











**WOOLWORTHS HOLDINGS LIMITED**  
*2019 Stakeholder Engagement*












# OUR STAKEHOLDERS









*The programme of stakeholder engagement helps the Group better navigate through a complex regulatory, legislative, and political landscape; provides ongoing macro-environmental insights; develops goodwill ambassadors; and, ultimately, ensures our continued social licence to operate.*

*The Board is committed to stakeholder engagement with the interactions, monitoring and implementation of stakeholder engagement being the responsibility of respective management teams in the Group. The Social and Ethics Committee annually reviews the Group's self-assessment of stakeholder engagement.*

*The WHL Group's stakeholder universe includes a myriad of stakeholder groupings impacted and affected across our entire value chain. They are listed in the table that follows, together with their material needs, expectations, and concerns and how we create value for them.*

| OUR STAKEHOLDERS  | WHO OUR STAKEHOLDERS ARE AND WHY WE ENGAGE WITH THEM  | HOW WE ENGAGE   | THE NEEDS, EXPECTATIONS, AND CONCERNS OF OUR STAKEHOLDERS   | HOW WE CREATE VALUE FOR THEM   | RELATED GBJ FOCUS AREA   |
|---|---|---|---|--|--|
| <br><b>CUSTOMERS</b> | <p>The over 11 million customers in sub-Saharan Africa and more than 4 million customers in Australia and New Zealand, are our largest stakeholder base and their purchases are the main source of revenue we earn.</p>   | <p>Issues which are material to our customers are identified through daily interactions in our physical stores and our digital and social media platforms. Customer focus groups and surveys provide clear input to identifying their requirements, interests, and concerns.</p>  | <ul style="list-style-type: none"> <li>• Quality, safe, and responsibly sourced products</li> <li>• Convenience</li> <li>• Value</li> <li>• Good service</li> <li>• Giving back to the community</li> <li>• Access to credit</li> <li>• Packaging and plastic</li> <li>• Animal welfare</li> <li>• Transparency in the supply chain</li> <li>• Resource efficiency</li> </ul> | <ul style="list-style-type: none"> <li>• Delivering quality, appealing, safe, innovative, and responsibly sourced products that are readily, seamlessly and conveniently available, at great value and with excellent service</li> <li>• Providing opportunities to give back to their communities</li> <li>• Offering them access to responsible and affordable credit</li> </ul>   | <br>Health & Wellness<br><br>Sustainable Farming<br><br>Ethical Sourcing<br><br>Social Development |
| <br><b>EMPLOYEES</b> | <p>It is the dedication, talent, and knowledge of our 46 831 employees across the Group, along with efficient value-creating strategies and operations, that allow us to meet our customers' wants and needs and contribute materially towards the communities in which we operate.</p> | <p>Employee engagement occurs on a daily basis in the normal course of business, and formal one-on-one engagements are undertaken through biannual performance assessments, regular training, and career and personal development discussions. Business and strategy updates, roadshows, electronic staff communication, employment equity forums, and employee magazines keep employees informed about general business issues and priorities. Annual employee satisfaction surveys are a key tool for employees to voice their concerns and expectations.</p> <p>Each business unit has a diversity committee to engage staff on issues of diversity in the workplace as well as corporate culture. The diversity committees are chaired at national level by the Director of Transformation and Corporate Affairs as well as the Director of Human Resources for Woolworths.</p> | <ul style="list-style-type: none"> <li>• Employment</li> <li>• Remuneration</li> <li>• Diversity and inclusion</li> <li>• Training and development</li> <li>• Employee community involvement</li> <li>• Employee wellness</li> </ul>  | <ul style="list-style-type: none"> <li>• Providing employment in the regions in which we operate and additional opportunities as our Group grows</li> <li>• Rewarding our employees for the value they add with fair and responsible remuneration</li> <li>• Recognising all forms of diversity, through equal work for equal pay, and by ensuring transformation of our workforce</li> <li>• Continuing to train and develop our staff, enabling a more specialised and knowledgeable workforce</li> <li>• Providing employees with opportunities to participate in employee volunteering and workplace giving programmes</li> <li>• Provide employee wellness offerings and on-site occupational health and safety assistance</li> </ul> | <br>Health & Wellness<br><br>People & Transformation<br><br>Social Development  |

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|  <p><b>COMMUNITIES</b></p>                     | <p>We acknowledge the importance of our relationships with the communities in which we operate, as they create an enabling business environment as well as the pipeline of future customers and employees.</p>  | <p>We actively engage with members of the relevant communities, and continue to deepen and expand our relationships with them. We continue to monitor the socio-economic impact we have in our communities, and we engage experts and interest groups where possible, to ensure that we use our business strengths to provide a meaningful contribution in the regions in which we operate.</p>  | <ul style="list-style-type: none"> <li>• Community involvement and contribution</li> <li>• Economic growth contribution</li> </ul>  | <ul style="list-style-type: none"> <li>• Enriching the lives of the vulnerable members of the community, and, specifically in South Africa, supporting the need to address the transformation of the previously disadvantaged</li> <li>• Assisting in driving economic growth by investing capital in the regions in which we operate</li> </ul>  |  <p><i>Social Development</i></p>  <p><i>People &amp; Transformation</i></p>   |
|  <p><b>SUPPLIERS</b></p>                     | <p>Our relationships with over 500 Fashion, Beauty and Home (FBH) direct suppliers and over 900 Food direct suppliers are a key competitive advantage for our Group, as they provide us with exceptional and often exclusive products. We are also committed to supporting the development of small, black-owned businesses in South Africa, and artisans globally.</p> | <p>The interests and concerns of suppliers are identified in the normal course of business and at annual supplier conferences. Suppliers are expected to adhere to codes of conduct, including our Good Business Journey principles. Regular reviews and assessments of suppliers are also conducted through supplier audits against supplier scorecards.</p>  | <ul style="list-style-type: none"> <li>• Fair and ethical sourcing</li> <li>• Timely payment and favourable terms</li> <li>• Supplier and enterprise development</li> </ul>                           | <ul style="list-style-type: none"> <li>• Assisting our suppliers to contribute positively towards the environment and communities in which they operate through various sustainability initiatives</li> <li>• Continuing to strengthen our mutually beneficial supplier relationships and integrate closely with them</li> <li>• Supporting small and emerging suppliers, providing them with access to the market by sourcing products and services from them</li> </ul> |  <p><i>Ethical Sourcing</i></p>  <p><i>Sustainable Farming</i></p>  <p><i>People &amp; Transformation</i></p> |
|  <p><b>SHAREHOLDERS AND DEBT FUNDERS</b></p> | <p>Our equity and debt investors are the sources of capital for the Group and enable business continuity and growth.</p>  | <p>We provide regular trading updates and notifications to our shareholders and debt funders, and address their key issues and concerns through announcements, presentations, and meetings. We interact with and receive feedback from investors, analysts, and debt funders by participating in broker-hosted conferences and roadshows, and through ongoing interactions including face-to-face meetings, telephone calls, and email correspondence. In the current year, we have engaged with our shareholders with an independent investor perception survey. The incoming Chairman and Lead Independent Director will also be hosting a roadshow for investors. Further interaction with shareholders is facilitated at the Annual General Meeting.</p> | <ul style="list-style-type: none"> <li>• Consistent returns on their investments</li> <li>• Strong corporate governance</li> <li>• Management of economic, social, and environmental risks</li> </ul> | <ul style="list-style-type: none"> <li>• Responsibly investing capital including strategic investments, considering Good Business Journey impact where appropriate</li> <li>• Ensuring adequate funding to meet financial obligations and business objectives</li> <li>• Actively managing the level of debt and liquidity, refinancing interest rates, and counterparty risks</li> <li>• Paying regular dividend income and interest</li> </ul>                          |  <p><b>ALL GBJ FOCUS AREAS</b></p>  |
|  <p><b>INDUSTRY ORGANISATIONS</b></p>        | <p>We hold memberships and participate in various industry bodies, to discuss and contribute to issues of mutual concern and optimise opportunities for the Group.</p>  | <p>Through our membership and engagement with industry bodies, we provide commentary and advice on emerging issues.</p>  | <ul style="list-style-type: none"> <li>• Policy development</li> <li>• Retail-sector-related issues</li> <li>• Key sustainability issues</li> </ul>   | <p>Through industry partnerships, we are able to provide commentary and input on emerging issues, programmes, and best practice.</p>  |  <p><b>ALL GBJ FOCUS AREAS</b></p>  |

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|  <p><b>GOVERNMENT AND REGULATORS</b></p> | <p>We are passionate about the role we play in building a thriving society. We do this by engaging with the governments and regulators in the markets in which we operate, enabling regulation to allow for a trustworthy business environment and contributing towards business sustainability by fostering societal growth and aligning our efforts with the sustainable development goals.</p> | <p>We have a dedicated function that ensures that we are active corporate citizens, including enabling proactive government relations in the countries in which we operate, and managing participation in industry affairs. We share insights and concerns with government, and also gain invaluable information which allows the Group to mitigate risks, explore opportunities and partner with the relevant stakeholders on the different countries' socioeconomic and environmental initiatives.</p> | <ul style="list-style-type: none"> <li>• Legislation and regulation adherence, both in spirit and intent</li> <li>• Contribution towards inclusive economic growth (including, but not limited to, job creation and skills development, enterprise development, and local procurement)</li> </ul> | <p>We go beyond regulatory compliance to adhere to the intent of legislation on our Good Business Journey. We use our core competencies to contribute to solving social problems such as food security. We actively engage government and industry on policy matters.</p> |  <p><b>ALL GBJ FOCUS AREAS</b></p>           |
|  <p><b>ACADEMIC INSTITUTIONS</b></p>   | <p>We want to contribute towards research and share our industry expertise and case studies.</p>  | <p>We participate in postgraduate and other research and surveys, offer experiential learning opportunities for students, and participate in the Network for Business Sustainability, an association that brings academia and business together to shape the future of sustainability.</p>   | <ul style="list-style-type: none"> <li>• Corporate sustainability</li> <li>• Reporting and governance</li> </ul>  | <p>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.</p>                                    |  <p><b>ALL GBJ FOCUS AREAS</b></p>         |
|  <p><b>THE MEDIA</b></p>               | <p>We want to raise the profile of key sustainability issues in the regions within which we operate in order to influence stakeholder perceptions and differentiate the WHL Group.</p>  | <p>We engage with media via press releases, TV appearances and interviews as well as contributions to publications and opinion pieces.</p>   | <ul style="list-style-type: none"> <li>• Retail and consumer issues</li> <li>• Product information</li> <li>• Key sustainability issues</li> </ul>  | <p>Growing our customer engagement and education around sustainability issues allows customers to make informed purchasing decisions.</p>   |  <p><b>ALL GBJ FOCUS AREAS</b></p>         |
|  <p><b>UNIONS</b></p>                  | <p>The group supports freedom of association and the right to collective bargaining and engages with unions on collective employment issues in the supply chain.</p>  | <p>We participate in CCMA, Nedlac, and other labour market institutions.</p>   | <ul style="list-style-type: none"> <li>• Wages and conditions of employment</li> <li>• Retail and textile-sector issues</li> </ul>  | <p>Engagement provides a platform to better understand and respond to employee concerns.</p>  |  <p><i>People &amp; Transformation</i></p> |

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

**We appreciate any feedback on our Good Business Journey Report.  
Please contact [GoodBusinessJourney@woolworths.co.za](mailto:GoodBusinessJourney@woolworths.co.za)**

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