

WOOLWORTHS HOLDINGS LIMITED

2018 Key Stakeholder Groupings

KEY STAKEHOLDER GROUPINGS

OUR STAKEHOLDERS		THE NEEDS, EXPECTATIONS, AND CONCERNS OF OUR STAKEHOLDERS AND HOW WE CREATE VALUE FOR THEM	HOW WE MEASURE STAKEHOLDER VALUE
EMPLOYEES	We have over 46 000 employees across the WHL Group. We engage with employees regularly on strategy, business performance, and to increase awareness and level of understanding of our sustainability issues and values. We use channels such as leadership conversations and employee opinion surveys to generate discussion and prompt feedback.	Business strategy and performance Rewards and recognition Training and development Employee wellness BBBEE and transformation Our Good Business Journey	We are continuously sharing knowledge and communicating sustainability issues in order to provide staff with a deeper understanding and drive support of our Good Business Journey.
SHAREHOLDERS	To create an informed perception of Woolworths and create a positive investment environment.	Business performance, expectations and strategy Economic, social, and environmental risks	On an annual basis, we provide comprehensive and integrated reporting to demonstrate where we have added value as well as made progress that addresses shareholder expectations.
SUPPLIERS	Our approach to the lifecycle management of our products means that we work closely with our suppliers to deliver consistent quality and innovative products. We are also committed to supporting the development of small, black owned businesses in South Africa, and artisans globally.	Timely payment and favourable terms Product offering and innovation Infrastructure and logistical support BBBEE Resource efficiency Key sustainability issues in the supply chain – ethical trade Research, e.g. life cycle assessments, water footprinting of key products	Our approach to the lifecycle management of our products means that we work closely with our suppliers to deliver consistent quality and innovative products for our customers. We also hold regular supplier road shows, conferences, and audits that create a broad understanding of our strategy, as well as cement our relationships with suppliers.
CUSTOMERS	We have in excess of 11 million customers in Africa and 4 million in Australia and New Zealand. Our broader marketing and communications strategy continues to be buoyed by an increasingly interested and aware customer base.	Product value and choice Service Rewards Key sustainability issues: animal welfare, packaging and recycling, and responsible sourcing are among the issues we receive the most customer feedback on	We use social media platforms, and relationships on TV with 50/50 and Top Billing. To measure impact, we use a customer tracking study, as well as a customer panel dedicated to sustainability. We also conduct other forms of customer research as and when an issue arises.
COMMUNITIES AND OTHER	Our sustainability initiatives have often been natural extensions of the long-standing partnerships we share with our suppliers and corporate partners such as Imperial Group, and specialist non-profit organisations including WWF-SA and Food & Trees for Africa, among others. We have continued our partnership with WWF-SA focusing	Education Capacity building on relevant issues such as food security, nutrition, and child safety Health and disease	We continue to refine our Corporate Social Investment (CSI) strategy and approach to ensure that we make the most meaningful and sustainable difference in our communities.

on water, sustainable farming and sourcing of raw materials, and food

waste reduction.

OUR STAKEHOLDERS		THE NEEDS, EXPECTATIONS, AND CONCERNS OF OUR STAKEHOLDERS AND HOW WE CREATE VALUE FOR THEM	HOW WE MEASURE STAKEHOLDER VALUE
INDUSTRY ORGANISATIONS	We hold memberships and engagements with industry bodies including National Business Initiative (NBI), Consumer Goods Forum, PET CO and PlasticsSA.	Policy development Retail sector-related issues Key sustainability issues	Through industry partnerships, we are able to provide commentary and advice on emerging issues and programmes.
GOVERNMENT AND REGULATORS	Fostering relationships with key government departments is critical to enable us to discuss issues of mutual concern, optimise opportunities, and minimise risks of regulation and noncompliance. This also assists us in anticipating and assessing potential policy and regulatory impact.	Policy development Labour market issues and legislation Food standards and safety Consumer credit and protection issues Employment equity and transformation Social development and education Sustainability priorities for South Africa and Australia	In partnership with other retailers, we consolidate combined retail positions as input to government. We also share information on business practice with government to inform policy formulation in instances where such policies hugely impact the retail industry. We are also involved in the revision of processes to become compliant to new legislation such as the Consumer Protection Act, Carbon Tax, etc.
THE MEDIA	We want raise the profile of key sustainability issues in the areas where we operate.	Retail and consumer issues Product information Key sustainability issues Good Business Journey	We have continued to grow our customer engagement around sustainability issues, within traditional media channels, as well as through in-store awareness campaigns, use of social media platforms, and relationships on TV with 50/50, Top Billing, and Expresso.
UNIONS	WHL supports freedom of association and the right to collective bargaining.	Wages and conditions of employment Retail and textile-sector issues	This provides a platform to better understand and respond to employee concerns.
ACADEMIC INSTITUTIONS	We want to contribute towards research and thus understanding of how to address business and sustainability issues better through sharing our industry expertise and being available to participate in case studies.	Corporate sustainability Reporting and governance	We have opened ourselves to contributing towards academic research. This not only gives us an opportunity to improve on our processes but it also allows us to contribute to the sharing of knowledge in sustainability issues.

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

We appreciate any feedback on our Good Business Journey Report. Please contact <u>GoodBusinessJourney@woolworths.co.za</u>