WATER BY 2020

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

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

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RESPONSIBLE SOURCING OF ALL KEY COMMODITIES BY 2020

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**GOOD BUSINESS JOURNEY**  
PEOPLE | PLANET | COMMUNITY



# ABOUT OUR GOOD BUSINESS JOURNEY

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The Good Business Journey is our plan to make a difference for our people, in our communities, and for the environment. It encompasses the issues that matter most to all our stakeholders and will help us achieve our vision of being the most sustainable retailer in the southern hemisphere.



The programme consists of eight focus areas – the main drivers of value creation and how we address sustainability in the Group.

**Click on the icons to read more**

**OUR PEOPLE &  
TRANSFORMATION**

**SOCIAL  
DEVELOPMENT**

**HEALTH &  
WELLNESS**

**ETHICAL  
SOURCING**

**SUSTAINABLE  
FARMING**

**WASTE**

**WATER**

**ENERGY &  
CLIMATE CHANGE**

**AS A PROUDLY SOUTHERN HEMISPHERE BUSINESS OPERATING IN AFRICA AND AUSTRALASIA, EACH OF OUR COMPANIES TAKES A UNIQUE APPROACH WITHIN OUR BROADER FOCUSES TO DELIVER AGAINST OUR OVERALL VISION, BASED ON THEIR OPERATING AND BUSINESS CONTEXT.**

# OUR PEOPLE & TRANSFORMATION

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*We have over 44 500 employees, working across 14 countries  
and over 1 400 store locations.*

**WOOLWORTHS IS PROUD TO BE VOTED  
AS 2017 TOP GRADUATE EMPLOYERS OF CHOICE BY THE  
SOUTH AFRICAN GRADUATE EMPLOYERS ASSOCIATION**



WHL IS A VALUES-DRIVEN ORGANISATION. OUR VALUES INFORM AND UNDERPIN THE WAY WE DO BUSINESS ACROSS OUR GROUP AND WE SEEK TO EMBED OUR VALUES ACROSS ALL DIMENSIONS OF OUR BUSINESS.

OUR GROUP VALUES

CUSTOMER OBSESSED

means that in our world, the customer always comes first

INSPIRATIONAL

says we are always looking ahead and taking the lead

BEING RESPONSIBLE

is about doing the right thing - always value with values

COLLABORATIVE

means we are one team working together

QUALITY

is the heart of our business. we are committed to quality in what ever we do, wherever we do it



**OUR PEOPLE  
AT THE CENTRE**

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**WE CELEBRATE OUR  
DIVERSITY**

WHL is committed to respecting human rights, which includes ensuring that all employees and others connected with our business are treated with dignity and respect. We celebrate diversity and inclusion and are committed to non-sexism and non-racism across our policies, practices, and daily operations. We remain committed to employment equity wherever we trade.

**WE NURTURE HOME-  
GROWN TALENT**

We believe it is essential to nurture talent and offer development opportunities for the next generation of leaders and specialists. Across our group, we offer learning opportunities ranging from bursaries for students, to co-op student placements, to workplace experience programmes.



## TRANSFORMING OUR SUPPLIER BASE

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Woolworths' first priority is to accelerate transformation, with the focus on enhancing local sourcing and driving our policy of "South Africa first". Our Supplier and Enterprise Development programme enables emerging black and women-owned businesses to enter our supply chain and grow their businesses. We currently have 48 suppliers working as part of this programme and have an accumulated spend of over R1 billion over three years.



### OUR FLORAL PHENOMENON

De Fynne is a supplier of fynbos flora, unique and indigenous to the Western Cape of South Africa. Working as part of Woolworths Supplier and Enterprise Development programme, De Fynne has been recognised and awarded both nationally and internationally as an entrepreneur in the commercial and agribusiness sector.



### A SUCCESSFUL PET PROJECT

In May 2017, the Department of Trade & Industry (dti), Woolworths and the Industrial Development Corporation opened the doors of K9 Pet Foods' new factory in Cape Town. K9, an all women-owned and run business, is now producing proudly South African wet pet food that replaces and improves on our previous offering imported from Ireland.

**OUR SUPPLIER AND ENTERPRISE DEVELOPMENT PROGRAMME  
ENABLES EMERGING BLACK AND WOMEN-OWNED BUSINESSES  
TO ENTER OUR SUPPLY CHAIN AND GROW THEIR BUSINESSES**

## TURNING CLOTHES INTO OPPORTUNITIES

Woolworths donates surplus clothing as well as employees' and customers' pre-loved clothing to our partner organisation, the Clothing Bank. The organisation empowers unemployed women from disadvantaged areas in South Africa through a programme of life skills, financial and career development to start sustainable micro-clothing businesses.



**IN 2017, WOOLWORTHS DONATED CLOTHING TO THE VALUE OF R44.7 MILLION  
TO THE CLOTHING BANK TO HELP GROW THESE SMALL BUSINESSES**



# SOCIAL DEVELOPMENT

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*Contributing to our communities is a business imperative  
Our social development strategy is aligned to the developmental  
needs and priorities of the countries we operate in.*

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**IN 2016, OUR CONTRIBUTIONS TO THE CAUSES  
CLOSEST TO OUR HEARTS TOTALLED R757 MILLION  
ACROSS THE GROUP**

**HELPING KIDS GROW**

**WOOLWORTHS HAS BEEN SUPPORTING FOOD & TREES FOR AFRICA'S EDUPLANT PROGRAMME FOR 13 YEARS AND HAVE DONATED OVER R28 MILLION IN SUPPORT OF THE ORGANISATION**



Through this, hundreds of educators have been trained in permaculture gardening techniques and, together with their learners, have planted sustainable food gardens at their schools to provide fresh vegetables to supplement feeding schemes.





WOOLWORTHS CUSTOMERS RAISED

# R105 MILLION

FOR EDUCATION THROUGH MYSCHOOL SWIPES



## SUPPORTING CANCER RESEARCH

Each year, Witchery's White Shirt Campaign raises funds for the Ovarian Cancer Research Foundation through the sale of a special edition white shirt range. Their ongoing support for the OCRF has raised a total of A\$10 million since 2000 to assist their efforts to find an early detection test for ovarian cancer.



## SWIPING FOR EDUCATION

MySchool MyVillage MyPlanet, our customer fundraising programme, enables 1.2 million card-carrying customers to give back to over 8 200 schools and charities by swiping with every purchase. As part of Woolworths' collaboration with Pharrell Williams, we collectively raised almost R105 million for education in just 18 months, exceeding our goal of R100 million, to improve the quality of education in South African schools.

## COUNTRY ROAD GROUP CONTRIBUTED OVER A\$3 MILLION TO SOCIAL DEVELOPMENT PRIORITIES IN 2017

## FIGHTING DOMESTIC VIOLENCE

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MIMCO's three-year collaboration with Our Watch – a not-for-profit organisation dedicated to preventing domestic violence – has, to date, raised over A\$533 000. All profits from the sale of the 'Our Watch Timepeace' and 'Our Watch Charm', went to the organisation, with the support of Women's World Tour Surfer, Laura Enever.

**THE FUNDS RAISED ARE BEING USED TOWARDS THE DEVELOPMENT OF EARLY CHILDHOOD EDUCATION STRATEGIES, TO ENCOURAGE THE NEXT GENERATION OF AUSTRALIANS TO FOSTER EQUALITY, VALUE INDIVIDUALITY AND DEVELOP RESPECTFUL RELATIONSHIPS**



## 'LESSONING' THE GAP

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Supported by Brand Ambassador, Adam Goodes, David Jones supports a campaign to raise funds and awareness for Australian Literacy & Numeracy Foundation (ALNF) to increase awareness about the gap in literacy standards between Aboriginal children and those in the broader Australian community.

**THE CAMPAIGN GENERATED AN ESTIMATED A\$780 000 IN EARNED MEDIA AND A\$77 000 IN CASH CONTRIBUTIONS FOR ALNF**



## WASTE NOT

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In our efforts to minimise any unnecessary waste, we ensure that surplus food from every single Woolworths Food store is donated to local community organisations. In 2017, this amounted to over R556 million worth of food. We also donate surplus clothing to The Clothing Bank in South Africa and the Red Cross in Australia and New Zealand.



# HEALTH & WELLNESS

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*We believe we have a pivotal role to play in helping our customers and colleagues lead better lifestyles. Nutrition, emotional health, security and happiness are top priorities in the well-being of our customers and employees.*

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**WOOLWORTHS AIMS TO INSPIRE A HEALTHY LIFESTYLE  
BY MAKING HEALTHY EATING SATISFYING, DELICIOUS,  
AND CONVENIENT**

## OUR GOOD FOOD JOURNEY

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Woolworths aims to inspire a healthy lifestyle by making healthy eating satisfying, delicious, and convenient, and also by innovating and improving nutritional quality through reformulating our products. Our health manifesto is our commitment to not only providing healthier options, but also ensuring our products' quality, freshness and that they are produced in a responsible way.

"LIVING WELL STARTS WITH EATING WELL."



**WE PROMOTE A HOLISTIC APPROACH BY PROVIDING DELICIOUS, NUTRITIONALLY  
BALANCED FOOD SOLUTIONS TO OUR CUSTOMERS, WHILE ALSO PROMOTING  
SUSTAINABLE FOOD PRODUCTION SYSTEMS**

## OUR HEALTH MINIFESTO



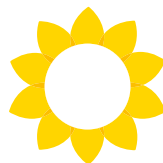
A COLOURFUL VARIETY OF **SUSTAINABLY FARMED** FRUIT AND VEGETABLES



**FREE RANGE** MEAT NEVER TREATED WITH ROUTINE ANTIBIOTICS OR HORMONES



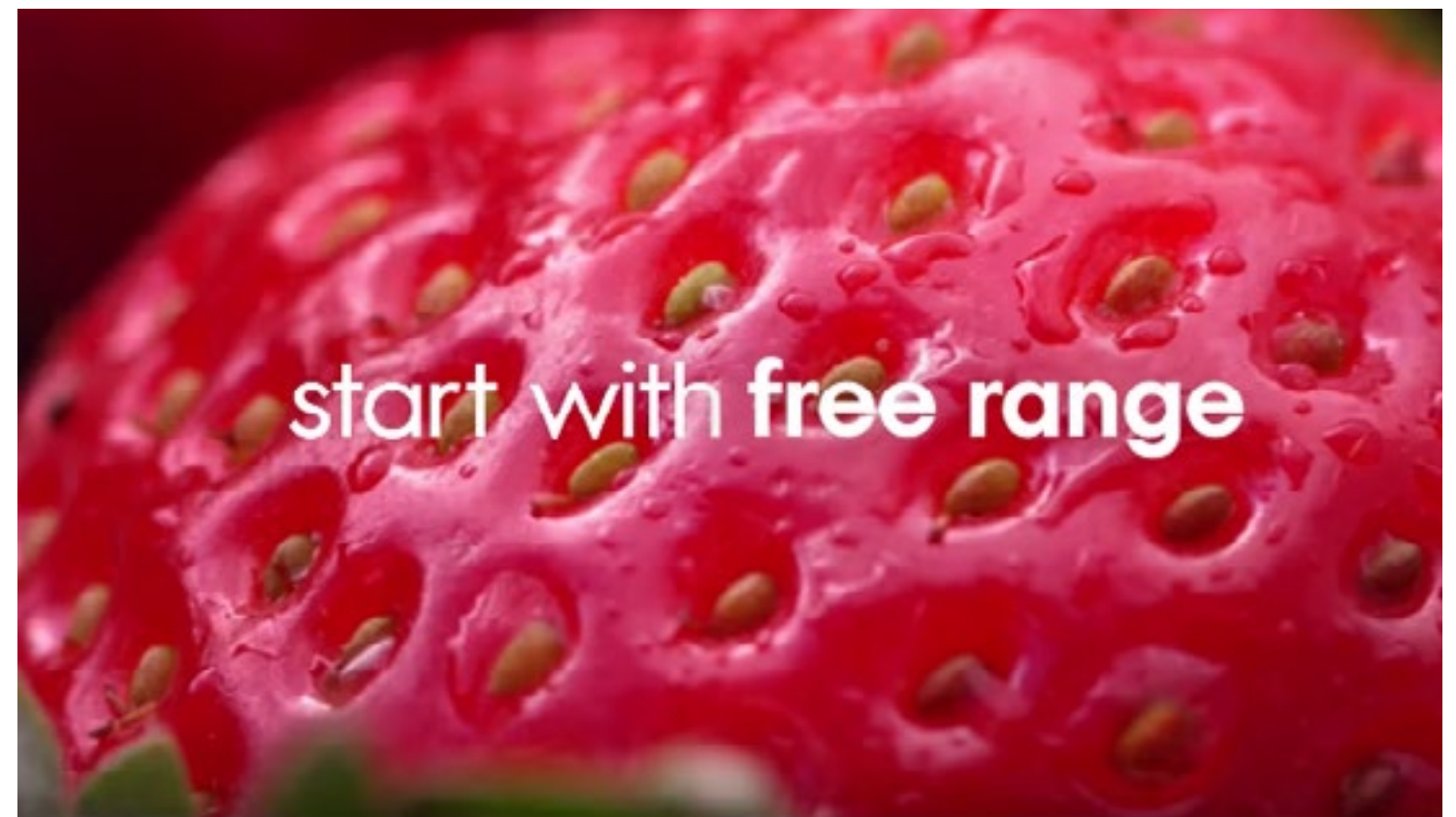
MORE **RESPONSIBLY SOURCED** FISH AND SEAFOOD



A WIDE RANGE OF **HEALTHIER FATS**  
FOOD MADE WITH **LESS SATURATED FAT**  
FOOD MADE WITH **LESS SUGAR** AND **SALT**  
MORE **WHOLEGRAINS, LEGUMES** AND **PULSES**



FOOD THAT'S **KEPT CHILLED** AND HANDLED WITH CARE FROM FARM TO SHELF  
FOOD MADE WITH **NO MSG, TARTRAZINE** AND **AZO-DYES**



## A SWEET DEAL

In August 2015, Woolworths announced a move to remove all sweets from checkout aisles, reflecting our real commitment in providing better alternatives to both parents and children. We were the first retailer in South Africa to do this and something we strong believe to be a step in the right direction towards healthier lifestyles. In June 2017, we had implemented across all of our Woolworths stores in our African operations.



## BATTLING BREAST CANCER

Breast cancer is one of the most common causes of cancer-related deaths of women in Australia. David Jones has had a 20-year partnership with the National Breast Cancer Foundation in Australia and partner each year to establish Rose Clinics in each of our five flagship department stores, where women over the age of 40 can get a free breast cancer screening using digital state of the art mammography technology, in a comfortable non-clinical environment.

## EMPLOYEES

We continually invest in programmes that eliminate barriers to wellbeing that may exist in the workplace and offer comprehensive Employee Assistance Programmes, designed to assist employees with personal, mental and physical health concerns.

**AS A LEADING SOUTHERN HEMISPHERE EMPLOYER, WORKPLACE HEALTH AND SAFETY AS WELL AS ENSURING THE PHYSICAL AND MENTAL WELLBEING OF OUR EMPLOYEES BOTH AT WORK AND AT HOME, IS IMMEASURABLY IMPORTANT**





# ETHICAL SOURCING

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*We are committed to ensuring that both Woolworths Holdings Limited and our suppliers operate in a way that respects workers' rights, maintains safe working conditions, upholds local employment laws and protects the environment and the welfare of animals.*

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**COLLABORATION REMAINS A KEY ENABLER FOR US TO  
MEET OUR ETHICAL SOURCING TARGETS FOR ALL OUR  
KEY COMMODITIES**

## NURTURING NATURE

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Globally, many of the most significant environmental and social challenges are driven by the need to generate raw materials such as wood, palm oil, soy, and leather, cocoa, cotton for food, clothing and other consumer goods. Woolworths is dedicated to selling products that cause minimum harm to the natural environment and help maintain biodiversity and have developed ethical sourcing strategies for all of our key commodities.



**ALL OUR GROUP OPERATING COMPANIES HAVE TAILORED THEIR SYSTEMS  
AND PROCESSES TO DELIVER ON THIS COMMITMENT**

## FASHION WITH A DIFFERENCE

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We take an active role in the growing and sourcing of the raw materials that go into our products and using renewable materials such as recycled polyester and bamboo. We've also committed to eliminating the use of 11 chemicals that could pose risks to the environment in the production of our clothing and other textiles by 2020.



**IN ADDITION TO ELIMINATING THE USE OF HARMFUL CHEMICALS IN THE PRODUCTION PROCESS, WE HAVE BANNED SANDBLASTING USING CRYSTALLINE SILICA FOR ALL WOOLWORTHS DENIM PRODUCTION**

## MIMCO'S PARTNERSHIP WITH THE ETHICAL FASHION INITIATIVE

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Country Road Group is committed to promoting ethical sourcing 'beyond compliance', and aims to support organisations that empower marginalised artisans through fair work opportunities. MIMCO's ongoing partnership with the Ethical Fashion Initiative continues to drive positive change for marginalised artisans in Kenya and Haiti.



## FOREST-FRIENDLY VISCOSE

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Many people don't realise that viscose fabric is made from wood. We're part of the CanopyStyle initiative, a group of brands and retailers working to ensure that our cellulosic fabrics – like viscose – don't result in illegal deforestation or come from ancient or endangered forests. By 2020, our aim is to only use viscose from forest-friendly producers.

## **GOOD NEWS FOR CHOCOLATE LOVERS**

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Woolworths supports UTZ, a certification system which provides assurance that our cocoa was grown and harvested responsibly. We have been sourcing 100% UTZ-certified cocoa for all Woolworths' private label boxed chocolates, slabs and bars since 2016. Our goal is to use only certified sustainably sourced cocoa in all our chocolate products by the end of 2018.

**WE ARE CURRENTLY  
SOURCING 100% UTZ  
CERTIFIED COCOA FOR  
ALL OUR WOOLWORTHS  
PRIVATE LABEL BOXED  
CHOCOLATES, SLABS  
AND BARS**



The background of the entire page is a close-up, slightly blurred photograph of green leafy vegetables, likely lettuce or spinach, with water droplets visible on the leaves. The lighting is bright and natural, creating a fresh and healthy aesthetic.

# SUSTAINABLE FARMING

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*We recognise that we have a responsibility to change the way we produce food and raw materials in order to minimise any negative impacts and instead positively influence the environmental and social results of doing business.*

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**WHL AND OUR SUPPLIERS ARE DEDICATED TO SELLING  
PRODUCTS THAT CAUSE MINIMUM HARM TO THE  
NATURAL ENVIRONMENT**

## FARMING WITH TOMORROW IN MIND

Farming for the Future was conceived in 2009 as a continual improvement system that aims to help farmers supplying Woolworths foods produce to continuously improve the sustainability of farming methods, at no extra cost to the customer. Throughout the life of this programme we have so far worked with over 600 primary and secondary suppliers. Ultimately, our goal is to ensure that we can continue to supply responsibly grown produce that meet the current and needs of our customers, whilst respecting the soil and the resources required to produce it.



**CARES FOR THE ENVIRONMENT | IMPROVES SOIL & WATER QUALITY**  
**PROMOTES WATER SAVING | ENCOURAGES BIODIVERSITY**  
**ALL AT NO EXTRA COST**

## FISHING FOR THE FUTURE

In 2008, Woolworths became the first South African retailer to sign the WWF-SA Sustainable Seafood Initiative (WWF-SASSI) Retail Charter. Woolworths remains deeply committed to sourcing all our seafood from sustainable fisheries and responsible farming operations. By February 2016, we had achieved our 2020 goal for 97% of our wild-caught fish. Currently 75% of all our seafood meets our 2020 sustainable seafood commitments. In 2017, Woolworths became the first retailer in South Africa to sell only MSC-certified canned tuna.

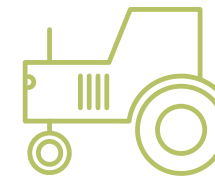


**IN 2017, WOOLWORTHS BECAME THE FIRST RETAILER IN SOUTH AFRICA TO SELL ONLY MSC-CERTIFIED CANNED TUNA**



JUST UNDER  
**350**

SUPPLIERS WORKING AS PART OF FARMING FOR THE FUTURE  
WITH A 91% PASS RATE AGAINST OUR COMPLIANCE CRITERIA



### **OUR COMMITMENT TO FREE RANGE EGGS**

Woolworths was the first, and remains the only major South African retailer to sell only whole eggs that are free range. We have also been working to eliminate eggs from non-free range hens from our product and ingredients. As of 2017, over 95% of the eggs used in our products are also free range. Our free-range hens enjoy access to ample food and water, sunshine and shade, the outdoors and protective shelters. They are fed a grain-based diet that contains no animal by-products.



### **ONLY SUSTAINABLE COTTON BY 2020**

Our commitments to sustainable farming don't only extend to the food that we sell, but also our clothes. We have a Group target that by 2020, all our cotton products will be responsibly produced, including organic and Better Cotton Initiative (BCI) cotton. Our Group is a member of the BCI, which aims to transform cotton production worldwide by farming cotton in a way that minimises the negative impact of fertilisers and pesticides, conserves water, and cares for the people who grow it. Country Road Group was one of the first Australian retailers to join the Better Cotton Initiative and is working with suppliers to source their cotton from BCI-accredited mills.

**31% OF WOOLWORTHS COTTON IS RESPONSIBLY SOURCED  
(BETTER COTTON INITIATIVE AND ORGANIC)**



# WASTE

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*We are committed to reducing the amount of waste sent to landfill from our own operations, using recycled content in our products and packaging, as well as making it easier for our customers to recycle. We're also focusing more on how we can reduce food waste in our supply chain, operations, and customers' homes.*

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**WE ARE CURRENTLY ACHIEVING A RECYCLING RATE  
OF 96.5% AT OUR DISTRIBUTION CENTRES**

## OUR PACKAGING COMMITMENT

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Packaging is one of our customer's top concerns. The manufacture and disposal of packaging is a serious environmental concern; however, we also carefully consider this against the need to protect food and prevent food waste. We remain committed to developing more sustainable packaging for our products. This includes using lighter weight materials, using more recycled or renewable materials, designing for local recyclability, and providing customers with clearer disposal instructions on packs. In Australasia, both Country Road and David Jones are signatories to the Australian Packaging Covenant Organisation, an organisation working to reduce waste to landfill.

## PLASTIC REIMAGINED

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We were the first major South African retailer to begin using recycled beverage (rPET), juice and milk bottles in product packaging. These materials are safe and scrupulously cleaned to make sure it meets or exceeds international standards for food safety. We also use recycled plastic in lots of other ways throughout our business – to make the lugs used to transport products to and from stores, in our hangers, trolleys, plastic shopping bags and trolleys, and to make our reusable shopping bags.



**THROUGH  
SELLING  
REUSABLE BAGS,  
WE SUPPORT 140  
JOBS AND SKILLS  
DEVELOPMENT  
AT WOOLWORTHS'  
TWO MAIN  
REUSABLE BAG  
SUPPLIERS,  
ISIKHWAMA,  
BASED IN CAPE  
TOWN, AND  
GUSCO, BASED  
IN UITENHAGE**

## GREENING OUR MILK BOTTLES

In late 2016, we proudly introduced our ‘green’ milk bottles with 30% of the material used to make these bottles made from sugar cane waste. This was an important milestone for Woolworths packaging.

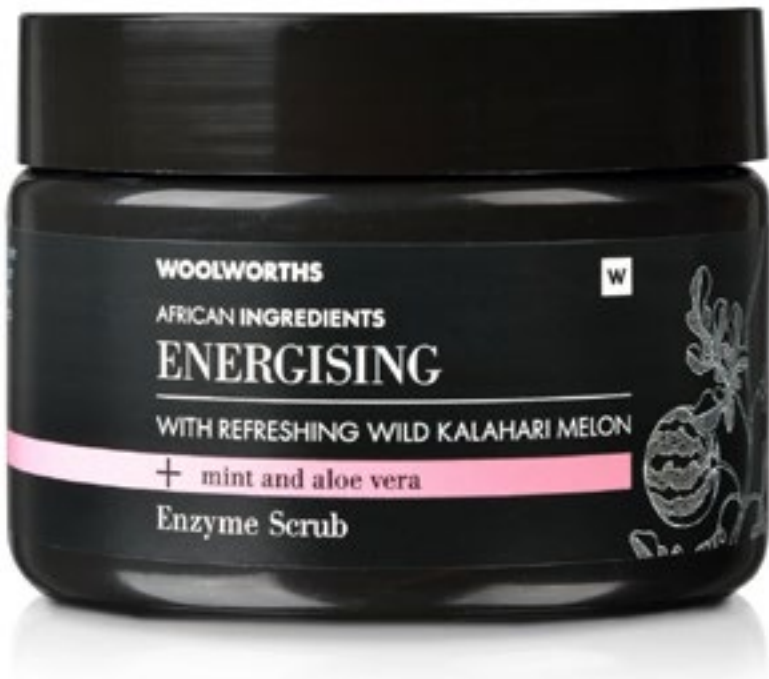


**THE ‘GREEN’ PLASTIC MILK BOTTLE IS 100% RECYCLABLE IN SOUTH AFRICA. THIS BUILDS ON WOOLWORTHS’ COMMITMENT TO LOOK AT ALTERNATIVE WAYS TO DEVELOP PRODUCTS AND PACKAGING**

## WOOLWORTHS MICROBEAD MILESTONE

Our commitment to minimising waste also extends into our products, and plastic microbeads. These are mainly used in beauty formulations for facial exfoliants and are bad news for the environment and especially so for marine life. In 2016, we became the first retailer in South Africa to eliminate plastic microbeads from all private label beauty and personal care products. These have been replaced with natural and biodegradable alternatives such as jojoba oil beads, apricot kernels and synthetic wax beads.

**100% OF WOOLWORTHS BRANDED BEAUTY PRODUCTS ARE FREE OF PLASTIC MICROBEADS**



## CUTTING FOOD WASTE

We seek to minimise food waste from our stores by ensuring that all of our fresh food is kept in a carefully controlled cold chain from farm to shelf. We also ensure clear on-pack ‘Sell By’, ‘Best Before’ and ‘Use By’ dates on foods to help guide our customers. Surplus food that has reached its ‘Sell By’ date but not its ‘Use By’ date is donated to various charities by each and every one of our stores daily.



# WATER

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*Our operations stretch across Africa and Australasia, which are among the most water scarce regions in the world. We rely on a steady and clean supply of water to grow, process, and manufacture our clothing and food as well as to ensure the wellbeing and safety of our employees.*

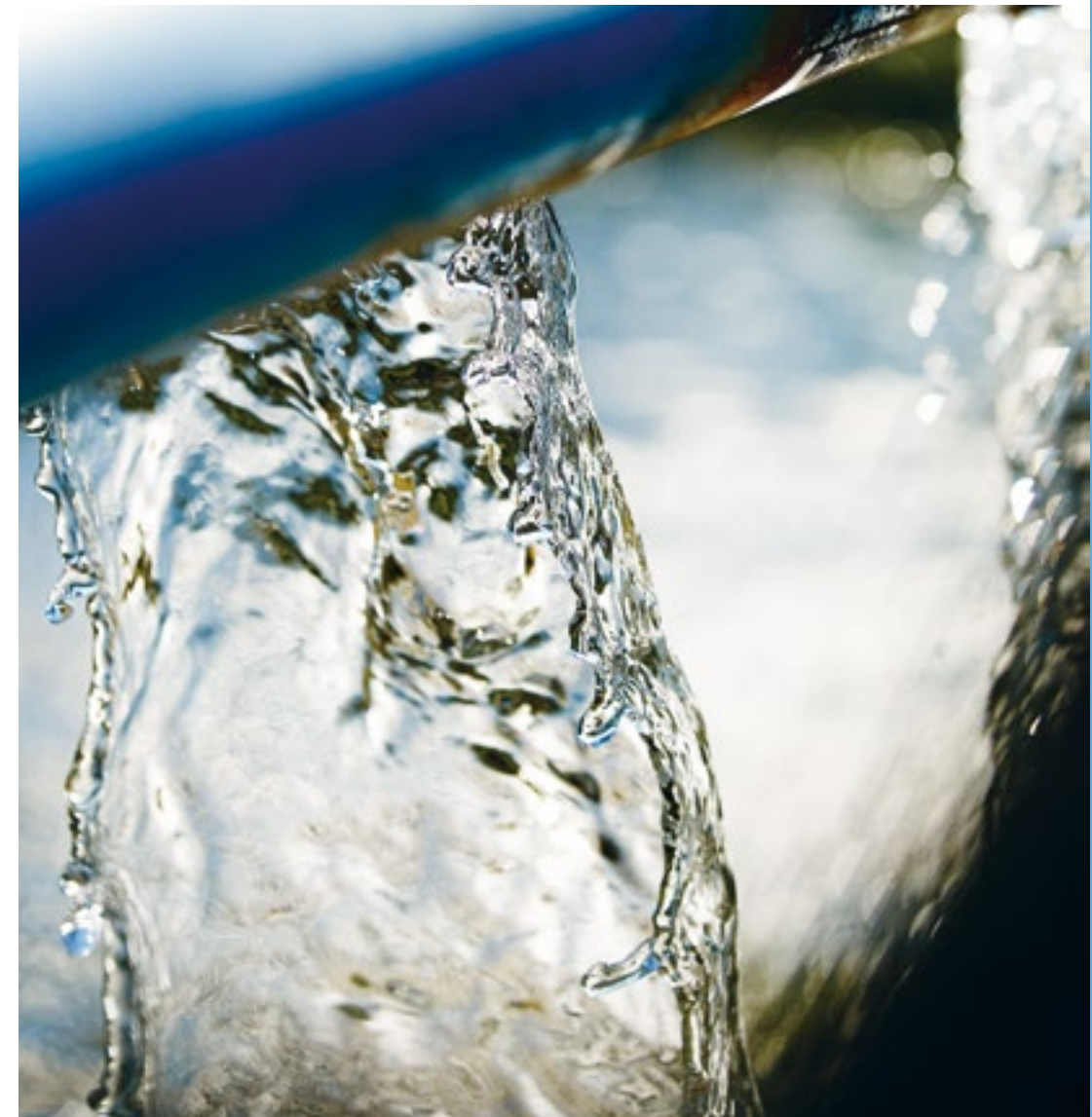
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**OUR GOAL FOR 2020 IS TO SIGNIFICANTLY UPSCALE THE  
WORK WE ARE DOING IN THE SUPPLY CHAIN TO REDUCE  
WATER USAGE AND MANAGE WASTEWATER**

**WE ALSO HAVE A RESPONSIBILITY TO PROMOTE WATER  
CONSERVATION AND ECOSYSTEM PROTECTION BEYOND  
OUR OWN STORES AND OFFICES**

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We continue to search for ways we can contribute to the resilience of others, including our suppliers and communities, through collective action and by promoting sustainable production methods.



**OVER THE COURSE OF THE LAST YEAR WE HAVE SEEN SIGNIFICANT UPTICK  
IN CONCERN ABOUT WATER FROM CUSTOMERS AND COMMUNITIES AS A  
RESULT OF PERSISTENT DROUGHT CONDITIONS ACROSS SOUTH AFRICA**



**57%**  
GREYWATER USE AT WOOLWORTHS  
HEAD OFFICE



### **WATER SAVING IN OUR OPERATIONS**

By relooking how we design our stores and finding alternative water supplies, we've cut our relative potable water consumption by 56% in stores and by 57% in our head office since 2007. We monitor almost all of our water consumption in Africa on a real time basis, and ensure that our stores meet the highest specifications for water efficiency. We're now working to introduce similar systems to our Australasian operations.



### **HELPING OUR FARMERS SAVE WATER**

Water-efficient farming methods, including responsible use of water and chemicals, are integral to our Farming for the Future programme. We use 116 different parameters to measure improvement in water management and efficiency on our supplier's farms.

**THROUGH ADVANCEMENTS IN REAL ESTATE AND STORE DESIGN WOOLWORTHS HAS ACHIEVED A 56% REDUCTION IN WATER CONSUMPTION IN STORES SINCE 2007**

## CONSERVING WATER BEYOND OUR OPERATIONS

Since 2013, we've been on a Water Stewardship Journey with WWF-South Africa and are actively working with farmers to improve resilience against water risks.

The Witzenberg Water Savers, part of this project, aims to promote and inspire the community to preserve their freshwater ecosystems. We're now working to develop a second water stewardship project in the Umgeni Catchment of KwaZulu-Natal within our dairy supply base.



JOIN OUR JOURNEY ♥

## THREADS WITH BENEFITS

We work with likeminded suppliers – those that share our values. Together with our clothing manufacturers, we're working to eliminate 11 priority chemicals that are potentially harmful to water resources by 2020. We're also increasing the use of responsibly sourced fabrics such as polyester made from recycled bottles.

Find out what makes Woolies chino's special below.



**ONWARDS TO 2020 OUR GOAL IS TO  
SIGNIFICANTLY UPSCALE THE WORK WE ARE  
DOING IN THE SUPPLY CHAIN TO REDUCE WATER  
USAGE AND MANAGE WASTEWATER IN WORKING  
TOWARDS OUR TARGET TO SAVE 500 BILLION  
LITRES OF WATER**



# ENERGY & CLIMATE CHANGE

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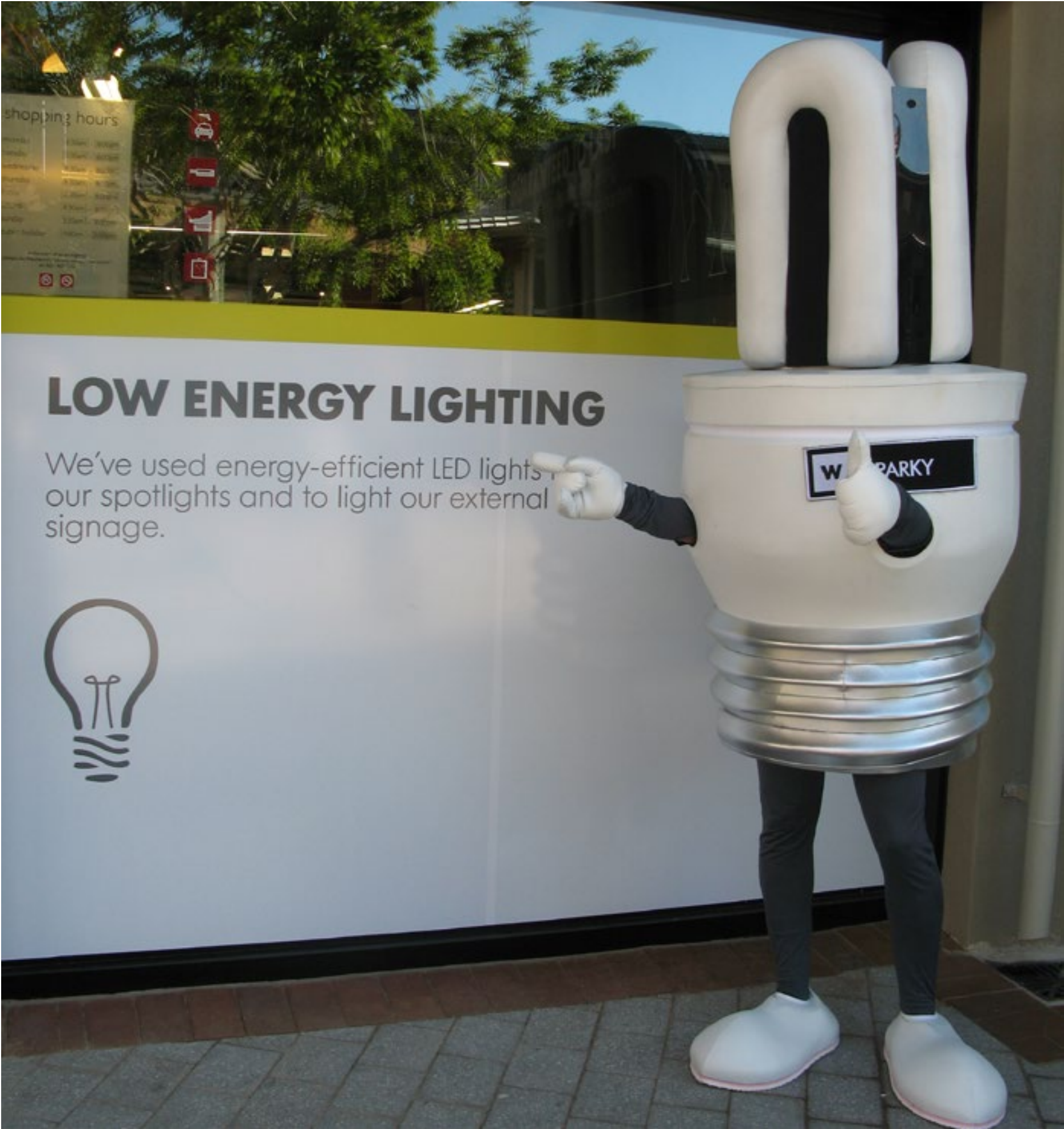
*As climate change tightens its grip, putting new strategies into practice for this ‘new normal’ has become a business imperative. The move to low carbon and circular economies has created unlimited opportunities for innovation. We continue to reduce our energy consumption, carbon emissions, and waste to landfill across our value chain.*

**OUR AIM IS TO HALVE OUR ENERGY IMPACT BY 2020 AND  
SOURCE ALL OUR ENERGY FROM RENEWABLES BY 2030**

# ENERGY EFFICIENCY

Real-time monitoring across almost all of our African operations allows us to measure and manage our electricity use. We have reduced our relative energy consumption by 42% from a 2004 benchmark, with a 4% efficiency improvement in our African stores year-on-year. Our aim is to halve our energy impact by 2020 and source all our energy from renewables by 2030.

**R494 MILLION WORTH OF  
ELECTRICITY SAVED  
TO DATE THROUGH ENERGY  
EFFICIENCY INTERVENTIONS**



## GREEN BUILDINGS

We use our own, independently verified, green building certification system to drive innovation in green building design across our stores. Here, we look at various ways to reduce our energy, water and waste impact while ensuring a high quality retail experience for our customers and colleagues. To date, 122 stores currently meet our green store status and in 2017, we had our Palmyra Food Market, rated as a 5-star green building by the Green Building Council South Africa.



In Australia, Country Road's Omni Fulfilment Centre is the first facility in Victoria to receive a '5 Star Green Star – Industrial As Built v1' rating from Green Building Council of Australia. The state-of-the-art distribution centre receives 20% of its energy requirement from solar power and also boasts natural lighting and ventilation, energy efficient conveyor systems and a customised carton re-use and recycling centre.

**WOOLWORTHS IS THE FIRST RETAILER TO HAVE A STORE CERTIFIED BY  
THE GREEN BUILDING COUNCIL SOUTH AFRICA - A NOD TO OUR GROUNDBREAKING  
DESIGN IDEAS THAT CONSERVE ENERGY AND WATER**



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**42% RELATIVE REDUCTION IN ENERGY  
ACHIEVED FROM 2004 BENCHMARK IN  
WOOLWORTHS STORES**

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### **WORKING WITH OUR SUPPLIERS**

We work closely with suppliers to find ways to reduce their carbon footprints. This helps ensure that our products come from factories that are increasing efficiency in the use of energy and water resources.



### **A SOLAR FUTURE**

We are expanding our reliance on renewable energy, including solar power installations at our head office and distribution facilities in South Africa and Australia. These will help to ensure that we continue to reduce our carbon footprint across the business.

The Midrand Distribution Centre has a 2MW phased installation that will provide over 30% of the facility's energy needs once completed.

**JOIN OUR JOURNEY** ♥

**TO FIND OUT MORE  
ABOUT WHAT WE'RE DOING,  
PLEASE VISIT**

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**FOLLOW US ON TWITTER**

We appreciate any feedback on our sustainability focus areas or reporting.  
Please contact the sustainability team at **GoodBusinessJourney@woolworths.co.za**