20

WHL

WOOLWORTHS HOLDINGS LIMITED

2019 CDP Climate submission for 2018 Financial Year

START

Woolworths Holdings Ltd - Climate Change 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Woolworths Holdings Limited (WHL) is a southern hemisphere retail Group that has been listed on the Johannesburg Stock Exchange Limited (JSE) since 1997. It is one of the top 40 JSE-listed companies and has a market capitalisation of R75.5 billion as at 24 June 2018. Approximately 41.2% of revenue is derived from Australian operations. WHL employs more than 46 000 employees across 14 countries and trades in over 1 500 store locations. The Group trades through three operating subsidiaries, which include Woolworths Proprietary Limited (Woolworths or WSA which operates in South Africa and 11 other African countries), Country Road Group Proprietary Limited (Country Road Group or CRG) and David Jones Proprietary Limited (David Jones or DJ), the latter of which was acquired on 1 August 2014 and formerly listed on the Australian Securities Exchange (ASX). In addition, Woolworths holds a minority interest in Woolworths Financial Services Proprietary Limited (WFS), in a joint venture with Barclays Africa Group which holds the controlling interest.

Woolworths offers a range of quality private label clothing and general merchandise and a wide range of perishable, long-life and non-food products, as well as financial services provided through Woolworths Financial Services. Country Road Group offers stylish high-quality apparel, accessories, footwear and homeware. David Jones offers a range of international and private label brands in womenswear, menswear, shoes and accessories, beauty products, childrenswear, electronics and general merchandise.

While the business of fashion and food retailing follows generic business processes, the WHL Group has developed key competencies over the years that enable value creation for all stakeholders and direct how we create value. We believe that the activities in our business model use our resources to optimise value creation. We also recognise the inter dependencies between the resources, and trade-offs between the costs and benefits offered by the resources that we must manage responsibly. We manage our broader business impact through comprehensive social, ethical, and environmental policies and practices which are defined through our sustainability strategy, known as the Good Business Journey. Unique to our business model is the extent to which the Good Business Journey supports and nurtures future access to our resources, and how we aim to generate sustainable returns for investors and shareholders over the short-, medium-, and long-term.

Through our Good Business Journey, we have embedded sustainability into every aspect of our business and every product we sell, with eight key focus areas: sustainable farming, water, waste, energy, ethical sourcing, transformation, social development, and health and wellness. Our vision is to be the most responsible retailers in the world.

Energy and Climate change

Through the energy and climate change focus area of our Good Business Journey programme, we acknowledge that in order to ensure the long-term sustainability of the company and its operations, climate change adaptation is and area that requires concerted effort. We take responsibility for the impact our value chain has on overall energy security challenges as well as climate change. Investment in our resilience to climatic impacts is embedded in our entire value chain. Through our efforts, we continue to reduce our energy consumption, carbon emissions, and waste to landfill across our value chain. We are also working closely with our clothing and foods suppliers on innovative ways to ensure that going forward; our products are produced from factories that are efficiently using natural resources. We have also made public commitments to align ourselves with global best practice by committing to setting targets that are in line with science. Working with relevant stakeholders in our supply chain will be important to meeting our targets.

In 2017, we became the first major retailer to sign up to Energy Productivity 100 (EP100), The Climate Group's corporate leadership initiative for energy-smart companies doing more with less to lower emissions and accelerate the clean economy. Woolworths set a target to double our energy productivity by 2020 from a 2005 baseline. This year, as reported by The Climate Group, we are pleased to share that we met our commitment to double our energy productivity in 2011, nine years ahead of the 2020 target we set ourselves.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	July 1 2017	June 30 2018	Please select	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

Australia
Botswana
Ghana
Kenya
Lesotho
Mauritius
Mozambique
Namibia
New Zealand
South Africa
Swaziland
Uganda
United Republic of Tanzania
Zambia

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	The Woolworths Holdings Board oversees the work of the Sustainability Committee as well as our Risk and Compliance Committees. The Sustainability Committee, a sub-committee of the WHL Board, provides a single point of view and direction for all WHL sustainability focus areas, incl. energy and meets half-yearly to oversee progress in achieving all aspects of the Good Business Journey, as well addressing any sustainability-related risks to the business. The main purpose of the committee is to ensure that the sustainability strategy and objectives are effectively integrated into the business. The Sustainability Committee is chaired by a non-executive director. The Group CEO and Woolworths CEO are members of the committee, together with three independent directors, one of whom chairs the Social and Ethics committee of the WHL Board. These independent directors each have significant expertise and experience in a range of corporate sustainability issues.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	The role of the Sustainability Committee is to ensure that the Group's sustainable development strategy positions the Group as a sustainability leader. It further ensures that the sustainability initiatives and objectives are effectively integrated into the business and that the Group operates in an environmentally responsible manner, while meeting societal needs. Progress towards meeting climate-related targets and goals, are monitored at an operational level by the executive committee and championed by the Group Director: Marketing and Sustainability.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Group Director:Marketing&Sustainability)	Both assessing and managing climate-related risks and opportunities	Half-yearly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Half-yearly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Board is the custodian of corporate governance within the Group. Its roles and responsibilities include steering the business and determining the Group's strategic direction. It interrogates and approves the strategy developed by management as well as the policies and plans which give effect to the strategy. The Board's agenda is guided by a Board charter and the Board committees are mandated by their respective committee terms of reference. The WHL Board and committee structure is supported by three aligned subsidiary governance structures for:

· Woolworths (including WFS);

· David Jones; and

· Country Road Group.

This allows information to be reviewed and discussed at the operating entity level to ensure reporting to the WHL Board is at the right level and relevant to its strategic focus.

Board committees and their membership have been constituted to allow for dedicated and focused deliberations regarding the various aspects of the business model and material issues, supported by the relevant skills, expertise, and diversity of the committee membership.

The Sustainability Committee, a sub-committee of the Woolworths Holdings Board, ensures that sustainability initiatives and objectives are effectively integrated into the business. It also ensures the Group is positioned as a leader in responsible retail in the countries in which it trades. The committee is chaired by an Independent Non-executive Director and meets half yearly to review the progress of the Good Business Journey programme, as well as to approve strategic matters arising for continuity of the programme. The Group Chief Executive Officer and the Woolworths SA Chief Executive Officer are members of the committee, together with three Independent Directors. These Independent Directors each have significant expertise and experience in a range of corporate sustainability issues. The David Jones and Country Road Group Executive Committees review Good Business Journey progress on a regular basis as well. Both the David Jones and Country Road Group Boards also receive Good Business Journey progress updates at each Board meeting.

Progress towards meeting 2020 targets and the related annual goals is monitored at an operational level by the Executive Committee and championed by the Group Director: Marketing and Sustainability. A Sustainability Executive Steering Committee has been established in Country Road Group. The committee meets quarterly to guide the development and implementation of the strategy, to ensure its effective integration into the business, to develop targets and review performance. The David Jones Executive Committee reviews Good Business Journey progress on a regular basis. Both the David Jones and Country Road Boards also receive Good Business Journey progress updates at each Board meeting.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?
Corporate executive team

Types of incentives
Monetary reward

Activity incentivized
Efficiency target

Comment
To achieve a performance-based culture and an alignment with shareholders, through value creation. The total reward mix is geared towards a high percentage of pay "at risk" for the achievement of stretched goals which are aligned to company performance, individual performance and employee behavior. This is to motivate executives and senior management to achieve short-term strategic, financial and non-financial objectives in the one-year business plan.

Who is entitled to benefit from these incentives?
Environment/Sustainability manager

Types of incentives
Monetary reward

Activity incentivized
Efficiency target

Comment
To achieve a performance-based culture and alignment with shareholders, through value creation. The total reward mix is geared towards a high percentage of pay "at-risk" for the achievement of stretch goals which are aligned to company performance, individual performance and employee behavior. This is to motivate executives and senior management to achieve short-term strategic, financial and non-financial objectives in the one-year business plan.

Who is entitled to benefit from these incentives?
Facilities manager

Types of incentives
Monetary reward

Activity incentivized
Efficiency target

Comment
To achieve a performance-based culture and alignment with shareholders, through value creation. The total reward mix is geared towards a high percentage of pay "at-risk" for the achievement of stretch goals which are aligned to company performance, individual performance and employee behavior. This is to motivate executives and senior management to achieve short-term strategic, financial and non-financial objectives in the one-year business plan.

Who is entitled to benefit from these incentives?
Energy manager

Types of incentives
Monetary reward

Activity incentivized
Efficiency project

Comment
To achieve a performance-based culture and alignment with shareholders, through value creation. The total reward mix is geared towards a high percentage of pay "at-risk" for the achievement of stretch goals which are aligned to company performance, individual performance and employee behavior. This is to motivate executives and senior management to achieve short-term strategic, financial and non-financial objectives in the one-year business plan.

Who is entitled to benefit from these incentives?
Other, please specify (Store Managers)

Types of incentives
Monetary reward

Activity incentivized
Efficiency target

Comment
Our store managers are at the forefront of effecting behavioral change at the store level and also driving initiatives to meet reduction targets at the stores. Achievement of their targets is a key part of their balanced scorecards, determining their remuneration and bonus. We engage with our stores' staff via the Good Business Journey Champ programme.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	1	3	The risk categorisation model is designed to provide a common framework within which to collate, aggregate and report on risks, both quantitatively and qualitatively, at various levels within the organisation. To achieve these objectives, all three lines of defence are required to use the same categorisation model, and the model is designed to ensure that there is appropriate detail for it to be meaningful at all levels within the organisation, and also to enable aggregation and escalation of material items to the correct level. Strategic risks: Representing that specific sub-set of exposures (irrespective of the source) posing such a significant threat to WHL that the active monitoring thereof by executive management is required. Operational risks: Risks arising from the execution of a company's business functions, and therefore inherent to the company and the type of business. Financial risks: Risk emanating from our financial environment. Reputational risks: Internal or external risks that could negatively affect our reputation. Emerging risks: New risks which are in the process of being understood and quantified.
Medium-term	3	5	The risk categorisation model is designed to provide a common framework within which to collate, aggregate and report on risks, both quantitatively and qualitatively, at various levels within the organisation. To achieve these objectives, all three lines of defence are required to use the same categorisation model, and the model is designed to ensure that there is appropriate detail for it to be meaningful at all levels within the organisation, and also to enable aggregation and escalation of material items to the correct level. Strategic risks: Representing that specific sub-set of exposures (irrespective of the source) posing such a significant threat to WHL that the active monitoring thereof by executive management is required. Operational risks: Risks arising from the execution of a company's business functions, and therefore inherent to the company and the type of business. Financial risks: Risk emanating from our financial environment. Reputational risks: Internal or external risks that could negatively affect our reputation. Emerging risks: New risks which are in the process of being understood and quantified.
Long-term	5	10	The risk categorisation model is designed to provide a common framework within which to collate, aggregate and report on risks, both quantitatively and qualitatively, at various levels within the organisation. To achieve these objectives, all three lines of defence are required to use the same categorisation model, and the model is designed to ensure that there is appropriate detail for it to be meaningful at all levels within the organisation, and also to enable aggregation and escalation of material items to the correct level. Strategic risks: Representing that specific sub-set of exposures (irrespective of the source) posing such a significant threat to WHL that the active monitoring thereof by executive management is required. Operational risks: Risks arising from the execution of a company's business functions, and therefore inherent to the company and the type of business. Financial risks: Risk emanating from our financial environment. Reputational risks: Internal or external risks that could negatively affect our reputation. Emerging risks: New risks which are in the process of being understood and quantified.

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	The Group recognises that risk management is inextricably woven into the strategy construct, and as such, an effective risk management process is essential. The Board sets the direction for how risk management is approached and addressed in the Group and the Risk and Compliance Committee oversees and directs the Group's implementation of an effective policy and plan for Risk Management and Compliance. The Group Head of Enterprise Risk Management designs, implements and monitors risks to ensure that a consistent approach to risk management is applied across all companies in the Group. Key risks are reviewed quarterly by the Risk and Compliance Committee. At business unit level, asset custodians, risk owners assess their individual business unit risks on a quarterly basis and this forms part of the input to the different committees appointed by the Board.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

The Group Head of Enterprise Risk Management designs, implements and monitors risks to ensure that a consistent approach to risk management is applied across all companies in the Group. The Group applies an integrated Risk Management approach that is aligned to international best practice frameworks which include amongst others ISO 31000 and COSO Enterprise Risk Management. The Group's approach to risk management is pragmatic and retail relevant. Annually, the Group risk function facilitates a top-down view of risks with the Board and Group executives.

A similar exercise is performed with each entity and business unit: identifying and assessing its risks; measuring them against defined criteria; and considering the likelihood of occurrence and the potential business impact. These risk perspectives are combined to create a consolidated Group risk profile.

The Group level risk exposures are measured against formalised risk appetite statements that are further aligned to the Group strategic objectives. Risk Appetite and tolerance are core considerations for our risk response plans as it considers the relationship between the potential impact of key risks and the effectiveness of controls or management actions.

Our approach is aligned and responsive to a retail business and based on four pillars:
1. Assurance & Oversight to the Board
2. Process Improvement and Optimization
3. Value Add
4. Business Resilience

At business unit level, asset custodians, risk owners assess their individual business unit risks on a quarterly basis and this forms part of the input to the different committees appointed by the Board.
Responsibilities:
•Ensure compliance to current related laws, regulations and supervisory requirements.
•Provide divisional and/or business units with regulatory information.
•Facilitate the incorporation of regulatory and governance requirements into operational procedure.
•Make recommendations for compliance to laws and regulatory requirements.
•Document regulatory compliance findings, including any remedial action, as part of Compliance monitoring.
We have adopted a "three lines of defense" governance model which distinguishes between:
a. functions owning and managing risks as part of their day-to-day activities (1st line of defense);
b. functions overseeing risks and providing robust challenge to the management teams (2nd line of defense); and
c. functions providing independent assurance (3rd line of defense).
Risks are ranked according to order of likelihood, probability, severity or, order of company preparedness to cushion the risks and classed as either inherent or residual.

The Group's combined assurance framework continues to adopt the three lines of defense model in determining the focus of assurance providers on key risks. In the implementation, distinctions are made between assurance providers or functions that own and manage risk; functions that oversee risk; and functions that provide independent assurance. The Group's combined assurance report is tabled on an annual basis.

In its review, the Risk and Compliance Committee considers the completeness of risks; the extent of the assurance coverage; and the outcomes of those reviews over the financial year.
Responsibilities:
•Facilitators of risk management processes in conjunction with business unit risk management activities
•Facilitators of the Business Continuity Management establishment process
•Short term insurance administration with Unison
•Collating and reporting of risk, BCP and insurance related reports to the Board Risk Committee
Risks are ranked according to order of likelihood, probability, severity or, order of company preparedness to cushion the risks and classed as either inherent or residual.
Mechanisms to reduce risks' to a level that is acceptable to management and other stakeholders are put in place. The risks are transferred, treated, tolerated or terminated.
At business unit level, asset custodians assess their individual business unit risks on a quarterly basis and this forms part of the input to the different committees appointed by the Board.
Relevant internal, industry and macroeconomic factors were considered in addition to the material interests, expectations and concerns of our stakeholder groups that are most likely to influence the Group's ability to create sustainable shareholder value. Elements of the material issues may be relevant across the Group and others may be specific either to our South African or Australian operations.
The risks identified are aligned to the risks on WHL's risk register. Opportunities indicate how we are mitigating these risks, capitalising on the issues and integrating them into our strategic focus areas

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Last year, governments adopted a robust set of guidelines for the implementation of the 2015 Paris climate change agreement. The agreed 'Katowice Climate Package' is designed to operationalize the climate change regime contained in the Paris agreement. Under the auspices of the United Nations climate change secretariat, it will promote international cooperation and encourage greater ambition. Not only this, a few months before the COP23, a report by the IPCC noted that urgent changes needed to cut the risk of extreme heat, drought, floods, and poverty. The world's leading climate scientists warned that there are only a dozen years for global warming to be kept to a maximum of 1.5c, beyond which even half a degree will significantly worsen the risks of drought, floods, extreme heat and poverty for hundreds of millions of people. The science is clear that action to address the causes and impacts of climate change by a single country or small group of countries will not be successful. These agreements will impact our global operations and therefore, we will have to look at the legislative context of where we operate in order to determine the extent of these impacts and adjust our operations accordingly to drive inefficiencies. South Africa joined 174 other countries as a proud signatory to the Paris Agreement. South Africa has set challenging draft emission reduction targets, which will require significant emission reductions by business to achieve them. One of the key means of implementing international targets is through the National Climate Change Response white paper 2011. The White Paper presents the South African Government's vision for an effective climate change response and the long-term, just transition to a climate-resilient and lower-carbon economy and society. This could potentially require investment from our budget as an affected business in clean energy and other sectors in order to adapt our business to meet some of these requirements. With this, as a company listed in South Africa, we are expected by legislation to disclose our contribution to greenhouse gases and we currently meet this expectation.
Emerging regulation	Relevant, sometimes included	We ensure that any initiatives we undertake puts us in a good position to comply with future carbon or energy-related legislation, such as national building regulations standards, energy taxes such as the carbon tax regulations, allocation of carbon budgets as well as current opportunities such as energy efficiency savings incentives; or Income tax exemption for revenues earned from the sale of Certified Emission Reductions. We are able to align some of our innovations to comply with predicted future trends. This also feeds into our risk matrix framework and the systems we put in place to address some of the risks.
Technology	Relevant, sometimes included	While we have set targets to sourcing all our energy from renewable sources by 2030, we also recognize that technology in this area is evolving. We have developed our own rating model for stores based on the number of sustainability features they include. This allows new and existing stores to be classified as silver, gold or platinum level stores, with the platinum level being the highest category for stores with the most sustainability features. All professional teams involved in our building developments are required to use these guidelines in building design and development. This not only requires us to actively invest in but also to explore innovations to integrate into our overall operational plans. In addition, a large percentage of our market share is derived from our foods business. With climate change ravaging the areas where we mostly source, the cost of technology to enable adaptation also adds its weight to our overall sustainability strategy.
Legal	Relevant, always included	David Jones reports to the National Greenhouse and Energy Reporting Act (2007) (NGER) in Australia which is Federal legislation that establishes a national framework for the reporting of greenhouse gas (GHG) emissions and energy consumption. The NGER is a mandatory requirement for large organisations to report energy consumption and associated emissions. In the future, the Country Road Group will also need to comply with this. In South Africa, we respond to the national Greenhouse Gas Reporting Regulations aimed at introducing a single national reporting system for the transparent reporting of greenhouse gas emissions. This is in response to ensuring that South African entities contribute towards meeting the country's reporting obligations under the United Framework Convention on Climate Change (UNFCCC) and instrument treaties to which South Africa is bound.
Market	Relevant, always included	Increases in the cost of energy and shifts in the cost of fuel over the last year have an impact on our retail and distribution network. In addition, there are energy supply issues across some of the countries in which we operate. It is envisioned that cost increases will continue with 7-10% plus year-on-year tariff increases being implemented by the energy regulators in South Africa. This is however anticipated to level out as more and more renewable sources of energy are implemented within our operations and globally. Global events make this space volatile for a retailer such as ourselves that has a global sourcing and distribution network. This not only impacts our logistics but also the cost of managing circular economy projects. With fluctuations in the price of oil, we have seen variable uptake across our supply chain with certain petroleum-based recyclables losing their benefit when compared to using raw materials.
Reputation	Relevant, always included	We believe that consumer demand for products that are more sustainable and produced in an environmentally and socially responsible manner will continue to grow in over the next few years. As such, if we fail to respond appropriately by supplying such goods and services, we will lose the connection and trust that we would like customers to have with our brands. Failure to respond appropriately and deliver on our sustainability commitments could have a negative impact on our reputation. At the same time, increased energy, fuel and water costs, could result in a reduction in customer's disposable income, which in turn would impact their spending with ourselves and other retailers. We are responding to these opportunities with product labeling around the origin of the product, as well as setting targets around organic products and other community and environmental initiatives that will broaden our supply base. Our stakeholders have particularly high expectations of us to be responding to sustainability challenges in a significant way, given the progress made in this area over recent years, our communication around it, and the various awards won.
Acute physical	Relevant, always included	Engagements with the Provincial and National Government Departments in South Africa on how our flagship program "Farming for the Future" and other relevant business practices can be shared with the department to assist in climate change resilience within the agricultural sphere. We also undertook a water stewardship project in collaboration with WWF, Alliance for Water Stewardship, Marks & Spencer and some of our stone fruit suppliers ravaged by water shortages as a consequence of climate change. As the project progressed, the greater Breede Gouritz Catchment Management Agency got involved as a value-sharing partnership to engage stakeholders around broader water issues through collective action and to support water governance This was to identify ways to improve and build resilience through conservation interventions for water usage. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policymakers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policymakers in this space.
Chronic physical	Relevant, always included	Engagements with the Provincial and National Government Departments in South Africa on how our flagship program "Farming for the Future" and other relevant business practices can be shared with the department to assist in climate change resilience within the agricultural sphere. We also undertook a water stewardship project in collaboration with WWF, Alliance for Water Stewardship, Marks & Spencer and some of our stone fruit suppliers ravaged by water shortages as a consequence of climate change. As the project progressed, the greater Breede Gouritz Catchment Management Agency got involved as a value-sharing partnership to engage stakeholders around broader water issues through collective action and to support water governance This was to identify ways to improve and build resilience through conservation interventions for water usage. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policymakers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policymakers in this space.
Upstream	Relevant, always included	We actively engage with our suppliers on sustainable production practices. We are also in the process of trialing a supplier green factory assessment to identify those that are implementing eco-friendly practices at their facilities.
Downstream	Relevant, always included	At the customer interface, we manage risks by ensuring that: - Our clothing products come with a wash care label that promotes washing at water temperatures of 30°C or less. - Communicating energy use within the store and saving tips for customers on in-store plasma screens - On-pack recycling labeling introduced in late 2013 is another way in which our customers can contribute to reducing waste emissions at landfills by using the guide to properly discard their waste.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Our approach to managing climate related risks and opportunities is premised on a number of factors. In our direct operations we focus on three elements: 1) improving energy efficiency across our entire business from stores, to distribution centres, corporate buildings; 2) Measurement and control: Over the years, we have continued to rollout online metering to all our facilities to ensure the accurate measurement and monitoring of our electricity use. Woolworths has real-time visibility at over 95% of its store network. A new energy reporting platform was recently approved for the Country Road Group and David Jones which enables better monitoring of energy data as well; 3) Sourcing renewable energy. We currently have 5 solar installations at sites across the Group in South Africa and Australia. These currently provide a very small portion of our overall consumption. Our future plans are to maximise own generation and and then to procure renewable energy from third party suppliers. Our companies also continue to build relationships with industry bodies for collective action in responding to the challenges of energy and climate change. We continue to voluntarily respond annually to organisations such as the CDP as well as meet all mandatory reporting obligations in the areas in which we operate.

Our approach for managing climate change related risks and opportunities are underpinned by the following -

Real Estate Management:

Our overall approach to greening of the property portfolio has to date focused primarily on utilizing Woolworths own green building rating programme (which is based on the guidelines of the Green Building Council of South Africa) which involves rating and classifying buildings into three categories (Platinum, Gold and Silver) in accordance with the green design features they possess. All new stores are designed to this standard. In the 2016, the business made a decision to be part of a pioneering project in South Africa to officially grade green buildings in retail. One of our stores became the first retail outlet in South Africa to achieve a 5-star rating certified by the Green Building Council South Africa (GBCSA), using the Green Star SA – Existing Building Performance Custom Tenant rating tool. This store set the benchmark within the Woolworths property portfolio, meeting the requirements for a platinum rating of the Woolworths SA Real Estate Division's own green assessment program. In 2018, this building certification by the GBCSA was upgraded to a 6-star, making it the first 6-star-rated retail store in South Africa. The store has features such as automated doors to help maintain the interior temperature, natural ventilation and reclaimed heat from the store's refrigeration system and heat pumps used for under-floor heating. It is also equipped with a CO_2 refrigeration system, skylights for maximum use of natural light, with fully automated lighting which adjusts to light conditions in the store. LED lights are used for bulkheads, external signage and internal spot lights. It is monitored continuously using an online metering system that monitors electricity and water usage. A fully automated load control system ensures that optimal use of energy is achieved and the store also has a system for using harvested rainwater for its toilets. To date, we have 143 green stores within our green building portfolio and are committed to growing this number.

Supply Chain - Logistics

The partnership with Imperial Logistics for transporting our products continues to offer Woolworths a sustainable solution for our supply chain. Initiatives range from vehicle tracking systems and driver training for efficient and safe driving, as well as technology to ensure the fleet poses as little impact on the environment as possible. As a partner, Woolworths is in an opportune position to be a part of some of the initiatives trialed or implemented by Imperial Logistics.

Sustainable production

Farming for the Future continues to achieve what it set out to do: help farmers grow quality produce while protecting the environment, preserving natural resources, and reducing dependence on synthetic fertilisers, herbicides and pesticides – all without adding to the price the consumer pays. As this programme has developed through the years, our focus has continued to evolve.

We embarked on a collaborative project with Fair Carbon Exchange, which aims to fund farmers working as part of Farming for the Future for their efforts in soil carbon sequestration. Through this, farmers cannot only increase the quality of their soil and therefore crop yields but also contribute towards greenhouse gas mitigation, all at zero risk to farmers and consumers.

We have largely narrowed in on potential localized impacts, but have also looked at supply chain impacts in the global sphere and are currently mainstreaming our mandate in order to drive a more integrated group approach, which will include our Australian operations.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Increased pricing of GHG emissions

Type of financial impact
Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatement)

Company- specific description
The South African National Treasury has promulgated a phased-in tax rate of R120/t of carbon dioxide equivalent (CO2e), increasing 10% a year during the first phase, in an attempt to curb the country's greenhouse-gas (GHG) emissions. The initial phase does include a number of concessions to initial implementation will see a much lower rate charged.

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not quantified the financial impact.

Management method
We continue to roll-out energy efficiency and monitoring devices across our operations such as automatic doors on refrigeration at stores to efficiently control the temperature, energy-efficient LED lighting that adjusts automatically to natural light, and natural gas refrigeration, etc. We also have an online system which assists in detecting areas that require attention with regards to energy efficiency. We are able to monitor electricity use across our operations, real-time, and also detect leaks that could be contributing to inflated figures. In order to minimise taxes paid on our carbon emissions as a direct consequence of using electricity generated by Eskom, we are actively looking to implement cleaner sources of energy where feasible. This entails implementing eco-efficient ways of generating and using energy as efficiently as possible. Also, our energy reduction activities will continue to enable us to effectively monitor and reduce where required. In the last reporting year, we kick-started another solar installation on one of our biggest distribution centers. At completion, this will be a 2mW installation with the potential of providing over 30% of the facility's energy needs per year. The setting of science-based targets will also enable us to effectively monitor progression towards a net-zero carbon business as we track the reduction in our intensity figures.

Cost of management
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This cost is an average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Transition risk

Primary climate-related risk driver
Policy and legal: Enhanced emissions-reporting obligations

Type of financial impact
Other, please specify (Tighter legislative requirements for transparency)

Company- specific description
The COP21 offered a turning point in climate change negotiations for the world. What was most profound was that governments were able to agree on a decisive stance to curb global emissions and ensure they remain way below the 2degrees threshold. New science recommends a reduction of emissions to keep us at below 1.5°C below pre-industrial levels. For the first time, the international community has committed to net-zero greenhouse gas emissions in the second half of this century in order to hold global warming well below 2°C (with this stretch target of 1.5°C. The science is clear that action to address the causes and impacts of climate change by a single country or small group of countries will not be successful. These agreements will impact our global operations and therefore, we will have to look at the legislative context of where we operate in order to determine the extent of these impacts and adjust our operations accordingly to drive inefficiencies. South Africa joined 174 other countries as a proud signatory to the Paris Agreement. We have commenced domestic ratification processes to enable the entry into force of the agreement in 2020. South Africa has set challenging draft emission reduction targets, which will require significant emission reductions by business to achieve them. One of the key means of implementing international targets is through the National Climate Change Response white paper 2011. The White Paper presents the South African Government's vision for an effective climate change response and the long-term, just transition to a climate-resilient and lower-carbon economy and society. This could potentially require investment from our budget as an affected business in clean energy and other sectors in order to adapt our business to meet some of these requirements. The National Development Plan in South Africa is also an enabler as it recognizes the need to reduce carbon emissions as per the recommendations of global agreements. According to the NDP, South Africa's development is affected by what happens in the region and the world. Success will depend on the country's understanding and response to such developments.

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not quantified the financial impact.

Management method
We are managing these risks already by implementing a mix of energy sources across our supply chain. We work very closely with our suppliers to ensure that we are able to understand their challenges and identify areas where we can invest either financially or through knowledge sharing initiatives in order to ensure that they also adapt to the impacts of climate change adequately. Above this, we continue to employ eco-efficient ways of generating and managing energy across all our operations through our building innovation that is strict on incorporating energy-saving elements. Legislative implications are closely monitored by our risk managers and incorporated accordingly to our risk register, which is presented to the risk and compliance board committee. A preliminary investigation into the impact of solar for our operations indicated that we will achieve less than 10% of our energy through solar if we installed within all our direct operations. This creates an even stronger business case as to why energy efficiency should extend to our indirect operations as we move towards going 100% renewable by 2030 as well as ensuring we meet our energy reduction targets.

Cost of management
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape bench-marking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs an average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Supply chain

Risk type
Transition risk

Primary climate-related risk driver
Market: Uncertainty in market signals

Type of financial impact
Increased costs and/or reduced demand for products and services resulting from fines and judgments

Company- specific description
Large increases in the cost of energy and large shifts in the cost of fuel over the last year are further impacting on our distribution network, as well as official travel expenses. With weakening currency across most of our countries of operation, we have seen increased energy, impacting company operations in a number of areas including the costs of electricity usage in the running of office buildings, stores, and distribution centers. It is envisioned that these will continue with 7-10% plus year-on-year tariff increases being implemented by the energy regulators in South Africa. This is however anticipated to level out as more and more renewable sources of energy are implemented within our operations and globally. Global events make this space volatile for a retailer such as ourselves that has a global sourcing and distribution network. This not only impacts our logistics but also the cost of managing circular economy projects. With fluctuations in the price of oil, we have seen variable uptake across our supply chain with certain petroleum-based recyclables losing their benefit when compared to using raw materials.

Time horizon
Current

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not quantified the financial impact.

Management method
Being proactive and innovative within our operations such as exploring bio-diesel fuel mixes. We have also, in collaboration with Imperial Group, optimised our distribution routes in South Africa to reduce fuel consumption and carbon emissions incurred by our fleet. We have also commissioned a research study on our waste management strategy in order to optimise our contribution to the circular economy.

Cost of management
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs an average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Customer

Risk type
Transition risk

Primary climate-related risk driver
Market: Changing customer behavior

Type of financial impact
Increased costs and/or reduced demand for products and services resulting from fines and judgments

Company- specific description
Introduction of energy efficiency potentially requiring revision of labeling standards associated with affected products, especially appliances. This forms part of a continued focus by the South African government on product labeling that requires regular investment to change packaging and communication to consumers. This may require us to amend some of our product labels in order to incorporate new guidelines. This will assist us in ensuring that most (if not all) of our packaging is disposed of in the appropriate manner.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not quantified the financial impact.

Management method
Woolworths has partnered with a variety of stakeholders (including PETCO, POLYCO, Plastics SA as well as the Consumer Goods Council of South Africa and government) to help manage packaging waste and support increased recycling rates in South Africa. Other partners include other retailers in order to build scale to strengthen the business case for increasing and improving the infrastructure in South Africa. Woolworths Holdings is also the first and only African company to sign The Ellen MacArthur Foundation's New Plastics Economy Global Commitment, launched in October 2018. This puts us on a platform with over 250 other organisations working together towards defining what a global plastics economy looks like and also to enable a circular economy for plastics, a concept that is endorsed by the World Wide Fund for Nature (WWF) and the World Economic Forum. In Australia, David Jones and Country Road Group are signatories to the Australian Packaging Covenant Organisation (APCO), a federal government initiative focused on reducing the amount of used packaging that reaches the landfill. For the most recent rating period, both Country Road Group and David Jones achieved a rating of 2, classified as 'good progress' for the reporting period 2017-2018.

Cost of management
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs an average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Transition risk

Primary climate-related risk driver
Technology: Costs to transition to lower emissions technology

Type of financial impact
Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description
Under the National Building Regulations and Building Standards Act (Act 103 of 1977): the Regulation for the Environmental Sustainability of Buildings (SANS 204). SANS 204 specifies limits in maximum demand as well as energy usage for inter alia retail stores. The transition to a low carbon economy through the use of renewable energy in our operations also has an impact. Our internal green building protocol has remained the platform upon which we implement eco-friendly initiatives to drive efficiencies within our facilities. Using this protocol, we ensure that every new building is built taking into consideration eco-friendly installations. We also conduct an internal green

building certification for our facilities as an indicator of where we are on the journey of transforming to being more eco-efficient. In South Africa, this certification involves rating and classifying our buildings into three categories (Platinum, Gold, and Silver) in accordance with the green design features they possess. These features not only enable us to ensure that our store facilities run efficiently, but they also help to identify stores that need improvement. We also have two stores and two distribution centers rated by the Green Building Council of South Africa.

Time horizon
Current

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not quantified the financial impact.

Management method
When we design a new store, we look at how to include as many energy-saving elements in the building's design as possible. We call these "green stores." We have developed our own rating model for stores based on the number of sustainability features they include. This allows new and existing stores to be classified as silver, gold or platinum level stores, with the platinum level being the highest category for stores with the most sustainability features. The Woolworths Palmyra store in Claremont, Cape Town has become the first retail outlet in South Africa to achieve a 5-star rating certified by the Green Building Council South Africa (GBCSA), using the Green Star SA – Existing Building Performance Custom Tenant rating tool. The store stands as South Africa's greenest retail tenant environment. It has a long list of environmentally-friendly features including automated doors that help maintain the interior temperature, reclaimed heat from the refrigeration system and air conditioning that is used for under-floor heating, harvested rainwater that is used to flush the toilets, a CO2 refrigeration system, skylights that optimise natural light and fully automated lighting that guarantees no energy is wasted on lighting when natural light is available. A submission has also been sent through to rate one of our facilities in our Australasian operations.

Cost of management
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape bench marking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs an average of around R445,968(management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

Identifier
Risk 6

Where in the value chain does the risk driver occur?
Supply chain

Risk type
Physical risk

Primary climate-related risk driver
Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact
Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatement)

Company- specific description
As a result of the El Nino cycle, we continue to feel the impacts of changes in precipitation - most areas in the southern African region experiencing drought. In the Western Cape, we have experienced the worst drought in 100yrs. A large percentage of our profits are derived from our fresh produce and we source this largely in South Africa. The impact is therefore very high with the region experiencing threats of severe food shortages in some areas. Towns that never had issues in the water supply are running out of water. The combination urbanization, adds to the pressure on water supply. Weather patterns can also negatively impact on raw materials (such as cotton, wool, bamboo, coffee, palm oil, soy, farming, etc.) farming by our suppliers, meaning a negative impact on some of our product supply. We are working closely with organisations to drive sustainable sourcing for all our key commodities where possible.

Time horizon
Current

Likelihood
Very likely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not quantified the financial impact. The financial impact for this risk is associated with the loss of crop in areas that get affected negatively by the extreme climatic event and has not been quantified as yet. There is also a need, in extreme cases, to explore the relocation of a certain food crop to areas more conducive to their growth needs. This comes at a huge financial investment for the suppliers affected. In addition to this, the research required to keep track of the macro-environment is extensive and on-going in order to fully understand what the impacts are on our business and identify the best solutions.

Management method

Farming for the Future is our sustainable farming approach based on working with nature instead of against it and combining the best of conventional farming with the best of organic farming. It was adopted in 2009 as a competitive strategy to address the many agricultural challenges that face South Africa—water quality and scarcity, years of ecosystem degradation, poor quality soils in many areas, food security, climate change, and rising input costs. As any farmer will tell you, it takes good soil to produce good food. We have also been working in partnership with WWF-SA, the Alliance for Water Stewardship (AWS) and Marks and Spencer in the progression of the Ceres Water Stewardship project to address water-related risks in the supply chain since 2013. Nine stone-fruit farmers in the Western Cape of South Africa volunteered their cooperation. They have worked through the AWS certification standard, first understanding and putting in place steps to reduce farm-level risks. This was followed by a process to determine catchment level initiatives to reduce collective risks. In the last year, the focus has been on implementing these catchment level initiatives which have included the formation of a community 'water savers' initiative to address challenges related to litter and sanitation in the local community, and co-coordinating alien clearing in the upper reaches of the catchment to provide better assurance of water supply to downstream users.

Cost of management

445968

Comment

These initiatives saw investments from Woolworths that range from R6M to R10M p.a. For products that are lined up as promotional products, the cost is also attributed to the amount spent on promotional material that sometimes has to be canceled if there is a shortage of product. This costs on average around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

Identifier

Risk 9

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatement)

Company- specific description

Over much of the country, there is significant evidence of increases in the intensity of high rainfall events. Percentage increases in intensities are largest for the most extreme rainfall events. The intensity of 10-year high rainfall events has increased by over 50% along the east coast. In parts of the northeast, north-west and in the winter rainfall region, decreases in extreme rainfall events have occurred and in the north-east are consistent with a decline in annual rainfall totals observed since the late-1970s. Changes in the intensity of low annual maximums are less spatially coherent and mostly of smaller magnitudes. These impacts are very high with some of the regions experiencing severe food shortages. Towns that never had issues in the water supply are running out of the water, forcing water rationing by the managing agents.

Time horizon

Current

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not quantified the financial impact.

Management method

The sustainable farming program places us in an opportune position to address some of these constraints within our food production system. In 2015, we conducted a water footprint assessment of some of our farms as part of the sustainable farming program audits. The custom Water Footprint index (WFI) methodology includes 116 water management parameters relating to practices on farms and in packing or processing facilities that may negatively impact on water quality, for example, fertiliser application processes, alien vegetation management etc. The main objective of the WFI is for suppliers to demonstrate a continual decrease to their water footprint over time. Analysis from the 2014/15 WFI assessment indicates that 61% of participating farmers are classified as having a 'low' water footprint, according to the independently developed scoring system. Woolworths will continue assessing WFI at its suppliers on an annual basis as part of the independently assessed sustainable farming program audits. Our sustainable sourcing strategies for our key commodities and raw materials ensures that we source from suppliers that have taken care to implement sustainable production activities that take into account fluctuating climatic conditions.

Cost of management

445968

Comment

These initiatives saw investments from Woolworths that range from R6m to R10m p.a. For products that are lined up as promotional products, the cost is also attributed to the amount spent on promotional material that sometimes has to be canceled if there is a shortage of product. This costs on average around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

Identifier
Risk 10

Where in the value chain does the risk driver occur?
Customer

Risk type
Physical risk

Primary climate-related risk driver
Chronic: Rising mean temperatures

Type of financial impact
Reduced demand for products and services

Company- specific description
Global temperatures are rising and 2018 was recorded as the hottest year in the last 100 years. This is according to the Fourth Assessment Report (Fourth AR) published by the Intergovernmental Panel on Climate Change (IPCC). The burning of fossil fuels continues to change ecological and social structures and a global average temperature increase of 2^{0}c or more will be catastrophic. Beyond normal temperatures have been recorded as a result of climate change, with South Africa recording the hottest year last year in over 30 years. The World Energy Issues Monitor (WEM) issues a report annually detailing the trends in the global energy landscape and what governments and businesses are focused on. Climate change is increasingly an evident culprit when it comes to erratic weather. It is not surprising that in 2013, five out of eight world's largest textile, apparel and luxury goods retailers responded to the CDP under the consumer discretionary sector which contributed 12% towards the entire respondent's list for that year for CDP (Carbon Disclosure). With a majority of products and merchandising cycles still categorised by season, climate adaptation is essential now more than ever. The impacts of climate change have made the concept of seasonality to become very vague. Seasons such as spring and summer have become shorter and autumn and winter have become longer. The challenge for clothing retailers in light of climate change is to provide affordable fashion that customers can use from season to season and that is easy to care for using as few resources as possible.

Time horizon
Current

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have quantified the financial impact. However, as a clothing retailer, we are already experiencing the impacts of climate fluctuations on seasonality. Not only this, there is growing pressure to re-look sourcing strategies as raw materials become scarce in certain areas. Lead times are delayed as a result of challenges in sourcing raw material like cotton for some of their products. This makes sense because cotton is one of the crops that are impacted by climate change, with yields fluctuating as a result of precipitation changes. Climatic changes also introduce changes in the buying patterns of customers. This impacts directly on the bottom line.

Management method
We have been reporting late starts to winter and this had a negative on share price, compounded by the drought that South Africa has been experiencing that also brought with it unusually dry and warm weather. When winter comes, the temperatures fluctuate throughout the season. Specifically for our merchandising, the seasons and trends should be recognized in relation to the fact that the northern hemisphere may have certain trends that will not necessarily work for the southern hemisphere. These criteria owe it to contributing towards the increased unpredictability of merchandising cycles especially for retailers that have a global sourcing strategy. We are working actively to ensure our merchandising cycle and sourcing strategy is agile enough to respond to these climate shifts which have become extremely unpredictable.

Cost of management
445968

Comment
This costs an average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resilience

Primary climate-related opportunity driver
Participation in renewable energy programs and adoption of energy-efficiency measures

Type of financial impact
Increased revenue through new products and services related to ensuring resiliency

Company-specific description
As part of the We Mean Business Coalition, we have publicly agreed to put an internal price on carbon as a tool for reducing risks, costs and GHG emissions within our operation. In South Africa, the carbon tax was recently promulgated. Only companies with direct emissions more than 30,000 tCO_2e/yr are liable to pay the carbon tax, which suggests that Woolworths will not be required to pay the tax directly. However we envisage an indirect impact via an increase in the electricity price as a result of the pass through of the tax by the electricity utility. Companies that can prove that they are more efficient than the industry benchmark in their sector can be allocated additional percentage reductions in their carbon tax liability. This creates an incentive for us as a retailer to ensure that we are efficient and also ensure that we keep our emissions below the threshold if we are to benefit from the tax exemptions that come with the carbon legislation. However, this does not mean that we will not continue to engage our value chain to make our operations less energy-intensive where possible in order to reduce our impacts. Woolworths sees this as an opportunity to maximize on initiatives to drive further efficiency across our direct operations to keep our emissions as low as possible. The potential financial impact of the carbon taxes will be offset by increased efficiency within our operations, which will, in turn, drive operational costs down. Included in the proposed South African Carbon Tax policy are a number of relief measures for companies to access in order to increase their tax-free threshold (from 60% to a maximum of 90%).

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not quantified the financial impact.

Strategy to realize opportunity
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs an average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together. Remuneration is linked to the Variable Pay (VP) which consists of short- and long-term incentives with the opportunity to earn additional financial rewards over performance periods of between one and five years.

Cost to realize opportunity
445968

Comment
We have a dedicated team that looks into innovative options for energy and climate change space and how they can impact the business or how we can counter some of the impacts or adapt our policies as required. This team is also knowledgeable about supply chain and real estate issues. In addition to this, we have publicly committed to setting science-based targets to reduce our emissions across the Group in the aim that this will amplify the efforts that are already underway to be more efficient. This will bring us in line to reducing our carbon footprint by 50% by 2020, sourcing all direct energy from renewable sources by 2030 as well as the longer-term commitments of contributing to the curtailment of greenhouse gases through to 2050. We have also started to actively measure the savings incurred as a result of our initiatives. We have saved R608 million worth of electricity to date through energy efficiency interventions. This further strengthens the business case for continuing.

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resilience

Primary climate-related opportunity driver
Participation in renewable energy programs and adoption of energy-efficiency measures

Type of financial impact
Increased reliability of supply chain and ability to operate under various conditions

Company-specific description
Woolworths is committed to reducing energy consumption, carbon emissions, and waste to landfill in order to mitigate the negative impacts of climate change across our supply chain. With energy and climate change one of our eight Good Business Journey pillars, we have put in place a coordinated energy program that addresses all aspects of energy and climate change across our direct and indirect operations. David Jones has been proactively reducing its electricity consumption through behavioral and structural changes since its energy efficiency program commenced in 2007. The Country Road Group has also joined in the journey and is working to actively be able

to monitor energy use and consumption across its operations. This will, in turn, contribute to the overall efficiency of the Woolworths Group. Woolworths has made considerable advances in fuel and electricity efficiency and considers regulation to offer opportunities to benefit from its investment in energy efficiency and new technology. New government tax incentives make this an even more attractive focus area. Our business to business partnerships with our logistics partners also create an opportunity for innovative channels to address some of the fuel and energy-related challenges that arise when the legislation around these operational imperatives arise. We are also working closely with the company to ensure that we benefit from fuel and energy-efficient interventions within our logistics departments.

Time horizon
Current

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
In South Africa, we have experienced electricity blackouts in the past few years. With this, our operations have had to sometimes be halted to accommodate for this, which translates to a loss in revenue for the business. The opportunity for investing in renewable sources of energy means that should there be blackouts into the future, we will be shielded from the possible impacts of revenue loss. We have not calculated a financial impact figure as yet.

Strategy to realize opportunity
This presents opportunities to explore more sustainable and integrated modes of transportation or, fuel mixes. We have been conducting scoping exercises to establish the viability of introducing different fuel mixes for our fleet. We have also introduced nitrogen refrigeration to our transport fleet and also replace some of our vehicles with those that use low sulfur diesel. We also continue to explore installing solar panels as an alternative source of electricity at some of our buildings. Lastly, we have also been investigating the pros and cons of different fleet designs.

Cost to realize opportunity
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs on average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together. Remuneration is linked to the Variable Pay (VP) which consists of short- and long-term incentives with the opportunity to earn additional financial rewards over performance periods of between one and five years.

Identifier
Opp3

Where in the value chain does the opportunity occur?
Supply Chain

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Type of financial impact
Other, please specify (New products/business services)

Company-specific description
Regulation around labeling standards could result in greater consumer awareness and increased demand to replace inefficient products with more environmentally responsible products. Woolworths has a very strong labeling process and traceability system around a product which would put it in a good position to benefit from this. There has also been some focus on communication and marketing of these products to build awareness with existing customers. In addition to this, we are a member of packaging bodies to enable the creation of a platform where we can share value in this space. We have managed to influence the industry for instance by being the first South African company to introduce the on-pack recycling label on most of our products. This label directs the end-user on the recycling options for the different types of materials. At our own operations, we are working towards achieving zero waste to landfill. In South Africa, challenges exist in that the infrastructure for consistent recycling of all different waste streams still remains underdeveloped.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not quantified the financial impact.

Strategy to realize opportunity
We have a very strong labeling process and traceability system around products which would put it in a good position to benefit from this. One major milestone was the launching of our guide to the recycling of our products. This was an industry first In South Africa, intended to assist recycling efforts by making it easier for customers to recycle correctly while stimulating the growth of the recycling sector. This recycling guide is supported by several industry leaders and is a great start in ensuring that we are able to mobilize our customers to reduce waste to landfill. We also launched our zero packaging to landfill commitments in 2018. With these, we have committed that: 1. All our packaging to be reusable or recyclable by 2022 2. We have since started removing all single-use plastic through initiatives such as removing cutlery from our operations, rolling our coffee-cup recycling facilities, exchanging plastic straws for paper straws, working on removing plastic bags from our stores by 2020 as well as banning plastic-stemmed earbuds in our stores. We also support the growth of South Africa's green economy through waste recycling initiatives and making it possible for customers to recycle more easily. The Australian Packaging Covenant (APC) is a federal government initiative focused on reducing the amount of used packaging that reaches the landfill, directly impacting our Australasian operations.

Cost to realize opportunity
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs on average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together. Remuneration is linked to the Variable Pay (VP) which consists of short- and long-term incentives with the opportunity to earn additional financial rewards over performance periods of between one and five years.

Identifier
Opp4

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resilience

Primary climate-related opportunity driver
Participation in renewable energy programs and adoption of energy-efficiency measures

Type of financial impact
Increased market valuation through resilience planning (e.g., infrastructure, land, buildings)

Company-specific description
Regulatory change that results in increased energy costs provides a business case for investment in energy efficiency measures that will continue to reduce our direct environmental impacts, providing an opportunity to protect brand equity and grow shareholder value, over time. The South African Government has introduced/proposed a range of measures aimed at achieving environmental objectives: The Taxation Laws Amendment Act (2009) - This Act enables the creation of a tax incentive granted in return for corporate energy efficiency savings. Energy efficiency savings incentives - The Department of Treasury has released new tax proposals on energy efficiency for public comment. These focus on investments in new qualifying energy-efficient equipment, which would qualify for an additional "top-up" of up to 15% of the purchase price. Companies that achieved energy efficiency savings through improved production processes on baseline energy efficiency model would qualify for an additional tax deduction of up to 50% of the monetary value of the energy efficiency savings. Income tax exemption for revenues earned from the sale of Certified; Emission Reductions; – Accelerated depreciation allowances for the production of renewables and biofuels; – Biodiesel fuel tax concession; It is anticipated that this suite of regulation will likely be fully implemented (in situations where that is not already the case) in the next year or two. Adherence to mandatory reporting is also an enabler for driving better efficiency across the supply chain, avoiding financial penalties and in addition, building brand reputation.

Time horizon
Current

Likelihood
Likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
This figure has not been calculated as yet.

Strategy to realize opportunity
We have a dedicated governance section that looks into regulatory issues and how they can impact the business or how we can counter some of the impacts or adapt our policies as required.

Cost to realize opportunity
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs on

average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together. Remuneration is linked to the Variable Pay (VP) which consists of short- and long-term incentives with the opportunity to earn additional financial rewards over performance periods of between one and five years.

Identifier
Opp5

Where in the value chain does the opportunity occur?
Supply Chain

Opportunity type
Resilience

Primary climate-related opportunity driver
Other

Type of financial impact
Other, please specify (Change in mean (average) temperature)

Company-specific description
Opportunities to develop supply chains in slightly different geographical areas, and more regional supply chains. This includes opportunities to bring small-scale farmers into the supply chain in order to compliment were our primary suppliers are struggling. Our expansion into African and Australian operations creates interesting new opportunities in this area to drive synergies. Changes in mean average temperatures could be an opportunity to introduce other types of produce, which could mean increases in our offering.

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
This figure has not been calculated as yet.

Strategy to realize opportunity
We have made a public commitment to join the drive for energy efficiency across our operations by implementing green energy initiatives or using renewable energy where possible. These commitments include: halving our energy impact by 50% in 2020, save 500 billion liters of water, source all key commodities from sustainable sources and also source all our energy from renewable sources by 2030 for the entire Group. We have also made a public commitment through the We Mean Business coalition to set science-based targets for our carbon emissions, remove commodity-driven deforestation and improve water security.

Cost to realize opportunity
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs on average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together. Remuneration is linked to the Variable Pay (VP) which consists of short- and long-term incentives with the opportunity to earn additional financial rewards over performance periods of between one and five years.

Identifier
Opp6

Where in the value chain does the opportunity occur?
Supply Chain

Opportunity type
Resilience

Primary climate-related opportunity driver
Resource substitutes/diversification

Type of financial impact
Other, please specify (Induced changes in natural resources)

Company-specific description
The need for energy saving and reducing emissions has created a renewed focus on location selection and logistics. Good planning capabilities create opportunities for both cost savings and environmental benefits, from a logistics, store location and design perspective. Changes in growing seasons may create new supply chain opportunities, including new regional supply chain opportunities in the Southern hemisphere over the next 3-10 years and we continue to drive better sourcing strategies across our operations.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
This figure has not been calculated as yet.

Strategy to realize opportunity
This presents opportunities for us to continue tapping into more renewable sources of energy across our operations to leverage on this incentive. It also motivates for more energy-saving innovations across our supply chain such as rolling out initiatives like farming for the future to our entire supply chain, increasing our waste reduction efforts, reducing waste generation throughout our supply chain (closing the loop) etc.

Cost to realize opportunity
445968

Comment
The cost of management for this risk lies in the provision of capacity for continuous motoring of these regulatory changes. This will be done by dedicated personnel either from the sustainability team for continuous landscape benchmarking or from the compliance and risk enterprise teams to ensure adherence to changes. This costs in average of around R445,968 (management salary) for a dedicated resource. Management means senior, middle and junior management & skilled staff lumped together. Remuneration is linked to the Variable Pay (VP) which consists of short- and long-term incentives with the opportunity to earn additional financial rewards over performance periods of between one and five years.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	Due to changes in average rainfall in some areas, sourcing of key commodities has been impacted. In South Africa (in fact the whole of SADEC), we are experiencing the worst drought since 1983 . At the same time there is significant evidence of increases in the intensity of high rainfall events. Percentage increases in intensities are largest for the most extreme rainfall events. The intensity of 10-year high rainfall events has increased by over 50% along the east coast. In parts of the northeast, north-west and in the winter rainfall region, decreases in extreme rainfall events have occurred and in the north-east are consistent with a decline in annual rainfall totals observed since the late-1970s. Changes in the intensity of low annual maxima are less spatially coherent and mostly of smaller magnitudes. The major food-producing areas receiving below normal rainfall.
Supply chain and/or value chain	Impacted	Cost of food has increased and the poor were hit the hardest. The behavior of plant pests and disease changed which add more pressure on the financial situation of the commercial farmers and the agriculture industry saw the highest liquidation of agribusinesses and farmers in history. This raises the cost of operating has, forcing suppliers to shed jobs.
Adaptation and mitigation activities	Impacted	Mitigation around climate change and extreme weather started in Woolworths as early as 2007 with the launch of the Good Business Journey. We focus on sustainable farming through our Farming for the Future project, waste reduction programs, energy-saving initiatives at our distribution centers as well supply chain. The introduction of technologies such as efficient irrigation systems, undercover crop production, and varietal development. We also work with institutions to ensure we grow the right crop in the right area. Managing our risks as a business requires a broader engagement than ever before. The success of our initiatives is determined on an outcomes-based approach.
Investment in R&D	Impacted	We have implemented initiatives such as Farming for the Future and also get involved in water stewardship projects. Farming for the Future was adopted in 2009 to address the many agricultural challenges that face South Africa—water quality and scarcity, years of ecosystem degradation, poor quality soils in many areas, food security, climate change, and rising input costs. We work directly with our primary suppliers, and a growing number of secondary suppliers on a programme of continuous improvement to improve soil quality and minimize the need for agricultural inputs. Woolworths also embarked on a process to understand how to engage our farmers to improve resilience against water availability and quality challenges to reduce our own risk to supply disruption. Using the WWF-Water Risk Filter, Woolworths, with Marks and Spencer's, identified stone fruit (peach and plum) farmers operating in the Breede River Catchment in the Western Cape of SA as among the most at risk (globally) in terms of water availability, quality of supply and future anticipated climate change. The project commenced in 2013 and was divided into two distinct phases. Phase 1 (2013 & 2014) focussed on working with nine stone fruit farmers to understand the farm-scale implementation of water stewardship as per the AWS standard – focusing on water footprinting and farm-level risk management and efficiency. The Council for Scientific and Industrial Research SA conducted water-use assessments on farms and identified that the farmers were already operating between 3 and 7 times more efficiently, compared to the global average for stone fruit farmers. Nevertheless, farmers were still at risk from impacts that were outside the control of an individual farm – highlighting the importance of a collective approach.
Operations	Impacted	We have had to innovate in our direct operation in order to introduce energy-saving initiatives. Woolworths' overall approach to greening of the property portfolio has to date focussed primarily on utilising Woolworths own green building certification programme. The system, developed internally by Woolworths SA Real Estate (Engineering) Division, awards points for green interventions included in property design, build or fit-out. The programme consists of three categories: Platinum, Gold, and Silver. The application of green design features within each build or retrofit is specification driven, and depending on negotiations with landlords, as well as funds available and layout/ nature of store – these are implemented as feasible. Woolworths considers the following measures when considering new real estate opportunities and the majority of these have been incorporated into our green buildings store design: • Natural ventilation including openable windows to offices • and cross-ventilation; • Roof Mounted opaque skylights; • Energy-efficient lighting and the use of a building management • system for light switching; • Solar-powered water heating; • Re-use heat generated by plant and machinery to heat • buildings in cold periods of the year; • LED lighting for exterior signs; • CO2 • refrigeration system; • Underfloor heating in the food market using waste heat • and heat pumps and a heat reclaim system for the food market • and cooling; • Natural lighting (skylights); • Reduction in spotlighting and fluorescent lighting as a result • of daylight usage; • Automated Load Control; • Heat Pump geyser for interactive use; • Power Factor Correction; • Greywater recycling system; • Dual flush toilets; • Timer Taps on basins; • Electronic pulse meters installed on all water meters; • Metering on Line monitoring system; • Real-time energy display; • Recycling facilities for customers; • Cardboard shelving and bulkheads; and • Training of staff on energy management.
Other, please specify	Impacted	We work very closely with our logistics partners to ensure that we implement the most sustainable technology as possible for the transportation of our products.

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	We are working on formalising the calculation of financial impact on our revenues from things like food price inflation driven by limited product availability (especially, but not limited to, fresh produce); disruption in supply chains leading to stock availability concerns; negative impact on fiber and raw material suppliers for our fashion businesses as a result of climate change-driven adverse weather conditions. There are many other potential impacts that we are busy quantifying.
Operating costs	Impacted	We are working on formalising the calculation of the financial impact on our operating costs from things like energy price increases at our facilities and in our supply chain, implementing mitigation and resilience initiatives across our value chain and a variety of other elements which may have an impact on operating costs.
Capital expenditures / capital allocation	Impacted	We are working on formalising the calculation of the financial impact of capital expenditure for implementing efficiency initiatives as well as for installing renewable energy capacity
Acquisitions and divestments	We have not identified any risks or opportunities	No calculations have been done for this as yet
Access to capital	We have not identified any risks or opportunities	No calculations have been done for this as yet
Assets	We have not identified any risks or opportunities	No calculations have been done for this as yet
Liabilities	We have not identified any risks or opportunities	No calculations have been done for this as yet
Other	Please select	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, qualitative and quantitative

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Our vision is to be one of the most responsible retailers in the world. We will achieve this by embedding sustainability in our operations through our Good Business Journey (GBJ), initiated in 2007 as our commitment to responsible and ethical trade. Our GBJ forms one of our core business strategies, overseen by the Board Sustainability Committee. It includes eight focus areas, including: Water; Energy; Sustainable Farming; Waste; Transformation, Social Development, Ethical Sourcing and Health & Wellness. Through this program, we embed sustainability into every aspect of our business model, across eight focus areas. Climate change is one of the focus areas and so we have committed to increasing energy efficiency in our own operations and reducing our carbon emissions. We have committed to setting science-based targets in line with the globally agreed 2°C, now revised by the IPCC to 1.5°C for greater ambition. Our commitment is to reduce our relative footprint by 50% by 2020 from a 2014 baseline as well as source all energy for our direct operation from renewable sources by 2030. In 2017, we became the first major retailer to sign up to EP100, The Climate Group's corporate leadership initiative for energy smart companies doing more with less to lower emissions and accelerate the clean economy. Woolworths set a target to double our energy productivity by 2020 from a 2005 baseline. This year, as reported by The Climate Group, we are pleased to share that we met our commitment to double our energy productivity in 2011, nine years ahead of the 2020 target we set ourselves. In addition, we have also committed to putting an internal price on carbon. Our approach to managing climate change and energy is as well as meeting our targets is realized through broad programmes to reduce energy use and also improve efficiency across our business such as:

1. Real Estate Management

Our overall approach to greening of the property portfolio has to date focused primarily on utilizing Woolworths own green building certification programme. Whenever we design a new store, our team looks at how to include energy-saving elements. We have created our own green building rating model which we use to classify our stores, allowing us to easily identify stores that need improvement.

In the 2016, the business made a decision to be part of a pioneering project to grade green buildings in retail. With this, one of our stores became the first retail outlet in South Africa to achieve a 5-star rating certified by the Green Building Council South Africa (GBCSA), using the Green Star SA – Existing Building Performance Custom Tenant rating tool. This store set the benchmark within the Woolworths property portfolio, meeting the requirements for a platinum rating of the Woolworths SA Real Estate Division's own green assessment program. To date, we have 164 green stores within our green building portfolio. Now, also ratified by the GBCSA, the store stands as South Africa's greenest retail tenant environment,having upgraded this rating to a 6-star in 2018. The store has features such as automated doors to help maintain the interior temperature, natural ventilation and reclaimed heat from the store's refrigeration system and heat pumps used for under-floor heating. The store is also equipped with a CO_2 refrigeration system, skylights for maximum use of natural light, with fully automated lighting which adjusts to light conditions in the store. LED lights are used for bulkheads, external signage and internal spot lights. It is also monitored continuously using an online metering system that monitors electricity and water usage. A fully automated load control system ensures that optimal use of energy is achieved and the store also has a system for using harvested rainwater for its toilets. We will continue to invest in ensuring that our buildings are built to this spec to ensure their efficiency.

2. Supply Chain - Logistics

In choosing a distribution partner, the environmental and social integrity of that company were an essential attribute because we not only wanted to have improved distribution capabilities to stores but we also needed to make our distribution more sustainable and efficient.

Not only do we transport our products in the most energy efficient manner as possible, we have also committed to sourcing our food regionally, this is over 90% of Woolworths food.

3. Sustainable factories

As a business, our success largely depends on the health of the natural environment and the creativity and productivity of the people who work for us and our suppliers. Given that a large proportion of environmental and social impact associated with our products occurs in our supply chain, Woolworths Food launched its Green Factory assessment in 2017. In this, suppliers are asked to complete a holistic assessment taking into account sustainability management, water, energy, waste, human rights, employee well-being, lean manufacturing, transformation, and responsible sourcing. Suppliers are

ranked according to their performance with a Red, Bronze, Silver or Gold rating.

4. Sustainable Farming

Through Farming for the Future, our sustainable farming program we work with our suppliers as well as the broader network of upstream farmers to improve soil health, protect water supply, restore biodiversity, support rural livelihoods and help communities adapt to climate change. We embarked on a collaborative project with Fair Carbon Exchange, which y aims to fund farmers working as part of Farming for the Future for their efforts in soil carbon sequestration. Through this, farmers cannot only increase the quality of their soil and therefore crop yields but also contribute towards greenhouse gas mitigation, all at zero risk to farmers and consumers. We have largely narrowed in on potential localized impacts, but have also looked at supply chain impacts in the global sphere and are currently mainstreaming our mandate in order to drive a more integrated group approach, which will include our Australian operations.

COMMUNICATION:

We ensure that we communicate end user methods that aim to reduce emissions such as encouraging washing garments at 30°C or below, selling detergents that work optimally at these temperatures and also, giving different disposal options for products through communicating and availing recycling options.

PARTNERSHIPS AND TRANSPARENCY

We have a formal and broad-based sustainability partnership with WWF-SA on a broad-based, multifaceted agreement to drive greater sustainability through selected Woolworths products and operations. We voluntarily report WHL's performance through the CDP Climate Change programme for Climate Change, Deforestation, as well as Water. We also report our energy usage in the areas we

operate in line with the prevailing national requirements. David Jones and Woolworths continue to report in accordance with the National Greenhouse and Energy Reporting Act (NGER) in both Australia and South Africa.

C3.1d

(C3.1d) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios	Details
Nationally determined contributions (NDCs)	NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change. By applying the principles of equity and common but differentiated responsibilities and respective capabilities enabled us to calculate what our contribution is in reducing our carbon emissions using the peak plateau and decline curve. In aligning to this, we are currently in the process of setting science-based targets. Using 2015 as our base year, we aim to set targets for the WHL group. These targets will be in line with the Science-based targets criteria for initial targets to have a 5-year span. In line with these targets, we are aiming to halve our overall energy impact by 2020. We have also started submitting to our national governments in line with the Mandatory reporting in the areas within which we operate. David Jones reports to the National Greenhouse and Energy Reporting Act (2007) (NGER) in Australia which is Federal legislation that establishes a national framework for the reporting of greenhouse gas (GHG) emissions and energy consumption. NGER is a mandatory requirement for large organisations to report energy consumption and associated emissions. We have also engaged with government stakeholders and other retailers to understand how the South African GHG mandatory reporting requirements will impact us and submitted our first report this year. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. Our supply chain will be a great focus to enable us to meet our goals through our engagements with the stakeholders in our supply chain. We have several Eco factories in our supply chain. As part of the Public Sector Energy Efficiency project driven by the National Business Initiative, over 150 suppliers underwent free auditing on the operations to identify areas of improvement. We also have a formalized corporate partnership with WWF-SA on a broad-based, multifaceted agreement to drive greater sustainability through selected Woolworths’ products and operations. The purpose of the partnership is to amplify our collaboration on various technical projects such as: the conservation of energy, freshwater ecosystems, the promotion of sustainable agricultural practices; and the protection of fish stocks.
IRENA	We have identified renewable energy as one of the ways we can scale up our efforts to meeting our carbon emissions reduction. With this, we have a target to source all our energy from renewable sources by 2030. We currently have 5 installations across the Group in South Africa and Australia and will continue to expand these. In addition, we will be working on sourcing renewable energy supplies from commercial providers where available.
Greenpeace	We have engaged with Greenpeace to ensure that we build better working relationships to drive the energy efficiency agenda. As part of these engagements with Greenpeace, we have been part of their research to detail the current state of renewable energy investments and commitments from each of the five retailers in South Africa, as well as the range of actions required from the various retailers to achieve a 100% renewable energy target. We have publically committed to sourcing all our energy from renewable sources by 2030.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number
Int 1

Scope
Scope 1+2 (location-based)

% emissions in Scope
100

Targeted % reduction from base year
50

Metric
Metric tons CO2e per square meter*

Base year
2007

Start year
2015

Normalized base year emissions covered by target (metric tons CO2e)
0.652

Target year
2020

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

% of target achieved
70

Target status
Underway

Please explain
Normalized base year emissions are emissions/intensity is 0.652 (emissions 339690 per general letting area including non-trading area 521020). In 2018, we achieved a 35% reduction in emissions from the base year. This reflects a 2% over-achievement compared to anticipated emissions at target year. This also includes emissions for the Country This includes Road Group as well as David Jones from 2015. In 2018, we reported, we achieved a 35% reduction in emissions from the base year, which reflects a 70% achievement against our 2020 target. T meet the target, we still need a 15% reduction in emissions for the remainder of the years.

% change anticipated in absolute Scope 1+2 emissions
15

% change anticipated in absolute Scope 3 emissions
0

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target
Energy productivity

KPI – Metric numerator
Scope 1 and 2 emissions (320883.4)

KPI – Metric denominator (intensity targets only)
General letting area (226980)

Base year
2005

Start year
2017

Target year
2020

KPI in baseline year
1.413707816

KPI in target year
0.706853908

% achieved in reporting year
100

Target Status
Achieved

Please explain
In 2017, we signed up to EP100, The Climate Group's corporate leadership initiative for energy-smart companies doing more with less to lower emissions and accelerate the clean economy. Woolworths set a target to double our energy productivity by 2020 from a 2005 baseline. This year, as reported by The Climate Group, we are pleased to share that we met our commitment to double our energy productivity in 2011, nine years ahead of the 2020 target we set ourselves.

Part of emissions target
This target is in line with our intensity target, however, the base year and starting years are not the same.

Is this target part of an overarching initiative?
EP100

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	4	10000
Implemented*		
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type
Other, please specify (Installation of energy and water meters with real time monitoring)

Description of initiative
<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)
1000

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
1500000

Investment required (unit currency – as specified in C0.4)
2500000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
We continue to rollout energy and water meters with realtime monitoring to all facilities. It is difficult to estimate the annual CO2e savings (metric tonnes CO2e) because there are many processes that consume energy at the individual stores so we cannot always detect where major gains were experienced. Monetary savings recorded are rounded off from the tax rebate that we claim from the national treasury for energy efficiency initiatives. The investment required is an annual estimation.

Initiative type
Other, please specify (Installation of CO2 refrigeration)

Description of initiative
<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)
1000

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
47000000

Investment required (unit currency – as specified in C0.4)
10000000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
We continue to roll out CO2 refrigeration across our facilities and this has improved efficiency tremendously. For some facilities, we saw energy savings of over 20% in the first months. Financial savings are rounded up and incorporate savings from the first year we started installing this technology. The investment required is an annual estimation.

Initiative type
Other, please specify (Closed doors refrigeration)

Description of initiative
<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)
1000

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
4000000

Investment required (unit currency – as specified in C0.4)
10000000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
For some facilities, we saw energy savings of over 20% in the first months. Financial savings are rounded up and incorporate savings from the first year we started installing this technology. The investment required is an annual estimation.

Initiative type
Low-carbon energy installation

Description of initiative
Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
2000

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
3000000

Investment required (unit currency – as specified in C0.4)
50000000

Payback period
1-3 years

Estimated lifetime of the initiative
16-20 years

Comment
We currently have five solar PV installations. Financial savings are rounded up and incorporate savings from the first year we started installing this technology. The investment required is an annual estimation per installation.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	We ensure that any initiatives we undertake puts us in a good position to comply with future carbon or energy related legislation, such as national building regulations standards, energy taxes such as the carbon tax regulations, allocation of carbon budgets as well as current opportunities such as energy efficiency savings incentives; or Income tax exemption for revenues earned from the sale of Certified Emission Reductions. We are able to align some of our innovations to be able to align with predicted future trends. This also feeds into our risk matrix framework and the systems we put in place to address some of the risks.
Dedicated budget for energy efficiency	Both real estate and supply chain divisions have an operational budget for energy and transport efficiency activities. We have also put particular budget requests for energy efficiency projects such as new refrigeration technology retrofits through to our group Investment Committee, when initiatives are beyond the scope of baseline budgets. In addition to this, we have a small central Sustainability capex budget to drive energy, water and waste pilot projects. David Jones also applies an incremental investment approach in efficiency measures concurrent to refurbishment activities.
Dedicated budget for other emissions reduction activities	We prioritise capex budget allocation for other sustainability activities that can assist with emission reduction or the management of climate change impacts such as our water work with suppliers.
Employee engagement	We conduct a number of employee engagement initiatives across all our direct facilities to drive carbon emission reductions, and especially the component around energy efficiency. These make use of multi channel mediums such as our Intranet, staff magazine, posters, e-mail communications, an energy & water saving toolkits and competition for stores and inclusion in balanced scorecards of real estate, operations and store managers. We also have a Good business journey store champions programme to drive awareness amongst colleagues and customers. We recently circulated a revised energy/water information toolkits to our store GBJ Champs as an update and refresher around energy and water saving awareness. At our head office, we have a plasma screen that communicates water and energy statistics in real time to our employees.
Financial optimization calculations	We conduct research on how to optimise some of our interventions and our most recent is a waste to landfill study of our direct operations. Having set targets to divert as much waste as possible from landfill, we are identifying ways to ensure that we meet these targets and also optimise our reporting so we can keep track of what goes through our operations to recycling.
Other	We continue to claim tax deductions for our energy efficiency interventions. This is implemented in terms of Section 12L of the Income Tax Act, No 58 of 1962 (“Section 12L”). Section 12L is a 95c/kWh (95 cents per kilowatt hour) additional tax deduction for energy efficiency savings. This is for entities that can demonstrate energy efficiency savings.
Internal finance mechanisms	Driving energy efficiency through budgetary measures remains a key contributor to enable investment. We do this through tracking the savings incurred as a result of implementing an efficiency initiative.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation
Product

Description of product/Group of products
The majority of our clothing is designed to be able to be washed at lower temperatures than normal (wash at 30 degrees program), and does not require ironing or dry-cleaning, which allows customers to reduce the emissions associated with the washing of clothing at home. We have also developed detergents that work optimally at these temperatures.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Energy saving products)

% revenue from low carbon product(s) in the reporting year
10

Comment
Energy-efficient technology and products, sustainable supply chains. We are engaging with our suppliers via the eco-factory supplier assessments to instill more energy

saving-practices at manufacturing level for our products. In the fashion space, a majority of our products are a"wash at 30 degrees"or below, meaning that our customers can save energy during the care of the products after purchase.

Level of aggregation
Company-wide

Description of product/Group of products
We have embarked on a journey to get a full inventory of suppliers that are on a journey to transform their facilities into more sustainable facilities. Where feasible, we are investing where feasible to assist some of the suppliers in implementing initiatives that contribute to a low carbon economy.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Energy saving production)

% revenue from low carbon product(s) in the reporting year
10

Comment
Energy efficient technology and products, sustainable supply chains

---

Level of aggregation
Group of products

Description of product/Group of products
Packaging labeling on some of our products enable us to educate our customers on waste, especially how and what to recycle. This is one way in which we are trying to minimize waste to landfill. 98% of products in packaging is made from recyclable material and 41.5% of rigid packaging contains post consumer recycled plastic material.

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Energy saving products)

% revenue from low carbon product(s) in the reporting year
10

Comment
Energy efficient technology and products

Level of aggregation
Group of products

Description of product/Group of products
We have a range of reusable shopping bags, jeans, duvet and pillow inners and hangers, that are made using recycled materials. We recycle our hangers through our partnership with Hangerman.

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Circular economy)

% revenue from low carbon product(s) in the reporting year
10

Comment
Circular economy activities that lead to lower life cycle energy and GHG usage.

Level of aggregation
Company-wide

Description of product/Group of products
Woolworths overall approach to greening of the property portfolio has to date focussed primarily on utilising Woolworths own green building certification programme. The system, developed internally by Woolworths SA Real Estate (Engineering) Division, awards points for green interventions included in property design, build or fit out. The programme consists of three categories: Platinum, Gold and Silver. To date, Woolworths has 143 green stores within its portfolio.

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Green buildings)

% revenue from low carbon product(s) in the reporting year
10

Comment
The Woolworths Palmyra store in Claremont, Cape Town became the first retail outlet in South Africa to achieve a 5-star rating certified by the Green Building Council South Africa (GBCSA), using the Green Star SA – Existing Building Performance Custom Tenant rating tool. This store was recently re-certified to 6-star by the GBCSA, again a first for South Africa. We also received certification for 2 distribution centers (1 in South Africa and 1 in Australia).

Level of aggregation
Group of products

Description of product/Group of products
We have implemented a clothing recycling project at our head office and some stores and the clothes collected are taken to a central location (The Clothing Bank) to be

sold, donated or remodelled.

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Stakeholder engagement)

% revenue from low carbon product(s) in the reporting year
10

Comment
Encouraging partnerships by building scale to drive collective action on a circular economy for the clothing industry.

Level of aggregation
Group of products

Description of product/Group of products
The vast majority of goods sold in our stores, by volume, are manufactured in South Africa and we continue to encourage local manufacturing wherever possible. We will only consider sourcing abroad where local or regional supplier partners are unable to provide the ideal quality, value, and innovation that our customers expect. Woolworths is also well placed to drive Enterprise Development projects and has set up teams devoted to working more closely with emerging suppliers, further supporting South African business first as part of our indirect economic contribution

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Regional sourcing of foods products)

% revenue from low carbon product(s) in the reporting year
10

Comment
Woolworths has done a country of origin assessment in order to confirm that majority of the food that it sells is South African in origin – a significant contribution to the South African economy, especially the agricultural sector.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
42249.68

Comment
Woolworths has set a base year for the carbon footprint calculations as the calendar year 2014, as this was the first year in which GHG emissions from David Jones and CRG were included. The base year was recalculated at the time of compiling the 2015 carbon footprint report as there was an update to the GWPs. The base year was not recalculated during the 2018 reporting year and the base year recalculation policy has not been updated since 2014.

Scope 2 (location-based)

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
442672.5

Comment
Woolworths has set a base year for the carbon footprint calculations as the calendar year 2015, as this was the first year in which GHG emissions from David Jones and CRG were included. The base year was recalculated at the time of compiling the 2015 carbon footprint report as there was an update to the GWPs.

Scope 2 (market-based)

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
442672.5

Comment
Woolworths has set a base year for the carbon footprint calculations as the calendar year 2015, as this was the first year in which GHG emissions from David Jones and CRG were included. The base year was recalculated at the time of compiling the 2015 carbon footprint report as there was an update to the GWPs.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
46834

Start date
July 1 2017

End date
June 30 2018

Comment
Global scope 1 emissions for WHL (Woolworths, Country Road Group and David Jones)

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
This includes: - Consumption of purchased electricity

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
460243

Scope 2, market-based (if applicable)

Start date
July 1 2017

End date
June 30 2018

Comment
Since contractual instruments are available in the Australia and New Zealand, dual scope 2 reporting is required. However, no contractual instruments were used during FY2018, and so the location-based and market-based scope 2 emissions totals were the same.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Generator fuel and air-conditioning gas refills for 10 of 16 distribution centers/warehouses/stockrooms have been excluded. Refrigerant gas refills from some international Woolworths stores were not available and therefore excluded. These are all small facilities and are not material to the overall carbon footprint of the Group.

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

No emissions excluded

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

Data was not available

Source

Country Road Group emissions from generator fuel and refrigerant gas refills are excluded due to lack of data. This is not material to the overall carbon footprint of the Group.

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

No data available

Source

Four CRG stores in West Australia, Northern Territory and Tasmania This is not material to the overall carbon footprint of the Group.

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

There was no consumption data, the highest average consumption rate (Queensland) was used.

C6.5

(C6.5) Account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

9265

Emissions calculation methodology

Partially reported for water, paper, plastic bags, and cardboard cartons for Woolworths South Africa.. Information on other goods and services was not evaluated. David Jones and Country Road Group water data not available

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

All emissions are from direct operations

Capital goods

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Data not available

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Metric tonnes CO2e
44777

Emissions calculation methodology
Piped natural gas T&D losses

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Explanation
Data obtained from 3rd parties

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Metric tonnes CO2e
47457

Emissions calculation methodology
Partially calculated.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Explanation
Data obtained from logistics partners

Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
2770

Emissions calculation methodology
Partially reported to include waste to landfill, waste to recycling, waste for composting

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Explanation
We use 3rd parties to manage waste at all operations

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
16671

Emissions calculation methodology
Calculated to include rental cars, commercial flights, and overnight accommodation

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Explanation
We use 3rd party travel agents

Employee commuting

Evaluation status
Relevant, calculated

Metric tonnes CO2e
22823

Emissions calculation methodology
Calculated to include employee commuting

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Explanation
An internal employee survey was conducted

Upstream leased assets

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No data available

Downstream transportation and distribution

Evaluation status
Relevant, calculated

Metric tonnes CO2e
2702

Emissions calculation methodology
Calculated to include data from 3rd party distribution of online purchases

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Explanation
Data obtained from 3rd party distribution partner in South Africa

Processing of sold products

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No data available

Use of sold products

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No data available

End of life treatment of sold products

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No data available

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No relevant

Franchises

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No data available

Investments

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Not evaluated

Other (upstream)

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No data available

Other (downstream)

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No data available

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?
No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.228

Metric numerator (Gross global combined Scope 1 and 2 emissions)
507077

Metric denominator
Other, please specify (general letting area)

Metric denominator: Unit total
2226328

Scope 2 figure used
Location-based

% change from previous year
3

Direction of change
Decreased

Reason for change
Increased efficiency across the group as a result of continuous monitoring of energy usage as well as the implementation of energy-saving interventions.

Intensity figure
12.026

Metric numerator (Gross global combined Scope 1 and 2 emissions)
507077

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
42165

Scope 2 figure used
Location-based

% change from previous year
1

Direction of change
Decreased

Reason for change
Increased efficiency across the group as a result of continuous monitoring of energy usage as well as the implementation of energy-saving interventions.

Intensity figure
7.393

Metric numerator (Gross global combined Scope 1 and 2 emissions)
507077

Metric denominator
Other, please specify (turnover)

Metric denominator: Unit total
68592000000

Scope 2 figure used
Location-based

% change from previous year
2

Direction of change
Please select

Reason for change
Increased efficiency across the group as a result of continuous monitoring of energy usage as well as the implementation of energy-saving interventions.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
Other, please specify (R404a)	18801.72	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify (134)	3.3	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify (134a)	1098.53	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify (R407c)	915.51	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify (R410a)	2225.32	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify (R507)	18023.36	IPCC Fourth Assessment Report (AR4 - 100 year)
Other, please specify (R402a)	11.15	IPCC Fourth Assessment Report (AR4 - 100 year)
CO2	116.99	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australasia	4141.9
Africa	42691.96

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Woolworths (South Africa and additional 11 African countries)	42691.96
Country Road Group	82.34
David Jones	4059.56

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary Fuels	3333.52
Air-conditioning and refrigerant gas refills	41633.16
Mobile fuel combustion	1867.17

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
South Africa	357138.42	0	375935.18	0
Botswana	5273.17	0	410172	
Ghana	104.31	0	365.87	
Kenya	108.57	0	956.55	
Lesotho	126.82	0	204.51	
Mauritius	949.28	0	1189.88	
Mozambique	87.57	0	1332.84	
Namibia	89.19	0	3525.16	
Swaziland	639	0	1030.47	
United Republic of Tanzania	152.27	0	346.3	
Uganda	215.54	0	347.59	
Zambia	28.27	0	1321.13	
Australia	95086.78	0	110818.77	
New Zealand	243.86	0	2496	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Woolworths (South Africa and additional 11 African countries)	364912.41	0
Country Road Group	15442.54	0
David Jones	79888.12	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	1924	Decreased	0.4	Last year, as a result of various energy reduction activities, the group reduced absolute scope 1 &2 emission by 1924CO2eq. Emissions value is calculated as the percentage renewable energy produced year on year. Change in emissions is the numerical decrease in Scope 1 and 2 from the last reporting year.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value		21806.65	21806.65
Consumption of purchased or acquired electricity	<Not Applicable>		503971.98	506166.93
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	2194.95	<Not Applicable>	2194.95
Total energy consumption	<Not Applicable>	9775.19	518198.39	527973.58

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)
Diesel

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
4369.7

MWh fuel consumed for self-generation of electricity
4369.7

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Comment
Diesel fuel is mainly used for back-up generators in the event of power outages

---

Fuels (excluding feedstocks)
Petrol

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
5700.41

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Comment
Petrol is primarily used for vehicles in our fleet, while a negligible portion is used for back-up generators.

Fuels (excluding feedstocks)
Liquefied Petroleum Gas (LPG)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
4148.79

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat
4148.79

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Comment
LPG is used in boilers in a distribution centre in South Africa

---

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Diesel

Emission factor
0.00268

Unit
metric tons CO2e per liter

Emission factor source
Defra, Guideline to Defra's GHG Conversion Factors for Company Reporting; Annexes Updated in July 2018.

Comment

Liquefied Petroleum Gas (LPG)

Emission factor
0.00293

Unit
kg CO2e per metric ton

Emission factor source
Defra, Guideline to Defra's GHG Conversion Factors for Company Reporting; Annexes Updated in July 2018.

Comment

Petrol

Emission factor
0.00462

Unit
metric tons CO2e per liter

Emission factor source
Defra, Guideline to Defra's GHG Conversion Factors for Company Reporting; Annexes Updated in July 2018.

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	16413.85	16413.85	2194.95	2194.95
Heat				
Steam				
Cooling				

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor
Power Purchase Agreement (PPA) without energy attribute certificates

Low-carbon technology type
Concentrated solar power (CSP)

Region of consumption of low-carbon electricity, heat, steam or cooling
Other, please specify (Australasia)

MWh consumed associated with low-carbon electricity, heat, steam or cooling
94897.99

Emission factor (in units of metric tons CO2e per MWh)
0.000705

Comment
An average emission factor has been used because this figure consolidates emissions from multiple regions with different emissions factors. David Jone's market-based electricity is identical to location-based electricity since no supplier-provided contractual instruments were reported for this reporting year. Carbon is calculated using both the location-based method and the market-based method. The resulting carbon is the same as the market-based approach uses a residual mix, as contractual information meeting the Scope 2 Quality criteria is unavailable.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Other, please specify (emissions per FTE)

Metric value
12.03

Metric numerator
507077

Metric denominator (intensity metric only)
42165

% change from previous year
1

Direction of change
Decreased

Please explain
We have revised our reporting timeline from calendar year to financial year, therefore, a portion of our emissions have been reported twice for this report. As a result of this, we do not expect to see major changes in this metric from the previous report.

Description
Other, please specify (emissions per square meter GLA)

Metric value
0.23

Metric numerator
507077

Metric denominator (intensity metric only)
2226328

% change from previous year
5

Direction of change
Decreased

Please explain
We have revised our reporting timeline from calendar year to financial year, therefore, a portion of our emissions have been reported twice for this report. As a result, the denominator difference is immaterial (0% change - 2017: 509001.43) while the numerator increased by 3% (2017: 2 170 170) as a result of the business changes associated with the opening of new stores and facilities that happened in the second half of this reporting period.

Description
Other, please specify (emissions per million turnover (ZAR))

Metric value
7.39

Metric numerator
507077

Metric denominator (intensity metric only)
68592

% change from previous year
0

Direction of change
Please select

Please explain
No change - turnover in years 2014-2017 was restated in 2018 due to a reclassification of trunking revenue from turnover and concession sales to cost of sales. This changed the metric for 2017 to 7.402 instead of the previously reported 7.551.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope
Scope 1

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
WHL FY2018 GHG Verification Statement.pdf

Page/ section reference
2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
WHL FY2018 GHG Verification Statement.pdf

Page/ section reference
2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope
Scope 3- all relevant categories

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Attach the statement
WHL FY2018 GHG Verification Statement.pdf

Page/section reference
2

Relevant standard
ISO14064-3

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

We continue to engage with the government entities with regards to the carbon tax either directly or via business forums established to lobby the government on behalf of business. We have also evaluated the legislation to identify the implications for us as a retailer and how to best respond through our efforts on energy efficiency.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect climate change and carbon information at least annually from suppliers

% of suppliers by number
5

% total procurement spend (direct and indirect)
80

% Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
Given that a large proportion of environmental and social impact associated with our products occurs in our supply chain, Woolworths Food launched its Green Factory assessment in 2017. In this, suppliers are asked to complete a holistic assessment taking into account sustainability management, water, energy, waste, human rights, employee wellbeing, lean manufacturing, transformation, and responsible sourcing. For the fashion, beauty and homeware business, the top 30 suppliers were engaged. Respondents to our questionnaire represent 4% of our suppliers and 8% of total units bought for this business. We will continue to engage all our suppliers to garner greater coverage.

Impact of engagement, including measures of success
Suppliers are ranked according to their performance with a Red, Bronze, Silver or Gold rating. During the past 12 months, the Foods suppliers questionnaire was updated to incorporate additional reporting on climate change metrics and related targets as well as water efficiency and management. Of the suppliers (covering 80% of Woolworths Food procurement), who completed the assessment this year, 11 were classified as ‘Silver’ (2019 target: 10).

Comment
We have not been able to incorporate their emissions into our scope three inventory because the initiatives are still in their infancy.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement
Education/information sharing

Details of engagement
Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number
100

% Scope 3 emissions as reported in C6.5
0

Please explain the rationale for selecting this group of customers and scope of engagement
We communicate with customers on our energy management initiatives and how they can contribute towards them through a suite of platforms. We also guide customers on textiles care using a wash care label on our textiles that encourage washing at 30°C.

Impact of engagement, including measures of success
Not measured currently

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

Government departments are crucial in assessing and discussing regulatory risks associated with climate change and in turn, assisting us in finding ways and partnerships to mitigate where

required. We are also able to provide input on policy formation through these engagements.

We also have a formal and broad-based sustainability partnership with WWF-SA to drive greater sustainability through selected Woolworths products and operations. Through this partnership, we have agreed to collaborate around a proactive response to addressing climate risk in the supply chain.

Our engagement with the National Business Initiative allows us to partner and contribute to collective engagement with other corporate on issues regarding climate, energy and water in

South Africa and how businesses can actively respond to these challenges.We also have a formal and broad-based sustainability partnership with WWF-SA to drive greater sustainability through selected

Woolworths products and operations. Through this partnership, we have agreed to collaborate around a proactive response to addressing climate risk in the supply chain.

Our engagement with the National Business Initiative allows us to partner and contribute to collective engagement with other corporate on issues regarding climate, energy and water in

South Africa and how businesses can actively respond to these challenges.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Clean energy generation	Support	Engagements with national government and NGOs on how we can work together in promoting greener businesses. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space.	We have made a commitment to source all energy for our direct operation from renewable sources by 2030. This not only speaks to our vision of becoming the most sustainable retailer in the southern hemisphere but is also part of a movement by companies across the globe to nudge policy makers in the direction on enable easy access to clean energy by lifting some of the restrictions.
Carbon tax	Neutral	We have engaged with National Treasury and the Department of Energy on the proposed carbon tax, what is required from business and how it will impact business. We have done these through focused workshops and providing commentary towards the legislative requirements behind the carbon tax. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space.	We continue to engage with the government entities either directly or via business forums established to lobby the government on behalf of business. We have also evaluated the legislation to identify the implications for us as a retailer and how to best respond through our efforts on energy efficiency.
Adaptation or resilience	Support	Engagements with the Provincial and National Departments on how our flagship program "Farming for the Future" and other relevant business practices can be shared with the department to assist in climate change resilience within the agricultural sphere. We also undertook a water stewardship project in collaboration with WWF, Alliance for Water Stewardship, Marks & Spencer and some of our stone fruit suppliers ravaged by water shortages as a consequence of climate change. As the project progressed, the greater Breede Gouritz Catchment Management Agency got involved as a value-sharing partnership to engage stakeholders around broader water issues through collective action and to support water governance This was to identify ways to improve and build resilience through conservation interventions for water usage. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space.	Use research data and model as learning opportunity to be rolled our across supply chain. We also continue to share best practice with other industry bodies and constituents.
Mandatory carbon reporting	Support	David Jones reports to the National Greenhouse and Energy Reporting Act (2007) (NGER) in Australia which is Federal legislation that establishes a national framework for the reporting of greenhouse gas (GHG) emissions and energy consumption. NGER is a mandatory requirement for large organisations to report energy consumption and associated emissions. We are also engaging with government stakeholders and other retailers to understand how the South African GHG mandatory reporting requirements will impact us. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space.	Report was submitted to relevant authorities. Woolworths has reported to the Department of Environmental Affairs in South Africa two years in a row. The Country Road Group is also working on a plan to ensure they are able to report together with David Jones towards the legislative requirements in Australia.
Energy efficiency	Support	Made a public commitment to reduce carbon footprint thorough energy efficiency measures and set science-based energy reduction targets. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. We have a dedicated stakeholder relationships manager with a strategy on how to engage with policy makers in this space. As part of our medium to long term targets, we have made a public commitment to half our energy impact by 2020 and also, source all our energy from renewable sources by 2030.	We have made a commitment to source all energy for our direct operation from renewable sources by 2030. This not only speaks to our vision of becoming the most sustainable retailer in the southern hemisphere but is also part of a movement by companies across the globe to nudge policy makers in the direction on enable easy access to clean energy by lifting some of the restrictions.
Other, please specify (Proposed waste management legislation)	Support with minor exceptions	As a member and participant of the Sustainable Retailer Forum in the Western Cape, we contributed towards a joint submission to the Department of Environmental Affairs. The Department has been working on a project to reduce waste to landfill and some of the suggestions have been putting a tax on packaging to encourage reduce, reuse and recycling. With the threat of significant cost implications on the industry, we have been engaging to find ways of ensuring that these costs are not in such a way that they also filter to the consumer.	In line with the Group's vision to be one of the most responsible retailers in the world, Woolworths was the first retailer in South Africa to announce its vision of zero packaging waste to landfill. The intention is that no Woolworths packaging should have to end up in landfills, which requires 100% recyclable material and a supportive recycling infrastructure. With the industry already involved in a number of waste management activities, we hope that the engagement with government will enable the creation of a platform where current initiatives are leveraged upon to amplify waste management where we operate.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

We continuously engage with policy makers, suppliers and leaders across our business. Change in legislation is evaluated for relevance in the business by a central team, and ownership is delegated to relevant business units to further assess likelihood and potential areas of response if required.
We continuously engage with policy makers, suppliers and leaders across our business.
Each business unit has a sustainability scorecard, consisting of targets agreed to by the Executive committee and Board Sustainability Committee as being necessary to achieve the overall climate change, and broader sustainability strategy. Progress on our measurements is evaluated twice a year. An assurance framework is in place covering both internal and external verification of our key sustainability objectives. The central sustainability team review each business unit's strategy and progress against its strategy and scorecard on a six monthly basis to ensure that the strategy is implemented in a consistent way across the organisation.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
No publications with information about our response to climate-related issues and GHG emissions performance

Status
<Not Applicable>

Attach the document
<Not Applicable>

Page/Section reference
<Not Applicable>

Content elements
<Not Applicable>

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Ian Moir (Woolworths Holdings Limited Group CEO)	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below
I have read and accept the applicable Terms

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

www.woolworthsholdings.co.za

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