

WOOLWORTHS HOLDINGS LIMITED

GOOD BUSINESS JOURNEY REPORT

2022 GLOSSARY

START

GLOSSARY

ABBREVIATIONS USED IN THE SUSTAINABILITY REPORTING SUITE

A

ALNF: Australian Literacy and Numeracy Foundation, an organisation dedicated to raising language, literacy, and numeracy standards in Australia, and raising funds to develop, implement, and sustain innovative projects for individuals, families, and communities

APCO: Australian Packaging Covenant Organisation, a co-regulatory, not-for-profit organisation that partners with government and industry to reduce the harmful impact of packaging on the Australian environment

ARB: Advertising Regulatory Board, an organisation that administers the widely accredited Code of Advertising Practice, which regulates the content of South African advertising

ARL: Australasian Recycling Label, a standardised label providing recycling information for packaging

ASA: Australian Auditing Standards

ASC: Aquaculture Stewardship Council, an independent, non-profit organisation and labelling organisation that establishes a protocol on farmed seafood while ensuring sustainable aquaculture

AWARE: Association for Alcohol Responsibility and Education, a non-profit organisation registered with the South African Department of Social Development that focuses on preventing the negative consequences of alcohol abuse

AWS: Alliance for Water Stewardship, a global membership collaboration comprising businesses, NGOs, and the public sector. Members contribute to the sustainability of local water resources through the adoption and promotion of a universal framework for the sustainable use of water – the International Water Stewardship Standard, or AWS Standard – that drives, recognises, and rewards good water stewardship performance

B

BBBEE: Broad-based Black Economic Empowerment

BEE: Black Economic Empowerment

BST: A naturally occurring hormone produced by dairy cows to regulate their milk production

C

CDP (formerly Carbon Disclosure Project): A not-for-profit organisation that supports companies and cities in disclosing their environmental impacts. It aims to make environmental reporting and risk management a business norm, and drives disclosure, insight, and action towards a sustainable economy

CGCSA: Consumer Goods Council of South Africa, a non-profit organisation representing the interests of more than 12 000 member companies engaged in the manufacture, retail, wholesale, and distribution of consumer goods

Covid-19: An infectious disease caused by the coronavirus

CRG: Country Road Group Proprietary Limited, a trading subsidiary of Woolworths Holdings Limited

CSPO: Certified Sustainable Palm Oil

D

DAAFF: Darwin Aboriginal Art Fair Foundation

DC: Distribution centre

DJ: David Jones Proprietary Limited, a trading subsidiary of Woolworths Holdings Limited

DTI: Department of Trade, Industry and Competition

E

E4E: Group Employee for Employee Fund, a fund to provide once-off, short-term financial assistance to eligible employees. E4E is largely funded and driven by employee contributions

EAP: Employee Assistance Programme, an employee benefit programme that assists employees with personal and/or work-related problems that may impact their job performance, health, and mental and emotional wellbeing

ECD: Early Childhood Development

EE: Employment Equity

EEO: Compulsory Equal Employment Opportunity

EPI100: Energy Productivity 100, an initiative of The Climate Group to help companies double their energy productivity

EPR: Extended Producer Responsibility, legislation that aims to ensure that producers of products and packaging take responsibility for the full life cycle of the products and packaging they put into the market, right through to post-consumer waste disposal

ERM: Environmental Resource Management

ESD: Enterprise and Supplier Development

EVP: Employee Value Proposition

EY: Ernst & Young Inc

F

FAI: Food Animal Initiative, an organisation that partners with companies and farmers on building better agricultural programmes, to strengthen our approach to animal welfare, sustainable livestock, and aquaculture farming practices across the supply chain by using outcomes-based measures

FBH: Fashion, Beauty and Home

FSC: Forest Stewardship Council, an international non-profit, multi-stakeholder organisation that aims to promote responsible management of the world's forests

FY: Financial year

G

GBCSA: Green Building Council South Africa, an organisation overseeing green building in South Africa. The GBCSA developed the Green Star SA rating tools to provide the property industry with an objective measurement tool for green buildings, and to recognise and reward environmental leadership in the property industry

GBJ: The Good Business Journey, Woolworths Holdings Limited's programme to assist it in achieving its vision of becoming one of the world's most responsible retailers

GBV: Gender-based violence

GCX: Global Carbon Exchange, a boutique sustainability advisory firm

GMO: Genetically modified organisms – a plant, animal, microorganism or other organisms whose genetic make-up has been modified in a laboratory using genetic engineering or transgenic technology

GSSI: Global Sustainable Seafood Initiative, a global partnership that has established a benchmark for seafood certification schemes

H

HDSA: Historically disadvantaged South Africans

HIV: Human immunodeficiency virus

I

IJI: Inclusive Justice Initiative

IPNLF: International Pole and Line Foundation, an international charity that works to develop, support, and promote socially and environmentally responsible pole-and-line and handline tuna fisheries around the world

J

JSE: Johannesburg Stock Exchange, South Africa's primary securities exchange

K

KPI: Key performance indicator

L

LED: Light-emitting diode lightbulbs, which use less energy than incandescent bulbs, and also last longer

LWG: Leather Working Group, a collection of member brands, retailers, product manufacturers, leather manufacturers, chemical suppliers, machinery suppliers, technical experts, and other service providers who work together to maintain environmental stewardship protocols specifically for the leather manufacturing industry

M

MSC: Marine Stewardship Council, an independent, non-profit organisation that sets a standard for sustainable fishing

M (CONTINUED)

MSG: Monosodium glutamate

MySchool MyVillage MyPlanet: One of South Africa's biggest community fundraising programmes. Funds are raised for schools, charities, and environmental organisations through a card system that allows supporters to raise funds for their beneficiary (school or charity) every time they shop at Woolworths or our partner stores. Partners make a contribution on behalf of the supporter/cardholder to the beneficiaries the supporters have selected

N

NBCF: National Breast Cancer Foundation

NBI: National Business Initiative, a voluntary coalition of South African and multinational companies, working towards sustainable growth and development in South Africa

NECT: National Education Collaboration Trust, an organisation dedicated to strengthening partnerships within civil society, and between civil society and government, in order to achieve South Africa's national goals for basic education

NGER Act: National Greenhouse and Energy Reporting Act, an Australian national framework for corporations to report greenhouse gas (GHG) emissions, energy consumption, and energy production

NSFAS: National Student Financial Aid Scheme, a South African government student aid scheme, which provides financial aid to undergraduate students to help pay for the cost of their tertiary education

O

OCRF: Ovarian Cancer Research Foundation

OPRL: On-pack Recycling Labelling, a simple and clear system of indicating recyclability of product packaging

P

PET: Polyethylene terephthalate, a type of plastic

PETA: People for the Ethical Treatment of Animals

R

RAP: Reconciliation Action Plan

rBST: A synthetic version of BST, often given to cows to increase their milk production

RDS: Responsible Down Standard, an independent, voluntary global standard, which aims to ensure that down and feathers come from animals that have not been subjected to unnecessary harm

rPET: Recycled polyethylene terephthalate, or recycled PET

RSPCA: Royal Society for the Prevention of Cruelty to Animals, a charity that promotes animal welfare

RSPO: Roundtable on Sustainable Palm Oil, a non-governmental organisation whose objective is to promote the growth and use of sustainable palm oil products through credible global standards and engagement of stakeholders

RTRS: Round Table on Responsible Soy, an initiative formed by multiple parties, including soya producers, retailers, and civil society organisations, to promote sustainable soya production and trade on a global level

S

SA-EU DF: South Africa-European Union Dialogue Facility

SAGEA: South African Graduate Employers Association

SAICA: South African Institute of Chartered Accountants

SALBA: South African Liquor Brand Owners Association

SED: Supplier and Enterprise Development

SETA: Sector Education and Training Authority

SI: Sustainability Institute, an international living and learning centre providing learning experiences in ecology, community, and spirit

SIZA: Sustainability Initiative of South Africa, a membership-based, freestanding, non-profit company designed to assist farmers with ethical labour and environmental practice compliance. It is a South African standard – developed, owned, and operated in South Africa, but aligned to global best practices

SME: Small and mid-size enterprises, businesses that maintain revenues, assets or a number of employees below a certain legislated threshold

SMETA: SEDEX Members Ethical Trade Audit, an ethical audit format that reports on SEDEX's four pillars of labour, health and safety, environment, and business ethics

T

TB: Tuberculosis

TCFD: Task Force on Climate-related Financial Disclosures, recommendations for effective climate-related financial disclosures

TERS: Temporary Employee/Employer Relief Scheme

TOPP: Training Outside Public Practice, an accredited training programme for chartered accountants in South Africa

TVET: Technical and Vocational Education and Training

U

UNGC: United Nations Global Compact, a voluntary initiative based on company CEO commitments to implement universal sustainability principles, and to take steps to support UN goals

UN SDGs: United Nations Sustainable Development Goals, a call for action by UN member states to promote prosperity while protecting the environment in order to achieve a better world for people and our planet by 2030

UTZ: A label and programme for sustainable farming of coffee, cocoa, tea, and hazelnuts

W

WBCSD: World Business Council for Sustainable Development

WFI: Water Footprint Index, a customised water tool for farmers on Woolworths Farming for the Future programme to track water use, efficiency, and wastewater

W (CONTINUED)

WFS: Woolworths Financial Services Proprietary Limited, a joint venture between Woolworths and Absa bank that supports the Woolworths retail business by providing financial services to Woolworths customers

WGEA: Workplace Gender Equality Agency, an Australian government statutory agency responsible for promoting and improving gender equality in Australian workplaces

WHL/WHL Group: Woolworths Holdings Limited, a southern-hemisphere retail Group that has been listed on the Johannesburg Stock Exchange (JSE) since 1997. It is one of the top JSE-listed companies. The Group trades through three operating subsidiaries, including Woolworths Proprietary Limited (Woolworths or WSA), Country Road Group Proprietary Limited (Country Road Group or CRG), and David Jones Proprietary Limited (David Jones or DJ). Woolworths Financial Services Proprietary Limited (WFS) is a joint venture with Absa bank, which holds the controlling interest in the joint venture

WIETA: Wine and Agricultural Ethical Trade Association, an association that drives a sustainable ethical trade programme for the South African wine industry and aligned sectors. WIETA is also a globally recognised ethical auditing body registered with the Global Social Compliance Programme (GSCP)

Woolworths/Woolworths SA/WSA: Woolworths Proprietary Limited, a trading subsidiary of Woolworths Holdings Limited

WWF-SA: World Wide Fund for Nature South Africa, a non-governmental organisation that is dedicated to protecting South Africa's natural heritage. This includes plant and animal species and people

Y

YES: Youth Employment Service, an organisation aimed at benefiting one million South African youth, launched by the President of the Republic of South Africa in March 2018

GLOSSARY OF TERMS USED IN THE SUSTAINABILITY REPORTING SUITE

A

Allyship: A term used in contemporary social justice activism to describe efforts by groups of people to advance the interests of marginalised groups, both in society at large and within particular social contexts, such as universities or workplaces

Anker Methodology: A methodology to measure a decent but basic standard of living in different countries, and how much workers need to earn to support themselves and their families. This information allows researchers to estimate comparable living wages around the world, and determine gaps between living wages and prevailing wages, even in countries with limited secondary data

Aspartame: Artificial sweetener

Aware.org/AWARE: A non-profit organisation registered with the South African Department of Social Development that focuses on preventing the negative consequences of alcohol abuse

Azo dye: Synthetic dye

B

Better Cotton: A non-profit organisation that promotes better standards in cotton farming and practices

Bluesign®: A certification system for the elimination of harmful substances at each step of the textile supply chain, and use of approved chemicals, processes, materials, and products that are safe for the environment, workers, and customers

Bokashi: Fermented organic matter used in food composting

Botanicca: Head office of Country Road Group and David Jones

C

Canopy: A non-profit environmental organisation dedicated to protecting the world's forests, species, and climate

Carbon dioxide equivalent (CO₂e): A measure used to compare the emissions from various types of greenhouse gases (GHG) based on their global warming potential (GWP)

Carbon footprint: The total amount of greenhouse gas emissions released into the atmosphere as a result of the activities of a particular individual, organisation or community

CEO Water Mandate: A UN Global Compact initiative that mobilises business leaders on water, sanitation, and the Sustainable Development Goals

Cocoa Life: A sustainable cocoa sourcing programme

Commodity: A raw material or primary agricultural product that can be bought and sold, for example, cotton or palm oil

Context-based water target: A specific, time-bound objective that sets the desired outcome to include both a component that speaks to the company's water performance and a component that speaks to the water basin's conditions

Cyclamate: Synthetic sweetener

D

Detox: A programme championed by Greenpeace for the removal of hazardous chemicals from the production of clothing garments

E

Energy productivity: An indicator of the amount of economic output that is derived from each unit of energy consumed

ETI Base Code: An internationally recognised code of labour practice, founded on the conventions of the International Labour Organization (ILO)

F

Factories of the future programme: A Woolworths supplier self-assessment, covering sustainability management, water, energy, climate change, waste, food waste, human rights, employee wellbeing, packaging, transformation, and responsible sourcing. Based on the score, suppliers are ranked according to their performance with a Red, Bronze, Silver or Gold rating

Fairtrade: A system of certification that aims to ensure a set of standards are met in the production and supply of a product or ingredient. For farmers and workers, Fairtrade means workers' rights, safer working conditions, and fairer pay

Farming for the Future: A scientific, data-based approach to farming, developed by Woolworths, that aims to manage a farm as part of its wider ecosystem. The programme comprises various modules for which data points are measured at a farm level, including data related to soil health, water-use efficiency, crop protection, energy use, irrigation efficiency, and leakages and wastewater management. This data is then used by farmers to make decisions that will assist them in making continual improvements over time, with the aim of enabling them to produce more food with fewer natural resources. The programme is geared towards improving the farm's resilience, yield, and profitability while at the same time enhancing its ecosystem's capacity over time

Fashion Transparency Index: The Fashion Transparency Index ranks 250 of the world's largest fashion brands and retailers according to how much they disclose about their social and environmental policies, practices, and impact

Fishing for the Future: Woolworths' approach to procuring responsibly sourced seafood as part of its Good Business Journey

FoodForward SA: A non-profit organisation that recovers edible surplus food at various stages of the food value chain, and redistributes it to communities in need across the country, thereby improving access to food and reducing food waste to landfill

Fur: Any fur from animals bred and farmed purely for their skins, including mink, sable, chinchilla, fox, muskrat, racoon dog, rabbit, astrakhan, and karakul. It excludes by-products of the meat industry, such as shearling and sheepskin

G

GHG Protocol Corporate Accounting and Reporting Standard: A standard that provides requirements and guidance for companies and other organisations preparing a GHG (greenhouse gas) emissions inventory (carbon footprint)

Global Living Wage Coalition: The Global Living Wage Coalition (GLWC) brings together Fairtrade International, GoodWeave International, the Rainforest Alliance, and Social Accountability International (SAI), in partnership with the ISEAL Alliance and international living wage experts Dr Richard Anker and Martha Anker, with the shared mission to see continuous improvements in workers' wages in the farms, factories, and supply chains participating in their respective certification systems and beyond, and with the long-term goal for workers to be paid a living wage. The GLWC aims to develop living wage benchmark estimates in many countries based on a single definition and methodology to calculate a living wage, and as a critical step to enable industries and companies to move towards paying a living wage

Global Recycle Standard (GRS): An international, voluntary, full product standard that sets requirements for third-party certification of recycled content, chain of custody, social and environmental practices, and chemical restriction

G (CONTINUED)

Global Reporting Initiative (GRI) Standard: A widely adopted global standard for sustainability reporting

Global Sustainable Seafood Initiative (GSSI): A global partnership that has established a benchmark for seafood certification schemes

Green cafés programme: A sustainability programme for WCafés that sets out key goals to drive year-on-year continuous improvement in terms of the following key principles: responsible sourcing, healthy food options, packaging and food waste, ethics and people, and environmental impacts

Greenhouse gas (GHG) emissions: Emissions of gases, both natural and anthropogenic, that trap heat in the atmosphere and cause the greenhouse effect

GreenPower: A government-accredited renewable energy product offered by most electricity retailers to households and businesses in Australia

I

Internal green building protocol: A Woolworths specification for the design of new stores, which stipulates various eco-friendly requirements, with an internal rating of Platinum, Gold or Silver awarded depending on which requirements are met by each new store

International Labour Organization (ILO) conventions: International labour standards and legal instruments drawn up by the ILO's constituents (governments, employers, and workers), setting out basic principles and rights at work

International Pole and Line Foundation (IPNLF): A charity that works to develop, support, and promote one-by-one tuna fisheries. One-by-one is a collective term that includes pole-and-line, handline, and troll line fishing methods, in which fish are caught one at a time

Ipsos: A multinational market research and consulting firm

K

Key commodities: Palm oil, cocoa, coffee, sugar, soya, cotton, fish and seafood, man-made cellulose fibres, leather, timber, and synthetics

Kinder to Sows pork: Pork sourced from farms that no longer use sow stalls to restrain pregnant sows for prolonged periods, reducing the time adult sows spend in gestation crates from 16 weeks to under one week

King IV™¹ Report on Corporate Governance for South Africa, 2016: South Africa's code of corporate governance

L

Living wage: The remuneration received for a standard workweek by a worker in a particular place, which is sufficient to afford a decent standard of living for the worker and their family. Elements of a decent standard of living include food, water, housing, education, healthcare, transportation, clothing, and other essential needs, including provision for unexpected events

M

Man-made cellulose fibres (MMCFs): Fibres derived from wood, such as viscose, rayon, lyocell, and modal

M (CONTINUED)

Mass balance: The purchase of 100% certified sustainable commodity equivalent to the volume of commodity needed for a certain product (range). The certified commodity physically enters the supply chain but is not necessarily physically separated (segregated) from non-certified commodity throughout the whole chain. This process minimises logistical barriers related to sustainable commodity uptake, and means that certified farmers still fully benefit from the better conditions

Modern slavery: Institutional slavery such as trafficking in persons, slavery, servitude, forced labour, forced marriage, debt bondage, deceptive recruiting for labour or services, and child labour

Mulesing: A painful surgical procedure involving the removal of strips of wool-bearing skin from around the breech of a sheep to prevent the parasitic infection known as flystrike

O

Oeko-Tex® Standard 100: Oeko-Tex® is a worldwide association of independent institutes for product safety and sustainable production in the textile industry. Standard 100 by Oeko-Tex® is used for the testing and certification of textile products

OzHarvest: An Australian food rescue organisation, which collects quality excess food from commercial outlets and delivers it directly to more than 1 300 charities

P

Plant-based: Products that encompass a spectrum of eating patterns focusing on eating whole plants, including vegetables, fruit, whole grains, nuts, seeds, and legumes, and eating fewer or no animal products

Poly bag: A plastic bag

Primary supplier: A supplier that supplies Woolworths directly

Private label products: Goods that are manufactured or produced for, and sold under, the name of one of Woolworths Holdings Limited's trading subsidiaries

R

Rainforest Alliance: An international non-profit organisation working at the intersection of business, agriculture, and forests to make responsible business the new normal

Ratio packs: Package of a single style garment, but in various sizes

Recycled Claim Standard (RCS): An international, voluntary standard that sets requirements for third-party certification of recycled input and chain of custody

Renewable energy certificate: A market-based instrument that certifies the bearer owns one megawatt hour (MWh) of electricity generated from a renewable energy resource

Responsible sourcing: The procurement of products as well as raw material commodities from sources, be they farms or factories, that apply environmental and social best practice and are accredited to applicable best-in-class third-party standards

Responsible Wool Standard: A standard which certifies that sheep farmers meet rigorous animal welfare and land management requirements

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R (CONTINUED)

Reverse osmosis: A water-purification process that uses a partially permeable membrane to remove ions, unwanted molecules, and larger particles from drinking water

Reverse vending machine: A machine that customers can use to dispose of their recyclables

S

Saccharin: Artificial sweetener

Science-based targets: Reduction targets adopted by companies to reduce greenhouse gas (GHG) emissions in line with the latest climate science in order to meet the goals of the Paris Agreement – to limit global warming to well below 1.5 °C above pre-industrial levels

Scope 1 emissions: Greenhouse gas emissions from sources that are owned or controlled by the reporting company

Scope 2 emissions: Greenhouse gas emissions from the generation of electricity, heat, or steam that has been purchased by the reporting company

Scope 3 emissions: All other indirect greenhouse gas emissions that occur in a company's value chain

Secondary supplier: An indirect supplier to Woolworths, i.e. a supplier who supplies to a Woolworths supplier

SEDEX: A not-for-profit membership organisation for businesses committed to the continuous improvement of ethical performance within their supply chains

SEDEX Members Ethical Trade Audit (SMETA): An ethical audit format that reports on SEDEX's four pillars of labour, health and safety, environment, and business ethics

South African Plastics Pact: A collaborative initiative that brings together key stakeholders from the South African plastics value chain, including businesses, the South African government, and non-governmental organisations, to tackle plastic waste and pollution at its source

Sustainability attribute: A product characteristic that contributes to minimising the social and/or environmental impacts of a Woolworths Holdings Limited private label product at one or more stages of the value chain

Sustainable farming: Farming and fishing practices that promote a sustainable food system, in which soil health is improved, water supply is protected, biodiversity is restored, rural livelihoods are supported, fish stocks are protected, good animal welfare is promoted, and, ultimately, where sufficient food is provided to meet the needs of customers now and into the future

Sustainable fibres: Fabrics produced in a responsible way, derived from sustainable sources, and supported by good farming practices

Synthetics: Textiles made from chemicals or artificial substances rather than from natural ones, for example polyester and nylon

T

Tier 1 supplier: A manufacturer of finished product

V

Vancouver Declaration: A public promise made by companies across the globe to work towards more sustainable sourcing of forest products. It also acts as an endorsement of the Forest Stewardship Council (FSC) as the supplier of choice for certification of forest products

V (CONTINUED)

Vision 2025+: Group Good Business Journey strategy, goals, and commitments to 2025 and beyond

Visual merchandising: The practice of organising and displaying products in a retail space, using things such as floor plans, colour, lighting, displays, technology, and other elements to attract customers' attention

Void fill: Cushioning, padding or paper used to fill empty space in boxes, with the ultimate aim of protecting the box's contents during transit

W

Water resilience: The ability to resist, absorb, accommodate, and recover from water-related hazards in a timely and efficient manner

Water Resilience Coalition: An industry-driven, CEO-led coalition of the UN Global Compact's CEO Water Mandate that aims to elevate global water stress to the top of the corporate agenda, and preserve the world's freshwater resources through collective action in water-stressed basins and ambitious, quantifiable commitments

Water stewardship: Use of freshwater that is socially equitable, environmentally sustainable, and economically beneficial, achieved through a stakeholder-inclusive process that involves site- and catchment-based actions

We Mean Business Coalition: A global non-profit coalition working with the world's most influential businesses to take action on climate change

WWF-SASSI: The WWF South African Sustainable Seafood Initiative

WWF-SA's Water Balance Programme: A project that aims to protect some of South Africa's most important water-source areas through the removal of alien (invasive) vegetation

