

SUPPLIER CODE OF BUSINESS PRINCIPLES

INTRODUCTION

At Woolworths Holdings Limited, and its subsidiaries ('WHL Group'), our mission is to be one of the world's most responsible retailers by doing good business for our customers, our people, and our planet. We recognise the important role that our supply chain partners play in helping us to achieve our mission and we accordingly expect all direct and indirect suppliers of products and services to the WHL Group (referred to as 'Suppliers') to uphold our values and the commitments, as set out in this Code of Business Principles (referred to as the 'Code').

PURPOSE

The purpose of this Code is for WHL Group expectations to be clear to Suppliers in terms of their practices in relation to human and labour rights, ethical trade, health and safety, animal welfare and environmental practices. Similarly, we expect our Suppliers to ensure that in turn, their supply chain partners share aligned values and adhere to this Code.

We believe that all workers in our value chain should be provided a safe and fair workplace, with their rights protected and respected and are committed to upholding internationally recognised human rights and labour rights principles, including those listed in the paragraph below.

We recognise the important role our Suppliers play in helping us achieve these commitments, and we will actively seek to work with Suppliers that are aligned with these commitments and values.

This Code reflects our commitment to understanding and managing social, and environmental issues in our supply chain, and respecting human rights and labour rights, and draws on recognised international standards, including:

- Universal Declaration of Human Rights;
- United Nations Global Compact Ten Principles;
- UN Guiding Principles on Business and Human Rights;
- International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work; and
- Ethical Trade Initiative (ETI) Base Code.

SCOPE

This Code applies to all Suppliers to the WHL Group and represents the minimum requirements for doing business with the WHL Group.

This Code includes the policies and position statements issued by WHL from time to time and Suppliers will accordingly be expected to comply with the provisions of the policies and position statements to the extent these are applicable to their respective business activities. The policies and position statements may be accessed [here](#).

WHL GROUP COMMITMENTS

The WHL Group is committed to fostering transparent and respectful relationships with Suppliers and to working collaboratively with them to understand and improve working conditions and social and environmental impacts in our supply chains. To support this, we commit to the following:

- **Partnership approach:** We will engage in open and respectful sourcing dialogue, pursue situations that benefit both parties, and recognise that we have a shared responsibility to improve working conditions and reduce social and environmental impacts.

- **Capacity building:** We will provide support and guidance to our Suppliers to help them understand our requirements and expectations and will provide training on relevant topics as required. Our approach is to build a shared culture of continuous improvement that goes beyond basic legal compliance. We will work with our Suppliers to develop and implement improvement plans and monitor progress against these plans on an ongoing basis in the interests of raising standards and improving working conditions. Where Suppliers are not prepared to do so, we will take action that may result in contracts being cancelled and our relationship with them being terminated.

SUPPLIER COMMITMENTS

Suppliers will be responsible for ensuring that their suppliers and agreed supply chain partners share aligned values and adhere to this Code. Suppliers are accordingly expected to conduct their own due diligence and risk assessments for these purposes; however, we reserve the right to assess the practices of these third-party suppliers and partners against the principles set out in this Code.

COMPLIANCE WITH APPLICABLE LAWS

As a general principle, all references in this Code to local or national laws mean the relevant local and national laws prevailing in the country in which the Supplier carries out business. Suppliers are expected to comply with all applicable local laws. Where differences arise between the provisions of any local and national law and this Code in respect of the same subject, the stricter standard or provision offering the greater protection must be applied.

Suppliers must obtain all necessary permits, licences, and registrations for operation.

Broad-Based Black Economic Empowerment (“BBBEE”)

Suppliers based in South Africa are, in addition, required to comply with the Broad-Based Black Economic Empowerment (BBBEE) Codes of Good Practice as currently constituted and amended from time to time. This includes ensuring that a BBBEE verification audit is conducted on their businesses annually. The audit must be carried out by a BBBEE verification agency accredited by the South African National Accreditation System (SANAS) and copies of the BBBEE verification certificate and compliance report must be available at the Suppliers premises for inspection and be provided to WHL’s representative on request.

FOREIGN, MIGRANT AND HOMEWORKER LABOUR

This Code also applies to any foreign labour, including migrant and homeworker labour, employed by Suppliers and their agreed supply chain partners; and accordingly for purposes of this Code, all references to 'employee/employees' in this Code apply equally to any foreign, migrant and homeworker labour so employed or hired through labour brokers.

Suppliers must ensure that:

- foreign, migrant and homeworker labour fully comply with immigration and labour laws in the country of employment;
- all foreign, migrant and homeworker labour are informed, in a language they understand, of the basic terms and conditions of their employment before leaving their country of origin;
- recruitment agents do not charge any fees for migrant workers to secure employment; and
- recruitment agents are audited periodically to ensure their practices are legal and do not infringe on the Human Rights of potential workers.

LABOUR AND HUMAN RIGHTS

We are committed to respecting human rights and believe that all workers in our value chain should be provided a safe and fair workplace, with their rights protected and respected. We will not participate in or

be party to any activities that support, promote, or enable the abuse of human rights and similarly, we expect our Suppliers to practice the same approach.

In the context of this Code, human rights are rights which recognise the inherent dignity, freedom, and equality of all human beings as adopted in the Universal Declaration of Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work and the ETI Base Code.

MODERN SLAVERY

We undertake to ensure a proper understanding of all the factors that contribute to modern slavery throughout our supply chain, with the ultimate goal and commitment being to avoid all forms of modern slavery and human trafficking across our supply chain.

Suppliers must ensure that all reasonable efforts are employed in their operations and those of their suppliers, to eliminate modern slavery, including child labour, forced labour, exploitation of employees and/or the use of deceptive practices in the recruitment of prospective employees.

Where the WHL Group becomes aware of child or forced labour, or human trafficking in the supply chain, Suppliers must implement (at their cost) any remediation plans in the best interests of employees, as may be required and overseen by the WHL Group.

Conditions of employment

Suppliers must adopt conditions of employment that will protect their employees' safety and human rights and prevent any business activity from adversely impacting these rights. The following standards will apply as a minimum:

Employment is freely chosen

Suppliers must not use any form of slave, prison, indentured or bonded labour or permit the trafficking in persons for the purposes of forced labour. Employees must not be compelled to work through the use of force or intimidation and must be free to terminate their employment after reasonable notice and to receive all wages due to them.

Employment contracts must be in the employee's language and the onus rests on the Supplier to ensure that all conditions of employment are clearly understood by the employee. The employee must be given the right to refuse a contract if any conditions of employment are not as initially advertised during recruitment for the relevant role/position.

Suppliers must ensure that employees are not required to make deposits, provide guarantees or any other payments to obtain work. Employees must not be required or forced to lodge their original identity papers (identity documents, passports, travel, or residency permits) with the Supplier or any other party as a condition of employment. Where such documents are voluntarily handed to the Supplier, a letter of acknowledgement regarding the documents handed over must be signed by both the Supplier and employee; and employees must not be required to make 'deposits' to gain access to their documents.

Child labour is not used

Child labour must not be recruited or used under any circumstances. In addition, child labour must not be exploited at any point within the supply chain, including in the cultivation of raw materials used in the supply chain.

Suppliers shall not employ children under the age of 15 years or who fall below the local legal minimum working age, whichever is the lower.

Suppliers must establish appropriate hiring systems and practices (such as but not limited to taking reasonable measures to ensure that proof of age documents are accurate and complete) to ensure that

no under-age persons are employed and that all applicable local laws, regulations, and industry standards are applied.

Suppliers must take adequate steps to ensure that there are no adverse effects on the education, health, and safety of employees under the age of 18.

- Suppliers must ensure that employees under the age of 18: do not perform potentially hazardous work (such as working with or near hazardous chemicals or dangerous machinery);
- are not required to work in conditions that may endanger their health, safety and moral integrity or harm their physical, mental, spiritual, and moral development; or
- are not required to work overtime or at night.

No discrimination is practised

Suppliers must not discriminate in their hiring practices and must not base employment decisions relating to applications for appointment, compensation, access to training, promotion, demotion, discipline, termination or retirement on personal characteristics or beliefs such as gender, race, caste, religion, national origin, age, disability, sexual orientation, pregnancy, marital status, political affiliation, union membership or other status protected by local law.

Suppliers must apply a policy of equal opportunity employment that promotes gender equity in employment practices, including equal pay for men and women for work of equal value, and maternity and paternity leave provisions. Certain exceptions will be permitted to the extent they can be justified for purposes of complying with local affirmative action or similar laws.

Freedom of association and the right to collective bargaining

Employees have the right, without restriction, to join or form trade unions of their own choosing and to bargain collectively. Suppliers are required to recognise and respect these rights and in instances where these rights are restricted under local law, Suppliers must allow the development of an alternative means for independent and free association and bargaining.

Suppliers must not discriminate or penalise employee representatives or trade union members as a result of their membership or association with a trade union or legitimate trade union activity. Employee representatives must be allowed access to the workplace in order to carry out their representative functions in accordance with local labour law and/or international labour standards.

Living wages are paid

As a minimum, employees have the right to receive compensation for regular working hours that is sufficient to meet basic needs and provide some discretionary income.

Suppliers must ensure that employees receive wages, overtime pay, all legally required benefits and paid leave which respectively meet or exceed the national minimum wage required by law or where there is no law, then equal to or exceeding the prevailing industry wage. Where wages are lower than the benchmark industry minimum standard, Suppliers must implement improved wage structures and benefits, to progressively raise employee compensation to a fair living wage, as well as provide some discretionary income.

In addition to being compensated for regular working hours, employees must be compensated for overtime worked at the legally required rate or, if there are no such rates, at a rate of at least 125% of the regular hourly rate. Suppliers must ensure that an appropriate overtime management system is put in place to ensure the appropriate management of overtime and overtime pay.

Deductions from wages as a disciplinary measure is not permitted; and neither are deductions that are not provided for by national law permitted without the express permission of the worker concerned.

Employees must be permitted to take annual leave, sick leave and maternity or paternity leave in accordance with local laws. Special measures to protect employees before and after the birth of a child must be provided including moving the employee to safer duties.

Suppliers must provide prospective employees with written and understandable information about their employment conditions before they commence employment and must pay wages and benefits on a regular and timely basis either by way of cash payment or direct deposit. Employees must be provided with payslips for the wages at the time of payment and have their hours properly documented.

Working hours

Working hours must comply with local laws, collective agreements, international labour standards and the provisions of this Code, whichever affords greater protection to ensure the health, safety, and welfare of employees.

Standard working hours, excluding overtime, shall be defined by contract, and shall not exceed 45 hours per week. Employees must not be required to work, inclusive of overtime, in excess of 60 hours per week except where covered by the exceptional circumstances outlined in ETI Base Code.

Employees must have at least one day off per seven-day period or, where allowed by national or local law, two days off in every 14-day period.

All overtime shall be voluntary, used responsibly (taking into account the extent, frequency and hours worked by individual employees and the workforce as a whole) and not be used as a replacement for regular employment. Overtime pay shall be calculated at the legally required rate.

Suppliers must ensure that employees receive an adequate number of paid rest breaks within their working hours.

Suppliers must allow an employee-a daily rest period of at least twelve consecutive hours between ending and recommencing work; and a weekly rest period of at least 36 consecutive hours which, unless otherwise agreed with the employee, must include Sunday.

Recognised employment relationship and training

Suppliers must respect and safeguard their employees' rights and ensure that work is performed on the basis of a recognised employment relationship established through local law and practice.

No form of working arrangement may be used to avoid providing regular employment, such as: homeworking (i.e. producing goods or supplies outside of the regular workplace), outsourcing, sub-contracting, or apprenticeship schemes where there is no intent to impart skills or provide regular employment. Suppliers may also not avoid their obligations in this regard through the excessive use of fixed-term contracts.

Appropriate training should be available for all employees, such that their day to day tasks can be carried out in a safe and competent manner.

Harassment and abuse

Suppliers must commit to a workplace free of harassment and abuse and treat their employees with dignity and respect. Employees must not be subjected to corporal punishment or other forms of physical or psychological coercion or intimidation, including sexual abuse or harassment, physical or other forms of harsh discipline, or physical, mental, or verbal abuse.

Suppliers must have mechanisms in place to ensure that all employees are protected from harassment and abuse.

Disciplinary practices

All disciplinary and performance management actions must be lawful and fair, for a valid reason, and be executed by means of a fair procedure that has been explained to employees. Suppliers must keep a formal record of disciplinary and performance management actions for each employee.

Employees must have the right to representation at disciplinary action that may lead to significant disciplinary penalties or dismissal and disciplinary action may not as a rule include fines or deductions from salary unless this is permitted by law and has the agreement of the employee concerned.

Grievance mechanisms

Suppliers must implement effective mechanisms to facilitate open communication between the appropriate level of management and employees and enable employees to report grievances without fear of retaliation. Details of the grievance mechanism must be clearly communicated to all employees and their representatives, and all employees must have equal access. Details of grievance procedures and any whistleblower mechanisms must be clearly displayed in languages for all employees to understand.

Concerns raised through this mechanism must be dealt with promptly by means of an understandable and transparent process that provides timely feedback to those concerned.

Grievance procedures must be displayed in languages for all including migrant workers to understand. Detailed records must be maintained of grievances reported, including procedures to track the number, types, timing, and the results of investigations undertaken.

Restructuring and/or closures

We recognise that circumstances could arise where Suppliers are forced to close down, downsize, close certain sites, or implement other measures that result in having to retrench certain or all employees. In the context of this Code, the term retrenchment includes layoffs and redundancies, and all of these terms refer to the termination of employment due to circumstances such as those mentioned.

As a minimum, Suppliers must apply the following principles in this regard:

- prior to implementing any restructuring or closure involving dismissal of employees, Suppliers must consider alternative approaches such as redeployment, retraining, reduced working days with aligned reduction in wages, opportunities to volunteer for retrenchment or early retirement;
- the provisions of local labour laws applicable to retrenchments and/or collective agreements with trade unions must be followed and all contractual obligations with employees must be met;
- fairness and non-discrimination - there must be a fair reason and a fair procedure for retrenchments;
- communication with employees must be clear, open, and honest and must include reasons for the retrenchments and the period over which they will take place;
- consultation with employees, trade unions or elected employee representatives must take place promptly and within statutory timeframes where applicable and representatives must be given access to the employees being represented;
- offer guidance and support to affected employees and allow time off to find alternate work; and
- employees must be paid severance benefits promptly.

HEALTH AND SAFETY

Employees have the right to work in a safe and hazard-free environment and must not be expected to work unless the necessary safety measures have been implemented to detect, avoid and respond to potential risks to the health and safety of employees, and prevent accidents and injury in the workplace.

Suppliers must implement a Health and Safety Management Policy that assigns responsibility for health and safety to a senior management representative who must carry out regular risk assessments. The Management Policy must be endorsed at Supplier CEO or equivalent level and related policies be displayed at the Supplier's site(s).

As a minimum, Suppliers must:

- have an effective fire safety management system in place with adequate fire extinguishers and fire escapes with easy access;
- display written fire prevention and emergency action plans including fire escapes with easy access;
- provide alarm systems to announce emergency situations, as well as safe evacuation routes when employees need to leave the workplace or safe places to remain in when evacuation is not required;
- provide employees with regular training on fire prevention, handling of accidents and injuries, as well as regular evacuation drills;
- provide appropriate and effective personal protective equipment as may be needed;
- protect employees from hazardous work or conditions (such as working with or near hazardous chemicals or dangerous machinery) and provide appropriate training and safety and protective equipment;
- ensure working conditions do not endanger employee's health, safety and moral integrity or harm their physical, mental, spiritual, and moral development;
- provide employees with access to adequate medical assistance and facilities as a result of sustaining injuries in the workplace; and
- comply with local health and safety laws and maintain the necessary health and safety permits.

Suppliers must provide employees with fresh drinking water, clean toilet facilities which respect employees' dignity and adequate lighting, heating, and ventilation. Buildings must be fit for purpose and comply with local building laws.

The same workplace standards described above apply to any residential or dining facilities provided to employees. In addition, residential accommodation must comprise sufficient space for sleeping, cooking and toilet purposes with adequate space to enable segregation by gender or family group. A sleeping mat or bed and personal storage area must be available for each employee. Where dormitories or hostels are in use, employees must have reasonable freedom of movement during their off-work hours.

ETHICAL TRADE

Suppliers must comply with all local anti-bribery and corruption laws and must actively work against corruption in all its forms including bribery and extortion, avoid conflicts of interest, and not participate in activities that stifle competition or use unethical advertising standards.

Suppliers acknowledge and understand that the WHL Group has a zero-tolerance policy for any forms of bribery and corruption. Suppliers are expected to collaborate with WHL's requests for any information regarding enquiries into corruption and should have in place plans to evaluate and reduce any risks of bribery and corruption in their operations.

Suppliers must not offer or give to, or receive from, WHL employees, agents or contractors working on our behalf, any gift, service or other benefit (including without limitation cash or equivalent, entertainment, accommodation, product discounts) that could be considered a bribe or facilitation payment to secure contracts or win favour with the WHL Group. WHL employees are in turn bound by the provisions of WHL's

anti-Bribery, Corruption and Sanctions policy and are prohibited from accepting or offering any gift, service or other benefit that could be construed as a bribe.¹

ENVIRONMENTAL MANAGEMENT

In keeping with our vision of being the most sustainable retailer in the southern hemisphere, we expect our Suppliers to adopt a consistent approach to managing sustainability issues and to implement measures to avoid or at least minimise any negative impact on the environment as a result of their processes and operations.

As a minimum, Suppliers must improve environmental performance on a continuous basis by:

- protecting biodiversity and reducing dependence on substances and activities that are harmful to people and the environment;
- identifying, reducing, and responsibly disposing of or recycling hazardous waste and/or non-hazardous waste materials;
- identifying opportunities to improve the monitoring, management, and efficiency of water use across their processes and operations and implementing measures to achieve this;
- aligning with our water stewardship practices aimed at solving water challenges on a collective basis and establishing at least one water stewardship programme a year to increase collective action around water conservation where Suppliers may operate in a priority area;
- identifying, reducing, and responsibly controlling greenhouse gas emissions resulting from their operations and monitoring the effectiveness of their control systems against set targets;
- tracking, measuring, and reporting key environmental indicators such as energy and electricity use, water and wastewater, waste etc.,
- integrating environmental considerations into decision-making at all levels;
- involving and supporting employees in achieving environmentally sound objectives; and
- complying with the provisions of local laws and any that apply to the Supplier's industry sector.

ANIMAL WELFARE

We recognise the importance of protecting the welfare of animals during the production of all our products and are committed to ensuring that all animals in our supply chain are treated humanely and with respect

We believe animals should have lives worth living and should enjoy the five freedoms from birth to death, namely:

1. Freedom from hunger and thirst
2. Freedom from discomfort
3. Freedom from pain, injury, or disease
4. Freedom to express normal behaviour
5. Freedom from fear and distress.

Suppliers are therefore expected to apply all reasonable efforts to ensure that animals under their care (or the care of their subcontractors and other supply chain partners) are treated in a humane manner by minimising any potential harm, stress, or pain to animals.

¹ For the avoidance of doubt, genuine business travel expenses where the Supplier has experienced problems and requires a WHL Group employee's assistance to resolve the problem, may be paid for by the Supplier subject to approval by the relevant Woolworths executive. Refer to the WHL Gifts, Travel and Entertainment guidelines.

INSPECTIONS AND DOCUMENTATION

Suppliers are expected to perform periodic assessments of their facilities and operations, and those of their subcontractors and/or other supply chain partners that provide goods or services to WHL to ensure compliance with this Code and local law.

Suppliers are furthermore required to agree to annual on-site inspections by a WHL representative or designated independent third party to evaluate Suppliers' facilities and operations, and those of its subcontractors and/or other supply chain partners, to the extent applicable.

Suppliers must keep documents and records to ensure compliance with local laws and to enable WHL or its designated independent third party to monitor compliance with this Code.

Suppliers must commit to comply with and monitor compliance with this Code including by:

- providing all information and documents reasonably requested;
- permitting inspection and or audit at any time of their workplaces, operations, or offices; and
- maintaining records of the name, age, hours worked, and wages paid for each worker and making these available to approved inspectors on request.

In addition, Suppliers must:

- return a signed copy of the Code as acknowledgement of the Supplier's obligations in terms of the Code;
- display a copy of the signed Code in a prominent place in the workplace(s), in the local language, and include the following email address alongside to enable employees to report any concerns and non-compliance with the Code to WHL: Tip-Offs@woolworths.co.za;
- inform all employees of the contents of the signed Code and email address;
- nominate a senior person to take accountability for ensuring compliance with the Code in the workplace.

COMPLIANCE MONITORING

This Code forms the basis for reviews during WHL site visits to help identify issues of concern and opportunities for continuous improvement. In addition, this Code forms the basis of independent third party Social and Ethical compliance audits that Suppliers' sites will be subjected to in accordance with the respective business unit Social and Ethical Compliance Protocol.

Where WHL becomes aware of a breach of this Code, WHL reserves the right, at its sole discretion, to request that information or evidence be immediately provided and to take appropriate remedial action. Remedial action may include a third-party social and ethical compliance audit at WHL's request (at the cost of the Supplier) and/or the requirement for the Supplier to develop and implement a WHL-approved corrective action plan.

We undertake to work with our Suppliers to develop and implement improvement plans and monitor progress against these plans on an ongoing basis in the interests of raising standards and improving working conditions. Where Suppliers are not prepared to do so, we will take action that may result in contracts being cancelled and our relationship with them being terminated.

In the event of a serious breach of the Code, or multiple and recurrent instances of non-compliance, WHL will not hesitate to take remedial action, including the cancellation of orders, termination of the business relationship or other action WHL deems reasonable and appropriate to protect its business interests and goodwill.

Approved by WHL Board – [February 2025]