

WOOLWORTHS HOLDINGS LIMITED

SOCIAL & ETHICS COMMITTEE REPORT

2023

As extracted from the 2023 Integrated Annual Report

START



OUR SOCIAL & ETHICS REPORT



CLICK ON BOX TO GO TO THAT SECTION

OUR SOCIAL AND ETHICS COMMITTEE REPORT



I am pleased to again present this report on behalf of the Social and Ethics Committee (SEC) and to confirm that the committee has executed its mandate for the year.

EXECUTION OF OUR MANDATE

The committee's remit is to assist the Board in setting the tone for an ethical organisational culture and to perform the statutory duties required of Social and Ethics Committees in terms of the Companies Act. In addition, we assist the Board in executing its responsibilities for monitoring that the Group is operating as a responsible corporate citizen. Our remit includes the Group's operations in Africa, Australia, and New Zealand.

During the year, the compliance-related oversight previously provided by the Risk and Compliance Committee (now renamed to the Risk, Technology and Information Committee) were moved to the remit of this committee.

We work closely with other Board committees. In this regard, we enlist the support of the Risk, Information and Technology and Remuneration and Talent Management Committees, to which certain of the SEC's monitoring and reporting functions have been delegated. We also work together with the Sustainability Committee to deliver the Group's sustainability strategy, which is articulated as Vision 2025+.

We monitor performance on the functions delegated through our cross-memberships on the committees mentioned (refer to the committee memberships on pages 23 to 29 of this report), as well as the feedback provided by the respective committee chairmen at the quarterly Board meetings. This integrated approach to our monitoring and reporting functions ensures the efficient use of resources and appropriate emphasis on delivering on our Vision 2025+ sustainability strategy and shared value creation.

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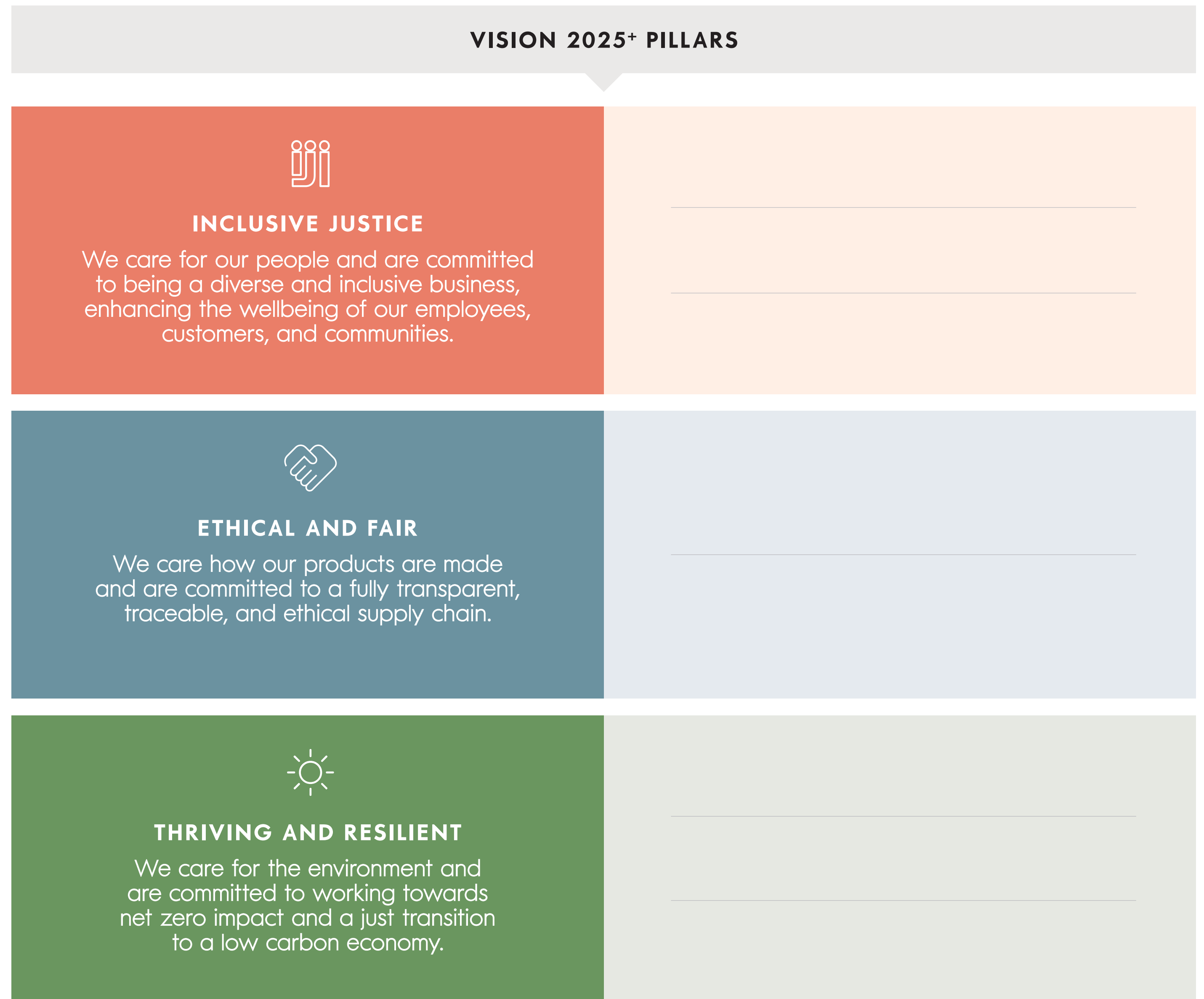
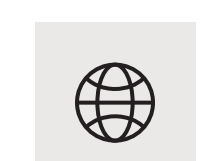
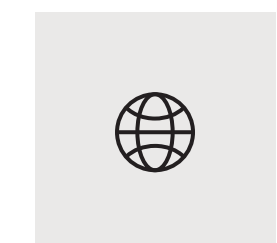


RESPONSIBLE CORPORATE CITIZENSHIP

As a Group, we take our role as a responsible corporate citizen seriously and remain committed to ensuring that our business activities have positive and lasting impacts on our people, communities, the environment, and society at large. Our sustainability strategy, Vision 2025+, supports our vision to be one of the world’s most responsible retailers.

Vision 2025+ has three main pillars, which are addressed through eight focus areas. Each pillar and focus area has ambitious goals delivering to the overall strategic intent of Vision 2025+, as well as clearly defined strategy and management approaches. The Social and Ethics Committee oversees the Inclusive Justice pillar and the people, social development, and health and wellness focus areas, while the Sustainability Committee oversees the remaining focus areas.

We are committed to ensuring that our business activities have positive and lasting impacts on all our stakeholders, society at large, and the environment.



DIVERSITY AND INCLUSION

Our approach to diversity and inclusion is founded on our deep belief in human rights - principles for which we actively advocate and expect not only of the Group, but also of our business partners. We are non-negotiable on our respect for human rights and our drive for diversity and inclusion. We remain a signatory to the UN Global Compact and, through our various policies, are determined to play our part in eradicating any form of disregard or disrespect for human rights within the Group’s sphere of influence. I am pleased to report that during the year, no grievances that involved human rights were recorded through our formal mechanisms for reporting human rights grievances and violations.

Through the Inclusive Justice Initiative (IJI), we aim to instil practices and foster a culture that advances dignity, freedom, and equality for everyone, including our people, customers, and the communities where we operate. We are pleased with the progress that our teams have made during the year to operationalise the IJI across the Group. A clear roadmap has been developed under the overarching theme of ‘Non-discrimination and Equal Opportunity’, which is underpinned by four supporting themes, as well as action steps and people initiatives – details are illustrated below.

While the supporting themes are being implemented concurrently, emphasis has been on the ‘Women Empowerment and Gender Equality’ theme, which management launched as a lead corporate advocacy issue across the Group during the year. In this regard, and as communicated last year, the Group became a signatory to the United Nations Women’s Empowerment Principles (UN WEP) in March 2022. Developed in partnership with the United Nations Women and the UN Global Compact Office, the UN WEP comprises seven principles to guide companies in promoting gender equality and women empowerment in the workplace.

Our teams in WSA and CRG conducted a gap analysis of the principles, based on a tool that assesses application. The Group achieved ‘Improver’ status and our teams are actively working on closing the gaps identified so as to reach ‘Achiever’ status by the end of 2025 and, ultimately, ‘Leader’ status.

In addition to the Group approach, WSA and CRG, have adopted approaches that are nuanced to the geographic and demographic differences in each of the regions. WSA has chosen to act on aspects

relating to racism, gender equity, gender-based violence, diversity and inclusion, social and community development, fair and responsible pay, the development of small to medium businesses, and ethical and local sourcing.

In Australia, there is a growing need for the recognition and inclusion of Aboriginal and Torres Strait Islander communities – the indigenous people of Australia - in all aspects of their population. CRG has, accordingly, responded by developing a Diversity, Equality, and Inclusive, strategy as an enabler to shift the business culture to be even more diverse and inclusive.

In keeping with the Group’s commitment to a sustainable and inclusive future for all, WSA launched its Youth Makers competition in Youth Month (June 2023). Youth Makers aims to support young South African entrepreneurs (aged from 18 to 35 years old) who have existing businesses in aspects of product creation relating to food, beauty, fashion or homeware. Winners will be given access to the company’s market insights, retail experience and valued customers, exposing them to ninety years’ worth of business expertise. In this way, young entrepreneurs will be provided with opportunities to improve their product knowledge, market confidence and business acumen; and to help build sound foundations for the retail world.

We invite you to follow the progress of our young designers on our social media platforms and read more about the IJI initiatives in the People chapter of the Good Business Journey Report.

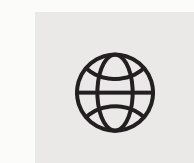
It would be remiss of me, not to mention the South African public reception we received to the Pride campaign and support of the LGBTQIA+ community campaign that was launched across the Group in June 2023. The public response to the campaign was positive in the main; however, certain stakeholders felt differently and publicly criticised WSA’s stance. Management responded in line with our stakeholder engagement approach, initiating direct engagement with stakeholders in question, as well as with our own people. The committee reiterates its support of the Pride initiative and management’s approach in engaging with any stakeholder who elected to reach out to the team. We recognise that embracing all aspects of diversity and inclusion may be challenging for some stakeholders and that some of our IJI campaigns may not resonate with all of our stakeholders at all times. We nevertheless remain resolute in our purpose to create and enable an inclusive culture where everybody feels they belong.

We also appreciate that there were learnings from this campaign for us as well and we will continue to refine and build on our approach. We extend our appreciation to all of our staff for responding and dealing with the issues both at a stakeholder engagement level and also our store staff on the front line. For more detail on this, refer to our Pride campaign case study on [page 38](#) of this report.



By signing and committing to the UN WEP principles, our Group has acknowledged that gender equality is not a women’s issue but rather a business priority in which we all have a stake and for which we are all responsible.

IJI DIRECTIONAL THEMES				
OVERARCHING THEME: NON-DISCRIMINATION AND EQUAL OPPORTUNITY				
SUPPORTING THEMES	Economic Inclusion	Women Empowerment and Gender Equality	Empowerment	Leadership and Culture
PEOPLE INITIATIVES	Fair and responsible remuneration	Employment equity targets	Training and Development	Values
	Gain-share scheme	Gender-neutral store working wardrobe	Bursaries for staff and dependents	Leadership Way training
	Redeployment of staff from closed stores	LGBTQIA+ awareness and sensitisation	Employee assistance programme	Policies
				Voice platforms
STRATEGIES, GUIDING PRINCIPLES, COMPLIANCE, INTERNAL AND EXTERNAL COMMUNICATIONS				



OUR PEOPLE

In our report last year, we called out how special our employees are – their resilience, their passion, and their commitment in the face of continuous external challenges. Our people remain the most special part of “the Difference”. We understand that it is vital that we engage them appropriately to foster inclusivity and better understand their needs. It is only through continuous engagement with our employees that we can keep abreast of the fundamental shift in their needs and preserve the Difference that sets us apart from our competitors.

During the year, our people strategy underwent a comprehensive review. This resulted in the development of a comprehensive and new people strategy to be executed over a three-year period and the refresh of the former Employee Value Proposition into a more holistic People Value Proposition (PVP). Our PVP provides an important frame of reference and anchor for the ongoing development of our people strategy and unifies our internal stakeholders in the shared vision to become the employer of choice in retail.

The PVP, articulated in a bespoke Group ‘Our People Way’ framework, is supported by six key levers:

Our Leadership Way, which commits to providing a consistent leadership experience to our people

Our Talent and Development Way, through which we commit to embrace our employees’ diverse strengths and focus on their development to enable and empower them to do their best

Our Performance Way, which commits to driving high performance that delivers results and keeps the customer at the heart of all that we do, ensuring a consistent balance between quality and speed

Our Inclusive Way, which commits to creating and enabling an inclusive culture where everybody belongs

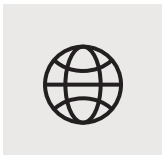
Our Rewards Way aims to offer competitive, performance-based rewards grounded on fair and responsible pay principles and flexible benefits

Team Engagement and Wellbeing Way, which prioritises wellbeing and provides our employees with access to information, benefits, and services, as well as an overall environment that supports wellbeing.



More detail on this framework and the six levers that underpin the framework are included in the People chapter of the Good Business Journey Report and in the Remuneration Report on page 109 of this Report. We encourage you to delve into more of this detail, as we believe our PVP will unlock even more value for our Group.

Given that the attraction, development, retention, and upskilling of talent for future ways of working and the strategic demands of the Group is one of the Group’s material issues, the committee will continue to monitor the implementation and effectiveness of the PVP in this context.



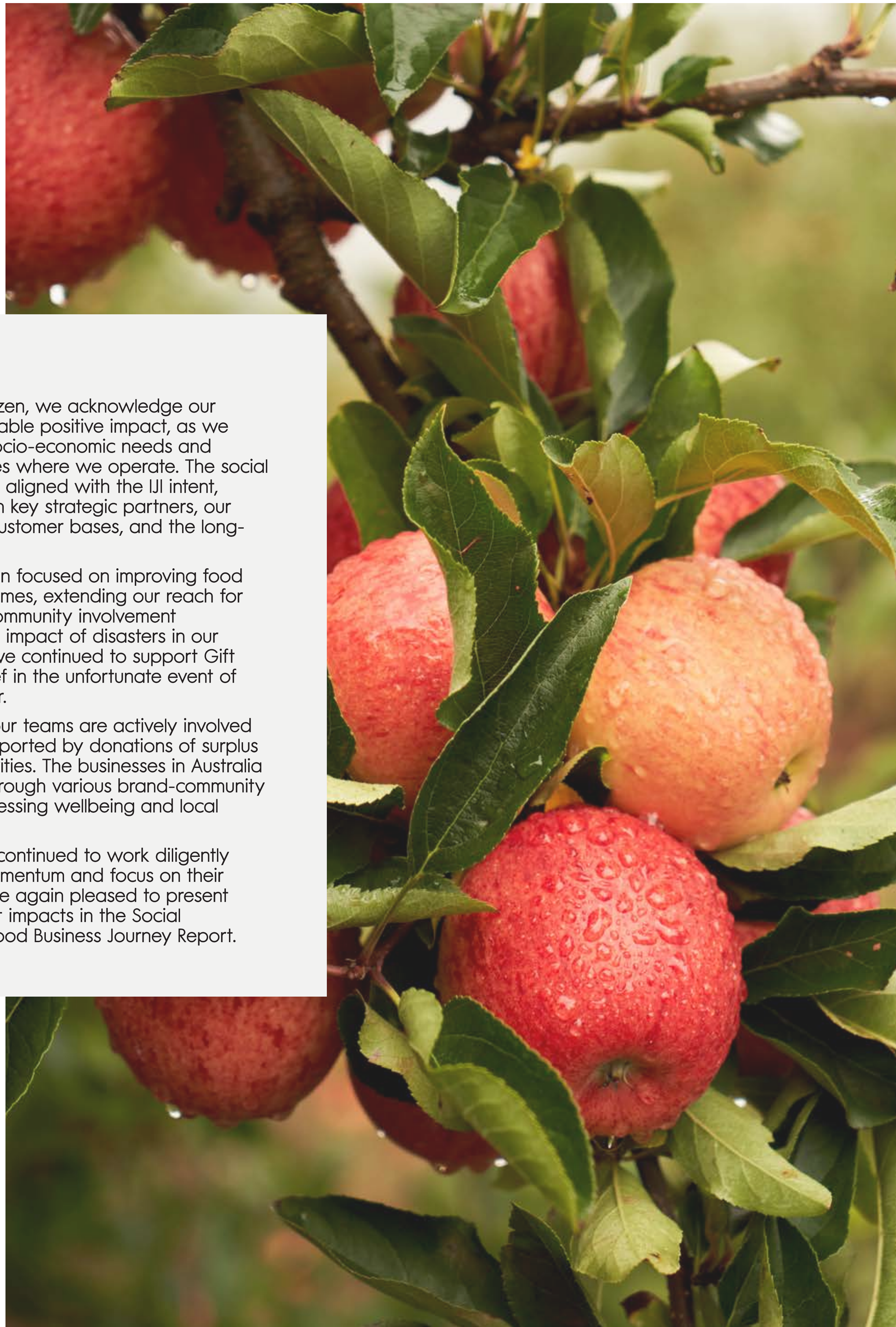
SOCIAL DEVELOPMENT

As a responsible corporate citizen, we acknowledge our responsibility to have a sustainable positive impact, as we contribute to addressing the socio-economic needs and expectations of the communities where we operate. The social development strategy, which is aligned with the IJL intent, leverages our relationships with key strategic partners, our operating footprint and loyal customer bases, and the long-established Woolworths Trust.

In South Africa, our goals remain focused on improving food security and educational outcomes, extending our reach for good through our employee community involvement programme, and mitigating the impact of disasters in our communities. During the year, we continued to support Gift of the Givers with disaster relief in the unfortunate event of a national or provincial disaster.

In the rest of Africa countries, our teams are actively involved in community programmes, supported by donations of surplus clothing and food to local charities. The businesses in Australia support a range of charities through various brand-community partnerships, focusing on addressing wellbeing and local empowerment challenges.

Our teams and partners have continued to work diligently during the year to maintain momentum and focus on their respective programmes. We are again pleased to present details on this and the resultant impacts in the Social Development chapter in the Good Business Journey Report.



We can only grow and sustain long-term profit in an equitable and inclusive economy that has a sufficiently skilled, educated, thriving, and healthy community.



HEALTH AND WELLNESS

The committee supports management’s approach to creating a working environment that will enable employees to thrive. Employee wellbeing is also integral to our IJI and is one of the six strategic levers of our PVP. The wellbeing initiatives are tailored to the specific needs and requirements of the geographies where we trade. They are also informed by the IJI main themes of economic inclusion, women’s empowerment and gender equality, and empowerment

In South Africa, the focus of our Staying Strong programme was refreshed and rebooted to help employees identify and cope with life’s challenges and to assist in ‘stress proofing’ their lifestyles. We are pleased to report that the programme was recognised at South Africa’s 66th Institute of People Management (IPM) Convention, where WSA received the HR Excellence Award for its efforts to empower its people and provide added support through its employee wellness services.

Our digitally enabled Employee Assistance Programme has provided our employees with increased access to information, education, and one-on-one support to help manage mental health and other matters affecting them. The service is available in multiple South African languages and is open to employees’ immediate family members.

A further area of intense focus in South Africa is managing the prevention of Gender-based Violence and Femicide (GBVF).

As an employer of 27 160 women and given that one in five women in South Africa is subjected to some form of GBVF, we consider it essential to take an active stance on this pervasive issue. The Group has zero tolerance for sexual harassment in the workplace. Management recently updated the Group Statement on Harassment, and revised the Sexual Harassment Policy, making it more relevant to the current state of affairs. The Policy incorporates principles of the recently released Code of Good Practice on Harassment in the Workplace issued by the Department of Labour, further entrenching the legal responsibility of employers to report instances of GBVF.

Training on the revised Sexual Harassment Policy has been conducted for all our employees. Specific in-person leadership training was run nationally, particularly in stores and distribution centres. Tools to detect, manage, and increase sensitivity on harassment issues were provided to the leadership, ensuring they are well-equipped and committed to preventing harassment.

Country Road Group’s wellbeing vision is ‘to foster a wellbeing culture that supports and empowers people to thrive’. It has been informed by the Australian government’s national focus on mental health and psychological wellbeing – driven by the National Mental Health and Suicide Plan. The Country Road Group’s wellbeing programme is a holistic and integrated approach to support ‘thriving vs surviving’ and is based on four pillars: healthy lifestyle; healthy workplace; healthy relationships; and wellbeing insights.

In keeping with its theme of fostering mental fitness, Country Road Group actively supports R U OK? Day. R U OK? is a harm-prevention charity in Australia that encourages people to stay connected and have conversations that might help others through difficult times. R U OK? Day is a dedicated day, held in September, to raise awareness through national communication and initiatives that are generally supported by corporates and other community organisations. Country Road Group continually evolves its activation initiatives and calls to action with tools and a training module to support team members to connect with their colleagues and start a conversation meaningfully.

On our customer wellbeing, our Group remains committed to offering our customers food that is better for them, better for the environment, and better for the people who produce it. As a Group, we also focus on inspiring healthy living and healthy food choices through the Good Food Journey. The Good Food Journey advocates the use of non-artificial colourants and flavourants in our food and offers customers more organic and free-range choices to promote healthy eating as part of a healthy lifestyle, while also ensuring a more caring approach to animal welfare. There is much to celebrate in the Good Food Journey, which is the emphasis of our Investor Sustainability Day for 2023.

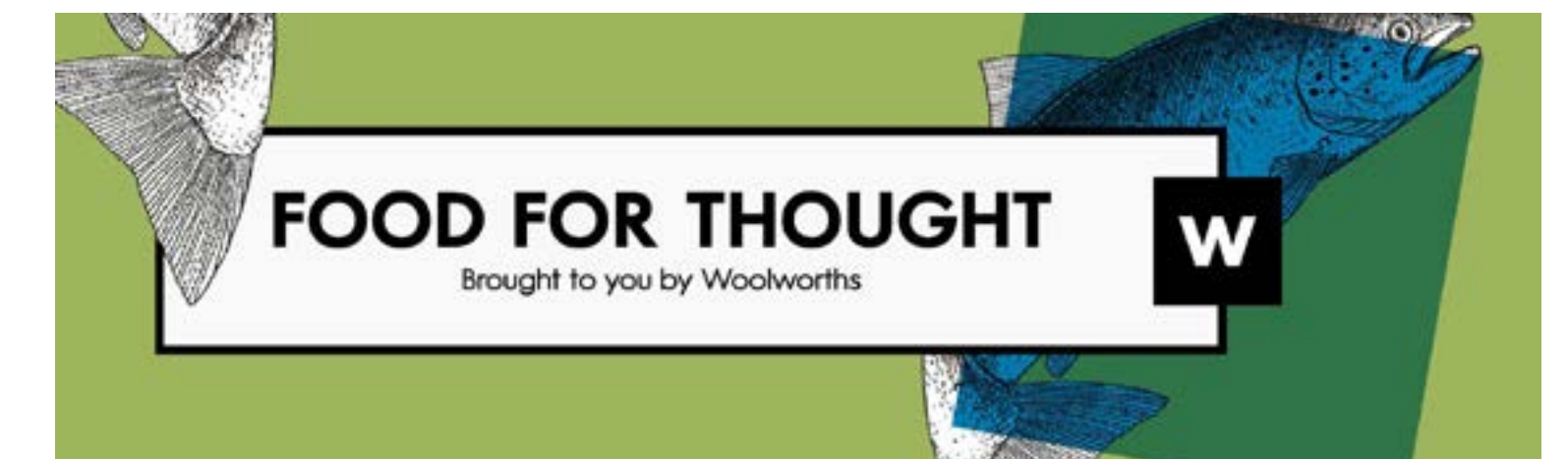
This year, the Food team launched the ‘Food for Thought’ podcast series, which provides a platform to engage with our customers on a range of topics. The topics covered are listed alongside.

FOOD FOR THOUGHT

Woolworths Food launched a ‘Food for Thought’ podcast series. It aimed to engage customers on the food landscape and what they consume, and discuss, debate, demystify, and debunk food and its culture.

TOPICS COVERED INCLUDED:

- The Great Milk debate – is plant-based milk better for your health and the planet than dairy?
- Can veganism help save the planet?
- What will we eat in 50 years?
- Why does all my food come in plastic?
- What is health at every size – demystifying healthy eating
- Sustainable seafood – reality or myth?



More details are provided in the Health and Wellness chapter of the the Good Business Journey Report.

Health and wellness will continue to be a priority focus for our employees and broader stakeholders as the current challenges continue to affect their wellbeing and overall health.



STAKEHOLDER ENGAGEMENT

Stakeholder engagement is important to the Group and remains a key area of oversight for the committee. Our stakeholder engagement programme helps the Group better navigate the complex regulatory, legislative, and political landscape. It also provides us with ongoing insights that are vital to ensuring enduring constructive relationships and informing our responses to rapidly evolving social, technological, and environmental events that we can identify through regular and constructive stakeholder engagement.

The Board is committed to strong, ethical, and transparent stakeholder engagement. Our management teams are empowered by the Board to ensure that we remain accessible to our stakeholders and that we identify, monitor, and address their needs and concerns as well as the related material issues, risks, and opportunities. The committee receives regular reports from these stakeholder engagements and reports on them at the quarterly Board meetings.

The Group regularly conducts Company-wide employee engagement surveys to inform our understanding of how our people experience working for us, how we measure against their expectations, and where we can improve. The surveys are confidential and are used to understand how to create a modern employee experience from an employee perspective. More detail on the employee surveys can be found in the People chapter of the Good Business Journey Report.

The results of the stakeholder perception survey conducted towards the end of last year reflected that our stakeholders believe that we are a purpose-led organisation. We are actioning stakeholder feedback on the areas which require improvement insofar as they relate to the desired quality of stakeholder engagement, and we are clear on what our stakeholders expect of us.

Last year, we reported on the extensive review undertaken by management into the Group's approach to stakeholder management, which resulted in the development of a Stakeholder Management Strategic Framework, inclusive of a Policy Framework and country-specific guidelines. The Board subsequently endorsed the committee's recommendation and approved the Group Stakeholder Management policy. Management has developed a roadmap for the implementation of the policy and finalised the guidelines, which are being rolled out across the business. In the rest of Africa operations, a stakeholder management toolkit has been launched to provide support to the leadership in the various operating regions in engaging with their respective stakeholders.

A comprehensive view of our stakeholder engagement programme is provided earlier in this Report on [pages 40 to 46](#).

CUSTOMER RELATIONSHIPS

As a values-led Group that aspires to be 'customer obsessed', our customers are a key priority. We are committed to ensuring that our market conduct supports the fair treatment of customers and that the Group observes applicable consumer laws. We are pleased to report that there have been no material instances of non-compliance in this regard during the year.

SUPPLY CHAIN

As a Group, we acknowledge the role we have to play as a large business in the development of small, locally owned businesses, thereby contributing meaningfully to job creation, access to the mainstream economy, and inclusive economic growth. To this end, WSA's Enterprise and Supplier Development (ESD) programme aims to stimulate the growth of an inclusive South African economy and actively create local jobs by providing market access and support for the sustainable growth of small, Black- and Black-women-owned small, medium and micro-enterprises (SMMEs).

After more than 13 years of the ESD programme, we have a wealth of learnings from the successes and failures of small businesses in different sectors of the economy. Our teams are consolidating these learnings into a future programme that will enhance our contribution to inclusive and sustainable economic growth through SMME development in the future. The ESD initiative is being incorporated under the Inclusive Justice Initiative, with the goal of elevating the ESD supplier base through a more integrated approach by providing them with access to formal operational governance structures.



Woolworths South Africa's Enterprise and Supplier Development (ESD) programme aims to stimulate the growth of an inclusive South African economy and actively create local jobs by providing market access and support for the sustainable growth of small, Black- and Black-women-owned small, medium and micro-enterprises (SMMEs).



ETHICS GOVERNANCE

As reported in the Governance Report, the Board has adopted a suite of policies to articulate and embed ethical practices across the Group and has delegated responsibility for monitoring and reviewing the policy suite to the relevant Board committees. The policies that fall within the committee's remit relate to ethics governance and good corporate citizenship and cover the areas of anti-bribery and corruption, whistle-blowing, and conflicts of interest.

The committee annually reviews the Group's anti-bribery and corruption policy, which is based on the guidance provided by the Organisation for Economic Co-operation and Development's principles on anti-corruption and the UN Global Compact. The policy articulates the Group's zero-tolerance approach to fraud, theft, corruption or any similar illegal behaviour and embeds the business-relevant anti-bribery and corruption compliance framework and processes in our daily activities. Our policies on such key issues are brought to life through the Group's Governance Academy, which delivers bite-sized snippets of the policy to employees in an interactive and purposeful way.

We remain committed to conducting business transparently and in an honest and ethical manner and to complying with all applicable anti-bribery and corruption laws, regulations, rules, self-regulatory organisation standards, and codes of conduct in the countries in which we operate.

All of the Group's suppliers and service providers, irrespective of location, are bound by our Supplier Codes of Conduct (codes), all of which are aligned with the International Labour Organisation's conventions concerning ethical trade, as well as the Ethical Trading Initiative Base Code. The codes outline our requirements for human rights, labour practices, health and safety standards, environmental stewardship, animal welfare, and our zero tolerance for bribery and corruption.

We monitor our suppliers' performance through various programmes on which they are required to report. Suppliers are being encouraged to sign up for the Supplier Ethical Data Exchange (SEDEX) platform to enhance consistency across the Group. The Group is a member of SEDEX, which is a global platform that helps companies manage ethical supply chain risk and streamline the challenges of engaging with multi-tier supply chains by providing a single platform for ethical audit report storage, enabling performance transparency, greater efficiency, and consistency.

We continue to make progress in converting our supply base to SEDEX Members Ethical Trade Audits (SMETA), SEDEX's ethical audit methodology and one of the most widely used ethical audit formats in the world. SMETA audits suppliers' performance against labour, health and safety, environment, and business ethics.

PROTECTION FOR WHISTLE-BLOWERS

The Group Whistle-blower policy aims to facilitate and maintain an environment in which any concerns relating to wrongdoing can be safely and confidently expressed without fear of punishment or unfair treatment. To this end, we have an independent and secure reporting channel on which all employees, as well as key customers and suppliers in the South African, rest of Africa, and Australian businesses can report suspected fraud or other activities considered to be ethical transgressions. The committee reviewed the policy during the year and, as the policy remains relevant and fit for purpose, no material changes were made.

In addition, no material reports were received through the independently monitored whistle-blowing hotline during the year.

Awareness and refresher training on the scope and intent of the Group's Whistle-blower policy is provided on an ongoing basis.

BBBEE

The Group was rated as a level 5 BBBEE contributor in 2023 based on the measurement criteria contained in the BBBEE Codes of Practice (level 5 in 2022). The committee will continue to monitor the effectiveness of management's broader approach to inclusive growth and to hold management accountable for the achievement of an elevated result until the set goal has been reached.

COMMITTEE EFFECTIVENESS EVALUATION

An external independent evaluation of the committee's performance was undertaken as part of the 2023 external Board effectiveness evaluation. The outcome of the review was that the committee is highly effective in fulfilling and delivering value on its mandate.

All employees, as well as key customers and suppliers in the South African, rest of Africa and Australian businesses can report suspected wrongdoing on our independent and secure reporting channel.

CLOSING REMARKS

The committee has had a productive year and has been successful in realigning its workplan to optimise its time and ensure appropriate focus on priority areas. We appreciate the assistance in this endeavour from the relevant management teams.

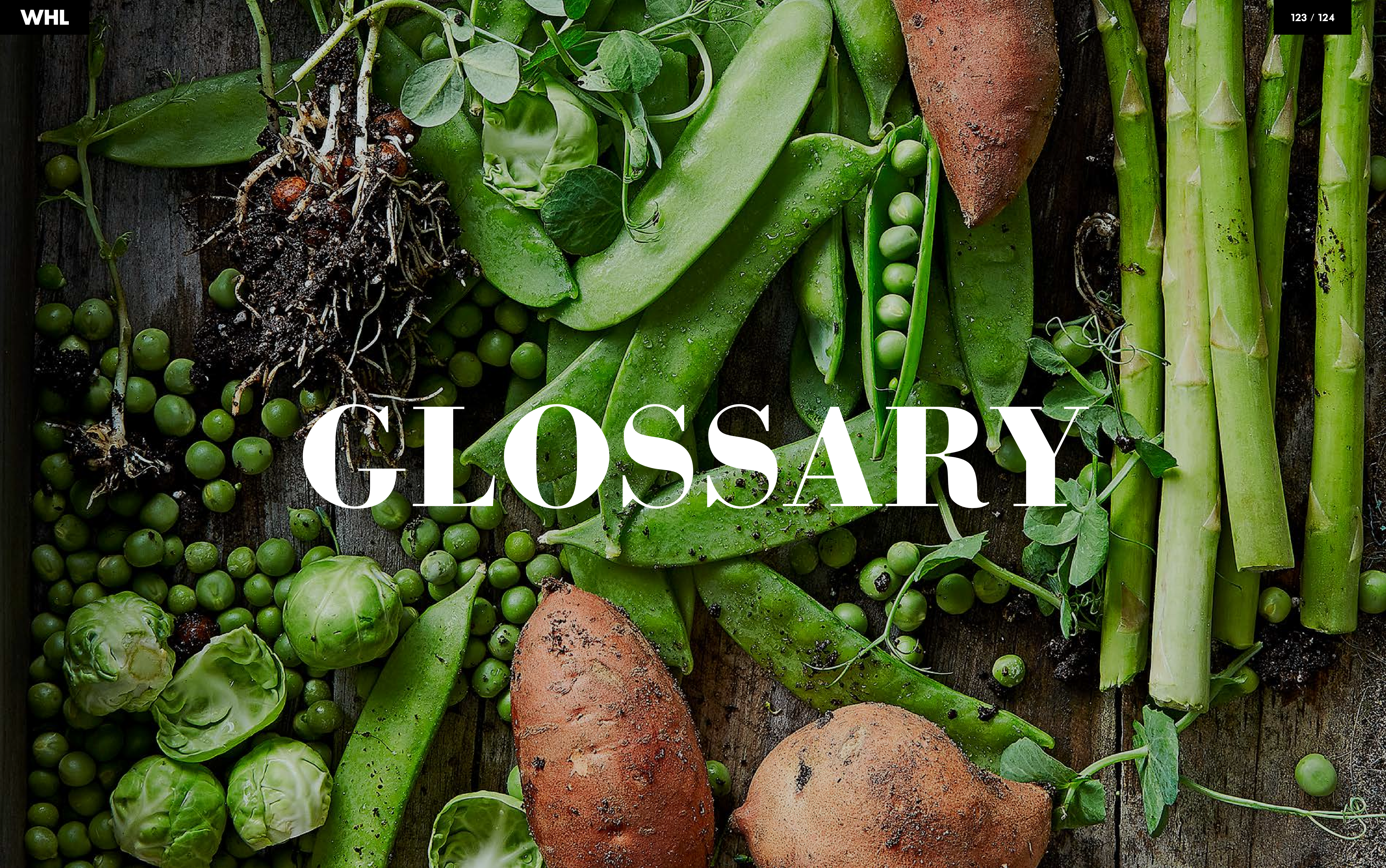
Once again, I feel privileged to acknowledge, on behalf of the committee, our employees for their ongoing commitment and dedication to the Group, regardless of the challenges they may be facing. We also appreciate the support of our customers, the communities in which we operate, our suppliers and business partners, and our broader stakeholder community – they all make our work worthwhile.

On behalf of the committee, I thank our executives and management for their strong and consistent leadership and our colleagues on the Board, the Sustainability Committee, and the other committees that contribute to our collective efforts in driving our Vision 2025+ sustainability strategy.

*Sincerely,
Thembisa Skweyiya*



GLOSSARY



ABBREVIATIONS USED IN THIS INTEGRATED ANNUAL REPORT

A

aPBT: Adjusted Profit Before Tax

aEBIT: Adjusted Earnings Before Interest and Tax

AGM: Annual General Meeting; Annual shareholder meeting held in terms of the Companies Act

B

BBBEE: Broad-Based Black Economic Empowerment; Legislation which aims to increase the participation of the majority of South Africans in the economy. Aims to redress the inequalities experienced under apartheid

BPS: Basis Points

C

CEO: Chief Executive Officer

COO: Chief Operating Officer

CPI: Consumer Price Index

CPS: Cents Per Share

CRG: Country Road Group; Wholly owned trading subsidiary of WHL based mainly in Australia. Owns the Country Road, Trenery, Mimco, Witchery, and Politix brands

CSI/SD: Corporate Social Investment; Component of the BBBEE scorecard which encourages support of charitable and non-profit organisations

CTS: Cost to Sell; Expenses expressed as a percentage of turnover; also referred to as 'cost to operate'

D

DC: Distribution Centre; The Food and Fashion, Beauty and Home distribution centres

DJ: David Jones Proprietary Limited; Former wholly owned subsidiary of WHL based mainly in Australia. Was sold off during FY2023

dtic: Department of Trade, Industry and Competition

E

EBIT: Earnings Before Interest and Tax

EBITDA: Earnings Before Interest, Tax, Depreciation, and Amortisation

EPS: Earnings Per Share; Profit earned for the period divided by the weighted average number of shares in issue

F

FBH: Fashion, Beauty and Home; An operating segment in Woolworths South Africa which aggregates clothing, footwear, accessories, homeware, beauty, and cell phone product buying groups

FD: Group Finance Director

FTE: Full-time Equivalent; Number of hours worked by store staff equated back to a person working a 40-hour week

FY: Financial Year

G

GBJ: 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 by managing the environmental, social, and transformational activities of the Group

GP: Guaranteed Pay; Annual salary and benefits paid to employees

GRC: Governance, Risk and Compliance; Business unit which provides governance, risk, legal, and compliance solutions to the business and the Board

H

HEPS: Headline Earnings Per Share; Key measurement of normalised profit per share in South Africa

HDSA: Historically Disadvantaged South Africans

I

IBP: Integrated Business Plan; Three-year financial and strategic plan

IPM: Integrated Performance Management; Performance appraisal mechanism to measure employees' achievement against performance goals and behaviours

J

JSE: Johannesburg Stock Exchange; Stock exchange in South Africa on which the Company is listed

K

KPI: Key Performance Indicator; Measurable value of performance against target which demonstrates how effectively the Group is achieving its key business objectives

L

LFL: Like-for-like; Used to compare sales in comparable stores, i.e., those stores that are not new and have not had any extension or modernisation to them. Calculated on a 24-month period

LID: Lead Independent Director

LTi: Long-term Incentive; Variable remuneration subject to the achievement of performance conditions. Generally a three-year period

LTIP: Long-term Incentive Plan; Share scheme instrument allocated to employees in terms of long-term incentive scheme

LTO: Labour Turnover; Percentage of employees leaving the business over a defined period

M

MTP: Medium-term Plan; Three-year financial strategic plan

O

OPEX: Operating expenses

R

ROCE: Return on Capital Employed

ROE: Return on Equity

ROS: Return on Sales; Profit after tax expressed as a percentage of Turnover

RSP: Restricted Share Plan; Share scheme instrument allocated to employees in terms of retention scheme

S

SARS: Share Appreciation Right Scheme; Share scheme instrument allocated to employees in terms of long-term incentive scheme

SEC: Social and Ethics Committee; A statutory committee in terms of the South African Companies Act which ensures that a company conducts business in a sound and ethical manner

SRI: Socially Responsibility Index; An index created by the JSE to measure the social responsibility criteria of companies listed on the JSE. The South African equivalent of the Dow Jones Index

STI: Short-term Incentive; Variable remuneration subject to the achievement of performance conditions. Generally a one-year period

T

TCoE: Total Cost of Employment; Total salary and benefits of employees

V

VP: Variable Pay; Remuneration that varies according to the achievement or not of performance conditions

W

WACC: Weighted Average Cost of Capital

WFS: Woolworths Financial Services (Pty) Limited; A joint venture between Woolworths and Absa Group Limited that supports the Woolworths retail business by providing financial services to Woolworths customers through in-store cards, credit cards and personal loans

WHL: Woolworths Holdings Limited; Southern hemisphere retail Group that has been listed on the Johannesburg Stock Exchange Limited (JSE) since 1997. The Group trades through two operating subsidiaries, including Woolworths Proprietary Limited (Woolworths or WSA) and Country Road Group Proprietary Limited (Country Road Group or CRG). Woolworths Financial Services Proprietary Limited (WFS) is a joint venture with Absa Group Limited, which holds the controlling interest

WHST: Woolworths Holdings Share Trust; The Trust through which the shares allocated for the long-term incentive schemes are managed

WSA: Woolworths/Woolworths SA; A wholly owned trading subsidiary of WHL, mainly based in South Africa

Y

YES: Youth Employment Service; A CEO-led government initiative launched by President Cyril Ramaphosa aimed at providing one million youth with work experience and helping them gain valuable skills

12mma: 12-month moving average; Used to refer to average market share over a rolling 12-month period

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

For company-specific information, visit

 [Country Road](#) | [Mimco](#) | [Trenery](#) | [Politix](#) | [Witchery](#)

We appreciate any feedback on our Integrated Report. Please contact InvestorRelations@woolworths.co.za