

WOOLWORTHS HOLDINGS LIMITED

2023 CDP Forest submission for the 2022 financial year

START

F0. Introduction

F0.1

(F0.1) Give a general description of 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 with operations in Sub-Saharan Africa, Australia, and New Zealand and has a market capitalization of R59.365billion as at 28 June 2022.

Approximately 35% its turnover is derived from Australian operations. WHL employs about 44 129 employees across 13 countries and trades in about 1 386 store locations. The Group trades through three operating subsidiaries, which include Woolworths Proprietary Limited (Woolworths or WSA which operates in South Africa and 10 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, children’s wear, 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 recognize the interdependencies 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 retailer in the world.

Ethical sourcing of forest-risk commodities

It was our intention to have all of our key raw commodities responsibly sourced by 2020. This means that they should be produced in ways that benefit the people that grow and harvest them and the environment they come from. Our fashion businesses continues to work on improving traceability through the supply chain and are currently able to trace raw materials.

Our primary responsibility is towards our private label suppliers and supply chains. This is where we can exert the greatest influence for positive change and monitor performance. Where possible, we also engage with branded suppliers to ensure our standards are understood and upheld and to build capacity where required. We aim to create long-term, value-sharing relationships with our direct suppliers to ensure that the products we source are in accordance with our exacting requirements and that the fundamental human rights of those we buy and sell from are protected and respected.

Due to the complexity of our supply chains, a partnership-based approach is necessitated, where we can leverage against best-in-class standards, certifications, and expertise over the long term to achieve our goals. Collaboration remains a key enabler for us to meet our ethical sourcing targets for all our key commodities. This is done through not only being signatories to the UN Global Compact, via the SEDEX program (the Supplier Ethical Data Exchange), the conventions of the International Labour Organisation (ILO) and Ethical Initiative (ETI) Base Code to underpin our program, and to help determine principles specific to WHL.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	July 1 2021	June 30 2022

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

ZAR

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization’s area of operation.

Timber products

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

Yes

Explanation if not disclosing

<Not Applicable>

Palm oil

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

Yes

Explanation if not disclosing

<Not Applicable>

Cattle products

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

Yes

Explanation if not disclosing

<Not Applicable>

Soy

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

Yes

Explanation if not disclosing

<Not Applicable>

Other - Rubber

Commodity disclosure

This commodity is not produced, sourced or used by our organization

Stage of the value chain

<Not Applicable>

Are you disclosing information on embedded commodities?

<Not Applicable>

Explanation if not disclosing

<Not Applicable>

Other - Cocoa

Commodity disclosure

Not disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

<Not Applicable>

Explanation if not disclosing

We are currently not tracking data for cocoa. However, all cocoa sold and used in our private label products is UTZ certified sustainable.

Other - Coffee

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

Yes

Explanation if not disclosing

<Not Applicable>

F0.5

(F0.5) Select the option that describes the reporting boundary for which forests-related impacts on your business are being reported

Operational control

F0.6

(F0.6) Select the countries/areas in which you operate.

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

F0.7

(F0.7) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

Yes

F0.7a

(F0.7a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.

Forest risk commodity

Other – Coffee

Value chain stage

Direct operations

Exclusion

Business activity

Description of exclusion

We are currently not tracking the sourcing of our (dry) coffee beans ground sold in our retail stores. Data is only provided for our coffee services business (sale of coffee drinks at our coffee carts and cafes).

% of volume excluded

Don't know

Potential for forests-related risk

Potential for forests-related risk but not evaluated

Please explain

We sell both fair trade and non-fair trade coffee (ground and beans) in our retail stores. The impact and potential forest related risks have not been evaluated

F0.8

(F0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.?)

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	Share ISIN: ZAE000063863
Yes, a CUSIP code	CUSIP number 98088R505

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

- Buying manufactured products
- Retailing/onward sale of commodity or product containing commodity

Form of commodity

- Hardwood logs
- Paper
- Boards, plywood, engineered wood
- Primary packaging
- Secondary packaging
- Cellulose-based textile fiber

Source

- Contracted suppliers (manufacturers)

Country/Area of origin

- Australia
- Canada
- China
- India
- Indonesia
- South Africa
- United States of America

% of procurement spend

- 1-5%

Comment

The main sourcing countries for timber/plyboard include USA, Finland, China, Czechia Republic, Ghana, Brazil, and South America. Country Road Group and David Jones sourced primarily from Australia and China.

Solid timber is used in a wide variety of WHL products, including kitchen/ homeware accessories, small furniture accessories, shoes, stationery, gifting as well as clothing made from viscose and other cellulosic fibers. Timber is also used for WHL packaging such as foods packaging (primary and secondary), and clothing (swing tags) and homeware product packaging, as well as the packaging used at interactive areas in the food markets such as the WCafé and bakery.

Timber and plyboard/veneer are used extensively in-store and cafe/food hall equipment and visual merchandising across all our store locations. It is also used for furniture required in stores and administrative buildings. WHL also uses timber in specialised paper and board used for marketing materials including various publications, magazines, ticketing, and permanent décor. Copy paper used for internal administrative operations, and for till rolls. For Woolworths, most paper is locally sourced (SA), with the exception of some specialty papers.

As timber products are used so extensively in operations across all three subsidiaries, it is extremely difficult to calculate what percentage of procurement spends timber represents. We provided an estimate percentage of cost of procured commodity against the cost of business.

Palm oil

Activity

Buying manufactured products
Retailing/onward sale of commodity or product containing commodity

Form of commodity

Refined palm oil
Palm oil derivatives

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Indonesia
Malaysia
South Africa

% of procurement spend

<1%

Comment

Since South Africa does not have a "segregated" supply of palm oil coming into the country, the origin is anticipated to align with top palm oil-producing nations. Palm oil is used as a constituent ingredient in WHL food, household (cleaning), home (e.g. candles) and beauty products. Palm oil procurement spend is a relatively small percentage of total WHL procurement.

Cattle products

Activity

Buying manufactured products
Retailing/onward sale of commodity or product containing commodity

Form of commodity

Beef
By-products (e.g. glycerin, gelatin)
Hides/leather

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Argentina
Australia
China
India
Namibia
New Zealand
Pakistan
Saudi Arabia
South Africa
Turkey

% of procurement spend

1-5%

Comment

Fresh meat, dairy products, and beef are sold in fresh and prepared meals in the form of beef and dairy products in Woolworths David Jones Foods stores as well as Woolworths and David Jones food services (Food Halls and WCafé's).

Leather is used within clothing and general merchandise products that are sold through Woolworths, David Jones, and Country Road Group stores in clothing, footwear, and accessories (belts, bags, pouches, wallets, jewelry) as well as homeware. We have completed a supply chain mapping exercise on all key leather accessories across Country Road, MIMCO, and Trenergy - where the majority of our leather is sold. We have varying levels of traceability/visibility back to the tannery in most cases and in some cases back to the slaughterhouse.

All Woolworths fresh meat and dairy is procured locally (South Africa and Namibia), which is not a deforestation risk area. David Jones beef is from Australia and New Zealand.

Soy

Activity

Retailing/onward sale of commodity or product containing commodity

Form of commodity

Whole soy beans
Soy bean oil
Soy bean meal
Soy derivatives

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Argentina
South Africa
Spain

% of procurement spend

1-5%

Comment

Soy is a traded commodity, and South Africa both imports and exports soy. At this stage, we have limited understanding of the exact origin or Soy entering the county and therefore have used information relating to the top 10 producers of soy globally. The majority (99%) of soy used in our operations is indirectly consumed as it is incorporated into animal feed used to feed the livestock sold in Woolworths and David Jones food stores. In addition, we sell a number of products containing soy (both soybean and soy oil) as well as small volumes used in soy candles and sold as beans (frozen and in salads).

Other - Coffee

Activity

Buying manufactured products
Retailing/onward sale of commodity or product containing commodity

Form of commodity

Other, please specify (Beans and Grounds)

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Ethiopia
United Republic of Tanzania

% of procurement spend

<1%

Comment

We have been working to improving our responsible sourcing program for coffee. Coffee in Woolworths food services (at our cafes and coffee carts) source 100% organic coffee, with all being fully traceable to small scale in Ethiopia and Tanzania co-ops.

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber products	<1%	This covers kitchen/ homeware accessories, small furniture accessories, shoes, stationery, gifting as well as clothing made from viscose and other cellulosic fibers.
Palm oil	<1%	Data is still based on limited information. We know how many of our products contain palm oil but cannot be certain as to the volume used as these changes year on year.
Cattle products	<1%	This covers all leather and hides. Our beef comes from Australia, Namibia, New Zealand, and South Africa, not considered deforestation risk areas (so therefore not added).
Soy	11-20%	This primarily reflects the usage of soy for animal feed for the animal-derived products we sell such as beef, poultry and dairy.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<1%	This covers coffee sales in Woolworths Food Services (convenient food, and in-store coffee carts).

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption data available, disclosing
Palm oil	Consumption data available, disclosing
Cattle products	Consumption data available, disclosing
Soy	Consumption data available, disclosing
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	Consumption data available, disclosing

F1.5a

(F1.5a) Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestation- and/or conversion-free.

Forest risk commodity

Timber products

Data type

Consumption data

Commodity production/ consumption volume

8400.4

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Partial commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

No, but we are planning to verify volumes as deforestation- and/or conversion-free in the next two years

% of reported volume verified as deforestation- and/or conversion-free

<Not Applicable>

Please explain

This data includes: Woolworths SA: - Marketing materials - Head office paper consumption - Foods packaging (board) - Cardboard boxes - Till rolls - Toilet paper/ serviettes (sold in-store) - Fashion: cellulosic fabrics Country Road Group (CRG): - Marketing materials - Head office paper consumption - Foods packaging (board) - Cardboard boxes - Till rolls - Toilet paper/ serviettes (sold in-store) in 2022, 98% of timber and 96% of Man-Made Cellulose fibers are responsibly sourced. Woolworths signed the Vancouver Declaration in 2017, making a commitment to work towards more sustainable sourcing of forest products, and endorsing the Forest Stewardship Council (FSC) as the supplier of choice for the certification of forest products. In line with legislation, Country Road Group and David Jones purchase all timber, and products with timber inputs, from legally harvested sources.

Forest risk commodity

Palm oil

Data type

Consumption data

Commodity production/ consumption volume

26626

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Partial commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

No, but we are planning to verify volumes as deforestation- and/or conversion-free in the next two years

% of reported volume verified as deforestation- and/or conversion-free

<Not Applicable>

Please explain

This consumption covers the most significant areas of our business - all Woolworths private label food and the major beauty products containing palm oil. The figure excludes non-Woolworths branded food and beauty products sold by Woolworths containing palm oil as an ingredient; food and beauty products sold in David Jones, - and David Jones Food Hall, Food store and Cafés.

All Woolworths private label products containing palm oil are sourced responsibly and are 100% certified as sustainable using a mass-balance system. We are actively moving away from palm oil into substitutes for our beauty products

Forest risk commodity

Cattle products

Data type

Consumption data

Commodity production/ consumption volume

3992666

Metric for commodity production/ consumption volume

Square meters

Data coverage

Partial commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

No, but we are planning to verify volumes as deforestation- and/or conversion-free in the next two years

% of reported volume verified as deforestation- and/or conversion-free

<Not Applicable>

Please explain

This figure is based on analysis of one years' sales figures for all Woolworths and Country Road Group private label footwear and accessories. It does not include data from David Jones clothing/footwear and accessories, or small amounts found in homeware/ general merchandise. The extraordinary complexities of leather sourcing due to multi-tier supply chains is a global challenge that we, along with many other brands worldwide, are seeking to solve.

In 2015, the WHL Group became a member of the Leather Working Group (LWG), an environmental standard that promotes best practice in chemical management and wastewater treatment. LWG certification also assesses the ability of leather manufacturers to trace the material back to the slaughterhouse. The WHL Group is an active participant in the Textile Exchange Beef and Leather Working Group. The extraordinary complexity of leather sourcing due to multi-tier supply chains is a global challenge that we, along with many other brands worldwide, are seeking to solve. All Trenery leather apparel, all of Witchery's leather handbags, more than 40% of leather belts and more than 75% of Politix leather footwear is sourced from LWG certified tanneries.

The Group is conducting a baseline assessment of all our tanneries to understand their LWG certification levels, i.e. which of them are being audited against the LWG environmental auditing protocols, and which have a traceability rating (leather that is physically marked and traceable

Forest risk commodity

Soy

Data type

Consumption data

Commodity production/ consumption volume

2765

Metric for commodity production/ consumption volume

Other, please specify (Soy credits)

Data coverage

Partial commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

No, but we are planning to verify volumes as deforestation- and/or conversion-free in the next two years

% of reported volume verified as deforestation- and/or conversion-free

<Not Applicable>

Please explain

Woolworths has engaged an external consultant to conduct a survey around soya origins and volumes, directly with farmers. Based on the survey, a large part of our supply base has decreased the use of and/or reliance on soy, primarily due to the cost of the raw materials. Where soy is still used, there has been a significant shift towards the use of locally produced soy, influenced primarily by higher local production and a more competitive price. The majority of the soy sourced was from South Africa (67%). Most of the remaining soy was from Argentina (31%), the rest were unknown. Chicken was responsible for the largest amount of soy entering Woolworths' supply chain (46%), while pork was responsible for the second largest amount of soy (32%). On a per-product basis, the duck had the highest soy per kilogram of meat, followed by pork and then chicken. Dairy and beef were relatively low users of soy.

We have also conducted an exercise to re-establish our soya baseline and we extrapolated total foods supply base (non-fresh and soy in our products as well as those that did not complete the survey) to 45 000 tons for Woolworths Foods annually. Since 98% of the soy is used in feed to produce protein and only 2 % based on the amount of protein we sell and on average global inclusion rates.

Woolworths purchased 2760 RTRS credits in 2022. The credits are only purchased from growers who are certified as meeting the RTRS standard for responsible soya production. One credit is equivalent to one tons of soya. In this way, we are supporting responsible production.

The figure excludes food containing soy sold in David Jones Foodhall, and candles sold across the WHL Group, and cafés/ cafeterias. Because of considerable complexity in converting soy used in animal feeds to a responsibly sourced variety, we have started purchasing RTRS credits to promote the uptake and development of the responsible soy industry.

Woolworths is also investigating opportunities to support and develop African soy. Woolworths became a member of the Round Table on Responsible Soy (RTRS) in 2015. While it is not yet viable to obtain physically certified RTRS soya in South Africa, Woolworths supports the development of a sustainable soya market in major producing regions through the purchase of RTRS credits

F1.5c

(F1.5c) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Timber products

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

2.14

Please explain

This covers 2% of Australian's made paper, 0.1%Hardwood used in homeware and 0.04% of Paper for marketing in homeware.

Forest risk commodity

Cattle products

Country/Area of origin

India

State or equivalent jurisdiction

Don't know

% of total production/consumption volume

100

Please explain

This covers Hides/ leather for Women's footwear, with 80 % sourced from South Africa, 10% from China & 10% from India.

F1.5f

(F1.5f) How does your organization produce or consume biofuel derived from palm oil?

Does your organization produce or consume biofuel derived from palm oil?

No

Data type

<Not Applicable>

Volume produced/consumed

<Not Applicable>

Metric

<Not Applicable>

Country/Area of origin

<Not Applicable>

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

<Not Applicable>

Does the source of your organization's biofuel material come from smallholders?

<Not Applicable>

Comment

We do not use palm oil for biofuel. Palm oil is only used as an ingredient in some of our products.

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

No

F1.7

(F1.7) Indicate whether you have assessed the deforestation or conversion footprint for your disclosed commodities over the past 5 years, or since a specified cutoff date, and provide details.

Forest risk commodity

Palm oil

Have you monitored or estimated your deforestation/conversion footprint?

No, but we plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

<Not Applicable>

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

<Not Applicable>

Known or estimated deforestation/ conversion footprint (hectares)

<Not Applicable>

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

<Not Applicable>

Forest risk commodity

Cattle products

Have you monitored or estimated your deforestation/conversion footprint?

No, but we plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

<Not Applicable>

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

<Not Applicable>

Known or estimated deforestation/ conversion footprint (hectares)

<Not Applicable>

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

<Not Applicable>

Forest risk commodity

Soy

Have you monitored or estimated your deforestation/conversion footprint?

No, but we plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

<Not Applicable>

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

<Not Applicable>

Known or estimated deforestation/ conversion footprint (hectares)

<Not Applicable>

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

<Not Applicable>

Forest risk commodity

Other - Coffee

Have you monitored or estimated your deforestation/conversion footprint?

No, but we plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

<Not Applicable>

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

<Not Applicable>

Known or estimated deforestation/ conversion footprint (hectares)

<Not Applicable>

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

<Not Applicable>

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber products

Value chain stage

Direct operations
Supply chain

Coverage

Partial

Risk assessment procedure

Assessed in an environmental risk assessment

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Tools and methods used

Internal company methods
External consultants
Other, please specify ((Canopy Hot Button Report (Viscose)),)

Issues considered

Availability of forest risk commodities
Impact of activity on the status of ecosystems and habitats
Regulation
Climate change
Tariffs or price increases

Stakeholders considered

Customers
Investors
Local communities
Other forest risk commodity users/producers at a local level
Regulators
Suppliers

Please explain

Deforestation risks are included as a component of the bi-annual business unit and group operating company reviews where performance is reviewed against incentive-based scorecard KPI's/goals/targets at which a member of the Sustainability Committee and the Head of Sustainability must be present. During these sessions, key risks and opportunities to the business are highlighted. Progress on the sustainable sourcing of deforestation-linked timber as well as its associated risks as identified is then reported to the Sustainability Board Committee. We also conduct more in-depth risk assessments with technical specialists from across the business (buying groups) and our partners such as WWF-South Africa. Risks identified feed into the WHL Group corporate risk framework reviewed by the Board Risk Committee on a quarterly basis.

Palm oil**Value chain stage**

Supply chain

Coverage

Partial

Risk assessment procedure

Assessed in an environmental risk assessment

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Tools and methods used

Internal company methods

External consultants

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Impact of activity on the status of ecosystems and habitats

Regulation

Climate change

Tariffs or price increases

Brand damage related to forests risk commodities

Social impacts

Stakeholders considered

Customers

Investors

Local communities

NGOs

Other forest risk commodity users/producers at a local level

Regulators

Suppliers

Please explain

Deforestation risks are included as a component of the bi-annual business unit and group operating company reviews where performance is reviewed against incentive-based scorecard KPI's/goals/targets at which a member of the Sustainability Committee and the Head of Sustainability must be present. During these sessions, key risks and opportunities to the business are highlighted. Progress on the sustainable sourcing of deforestation-linked palm oil as well as its associated risks as identified are then reported to the Sustainability Board Committee. We also conduct more in-depth risk assessments with technical specialists from across the business (buying groups) and our partners such as WWF-South Africa. Risks identified feed into the WHL Group corporate risk framework reviewed by the Board Risk Committee on a quarterly basis.

Cattle products

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Assessed in an environmental risk assessment

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Tools and methods used

Internal company methods

Issues considered

Availability of forest risk commodities
Quality of forests risk commodities
Impact of activity on the status of ecosystems and habitats
Regulation
Climate change
Tariffs or price increases
Brand damage related to forests risk commodities
Social impacts

Stakeholders considered

Investors
Local communities
NGOs
Other forest risk commodity users/producers at a local level
Regulators
Suppliers

Please explain

Deforestation risks are included as a component of the bi-annual business unit and group operating company reviews where performance is reviewed against incentive-based scorecard KPI's/goals/targets at which a member of the Sustainability Committee and the Head of Sustainability must be present. During these sessions, key risks and opportunities to the business are highlighted. Progress on the sustainable sourcing of deforestation-linked cattle products as well as their associated risks as identified are then reported to the Sustainability Board Committee. We also conduct more in-depth risk assessments with technical specialists from across the business (buying groups) and our partners such as WWF-South Africa. Risks identified feed into the WHL Group corporate risk framework reviewed by the Board Risk Committee on a quarterly basis.

Soy

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Assessed in an environmental risk assessment

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Tools and methods used

Internal company methods

Issues considered

Availability of forest risk commodities
Quality of forests risk commodities
Impact of activity on the status of ecosystems and habitats
Regulation
Climate change
Tariffs or price increases
Brand damage related to forests risk commodities
Social impacts

Stakeholders considered

Please explain

Deforestation risks are included as a component of the bi-annual business unit and group operating company reviews where performance is reviewed against incentive-based scorecard KPI's/goals/targets at which a member of the Sustainability Committee and the Head of Sustainability must be present. During these sessions, key risks and opportunities to the business are highlighted. Progress on the sustainable sourcing of deforestation-linked soy as well as its associated risks as identified are then reported to the Sustainability Board Committee. We also conduct more in-depth risk assessments with technical specialists from across the business (buying groups) and our partners such as WWF-South Africa. Risks identified feed into the WHL Group corporate risk framework reviewed by the Board Risk Committee on a quarterly basis.

Other - Coffee

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Assessed in an environmental risk assessment

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Tools and methods used

Please select

Issues considered

- Availability of forest risk commodities
- Quality of forests risk commodities
- Impact of activity on the status of ecosystems and habitats
- Regulation
- Climate change
- Brand damage related to forests risk commodities
- Social impacts

Stakeholders considered

- Customers
- Investors
- Local communities
- NGOs
- Other forest risk commodity users/producers at a local level
- Regulators
- Suppliers

Please explain

Deforestation risks are included as a component of the bi-annual business unit and group operating company reviews where performance is reviewed against incentive-based scorecard KPI's/goals/targets at which a member of the Sustainability Committee and the Head of Sustainability must be present. During these sessions, key risks and opportunities to the business are highlighted. Progress on the sustainable sourcing of deforestation-linked coffee as well as its associated risks as identified are then reported to the Sustainability Board Committee. We also conduct more in-depth risk assessments with technical specialists from across the business (buying groups) and our partners such as WWF-South Africa. Risks identified feed into the WHL Group corporate risk framework reviewed by the Board Risk Committee on a quarterly basis

F2.2

(F2.2) For each of your disclosed commodity(ies), has your organization mapped its value chains?

	Value chain mapping	Primary reason for not mapping your value chain	Explain why your organization does not map its value chain and outline any plans to introduce it
Timber products	Yes, we have partially mapped the value chain	<Not Applicable>	<Not Applicable>
Palm oil	No, but we plan to map the value chain within the next two years	Lack of internal resources	In line with our commitment to transparency, we are working to map our full value chain
Cattle products	Yes, we have partially mapped the value chain	<Not Applicable>	<Not Applicable>
Soy	No, but we plan to map the value chain within the next two years	Lack of internal resources	In line with our commitment to transparency, we are working to map our full value chain
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	No, but we plan to map the value chain within the next two years	Lack of internal resources	In line with our commitment to transparency, we are working to map our full value chain

F2.2a

(F2.2a) Provide details of your organization’s value chain mapping for its disclosed commodity(ies).

Forest risk commodity

Timber products

Scope of value chain mapping

Tier 1 suppliers

% of total suppliers covered within selected tier(s)

60

Description of mapping process and coverage

Mapped our tier 1 suppliers for our fashion beauty and home products.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers’ production and primary processing sites: attach a list of names and locations (optional)

FACTORY-LIST-14122022.pdf

Forest risk commodity

Cattle products

Scope of value chain mapping

Tier 1 suppliers

% of total suppliers covered within selected tier(s)

60

Description of mapping process and coverage

Mapped our tier 1 suppliers for our fashion beauty and home products.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers’ production and primary processing sites: attach a list of names and locations (optional)

FACTORY-LIST-14122022.pdf

F2.3

(F2.3) Do you use a classification system to determine risk of deforestation and/or conversion of other ecosystems for your sourcing areas, and if yes, what methodology is used, and what is the classification used for?

Use of a classification system to determine deforestation and/or conversion risk of sourcing areas	Methodology used for classifying levels of risk	Use of risk classification	Attachment indicating risk classification for each sourcing area (optional)
1 No, and we do not plan to in the next two years	<Not Applicable>	<Not Applicable>	<Not Applicable>

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	Yes
Palm oil	Yes
Cattle products	Yes
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	Yes

F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

The Group's risk management approach is completely integrated with the overall business plans, and as such, a formalized and integrated system is used to identify and analyse risks and opportunities at both the strategic and operational levels, as well as their impact on the overall business strategy.

To WHL, a substantive impact would arise where the company was not able to complete its core function as a result of the impact in direct operations or the supply chain, or that a financial, reputational, regulatory or customer impact arises, as per the WHL Enterprise Risk Management Framework. The framework defines risks according to a sliding scale e.g. CRITICAL (substantive) risk is defined as an event with a "high" likelihood (>90%), through to a "possible" likelihood event with a potential to impact individual business unit profit by 15%. From a reputational perspective, a substantive change is defined as reputational damage that puts the company at risk of being affected by limited to persistent widespread negative comments or perceptions. The Group risk framework is reviewed on a yearly basis to ensure that it stays fully aligned with our governance philosophy and developing business requirements.

The Group's combined assurance framework uses the 'three lines of defence' concept as defined in King IV™ for defining the focus of assurance providers on major risks.

In the implementation, distinctions are made between assurance providers that own and manage risk, those who monitor risk, and those who give independent assurance. The Group's combined assurance report is tabled at both the Group Risk and Compliance and Audit Committees on an annual basis. In addition, the combined assurance report for each operating subsidiary is tabled with its Board. In their reviews, the Risk and Compliance Committee and the Audit Committee consider the completeness of risks assessed, the extent of the assurance coverage, and the outcomes of those reviews over the financial year.

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Availability of certified sustainable material

Primary potential impact

Brand damage

Company-specific description

In line with the global focus around packaging, materials used in packaging are under significant spotlight within our business. We continue to experience ongoing challenges with the availability and price of sustainable timber products, particularly when sourcing from China, India, and other international suppliers, and especially when we use alternative suppliers to our ongoing supplier base, for 'once-off limited edition ranges. In the local market, the number of suppliers able to offer FSC chain of custody products is still limited. Without necessary government, regulatory and fiscal support, this is unlikely to change. These factors mean that we may not progress as fast as we would like, and are a possible reputational risk for WHL. We are also facing similar challenges in regards to sustainable cellulosic fabric sourcing since only two of the world's major viscose producers have completed the Canopy Style audit. Although Canopy is making good progress in terms of obtaining commitments from the top 10 viscose producers, progress in terms of auditing for compliance is slow, meaning that we are not able to drive responsible sourcing to the extent which we would like to see within the timeframes we initially anticipated.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

Unknown

Primary response to risk

Engagement in multi-stakeholder initiatives

Description of response

For timber, we are working to improve product specifications in order to enforce better procurement practices across the group. This goes hand in hand with the rolling out of buying group training as well as supplier engagement. In SA, FSC host both internal and supplier workshops on our behalf. Through close members with organizations like FSC and WWF, we hope to assist in the development of critical mass in the SA market to drive FSC as being the norm so we are also increasingly communicating with

customers to drive demand for responsibly-sourced timber. Although only in the early stages, we are also investigating an option to develop our own local pipelines of sustainable timber. For cellulosic fabrics, we are working with Canopy to drive producers towards setting a deforestation commitment and having their sourcing practices audited by Canopy. We have sent letters to suppliers to indicate our intent to buy from only Canopy compliant suppliers in the future, and we have also communicated directly with producers to promote uptake of Canopy Audits. We try to reduce our requirement for new or virgin material as far as possible through promoting re-use of alternative fabrics e.g. recycled content in packaging, and recycled polyester in clothing.

Cost of response

Explanation of cost of response

Unknown, the cost is included in the product cost.

Forest risk commodity

Palm oil

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Shifts in consumer preference

Primary potential impact

Brand damage

Company-specific description

It is in our policy to avoid the use of unsustainable and untraceable palm oil. Woolworths continues to support the RSPO and is driving the supply base towards sourcing 100% physical certified sustainable palm oil (CSPO) for our private label foods products and personal care products. The focus for the most recent year is to deliver a phase strategy to convert all palm derivatives (complex compounds commonly found in personal care products to certified sustainable palm oil. At this stage, our minimum requirements is Mass Balance (MB) RSPO palm oil.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

Primary response to risk

Please select

Description of response

We have been working with our suppliers and local refiners to both create the demand and develop the market for sustainable palm oil. We continue to purchase Book and Claim certificates to offset the remainder of our palm oil footprint and drive the market for sustainable palm oil.

Cost of response

40000

Explanation of cost of response

The cost was based on membership fee for RSPO.
2000 euros est. R40000

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber products	Yes
Palm oil	Yes
Cattle products	Yes
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	Yes

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Timber products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Increased supply chain transparency

Company-specific description

Across our operations, there is an opportunity to be a market leader in offering responsibly sourced products. By taking this leadership position we are able to differentiate ourselves in the marketplace and thereby increase the value of our brand through attracting customers, employees, and shareholders which share our value proposition. Through engaging with customers via various communication channels we are also able to respond to their concerns and demand for sustainable product offerings. This helps to inform our responsible sourcing strategy and drive new product offerings. We are also working with Forest Stewardship Council to develop Chain of custody and to improve traceability in the value chain.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Medium-low

Likelihood

Likely

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

Cost to realize opportunity

Strategy to realize opportunity

Forest risk commodity

Palm oil

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Increased supply chain transparency

Company-specific description

By working closely with our suppliers and directly with palm oil refineries, to map our supply chain and work towards sourcing a physical supply of certified sustainable palm oil, we are now able to be more transparent about our products and supply chain. We are now encouraging our suppliers to only work with those refiners who have traceability.

By committing to using responsibly sourced and certified sustainable materials for our products and operations, we are steadily increasing traceability throughout our supply chain and are therefore able to be more transparent about our products. We have also chosen to participate in the CDP Forests Disclosure for the past five years as a way of remaining transparent about our use of forest risk related commodities.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

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**Cost to realize opportunity****Strategy to realize opportunity****Forest risk commodity**

Palm oil

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity**Company-specific description**

While Woolworths minimum requirement is currently mass balance RSPO palm oil, 44 of our supplier sites are now RSPO members. This means that they are bound by the RSPO Code of Conduct, and are required to publicly report their progress towards achieving 100% certified sustainable palm oil (CSPO). At present, 89% of the volume of palm oil that Woolworths uses in food each year is certified as sustainable by the RSPO through supply chain audits. Of all the private label food products containing palm oil, 97% is produced with physical (mass balance) RSPO palm oil. Woolworths continues to purchase PalmTrace RSPO certificates to contribute towards the sustainable palm oil industry. This year, for the first time, we purchased RSPO book and claim credits from smallholder farmers (IS-CSPO), equivalent to 100 tonnes, to cover the small portion (3%) of our usage that has not yet been converted to CSPO. Partnering with credible organizations helps us to drive initiatives forward at a faster pace.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

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**Cost to realize opportunity****Strategy to realize opportunity****Forest risk commodity**

Cattle products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity**Company-specific description**

The extraordinary complexity of leather sourcing and traceability due to multi-tier supply chains is a global challenge that we, along with many other brands worldwide, are seeking to solve. We continue to encourage tanneries from which we source to join the LWG.

All Trenery leather apparel, all of Witchery's leather handbags, more than 40% of leather belts and more than 75% of Politix leather footwear is sourced from LWG certified tanneries.

The Group continues to conduct a baseline assessment of all our tanneries to understand their LWG certification levels, i.e. which of them are being audited against the LWG environmental auditing protocols, and which have a traceability rating.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Medium-low

Likelihood

About as likely as not

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

Cost to realize opportunity

Strategy to realize opportunity

Forest risk commodity

Soy

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased supply chain transparency

Company-specific description

Ninety-eight percent of the soya used by Woolworths is utilised in animal feed used by our protein suppliers. Woolworths is conducting an exercise to update its soya baseline based on the current amount of protein we sell in our product range and average global inclusion rates. For the fifth consecutive year, Woolworths has purchased 2 765 RTRS credits. The credits are only purchased from growers who are certified as meeting the RTRS standard for responsible soya production. One credit is equivalent to one tonne of soya.

Going forward, our goal is to ensure that the soya used in our animal feed is not sourced from high-risk sources where biodiversity could be negatively impacted. Our ultimate ambition is to support greater uptake of South African soya, thereby supporting the farmers who grow it, and therefore the local economy. We also aim to establish a roadmap on how to approach responsible soya sourcing across the Food supplier base.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

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

Cost to realize opportunity

Strategy to realize opportunity

F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual or committee	Responsibilities for forest-related issues
Director on board	The Woolworths Holdings Board oversees the work of the Sustainability Committee. The Sustainability Committee, a sub-committee of the WHL Board, provides a single point of view and direction for all WHL sustainability focus areas and meets half-yearly to oversee progress in achieving all aspects of the Good Business Journey, as well as addressing any sustainability-related risks to the business. The committee ensures that the sustainability strategy positions the Group as a leader in responsible retailing in the countries in which it trades. It further oversees that the sustainability initiatives and objectives are effectively integrated into the business and that the Group operates in an environmentally responsible manner.

F4.1b

(F4.1b) Provide further details on the board’s oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing innovation / R&D priorities Setting performance objectives	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 targets and goals, are monitored at an operational level by the executive committee and championed by the Group Director: Marketing and Sustainability. FOCUS AREAS FOR 2022 <ul style="list-style-type: none"> Reviewed the refreshed sustainability strategy, known as Vision 2025+ and its related goals Approved the scope of the limited assurance engagement and readiness review exercise for the 2022 Good Business Journey Report Monitored the ethical sourcing strategy, as well as actions implemented to prevent risks of forced labour and modern slavery occurring in our supply chains (including direct and indirect sourcing of raw materials, yarn, fabrics, trims, or finished goods) Monitored international developments in climate change and sustainable development

F4.1d

(F4.1d) Does your organization have at least one board member with competence on forests-related issues?

Row 1

Board member(s) have competence on forests-related issues

Not assessed

Criteria used to assess competence on forests-related issues

<Not Applicable>

Primary reason for no board-level competence on forests-related issues

<Not Applicable>

Explain why your organization does not have at least one board member with competence on forests-related issues and any plans to address board-level competence in the future

<Not Applicable>

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Forests-related responsibilities of this position	Frequency of reporting to the board on forests-related issues	Please explain
Other C-Suite Officer, please specify (Director: Group Head of Marketing)	Managing forests-related risks and opportunities Assessing future trends in forest risk commodity demand	Half-yearly	Group Head of Sustainability reports into the Group Head of Marketing.
Sustainability committee	Assessing forests-related risks and opportunities Managing forests-related risks and opportunities	Half-yearly	The sustainability committee meets half-yearly to assess progress against our commitments.

F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide Incentives for management of forests-related issues	Comment
Row 1	Yes	Woolworths does not have a specific bonus allocation or compensation that is related solely to achieving Forest-related targets. Incentivizing forest-related issues, including the attainment of targets, is linked to the individual sustainability scorecards, which is linked to the Group's balanced scorecard. Sustainability scorecards contain forest-related goals. The Board reviews the Group's balanced scorecard quarterly to monitor the performance of the six strategic focus areas at the Group and operating entity level. In order to focus on the achievement of the Group's or entity's strategy, up to 60% of an individual's performance measurement (IPM) includes objectives aligned with the achievement of the operating entity's strategic focus areas. 20% based on Group performance with remaining 80% based on line of sight to company and/or specific business area performance

F4.3a

(F4.3a) What incentives are provided to C-Suite employees or board members for the management of forests-related issues (do not include the names of individuals)?

	Role(s) entitled to Incentive?	Performance indicator	Contribution of incentives to the achievement of your organization's forests-related commitments	Please explain
Monetary reward	Corporate executive team	Increasing commodity volumes with credible third-party certification Increasing traceability of commodity volumes Increased supply chain mapping	This performance indicator is linked to our Good Business Journey business strategy and the vision 2025+ goals to responsibly source all key commodities from traceable sources by 2025. This is also in line with our deforestation position statement.	Relevant KPIs and targets from the corporate scorecards are included in employees' and management's personal performance scorecards across the Group as part of our Integrated Performance Management system.
Non-monetary reward	Corporate executive team	Increasing commodity volumes with credible third-party certification Increasing traceability of commodity volumes Increased supply chain mapping	This performance indicator is linked to our Good Business Journey business strategy and the vision 2025+ goals to responsibly source all key commodities from traceable sources by 2025. This is also in line with our deforestation position statement.	Relevant KPIs and targets from the corporate scorecards are included in employees' and management's personal performance scorecards across the Group as part of our Integrated Performance Management system.

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

Yes, we have a documented forests policy that is publicly available

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

Row 1

Scope

Company-wide

Commodity coverage

Cattle products

Palm oil

Soy

Timber products

Content

Commitment to eliminate deforestation

Commitment to protect rights and livelihoods of local communities

Commitment to transparency

Description of forests-related performance standards for direct operations

Document attachment

Please explain

As part of our Good Business Journey, Woolworths is dedicated to selling products that cause minimum harm to the natural environment, help maintain biodiversity and help improve the lives of workers in the supply chain. Woolworths is committed to reducing and eventually, removing deforestation and forest degradation from our direct operations and supply chain. We have a publicly available companywide Deforestation Position Statement, published in September 2015 (refreshed in November 2016). We also have a corporate

Palm Oil Position Statement (refreshed November 2016). These are available on the Woolworths Good Business Journey website.

<http://www.woolworths.co.za/store/fragments/corporate/corporate-index.jsp?content=../article/article&contentId=cmp206026>

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Forest risk commodity	Public commitments made
Timber products	Yes
Palm oil	Yes
Cattle products	Please select
Soy	Please select
Other – Coffee	No

F4.6a

(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?

Other, please specify (Forest Stewardship Council (FSC™) & Vancouver Declaration, Canopy Style Pledge)

F4.6b

(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.

Forest risk commodity

Timber products

Criteria

Zero net deforestation

Avoidance of negative impacts on threatened and protected species and habitats

No conversion of High Conservation Value areas

No sourcing of illegally produced and/or traded forest risk commodities

No sourcing of forest risk commodities from unknown/controversial sources

Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Direct operations and supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2016

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

No target date

Please explain

Whilst our deforestation position statement does not specifically set out timeframes, we have publicly stated in our position statement we are committed to reducing and eventually, removing deforestation and forest degradation from our direct operations and supply chain. This commitment includes systematically removing commodities from our supply chain that cannot be traced from a sustainable source. Through this, our goal is to avoid the use of any forest commodities illegally harvested; from ancient and endangered forests; from an area of high conservation value; endangered species habitat; that have contributed to the conversion of forest into non-forest use; obtained in violation of traditional, civil and indigenous rights; or from other controversial sources.

In May 2016, WHL committed publicly to a set of 2020 sustainability commitments which includes 100% responsible sourcing of all key commodities material to Group business', including timber. As part of this commitment, we have been working to gain a better understanding of where commodities (including wood products, palm oil, soy, and leather) sourced for our products or used in our business come from, and how we can work together with our suppliers and partners to improve traceability and meet our deforestation commitments. As part of our Vision 2025+ strategy, we have set ourselves a tougher goal – that by 2025, all our key commodities will be responsibly sourced and traceable.

See our reports here <https://www.woolworthsholdings.co.za/sustainability/reports/>

Forest risk commodity

Palm oil

Criteria

Zero net deforestation
 No conversion of High Carbon Stock forests
 No sourcing of illegally produced and/or traded forest risk commodities
 No sourcing of forest risk commodities from unknown/controversial sources
 Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

No cutoff date

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

2021-25

Please explain

Whilst our Deforestation position statement does not specifically set out timeframes, we have publicly stated in our position statement we are committed to reducing and eventually, removing deforestation and forest degradation from our direct operations and supply chain. This commitment includes systematically removing commodities from our supply chain that cannot be traced from a sustainable source. Through this, our goal is to avoid the use of any forest commodities illegally harvested; from ancient and endangered forests; from an area of high conservation value; endangered species habitat; that have contributed to the conversion of forest into non-forest use or plantations established after 1994; obtained in violation of traditional, civil and indigenous rights; or from other controversial sources.

As per our Palm Oil Position statement, It is our policy to avoid the use of unsustainable and untraceable palm oil. We always declare the type of oil used in our products in the ingredients panel of the packaging. As part of our Vision 2025+ strategy, we have set ourselves a tougher goal – that by 2025, all our key commodities will be responsibly sourced and traceable.

Forest risk commodity

Cattle products

Criteria

Zero net deforestation
 No conversion of High Conservation Value areas
 No sourcing of illegally produced and/or traded forest risk commodities
 No sourcing of forest risk commodities from unknown/controversial sources
 Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

No cutoff date

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

2021-25

Please explain

Whilst our Deforestation position statement does not specifically set out timeframes, we have publicly stated in our position statement we are committed to reducing and eventually, removing deforestation and forest degradation from our direct operations and supply chain. This commitment includes systematically removing commodities

from our supply chain that cannot be traced from a sustainable source. Through this, our goal is to avoid the use of any forest commodities illegally harvested; from ancient and endangered forests; from an area of high conservation value; endangered species habitat; that have contributed to the conversion of forest into non-forest use; obtained in violation of traditional, civil and indigenous rights; or from other controversial sources.

In May 2016, WHL committed publicly to a set of 2020 sustainability commitments which includes 100% responsible sourcing of key commodities material to operating business, including leather. As part of this commitment, we have been working to gain a better understanding of where commodities (including wood products, palm oil, soy, and leather) sourced for our products or used in our business come from, and how we can work together with our suppliers and partners to improve traceability and meet our deforestation commitments. As part of our Vision 2025+ strategy, we have set ourselves a tougher goal – that by 2025, all our key commodities will be responsibly sourced and traceable.

See our GBJ Reports here <https://www.woolworthsholdings.co.za/sustainability/reports/>

Forest risk commodity

Soy

Criteria

- Zero net deforestation
- No conversion of High Conservation Value areas
- No sourcing of illegally produced and/or traded forest risk commodities
- No sourcing of forest risk commodities from unknown/controversial sources
- Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

No cutoff date

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

2021-25

Please explain

Whilst our Deforestation position statement does not specifically set out timeframes, we have publicly stated in our position statement we are committed to reducing and eventually, removing deforestation and forest degradation from our direct operations and supply chain. This commitment includes systematically removing commodities from our supply chain that cannot be traced from a sustainable source. Through this, our goal is to avoid the use of any forest commodities illegally harvested; from ancient and endangered forests; from an area of high conservation value; endangered species habitat; that have contributed to the conversion of forest into non-forest use or plantations established after 1994; obtained in violation of traditional, civil and indigenous rights; or from other controversial sources.

In May 2016, WHL committed publicly to a set of 2020 Good Business Journey commitments which includes 100% responsible sourcing of all key commodities material to operating companies, including soy. As part of this commitment, we have been working to gain a better understanding of where commodities (including wood products, palm oil, soy, and leather) sourced for our products or used in our business come from, and how we can work together with our suppliers and partners to improve traceability and meet our deforestation commitments. As part of our Vision 2025+ strategy, we have set ourselves a tougher goal – that by 2025, all our key commodities will be responsibly sourced and traceable. See our latest GBJ report here <https://www.woolworthsholdings.co.za/sustainability/reports/>

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	Management of forest commodities is a component of our sustainability programme and embedding sustainability this across our operations is a long term business objective. Our sustainability strategy is developed with a 5 year time horizon - however identification of long term risk management strategies extends far beyond this time horizon. As part of our Vision 2025+ strategy, we have set ourselves a tougher goal – that by 2025, all our key commodities will be responsibly sourced and traceable.
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	Our sustainability strategy is developed with a 5 year time horizon - however identification of long term risk management strategies extends far beyond this time horizon. As part of our Vision 2025+ strategy, we have set ourselves a tougher goal – that by 2025, all our key commodities will be responsibly sourced and traceable.
Financial planning	No, forests-related related issues were reviewed but not considered as strategically relevant/significant	5-10	Only to the extent that budgetary requirements for sustainability targets and commitments are considered in financial planning for each business unit prior to the start of each financial year.

F6. Implementation

F6.1

(F6.1) Did you have any forests-related timebound and quantifiable targets that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your forests-related timebound and quantifiable target(s) and progress made.

Target reference number

Target 1

Forest risk commodity

Timber products

Year target was set

2019

Target coverage

Company-wide

Target category

Third-party certification

Metric

% of volume third-party certified

Traceability point

<Not Applicable>

Third-party certification scheme

FSC Chain of Custody

FSC Controlled Wood

FSC Recycled

PEFC Chain of Custody

Base year

2020

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

100

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Achieved

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Although we always specify FSC paper and board, this is not always viable since not all suppliers are chain of custody certified. We are currently consolidating paper and board packaging suppliers, and have made great strides in driving FSC membership across our preferred supplier base. By the end of December 2020, we aimed to have a comprehensive list of FSC-certified suppliers who will supply Woolworths' paper board packaging exclusively. Currently, 39% of Country Road Group's products containing timber are made from recycled or certified timber. 98% of Woolworths Food paper and board packaging is responsibly sourced

Target reference number

Target 2

Forest risk commodity

Palm oil

Year target was set

2019

Target coverage

Company-wide

Target category

Other, please specify (Third-party certification: RSPO Mass Balance)

Metric

Other, please specify (As part of our Vision 2025+ strategy in 2020, we have set ourselves a tougher goal – that by 2025, all our key commodities will be responsibly sourced and traceable.)

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2020

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

100

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Achieved

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

As a member, Woolworths continues to support the Roundtable on Sustainable Palm Oil (RSPO). From the end of 2020, Woolworths has committed that 100% certified sustainable palm oil (CSPO) from physically certified supply chains will be sourced for our private label food and personal care products.

Target reference number

Target 3

Forest risk commodity

Cattle products

Year target was set

2019

Target coverage

Company-wide

Target category

Third-party certification

Metric

% of volume third-party certified

Traceability point

<Not Applicable>

Third-party certification scheme

Other, please specify (Leather Working Group)

Base year

2019

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

63

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

The Country Road Group accessories teams completed their second annual supply chain mapping exercise to get a better understanding of where the leather comes from. We know the hide origin of 100% of our leather products and each year we gain more insight into our sources to help us grow our purchasing into tanneries that support our sustainability goals. With 94% of leather products containing leather sourced from LWG-accredited tanneries, Country Road Group is supporting tanneries that are committed to reducing environmental impact, including water and energy reduction, chemical management, and wastewater treatment. The Leather Working Group certification also assesses the ability of leather manufacturers to trace the material back to the slaughterhouse. Witchery's leather handbags are also currently LWG certified. Currently 32% of Woolworths products containing leather sourced from LWG accredited tanneries. The 63% reported is based on the average between 32%

Target reference number

Target 4

Forest risk commodity

Soy

Year target was set

2019

Target coverage

Company-wide

Target category

Third-party certification

Metric

% of volume third-party certified

Traceability point

<Not Applicable>

Third-party certification scheme

RTRS Credits

Other, please specify (Direct local sourcing (South Africa))

Base year

2020

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Woolworths became a member of the Roundtable for Responsible Soy (RTRS) in 2015. Because of considerable complexity in converting soy used in animal feeds to a responsibly sourced variety, we have started purchasing RTRS credits to promote the uptake and development of the responsible soy industry. We are still mapping our Soy supply chains.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Supply chain coverage	Description of traceability system	Exclusions	Description of exclusion
Timber products	Yes	Volume from direct suppliers only	Cellulose: This is an ongoing supply chain mapping exercise. Currently, Woolworths is sourcing 96% deforestation-free viscose with Country Road Group sourcing 43%. This is an ongoing (manual) supply chain mapping exercise. Timber: In Australia, we have high levels of traceability due to legislative requirements. In South Africa, we rely on manual tracking systems from buyers and technologists as internal system capability is limited.	Business activity	
Palm oil	Yes	Volume from direct suppliers only	Currently, we have 100% traceability to mill through the use of the Web-based system for tracing RSPO certified palm oil. This is a manual exercise involving direct requests to suppliers and is an ongoing supply chain mapping exercise.	Country/geographical area Business activity Facility	
Cattle products	Yes	Volume from direct suppliers only	The extraordinary complexity of leather sourcing and traceability due to multi-tier supply chains is a global challenge that we, along with many other brands worldwide, are seeking to solve. We continue to encourage tanneries from which we source to join the LWG. All Trenery leather apparel, all of Witchery's leather handbags, more than 40% of leather belts and more than 75% of Politix leather footwear is sourced from LWG certified tanneries. The Group continues to conduct a baseline assessment of all our tanneries to understand their LWG certification levels, i.e. which of them are being audited against the LWG environmental auditing protocols, and which have a traceability rating (leather that is physically marked and traceable).	Country/geographical area Business activity Facility	
Soy	No	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	Yes	Volume from direct suppliers only	During the past year, Woolworths has been working to refine and launch our responsible sourcing programme for coffee. 100% of the coffee we sell in our WCafés and Woolworths pods and coffee carts is sourced from smallholder farmers in Tanzania and Ethiopia. Thus, the primary focus of our responsible sourcing programme is to support coffee quality and sustainability initiatives that ultimately improve the long-term viability of coffee production among these smallholder farmers. We have developed a five-year action plan for the programme in conjunction with our supply chain partners to deliver against our four key objectives.	Country/geographical area Business activity	Currently data is only available, tracked for our Food Services in South Africa.

F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	Countries/areas to which this traceability point applies	% of total production/consumption volume traceable
Timber products	Country	Please select	90
Palm oil	Mill	Please select	100
Cattle products	Country	Please select	94
Other - Coffee	Farm	United Republic of Tanzania	92

F6.2b

(F6.2b) Why do you not have system(s) in place to track and monitor the origin of your disclosed commodity(ies) and what are your plans to develop these in the future?

Forest risk commodity

Soy

Primary reason

We are planning to track and monitor the origin of forest risk commodities within the next two years

Please explain

Woolworths has engaged an external consultant to conduct a survey around soya origins and volumes, directly with farmers. Based on the survey, a large part of our supply base has decreased the use of and/or reliance on soy, primarily due to the cost of the raw materials. Where soy is still used, there has been a significant shift towards the use of locally produced soy, influenced primarily by higher local production and a more competitive price. The majority of the soy sourced was from South Africa (67%). Most of the remaining soy was from Argentina (31%), the rest were unknown. Chicken was responsible for the largest amount of soy entering Woolworths' supply chain (46%), while pork was responsible for the second largest amount of soy (32%). On a per-product basis, the duck had the highest soy per kilogram of meat, followed by pork and then chicken. Dairy and beef were relatively low users of soy.

We have also conducted an exercise to re-establish our soya baseline and we extrapolated total foods supply base (non-fresh and soy in our products as well as those that did not complete the survey) to 45 000 tons for Woolworths Foods annually. Since 98% of the soy is used in feed to produce protein and only 2 % based on the amount of protein we sell and on average global inclusion rates.

Woolworths purchased 2760 RTRS credits in 2022. The credits are only purchased from growers who are certified as meeting the RTRS standard for responsible soya production. One credit is equivalent to one tons of soya. In this way, we are supporting responsible production.

The figure excludes food containing soy sold in David Jones Foodhall, and candles sold across the WHL Group, and cafés/ cafeterias. Because of considerable complexity in converting soy used in animal feeds to a responsibly sourced variety, we have started purchasing RTRS credits to promote the uptake and development of the responsible soy industry.

Woolworths is also investigating opportunities to support and develop African soy. Woolworths became a member of the Round Table on Responsible Soy (RTRS) in 2015. While it is not yet viable to obtain physically certified RTRS soya in South Africa, Woolworths supports the development of a sustainable soya market in major producing regions through the purchase of RTRS credits

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	No, we have not adopted any third-party certification schemes for this commodity	<Not Applicable>
Palm oil	Yes	100
Cattle products	Yes	94
Soy	No, we have not adopted any third-party certification schemes for this commodity	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	No, we have not adopted any third-party certification schemes for this commodity	<Not Applicable>

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO (any type)

Chain-of-custody model used

Mass balance

% of total production/consumption volume certified

100

Form of commodity

Refined palm oil
Palm oil derivatives

Volume of production/ consumption certified

26626

Metric for volume

Square meters

Is this certified by more than one scheme?

Don't know

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

While Woolworths' minimum requirement is currently mass balance RSPO palm oil, 39 (2021: 44) of our supplier sites are now RSPO members. This means that they are bound by the RSPO Code of Conduct, and are required to publicly report their progress towards achieving 100% certified sustainable palm oil (CSPO). At present, 58% (2021: 89%) of the volume of palm oil that Woolworths uses in food each year is certified as sustainable by the RSPO through supply chain audits. Of all the private label food products containing palm oil, 100% (2021: 97%) are produced with physical (mass balance) RSPO palm oil.

Forest risk commodity

Cattle products

Third-party certification scheme

Other, please specify (Leather Working Group)

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

94

Form of commodity

Hides/ leather

Volume of production/ consumption certified

Metric for volume

Square meters

Is this certified by more than one scheme?

Don't know

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

F6.4

(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?

	A system to control, monitor or verify compliance	Comment
Timber products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Palm oil	No, but we plan to develop one within the next two years	
Cattle products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Soy	No, but we plan to develop one within the next two years	
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	No, but we plan to develop one within the next two years	

F6.4a

(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).

Forest risk commodity

Timber products

Operational coverage

Supply chain

Description of control systems

Woolworths and County Road Group are both signatories to the CanopyStyle pledge, and as such we are aiming to only source deforestation-free cellulosic fibers. Woolworths also signed the Vancouver Declaration in 2017, making a commitment to work towards more sustainable sourcing of forest products, and endorsing the Forest Stewardship Council (FSC) as the supplier of choice for the certification of forest products. In line with legislation, Country Road Group and David Jones purchase all timber, and products with timber inputs, from legally harvested sources.

Monitoring and verification approach

Third-party verification
Other, please specify (CanopyStyle / Rainforest Alliance audit)

% of total volume in compliance

100%

% of total suppliers in compliance

Don't know

Response to supplier non-compliance

Retain & engage

% of non-compliant suppliers engaged

<Not Applicable>

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
Providing information on appropriate actions that can be taken to address non-compliance
Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

We work with our suppliers to assist them in aligning with our requirements within a stipulated time-frame and conduct follow-ups to ensure that corrective actions have been taken. This could include ensuring that policies and procedures are updated, investment is made in proper equipment or adequate training of employees and factory management takes place. While we aim to continue working with our suppliers to resolve all audit findings, we do reserve our right to suspend or discontinue our trading relationship with them if we do not see corrective actions being taken, particularly when it comes to business critical findings. Certain findings are common national or international issues, such as invalid or expired work permits, and our suppliers continue to engage with governments to address these.

Forest risk commodity

Cattle products

Operational coverage

Supply chain

Description of control systems

The WHL Group is also a participant in the Textile Exchange Beef and Leather Working Group. The LWG is an environmental standard that promotes best practices in chemical management and wastewater treatment. LWG certification also assesses the ability of leather manufacturers to trace the material back to the slaughterhouse. Procurement standard - Woolworths specify that leather comes from tanneries that are REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals) approved or abide by all the ISO 14000 standards.

Monitoring and verification approach

Other, please specify (manual tracking process)

% of total volume in compliance

91-99%

% of total suppliers in compliance

Don't know

Response to supplier non-compliance

Retain & engage

% of non-compliant suppliers engaged

<Not Applicable>

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
Providing information on appropriate actions that can be taken to address non-compliance
Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

We work with our suppliers to assist them in aligning with our requirements within a stipulated time-frame and conduct follow-ups to ensure that corrective actions have been taken. This could include ensuring that policies and procedures are updated, investment is made in proper equipment or adequate training of employees and factory management takes place. While we aim to continue working with our suppliers to resolve all audit findings, we do reserve our right to suspend or discontinue our trading relationship with them if we do not see corrective actions being taken, particularly when it comes to business critical findings. Certain findings are common national or international issues, such as invalid or expired work permits, and our suppliers continue to engage with governments to address these.

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations	Comment
Timber products	No, we do not assess legal compliance	No, we use third-party certification schemes to assess and guard against our supply chain impacts.
Palm oil	No, we do not assess legal compliance	We use third-party certification schemes to assess and guard against our supply chain impacts.
Cattle products	No, we do not assess legal compliance	We use third-party certification schemes to assess and guard against our supply chain impacts.
Soy	No, we do not assess legal compliance	No, we use third-party certification schemes to assess and guard against our supply chain impacts.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	No, we do not assess legal compliance	No, we use third-party certification schemes to assess and guard against our supply chain impacts.

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	WHL works either directly with suppliers or are signatories to certification standards to support and encourage best practice in the sourcing of key commodities.
Palm oil	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	WHL works either directly with suppliers or are signatories to certification standards to support and encourage best practice in the sourcing of key commodities.
Cattle products	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	WHL works either directly with suppliers or are signatories to certification standards to support and encourage best practice in the sourcing of key commodities.
Soy	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	WHL works either directly with suppliers or are signatories to certification standards to support and encourage best practice in the sourcing of key commodities.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	WHL works either directly with suppliers or are signatories to certification standards to support and encourage best practice in the sourcing of key commodities.

F6.8

(F6.8) Indicate if you are working with your direct suppliers to drive action on forests-related issues and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working with direct suppliers?

Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Capacity building

Details of engagement

Offering on-site training and technical assistance

Description of engagement

% of suppliers engaged by procurement spend covered by engagement

Explain the impact of your engagement on the selected action

Not quantifies

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Yes

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s)

F6.9

(F6.9) Indicate if you are working beyond your first-tier supplier(s) to drive action on forests-related issues, and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working beyond first tier?

No, not working beyond the first tier

Action(s) on forest-related issues driven by engagement

<Not Applicable>

Type of engagement

<Not Applicable>

Details of engagement

<Not Applicable>

Description of engagement

Explain the impact of your engagement on the selected action

<Not Applicable>

Does this engagement contribute to achieving a reported target?

<Not Applicable>

Forest risk commodity

Palm oil

Are you working beyond first tier?

No, not working beyond the first tier

Action(s) on forest-related issues driven by engagement

<Not Applicable>

Type of engagement

<Not Applicable>

Details of engagement

<Not Applicable>

Description of engagement

Explain the impact of your engagement on the selected action

<Not Applicable>

Does this engagement contribute to achieving a reported target?

<Not Applicable>

Forest risk commodity

Cattle products

Are you working beyond first tier?

No, not working beyond the first tier

Action(s) on forest-related issues driven by engagement

<Not Applicable>

Type of engagement

<Not Applicable>

Details of engagement

<Not Applicable>

Description of engagement

Explain the impact of your engagement on the selected action

<Not Applicable>

Does this engagement contribute to achieving a reported target?

<Not Applicable>

Forest risk commodity

Please select

Are you working beyond first tier?

Please select

Action(s) on forest-related issues driven by engagement

<Not Applicable>

Type of engagement

<Not Applicable>

Details of engagement

<Not Applicable>

Description of engagement

<Not Applicable>

Explain the impact of your engagement on the selected action

<Not Applicable>

Does this engagement contribute to achieving a reported target?

<Not Applicable>

Forest risk commodity

Other – Coffee

Are you working beyond first tier?

No, not working beyond the first tier

Action(s) on forest-related issues driven by engagement

<Not Applicable>

Type of engagement

<Not Applicable>

Details of engagement

<Not Applicable>

Description of engagement

Explain the impact of your engagement on the selected action

<Not Applicable>

Does this engagement contribute to achieving a reported target?

<Not Applicable>

F6.10

(F6.10) Do you engage in landscape (including jurisdictional) approaches to progress shared sustainable land use goals?

	Do you engage in landscape/jurisdictional approaches?	Primary reason for not engaging in landscape and/or jurisdictional approaches	Explain why your organization does not engage in landscape/jurisdictional approaches, and describe plans to engage in the future
Row 1	No, we do not engage in landscape/jurisdictional approaches, but we plan to in the next two years	Important, but not an immediate priority	We are unable to provide information lower than country level because we are working beyond first tier currently

F6.11

(F6.11) Do you participate in any other external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in industry platforms

Country/Area

Please select

Subnational area

Not applicable

Initiatives

<Not Applicable>

Please explain

We continue engaging with Canopy, with regards to how we can work towards a deforestation-free supply of viscose and other cellulosic fibers. We are also engaging with suppliers of paper, pulp, and timber products around sustainable timber sourcing, and our commitments for which we require their support.

Forest risk commodity

Palm oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in industry platforms

Country/Area

South Africa

Subnational area

Not applicable

Initiatives

<Not Applicable>

Please explain

For the past few years, we have worked with the six major palm oil refiners in South Africa to help physically secure a sustainable source of palm oil for our suppliers. We hold regular (annual) workshops with the various role players in the value chain and offered training on RSPO chain of custody. We also engage with the industry more broadly through our technical specialists participation in the RSPO complaints panel.

Forest risk commodity

Cattle products

Do you participate in activities/initiatives?

Yes

Activities

Involved in industry platforms

Country/Area

Please select

Subnational area

Not applicable

Initiatives

<Not Applicable>

Please explain

WHL became a member of the Leather Working Group in April 2017 and through Country Road Group, is also a participant in the Textile Exchange Beef and Leather working group. This is still in its infancy, with the objective of bringing together a diverse range of stakeholders to address issues within the leather and beef supply chain. In South Africa we have been engaging with the Department of Trade and Industry and a national cluster of factories to try and encourage an alternative source of local hide for our suppliers through imposing export duties. This alternative local supply would increase our ability to ensure traceability within our supply chain.

Forest risk commodity

Soy

Do you participate in activities/initiatives?

Yes

Activities

Involved in industry platforms

Country/Area

South Africa

Subnational area

Not applicable

Initiatives

<Not Applicable>

Please explain

We are a member of the RTRS, although engagement with the organization to date has been limited. We have been in initial engagements with Soy SA around the development of a local sustainable soy market.

F6.12

(F6.12) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

No, and we do not plan to implement project(s) within the next two years

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

No, we do not verify any forests-related information reported in our CDP disclosure, and there are no plans to do so

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Limited public awareness and/or market demand

Comment

To date we have not seen significantly high levels of interest from customers, the government, or other retailers in pursuing FSC certified materials with the chain of custody. While it remains the right thing to do, we do experience challenges in converting our supply base to certification due to this lack of demand and perceived value for the additional cost and low volumes. When it comes to working with international suppliers, we have even less oversight and control over our supply chain and are often unable to find suppliers who have a full chain of custody back to the source, or who understand our procurement specifications. We are a relatively small procurer, therefore, we have limited influence in being able to shift suppliers towards certification, to ensure a full chain of custody.

Forest risk commodity

Palm oil

Coverage

Supply chain

Primary barrier/challenge type

Limited public awareness and/or market demand

Comment

As we have progressed our suppliers towards Mass Balance palm oil, we would eventually like to see a segregated supply of RSPO palm oil entering South Africa at an affordable rate. However due to very limited demand so far, the economics are currently not viable. Given that there is no regulation, there is only limited pressure on manufacturers to use CSPO

Forest risk commodity

Please select

Coverage

Please select

Primary barrier/challenge type

Inexistent or immature certification standards

Comment

Lack of influence: Woolworths is a very small market player and in most cases, we are unable to develop leathers. Most leathers we work with are stock leathers. For our bigger programs such as leather pumps, we are able to influence the leather but yet again our volumes are extremely small. Lack of traceability and difficulty in tracing products back to the raw material source. I.e. - In many cases, particularly with leather, we need to first improve traceability within our supply chains, to get a better understanding of where we are currently sourcing raw materials from, where the key risks are, and opportunities to move towards more sustainable sources. Unfortunately, establishing the internal systems, management tools, and systems to do this still remains a challenge. Lack of skills: development of local industry (e.g. leather processing) in South Africa is identified as one way in which we can considerably improve traceability but also reduce costs/risks to business associated with exchange rate fluctuations. Skills availability in the leather industry is a limiting factor to the development of a local leather cluster.

Forest risk commodity

Soy

Coverage

Supply chain

Primary barrier/challenge type

Limited public awareness and/or market demand

Comment

Soy is a key input into animal feeds, therefore shifting to a sustainable supply does not only require shifting our own suppliers but also the animal feed industry - in a way that does not increase input costs for our suppliers. This will require coordination and transformation across an entire industry that we are only indirectly linked to. As there is limited concern around the use of Soy in South Africa still from a consumer and government perspective, creating this shift may be challenging.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Greater enforcement of regulations

Comment

In South Africa, there is no legislation pertaining to requirements for responsible materials sourcing. Regulation to improve traceability of timber products into SA (for example) would provide the necessary pressure to create a chain of custody systems locally to enable to sourcing of sustainable and traceable raw materials.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Other, please specify ((Costs of memberships and conferences))

Comment

Applicable to all commodities: Differentiated and localized membership and certification costs to enable access to the market for suppliers located in countries such as South Africa, where membership and audit costs may be significant given weak exchange rates. More conferences and workshops are held in regional hubs. Most of the international conferences and working group meetings for key deforestation risk commodities are held in Europe, Asia, and America, which means that African business is to some extent excluded from attending such meetings and gaining access to key global / deforestation management stakeholders

F17 Signoff

F-FI

(F-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.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Group Head of Sustainability	Chief Sustainability Officer (CSO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms

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 Good Business Journey Report.
Please contact GoodBusinessJourney@woolworths.co.za*