



GOOD BUSINESS JOURNEY  
INVESTOR ENGAGEMENT

19<sup>TH</sup> OCTOBER 2021

PRIVATE AND CONFIDENTIAL





# WELCOME

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*Roy Bagattini*  
Group CEO



# AGENDA

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## 1. Welcome and Introduction

Roy Bagattini  
*Group CEO*



## 2. Good Business Journey History and Vision

Simon Susman  
*Honorary President*



## 3. Sustainability Committee Role and Key Focus Areas

Belinda Earl  
*Committee Chair*



## 4. Social and Ethics Committee Role and Key Focus Areas

Thembisa Skweyiya  
*Committee Chair*



## 5. GBJ Strategy, Goals and Targets

Roy Bagattini  
*Group CEO*

## 6. Q&A and Closing Remarks

A photograph of two women working in a large greenhouse. They are surrounded by numerous long, rectangular trays filled with small green seedlings. One woman is kneeling and working on a tray, while the other is sitting on a small wooden stool nearby. A red watering can is visible on the ground. The greenhouse has a high, arched ceiling made of translucent plastic or glass, and the overall atmosphere is bright and focused on agricultural work.

**OUR VISION**  
**TO BE ONE OF THE WORLD'S**  
**MOST RESPONSIBLE RETAILERS**



# WHY OUR GBJ IS EMBEDDED IN EVERYTHING WE DO

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- We have an ethical obligation to **act responsibly**
- We must address issues such as **social justice and climate change**, which have far-reaching impacts
- It is critical to both **manage and mitigate risk**, but also **leverage opportunities**
- It makes **good business sense** – R1.4bn savings achieved over past 5 years alone
- Increasingly important to **our stakeholders**





# OUR GBJ HAS ENABLED US TO LEAD THE WAY IN NUMEROUS SUSTAINABILITY INITIATIVES

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- Introduced **plastic bag-free stores**
- Introduced **on-pack recycling labelling**
- **Eliminated microbeads** from private label beauty and personal care products
- **Removed sweets from the checkout** aisles
- Approved science-based **target for CO<sub>2</sub> reduction**
- Signed up to the **Ellen MacArthur Foundation's Global Commitment on plastic**
- Joined the **Water Resilience Coalition**
- Joined the **Textile Exchange** as a founding member
- Signed up to the **EP100 initiative for energy productivity**





# SUSTAINABILITY RECOGNITION AND INCLUSION IN INDICES

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FTSE4Good

Listed in the FTSE4Good Emerging Index Series for a number of years.  
In 2020/2021 we achieved an ESG rating of 4.5 out of 5 (industry average 2.3).  
**The only SA retailer in the global Top 5.**



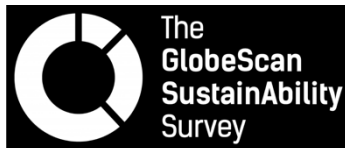
Received a rating of AA consistently in the MSCI ESG assessment.  
In 2021, this puts us in the **top 15% of the 88 retailers** assessed globally.



Woolworths achieved **the highest overall score** of any South African fashion retailer in the 2020 and 2021 Fashion Transparency Index (FTI), which ranks ESG disclosures of 250 of the world's largest fashion brands.



Received a B for **climate change disclosure** in 2020, higher than global average of C. Received a B for **water disclosure** for the 2020 water footprint, on par with the global average of B.



Top-ranked African company in the 2021 **GlobeScan Sustainability Survey**





# OUR GBJ HISTORY AND VISION

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*Simon Susman*  
*WHL Honorary President*





# SUSTAINABILITY COMMITTEE

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*Belinda Earl*  
*Sustainability Committee Chair*



# OUR ROLE IN ENSURING EFFECTIVE EXECUTION

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- Ensure our **sustainability strategy positions the Group as a leader in responsible retailing** in the countries in which we trade
- Oversee effective **integration of sustainability initiatives and objectives** into the business and ensure that the Group operates in an **environmentally and socially responsible manner** whilst striving for more **responsible consumption and production** systems and behaviours

## Committee members:

- Belinda Earl, Sustainability Committee Chair
- Hubert Brody, WHL Chairman
- Thembisa Skweyiya, SEC Chair
- Pinky Moholi, NED
- Roy Bagattini, Group CEO
- Sam Ngumeni, Group COO

## Attendees:

- CEOs WSA Foods and FBH, DJ and CRG
- Group Head of Sustainability
- Various other members of senior management





# CREDITABLE GBJ ACCOMPLISHMENTS IN THE FIVE YEARS TO 2020

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- Contributed cumulative **R4bn to our communities**
- Achieved a **175% improvement in energy productivity**
- Demonstrable progress towards **responsibly sourcing all key commodities**
- >90% of Woolworths' directly-sourced **products have at least 1 sustainability attribute**; solid progress being made in DJ and CRG
- Significant **packaging improvements**



# OUR KEY FOCUS AREAS

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- Deliver against Group-wide goals as per our **new GBJ Strategy**, Vision 2025+
- Oversee **ethical sourcing strategy** and the expansion of our approach to the **circular economy**
- Continue to **collaborate with the Social & Ethics Committee**
- Ongoing monitoring of the impact of **climate change** and report using the Task Force on Climate Related Financial Disclosures (TCFD) framework







# SOCIAL AND ETHICS COMMITTEE

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*Thembisa Skweyiya*  
*Social and Ethics Committee Chair*



# OUR ROLE IN ENSURING EFFECTIVE EXECUTION

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- Assist the Board in setting the tone for an **ethical organisational culture** by overseeing the Group's conduct and approach, and ensuring that the manner in which the business is conducted supports the Group's intent to be a **responsible corporate citizen**
- Oversee the **socially-orientated focus areas** of the new GBJ goals, such as our people, social development and employee health and wellness

## Committee members:

- Thembisa Skweyiya, SEC Chair
- Hubert Brody, WHL Chairman
- Clive Thomson, NED
- Roy Bagattini, Group CEO
- Sam Ngumeni, Group COO

## Attendees:

- CEOs WSA Foods and FBH, DJ and CRG
- Various other members of senior management





# OUR KEY FOCUS AREAS

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- Monitor progress on the **Inclusive Justice Initiative** ('IJI') with clear five-year targets
- Ongoing assessment of effectiveness of practices to **promote employee mental health and wellness**
- Monitor the impact of the Group's **social development initiatives**
- Oversee continued evolution of **stakeholder engagement strategy**







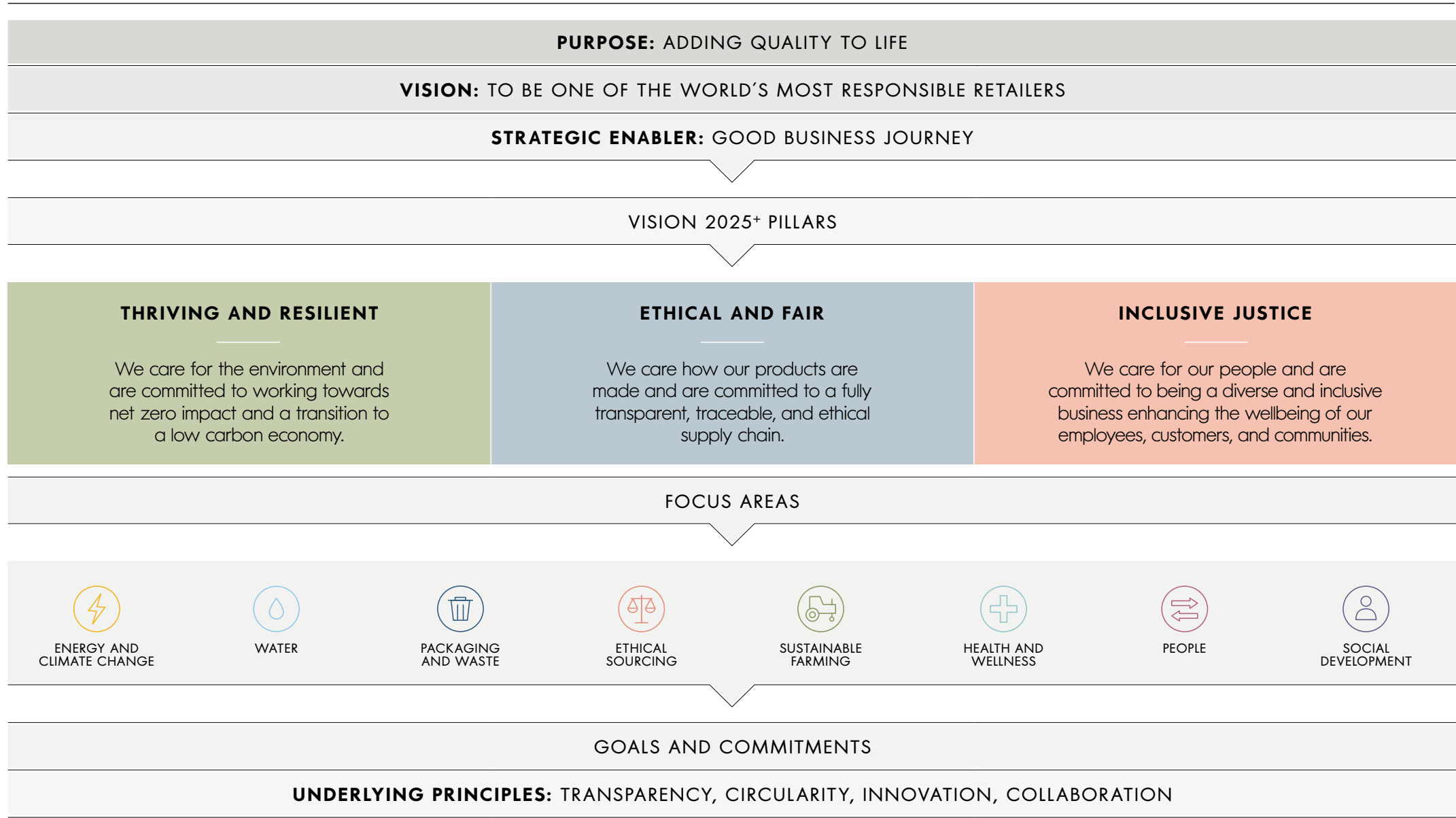
# GBJ VISION 2025+ AND BEYOND

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*Roy Bagattini*  
WHL CEO



# GBJ STRATEGY



# OUR GBJ 2025+ GOALS

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FULLY  
**TRANSPARENT  
& TRACEABLE  
SUPPLY CHAIN**  
BY 2025



ALL PRIVATE LABEL  
PRODUCTS DESIGNED  
TO BE  
**REUSED,  
REPAIRED OR  
RECYCLED**  
BY 2025



ALL  
**ENERGY FROM  
RENEWABLE  
SOURCES**  
BY 2030



NET  
**ZERO CARBON  
EMISSIONS**  
BY 2040



**inclusive  
justice**  
initiative









# APPENDIX

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# MILESTONES



2007

**GBJ PROGRAMME OFFICIALLY LAUNCHED BY WOOLWORTHS**

**2007 - 2014**

• GBJ strategy embedded in Woolworths

**2015 - 2020**

• GBJ strategy rolled out to Country Road Group and David Jones and for the first time, Group-wide goals to 2020 announced

**2021**

• Launched refreshed Group GBJ strategy, Vision 2025\*, with Group-wide goals to 2025 and beyond

2007

2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

WSA: Launched the BEE Employee Share Option Scheme, with the intention of empowering and benefiting Woolworths employees

WSA: Launched Farming for the Future and Fishing for the Future programmes

WSA: Launched Enterprise and Supplier Development programme

WHL: Named as one of the 16 Sustainability Champions in the Developing World by the World Economic Forum



WSA: Launched Discovery HealthyFood™ programme to promote healthy eating

WSA: Joined the Better Cotton Initiative (followed by CRG in 2016)



WHL: Listed at #40 in Fortune's third annual 'Change the World' List of Companies That Are Doing Well By Doing Good

WHL: First retailer to sign up to EP100 initiative to double energy productivity by 2020, a target we significantly outperformed

CRG: Finalist for Sustainability Leadership in the Large Business category in the 2017 Banksia Sustainability Awards

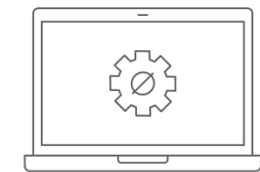
WSA: Launched outcomes-based programme for animal welfare

WHL: One of the top two African companies in the GlobeScan-SustainAbility Survey

WHL: First African retailer to have an approved science-based target for carbon emissions reduction

WHL: First African company to sign the Ellen MacArthur Foundation's New Plastics Economy Global Commitment

CRG and DJ: Published Tier 1 supplier details on their websites



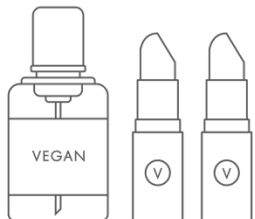
WHL: Launched Inclusive Justice Initiative (IJI) programme

WHL: Entered into the first sustainability-linked loan in the retail sector in South Africa

WSA: Implemented the first phase of salary adjustments for store employees, in line with our Just Wage initiative to close the remuneration gap

WHL: Winner of the World Retail Congress Responsible Retailer of the Year Award. Won again in 2009 and 2012 (finalist in 2016 and 2017)

WSA: Beauty Without Cruelty approved the entire Woolworths private label range of cosmetics and toiletries. In 2019, the VBeauty range became vegan



CRG: Launched the Fashion Trade partnership with the Australian and New Zealand Red Cross

WSA: Launched the internal green stores model

WSA: Launched the Clothing Bank, enabling previously disadvantaged women to use donated clothes to start sustainable clothing micro-businesses

WSA: First South African company to become a member of the Roundtable on Sustainable Palm Oil (RSPO)

WSA: Initiated and introduced a new on-pack recycling label (OPRL), intended to assist recycling efforts in South Africa by making it easier for customers to recycle correctly. This has now been adopted by most major retailers in SA

WSA: Joined SEDEX – a unique, innovative, not-for-profit web-based platform that helps companies to manage ethical supply chain risk, and streamline the challenging process of engaging with multi-tier supply chains. CRG and DJ subsequently joined too

WSA: Recognised as one of the 10 Most Innovative Companies in Africa in 2012 by Forbes

WSA: Chosen as the winner in the Supplier Development category of the Oliver Top Empowerment Awards

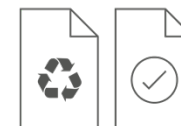
WSA: Launched a partnership with the World Wide Fund for Nature South Africa (WWF-SAI) – the first initiative of its kind for African retail

WHL: Joined Canopy and the Leather Working Group

WSA: First South African member of the Round Table on Responsible Soy (RTSR)

CRG: The Omni-channel Fulfilment Centre becomes the first facility in Victoria to receive a 5 Star Green Star Industrial As Built v1 rating from the Green Building Council Australia. Across the Group, there are currently two stores and two distribution centres that are Green Star-rated

DJ: Finalist in UN Association of Australia (Victorian Division) World Environment Day Awards in the Sustainability Leadership Awards category large organisations



WHL: Launched new packaging commitments to phase out single-use plastic bags, and to ensure that all our packaging is reusable or recyclable



# KEY INITIATIVES UNDERPINNING OUR GBJ ACCOMPLISHMENTS

**175%**  
IMPROVEMENT IN OUR ENERGY PRODUCTIVITY AGAINST A 2015 BASELINE, FAR EXCEEDING OUR TARGET

**>R3.5 billion**  
DONATED TO OUR COMMUNITIES ACROSS SOUTH AFRICA, AFRICA, AUSTRALIA AND NEW ZEALAND

WOOLWORTHS DONATED MORE THAN **R250 MILLION** IN SURPLUS CLOTHING TO THE CLOTHING BANK

WOOLWORTHS DONATED **R100 MILLION** IN SURPLUS FOOD TO CHARITIES

**5 star**  
COUNTRY ROAD GROUP OPENED THE FIRST FASHION RETAIL

**green star**  
DESIGN REVIEW RATED STORE IN AUSTRALIA

**90%** OF WOOLWORTHS' COCOA, PALM OIL, COTTON, SEAFOOD AND AQUACULTURE PRODUCTS ARE RESPONSIBLY SOURCED

**80%** OF COUNTRY ROAD GROUP'S COTTON IS RESPONSIBLY SOURCED

**76%** OF COUNTRY ROAD GROUP'S LEATHER IS RESPONSIBLY SOURCED

**97%** OF DAVID JONES' COCOA FOR PRIVATE LABEL CONFECTIONARY IS RESPONSIBLY SOURCED

**72%** OF WOOLWORTHS FASHION AND HOME PRODUCTS CONTAIN CANOPY COMPANY CELLULOSE FIBRICS SUCH AS VISCOSE

**published 1st tier**  
SUPPLIER LISTS FOR COUNTRY ROAD GROUP AND DAVID JONES PRIVATE LABEL PRODUCTS

**over 90%** OF WOOLWORTHS BRANDED PRODUCTS

**and 74%** OF COUNTRY ROAD GROUP PRODUCT

**1** HAVE AT LEAST SUSTAINABILITY ATTRIBUTES

**over 200** OF WOOLWORTHS STORES ARE NOW PLASTIC SHOPPING BAG FREE

THE WOOLWORTHS BAGS ARE MADE FROM RECYCLED PAPER

**1 469 853** PLASTIC BAGS REPLACED WITH PAPER BAGS

WHICH IS MORE THAN **19 tonnes** OF PLASTIC ELIMINATED FROM USE

**MORE THAN 350 tonnes** OF PLASTIC REMOVED FROM WOOLWORTHS PACKAGING

**ALMOST 1000 km** OF PLASTIC BUBBLE WRAP REMOVED FROM ONLINE DELIVERY HAS BEEN REPLACED BY FSC-CERTIFIED RECYCLED PAPER VOID FILL

**2100** WOOLWORTHS FOOD PRODUCTS NOW CONTAIN POST-CONSUMER RECYCLED CONTENT IN THEIR PACKAGING

**90%** OF WOOLWORTHS FOOD PRODUCTS HAVE FSC-CERTIFIED PAPER AND BOARD IN THEIR PACKAGING

**new** ON-PACK RECYCLING LABELS

TO EDUCATE, INFORM & ENCOURAGE RECYCLING

**ZERO** SINGLE-USE PLASTIC ITEMS LIKE STRAWS, COTTON BUDS AND UTENSILS

THE EQUIVALENT OF **>7 million** PET BOTTLES WERE RECYCLED IN 2021

**90%** INTO DUVET INNERS AND FABRIC, REUSABLE SHOPPING BAGS, PUFFER JACKETS AND POLAR FLEECE ITEMS

TRENEREY REPLACED POLYESTER FABRIC WITH PET IN SELECTED WOMEN'S APPAREL

COUNTRY ROAD GROUP PRODUCED A SWIMWEAR RANGE FROM DISCARDED FISHNETS AND FACTORY OFFCUTS

DAVID JONES LAUNCHED MINDFULLY MADE, INSPIRING RANGES AND CURATED COLLECTIONS OF SUSTAINABLE FASHION, BEAUTY, AND HOME PRODUCTS

COUNTRY ROAD AND DAVID JONES LAUNCHED A CLOTHING RENTAL SERVICE IN PARTNERSHIP WITH GLAMCORNER

**1** WOOLWORTHS NUMBER INNOVATOR IN 2019 FOR PLANT-BASED PRODUCTS GLOBAL NEW PRODUCTS DATABASE, MINTEL

**>22.8 tonnes** OF SALT

**>51.7 tonnes** OF SUGAR

REMOVED FROM WOOLWORTHS PRIVATE LABEL FOOD PRODUCTS

**100% CMO free** ALL WOOLWORTHS PRIVATE LABEL FOOD PRODUCTS

**100% vegan** WOOLWORTHS WISSAULT RANGE ALSO ENDORSED BY BEAUTY WITHOUT CRUELTY

**100%** DAVID JONES PRIVATE LABEL COSMETICS PRODUCTS ACCREDITED BY BEAUTY WITHOUT BUNNIES (PETA)

**10 years** OF FARMING FOR THE FUTURE



**483 Woolworths suppliers**

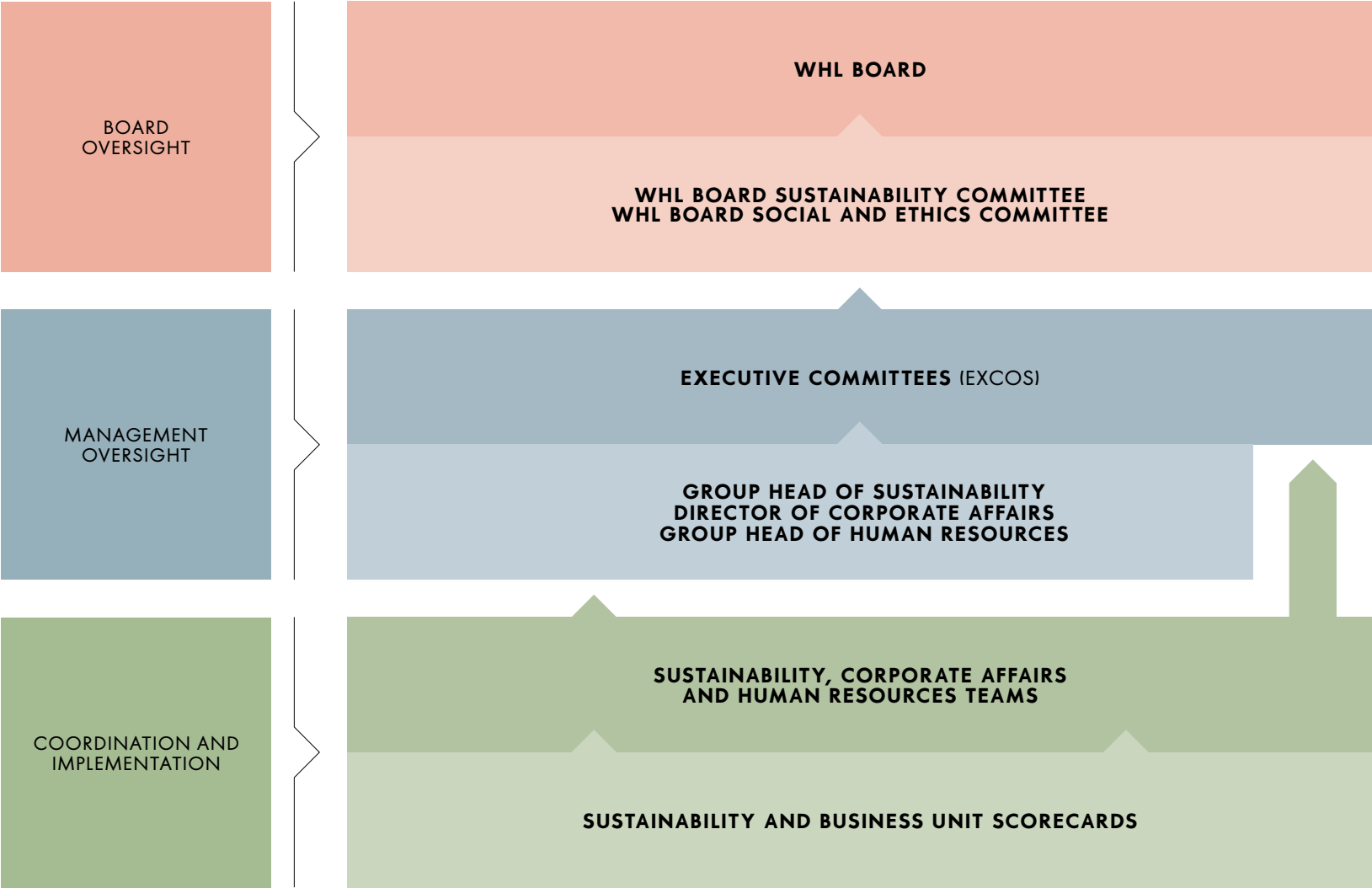
FOLLOWING MORE **REGENERATIVE** FARMING PRINCIPLES FOR FRUIT, VEGETABLES, WINE, HORTICULTURE AND MEAT

WE ARE PROUD OF THE MILESTONES REACHED, BUT THE JOURNEY CONTINUES TO MAKE A DIFFERENCE FOR OUR PEOPLE, OUR COMMUNITIES AND THE ENVIRONMENT.



# GOVERNANCE AND MANAGEMENT

**WHL**





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

**WOOLWORTHSHOLDINGS.CO.ZA**

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