

WOOLWORTHS HOLDINGS LIMITED








# GOOD BUSINESS JOURNEY REPORT

## 2025

START



# OUR INTEGRATED ANNUAL REPORTING SUITE

OUR REPORTING SUITE COMPRISES THE FOLLOWING REPORTS, AVAILABLE ON OUR CORPORATE WEBSITE AT WOOLWORTHSHOLDINGS.CO.ZA				
		WHAT THESE REPORTS INCLUDE	REGULATORY AND REPORTING FRAMEWORKS	
	<ul style="list-style-type: none"><li>2025 Integrated Annual Report</li></ul>	Provides a review of our material matters, risks and opportunities. Communicates how our strategy, governance and performance create value for our stakeholders in the short, medium, and long term. Together with the rest of the suite, this report aims to meet the information needs of investors, debt providers and all our other stakeholders.	<ul style="list-style-type: none"><li>International Integrated Reporting Council’s International &lt;IR&gt; Framework</li><li>Companies Act, No 71 of 2008, as amended (Companies Act)</li><li>JSE Listings and Debt and Specialist Securities Listing Requirements</li><li>King IV™ Report on Corporate Governance for South Africa, 2016 (King IV™)*</li><li>United Nations Sustainable Development Goals (SDGs)</li></ul>	<div><div>INTEGRATED REPORTING&lt;IR&gt;</div><div>JSE</div></div>
	<ul style="list-style-type: none"><li>Part of the 2025 Integrated Annual Report, with extracts published separately online</li></ul>	Outlines our approach to governance, governance structures, processes and policies. Is of interest to a range of stakeholders, including investors, ESG rating agencies, employees, regulators, suppliers, customers and members of society.	<ul style="list-style-type: none"><li>King IV™</li><li>Global Reporting Initiative (GRI) Standards</li><li>Companies Act</li><li>JSE Listings and Debt and Specialist Securities Listing Requirements</li><li>Other applicable laws, regulations, and best-practice principles</li></ul>	<div><div>GRIJSE</div><div></div></div>
	<ul style="list-style-type: none"><li>2025 Good Business Journey (GBJ) Report</li></ul>	Supports our vision to be one of the world’s most responsible retailers by addressing sustainability challenges and opportunities. Outlines how we create positive economic, societal, and environmental impacts. Is of interest to investors, our people, non-governmental organisations (INGOs), ESG rating agencies, and our customers.	<ul style="list-style-type: none"><li>GRI</li><li>JSE Sustainability and Climate Disclosure Guidance</li><li>Task Force on Climate-related Financial Disclosures (TCFD)/IFRS S2 Climate-related Disclosures</li><li>UN SDGs</li><li>King IV™</li></ul>	<div><div>GRIJSE</div><div>TCFD</div></div>
	<ul style="list-style-type: none"><li>2025 Group Annual Financial Statements (AFS)</li><li>2025 Analyst Presentation booklet and webcast</li></ul>	Details the Group’s financial position and performance. Is of interest to equity and debt investors, credit rating agencies, regulators, and other stakeholders. The Analyst Presentation provides a summary of our financial results and an update on our strategy and outlook.	<ul style="list-style-type: none"><li>IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) (IFRS Accounting Standards)</li><li>Companies Act</li><li>JSE Listings and Debt and Specialist Securities Listing Requirements</li></ul>	<div>JSE</div> <div></div>
	<ul style="list-style-type: none"><li>Notice of AGM</li><li>Summarised Group results</li><li>Shareholding disclosures</li><li>Shareholder calendar</li><li>Proxy form</li></ul>	The Notice of AGM and supporting information are intended for shareholders who want to participate in the Group’s AGM. The Notice provides the summarised Group results for the year.	<ul style="list-style-type: none"><li>JSE Listings and Debt and Specialist Securities Listing Requirements</li><li>Companies Act</li><li>King IV™</li></ul>	<div>JSE</div> <div></div>

REPORT ASSURANCES

**Integrated Annual Report:** Reviewed by directors and management but not externally assured; financial content aligned to the AFS. **Financial information:** Extracted financial content and AFS audited with an unmodified opinion expressed. **Non-financial performance metrics:** Accredited service providers and agencies have verified certain metrics, including our carbon footprint and B-BBEE rating. Management put internal controls and risk and compliance programmes in place for other metrics as appropriate. **Feedback:** For more information about this report or to provide feedback, please email us at [InvestorRelations@woolworths.co.za](mailto:InvestorRelations@woolworths.co.za)

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# OUR GOOD BUSINESS JOURNEY REPORT

*Woolworths Holdings Limited (WHL or the Group) is pleased to present its 2025 Annual Sustainability Report for the 52 weeks ended 29 June 2025. The report provides an overview of our Good Business Journey (GBJ).*

## SCOPE AND BOUNDARY OF THIS REPORT

This report covers Woolworths Proprietary Limited (Woolworths or WSA) and Country Road Group (CRG). The report provides an overview of our sustainability strategy, progress, and future plans. It should be read with the 2025 IAR and 2025 AFS for comprehensive information on our strategy and performance. The principles of the precautionary approach guide our governance, enterprise risk framework, and strategy. A mapping of our disclosure against these reporting frameworks can be found [here](#).

### REPORTING FRAMEWORK

The sustainability and reporting frameworks applied or referenced in this report include:

- GRI Standards
- JSE Sustainability and Climate Disclosure Guidance
- TCFD/IFRS S2 Climate-related Disclosures
- UN SDGs
- King IV

## FORWARD-LOOKING STATEMENTS

Certain statements in this report may constitute forward-looking statements. Such statements involve risk and uncertainty because they relate to future events and circumstances that may be beyond the Group's control. Therefore, the directors advise readers to use caution when interpreting any forward-looking statements in the report.

### APPROVAL AND ASSURANCE

The Group considers it crucial to obtain an independent opinion on our progress to maintain credibility with our stakeholders. We engaged Environmental Resources Management Southern Africa (ERM) to perform a 'Moderate' Type II level assurance engagement following the AccountAbility AA1000 Assurance Standard (AA1000AS v3) for the following information:

- AccountAbility AA1000 Principles of inclusivity, materiality, responsiveness, and impact

- Assertions of the governance and management disclosures and management approach disclosures on social development, ethical sourcing, packaging and waste, water, and energy and climate change
- Selected key performance indicators (KPIs). The basis of measurement of these KPIs can be found [here](#)

The scope of information assured by ERM is set out in its [Independent Assurance Statement](#) and also denoted with the following symbol in this report: <sup>MA</sup>

We obtain other verifications and assurances over different aspects of our GBJ through various audit, technical, and scientific experts. We document these in an Assurance Summary [appendix](#) to this report. We believe that the combination of internal management controls, risk and compliance programmes, and verification and assurance processes provides appropriate combined assurance coverage for our material focus areas.

This report was reviewed and approved by the Sustainability Committee on 29 September 2025.





# NAVIGATING OUR REPORT

OUR SUSTAINABILITY REPORTING SUITE

We publish this report and accompanying appendices as a suite of reports meant to be read together. Our full suite can be found on our website.

REPORTS

- Good Business Journey Report
- Good Business Journey Abridged Report
- Climate Report (TCFD/IFRS S2)
- Key sustainability indicators

ASSURANCE

- ERM Independent Verification Statement
- Good Business Journey Assurance Criteria
- Assurance summary
- Carbon footprint verification
- B-BBEE Certificate

REPORTING FRAMEWORKS

- GRI Index
- JSE Sustainability and Climate Change Guidance Index
- Mapping of Vision 2025+ goals to UN SDGs

EXTERNAL SUBMISSIONS

- CDP submission
- Ellen MacArthur Foundation submission for the 2024 financial year

OTHER

- Position statements, guidelines, and policies
- Ratings, indices, and external recognition
- Glossary

GBJ FOCUS AREAS

Our GBJ enables a consistent approach to managing sustainability topics across the Group. The programme has eight key focus areas:

PEOPLE

SOCIAL DEVELOPMENT

HEALTH AND WELLNESS

ETHICAL SOURCING

SUSTAINABLE FARMING

PACKAGING AND WASTE

WATER

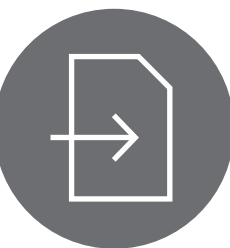
ENERGY AND CLIMATE CHANGE

NAVIGATING OUR REPORT

This report is only available digitally. It is interactive and can be navigated using the tools shown below:



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# JOINT SOCIAL AND ETHICS AND SUSTAINABILITY COMMITTEES' REPORT

*We operate in an increasingly complex global environment marked by geopolitical and economic volatility.  
The undeniable effects of climate change are disrupting food systems and global supply chains, exposing the vulnerabilities of long-standing models.  
At the same time, our customers are demanding greater transparency, healthier choices, and more responsible business practices.*

Our GBJ is a robust and consistent framework that enables us to respond to these environmental challenges in a way that is strategic and appropriate to our business. It also enables us to respond to widening inequality by empowering people, promoting equity, and supporting thriving communities.

The GBJ is now in its 18th year. It is deeply embedded in our business model and differentiates us in the marketplace. Through our Vision 2025+ strategy, we have made tangible progress in the three pillars of our sustainability agenda: Inclusive Justice, Ethical and Fair, and Thriving and Resilient.

The Social and Ethics Committee fulfilled its statutory mandate during the year. Its primary focus was on monitoring and guiding the Group's progress in advancing inclusive justice. This included deepening our efforts in people development, health and wellness, and social upliftment, which are central to our Inclusive Justice Initiative.

The Sustainability Committee also fulfilled its mandate. It ensured that the Group's sustainability strategy positions us as a leader in responsible retailing, with sustainability embedded operationally. This included reviewing climate change impacts on the value chain to ensure strategic alignment, risk mitigation, and identification of sustainability opportunities. More details on the committee's activities can be found in the IAR.

Against this backdrop, the Social and Ethics and Sustainability Committees present their joint report. We summarise committee highlights here and provide further detail in the chapters that follow.

## INCLUSIVE JUSTICE

We are committed to our advocacy of women's empowerment and gender equality. Last year, we stated our ambition to reach 'Achiever' status in the UN Women's Empowerment Principles gender gap assessment by 2025. We are pleased that we reached this milestone and are well on the way to achieving 'Leader' status.

Our people strategy has been key to creating a more inclusive and equitable workplace. We embedded diversity, equity, and inclusion (DEI) across all levels of the organisation, with a focus on access, representation, and belonging. We met our employment equity targets. We continued to improve African and female representation in leadership roles. And we prioritised the inclusion of people with disabilities, enhancing workplace accessibility and support.

The launch of the health insurance benefit for permanent store and supply chain employees marked a milestone in our Just Wage journey. Our employee wellness offering now integrates affordable healthcare as well as death, disability, and funeral benefits in a more accessible way.

The Community Inclusive Justice Institute NPC, established in 2024, completed a strategic review of our community education programmes. The aim was to ensure our programmes align with our educational priorities. The review also identified opportunities for enhanced impact through the Making the Difference Programme and our partnership with the National Education Collaboration Trust.

Our food security efforts include surplus food donations and the Living Soils Community Learning Farm. These contributed to 52.5 million meals and empowered young farmers with regenerative agriculture skills. The Living Soils Farm underwent a significant land expansion, tripling its output for the year.

Our stakeholder perception surveys measure various metrics across our three core roles, as a retailer, an employer, and a corporate citizen. The latest results show that stakeholders continue to trust our business across all three dimensions. The insights confirm the importance of our focus on ethical leadership, stakeholder engagement, and social impact as integral to long-term value creation.

## ETHICAL AND FAIR

The Group progressed from foundational to full membership of the Ethical Trade Initiative (ETI). This underscores our commitment to fair labour practices that safeguard human rights and protect workers in our supply chain from exploitation and abuse. It also reflects our active engagement with the ETI's corporate transparency framework, which sets out reporting requirements for company members. We aim to move beyond disclosure requirements by embedding best practice principles in our reporting and operations.

We also made strides in our efforts to ensure transparency in our supply chain. Woolworths FBH and Country Road Group previously published their tier 1 supplier lists and are now mapping their tier 2 suppliers.

As disclosed last year, our Vision Zero goal is to eliminate all pesticide residue on our food products by 2035. To this end, we developed a comprehensive roadmap and launched the first phase of the initiative. This focuses on generating data-driven insights and building industry partnerships to advance research and innovation in alternatives to synthetic pesticides.

## THRIVING AND RESILIENT

We are committed to a just transition to a low-carbon economy and achieving net zero emissions by 2040. This year, the Group's Scope 1 and 2 emissions decreased by 34% against the 2019 baseline. In addition, we are reporting on all relevant but previously unreported Scope 3 categories, making this year's emissions disclosure our most comprehensive to date.

A highlight this year was our inclusion in the CDP's Supplier Engagement Assessment A-List. To be included, companies must perform well on governance, Scope 3 emissions, and value chain engagement. This is a testament to our work with suppliers to reduce our environmental impact.

We aim to achieve Green Star certification for new Country Road and Trenery stores in Australia. Our Country Road: V&A Waterfront store received a 5-star Green Star rating from the Green Building Council South Africa, becoming the first Country Road store to achieve this rating outside of Australia. Trenery also received its first 5-star rating for the Trenery Brighton store in Australia. This brings the number of CRG stores with Green Star certification to 23.

We continue to reduce waste sent to landfill across our value chain. Woolworths expanded its plastic barrier bag phaseout trial to more stores, and aims to extend this to all Food stores. We are also trialling tethered caps on our juice and milk bottles to stop bottle caps from leaking into the environment and not being recycled.

## LOOKING AHEAD

Having assessed the Vision 2025+ strategy in this year, the committee concluded that the strategic framework, including the current strategic pillars, remains sound and appropriate beyond 2025.

Over the coming year, we will review – and where necessary, revise – our targets to ensure they remain fit for purpose in light of current conditions, with particular emphasis on aligning them with our broader operational realities and our vision to be one of the world's most responsible retailers.

We thank our executives for their effective leadership. We thank our fellow Board members, and most importantly, our employees, for their valuable contributions to advancing our GBJ strategy.

Sincerely



**Belinda Earl**  
Sustainability Committee  
Chairman



**Thembisa Skweyiya**  
Social and Ethics  
Committee Chairman



# OUR GROUP

*The Group consists of two omni-channel segments, Woolworths South Africa (Woolworths or WSA) and Country Road Group (CRG). The Group is recognised for its focus on quality, innovation, and sustainable business practices. Its award-winning Good Business Journey programme drives environmental and social responsibility across the value chain.*

Woolworths includes the Woolworths Food, Woolworths Fashion, Beauty and Home (FBH) businesses, and Woolworths Financial Services (WFS). WFS provides financial services to Woolworths customers and is a joint venture with Absa Group Limited.

Country Road Group is an Australian house of brands, and it includes the Country Road, Trenery, Witchery, Poltix, and Mimco brands.

Each business engages customers through dedicated loyalty programmes.

These drive personalisation, acquisition, frequency and spend, and strengthen customer engagement and long-term loyalty.





# WOOLWORTHS

## Woolworths Food



### OFFERING

A mainly Woolworths-branded range of high-quality, innovative, and sustainable food products, complemented by a curated selection of customers’ most sought-after proprietary brands, enabling customers to complete their entire shop with us



### BASED IN

South Africa, and trading in South Africa and a further 6 countries in Southern Africa



309 217M<sup>2</sup>

trading space across 669 store locations

65%

contribution to Group turnover and concession sales

69%

contribution to Group adjusted EBIT

6.6%

online sales contribution, with sales fulfilled from physical stores, available for scheduled, Click-and Collect or on-demand delivery

3.5M

active loyalty members, tracking 87% of revenue

## Woolworths Fashion, Beauty and Home

### OFFERING

Trusted, quality wardrobe essentials, edited relevant fashion, beauty and homeware, and highly selective offering of third-party brands that enhance the overall customer shopping experience



### BASED IN

South Africa, and trading in South Africa and a further 10 countries in Southern Africa



421 849M<sup>2</sup>

trading space across 292 store locations

34 967

employees

19%

contribution to Group turnover and concession sales

31%

contribution to Group adjusted EBIT

6.6%

online sales contribution, with sales fulfilled from dedicated distribution facility, available for home delivery

89%

targets achieved on sustainability scorecard





# COUNTRY ROAD GROUP

OFFERING

Stylish, high-quality apparel, accessories, footwear, and homeware



BASED IN

Australia, and trading in Australia, New Zealand, and South Africa



101 031M<sup>2</sup>

trading space across 630 store locations

2.3M

active loyalty members, tracking 73% of sales



15%

contribution to Group turnover and concession sales

-4.1%

contribution to Group adjusted EBIT

28.6%

online sales contribution, with sales fulfilled from dedicated Omni-channel Fulfilment Centre, available for scheduled or Click-and-Collect delivery



5 201

employees

84%

targets achieved on sustainability scorecard



# GOVERNANCE AND MANAGEMENT OF OUR GOOD BUSINESS JOURNEY

VISION 2025+  
PILLARS COVERED

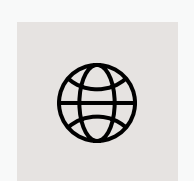
The Board is ultimately responsible for our GBJ. The Board’s Sustainability Committee and Social and Ethics Committee support the Board in this regard. The Board delegates operational responsibility for the GBJ to the WHL Chief Executive Officer and the WHL, Woolworths and CRG Executive Committees (Excocs).

The Group Sustainability Officer, Director of Corporate Social Justice, Group People Director, and Excocs are responsible for implementing the GBJ strategy and performance. They report twice yearly against sustainability and corporate scorecards on the business’s GBJ performance. They are supported by teams across the business who integrate our GBJ into day-to-day operations.

These teams participate in an internal Sustainability Steering Committee that meets quarterly to share progress updates and GBJ-related trends and content. They are supported in delivering the GBJ strategy by various policies, position statements, and internal reporting systems for data and information collection and reporting.

For more information, refer to the governance and management section on our website.

BOARD OVERSIGHT	1	WHL Board				
	2	WHL Board Sustainability Committee				
		WHL Board Social and Ethics Committee				
MANAGEMENT OVERSIGHT	3	Excocs				
	4	Group Sustainability Officer				
		Director of Corporate Affairs and Group People Director				
CO-ORDINATION AND IMPLEMENTATION	5	Sustainability, Corporate Affairs, and Human Resources teams				
	6	Scorecards, Sustainability Steering Committee				
	7	Policies and position statements				
	8	Reporting systems				





# THE GOOD BUSINESS JOURNEY

*The GBJ is central to the Group’s strategy and supports our vision to be one of the world’s most responsible retailers. For more information on the Group’s strategic framework, refer to the Integrated Annual Report.*

The GBJ strategy for 2025 and beyond is known as Vision 2025+ and will enable the Group to be a leading, purpose-driven, truly connected retailer. It aims to address the complex and interconnected sustainability challenges and opportunities we face now and in the future.

Vision 2025+ has three pillars and eight focus areas. Each pillar and focus area has ambitious goals that capture the overall strategic intent of Vision 2025+. The focus areas and goals inform clearly defined strategies and management approaches. Our progress against our Vision 2025+ goals over the past five years is available on our website along with this report.

The Woolworths Holdings Limited Board (Board) concluded that Vision 2025+, its strategic pillars and underlying goals remains sound and appropriate beyond 2025.



**GBJ IS OUR COMMITMENT  
TO CARING FOR OUR  
ENVIRONMENT, PEOPLE,  
AND COMMUNITIES**





**PURPOSE**  
ADDING QUALITY TO LIFE



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



**STRATEGIC ENABLER**  
GOOD BUSINESS JOURNEY



## VISION 2025+ PILLARS

 PEOPLE	 ETHICAL SOURCING	 PACKAGING AND WASTE
 SOCIAL DEVELOPMENT	 SUSTAINABLE FARMING	 WATER
 HEALTH AND WELLNESS		 ENERGY AND CLIMATE CHANGE

**UNDERLYING PRINCIPLES:** TRANSPARENCY, CIRCULARITY, INNOVATION, COLLABORATION



# MEASURING OUR PROGRESS AGAINST VISION 2025<sup>+</sup>

INCLUSIVE JUSTICE		PROGRESS	READ MORE	ETHICAL AND FAIR		PROGRESS	READ MORE	THRIVING AND RESILIENT		PROGRESS	READ MORE
Achieve B-BBEE level 4 by 2025		<div><div></div><div></div><div></div><div></div></div>		Have a fully transparent, traceable, and ethical supply chain by 2025		<div><div></div><div></div><div></div><div></div></div>		All private-label products to support regenerative farming practices by 2030		<div><div></div><div></div><div></div><div></div></div>	
Move from ‘Improver’ to ‘Achiever’ in the UN Women’s Empowerment Principles assessment by 2025		<div><div></div><div></div><div></div><div></div></div>		Develop a roadmap by 2022 for achieving a living wage for all workers across our supply chain		<div><div></div><div></div><div></div><div></div></div>		All our packaging to be reusable or recyclable by 2022		<div><div></div><div></div><div></div><div></div></div>	
Complete our Just Wage journey to exceed retail and legislative minimum rates		<div><div></div><div></div><div></div><div></div></div>		Responsibly source all key commodities from traceable sources by 2025		<div><div></div><div></div><div></div><div></div></div>		Halve food loss and waste in our own operations and across our top 30 suppliers by 2030		<div><div></div><div></div><div></div><div></div></div>	
Implement our Employment Equity Plan for the period until 2025, and achieve compliance status		<div><div></div><div></div><div></div><div></div></div>		All private-label products designed to be reused, repaired, resold or recycled by 2025		<div><div></div><div></div><div></div><div></div></div>		Work with our suppliers and partners to create net positive water impact in water-stressed basins in our value chain by 2050		<div><div></div><div></div><div></div><div></div></div>	
				All private-label clothing, beauty, and home products to contain at least one renewed, reused or recycled product material input by 2030		<div><div></div><div></div><div></div><div></div></div>		Achieve net zero carbon impact by 2040		<div><div></div><div></div><div></div><div></div></div>	
Related UN SDGs		Related UN SDGs		Related UN SDGs		Related UN SDGs		Related UN SDGs		Related UN SDGs	
<div><div>1NO POVERTY</div><div>4QUALITY EDUCATION</div><div>5GENDER EQUALITY</div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>10REDUCED INEQUALITIES</div></div>		<div><div>1NO POVERTY</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>15LIFE ON LAND</div></div>		<div><div>1NO POVERTY</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>15LIFE ON LAND</div></div>		<div><div>2ZERO HUNGER</div><div>6CLEAN WATER AND SANITATION</div><div>7AFFORDABLE AND CLEAN ENERGY</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13CLIMATE ACTION</div></div>		<div><div>2ZERO HUNGER</div><div>6CLEAN WATER AND SANITATION</div><div>7AFFORDABLE AND CLEAN ENERGY</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13CLIMATE ACTION</div></div>		<div><div>2ZERO HUNGER</div><div>6CLEAN WATER AND SANITATION</div><div>7AFFORDABLE AND CLEAN ENERGY</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13CLIMATE ACTION</div></div>	

For more information on each goal – including the definition, why we set it, how we plan to achieve it, challenges we face, KPIs used to measure and report our performance, and baseline data – refer to the Our Goals section on the website.



PROGRESS KEY

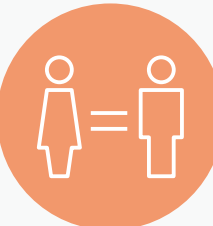
- NEEDS FOCUS:  
limited progress  
requiring support
- PROGRESSING:  
some progress made, but  
not at the expected pace
- ON TRACK:  
progress aligned  
with expectations
- ACHIEVED:  
target fully met  
or exceeded



# A YEAR IN REVIEW



Woolworths introduced compulsory health insurance for store and distribution centre staff. This is a first for the retail industry.



Woolworths scored 64% in the UN Women’s Empowerment Principles gender gap assessment, exceeding our 50% target and earning ‘Achiever’ status.



The global Top Employers Institute certified Woolworths as a Top Employer for 2025. Additionally, we were named first runner-up at the 2024 GradStar Students’ Choice Awards.



Woolworths and the Desmond & Leah Tutu Legacy Foundation launched the Re-imagine Freedom series to spark a national dialogue on marginalisation and strengthen the diversity intelligence of our top leaders.



After a successful launch, Woolworths implemented the second round of our young entrepreneur programme, Youth Makers.



Woolworths launched our IJI Masterplan, which will enable us to achieve our inclusive justice aim across all our spheres of influence.



Woolworths has established a R200 million mandate to support the growth of qualifying black-owned MSMEs through the Enterprise Inclusive Justice Institute.



The Group graduated from foundation phase to full membership of the ETI.



Woolworths Food began the first phase of the Vision Zero programme, which aims to help suppliers find ways of controlling pests and diseases without using pesticides.



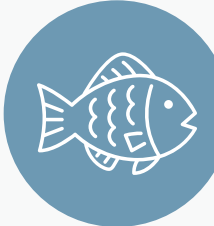
Woolworths expanded its responsible sourcing by including tree nuts such as almonds, cashews, and hazelnuts in our targeted key commodities.



CRG updated our living wage benchmarks to better assess wage gaps among our tier 1 suppliers.



89.9%<sup>MA</sup> of Woolworths Food’s private-label products have at least two sustainability attributes.



Woolworths Food together with WWF-SA implemented four projects to improve fishing practices and reduce environmental impacts.



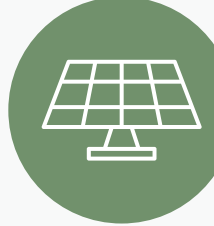
CRG received its first Green Star certification in South Africa, achieving 5 stars for its upgraded V&A Waterfront store.



Following the launch of its first AxlePower refrigeration trailer, Woolworths added 11 more units to its fleet.



WHL was included in CDP’s Supplier Engagement Assessment A-List for the 2024 disclosure cycle.



We expanded our solar capacity at head office to 507 kWp, which will enable the campus to generate approximately 730 000 kWh of renewable energy annually.



We signed our first wheeling agreement with a service provider, and are expecting the first tranche of this energy in the next year.



Country Road concluded its first three projects and announced the next four recipients for the Climate Fund.



CRG partnered with RMIT University to advance research on circular design guidelines.






Woolworths FBH transitioned from a recycling to a reuse model for its hangers, improving circularity.



# OUR VALUE CHAIN

*WHL is a multi-national food, fashion, beauty, and home retailer with a multi-tiered and geographically dispersed supply chain. Our sustainability impacts cut across the entire value chain, from raw material production to customers and communities.*

VALUE CHAIN ELEMENTS AND STAKEHOLDERS	<div></div> <div>RAW MATERIALS, PROCESSING, AND MANUFACTURING</div> <div><ul style="list-style-type: none"><li>Suppliers (farmers, manufacturers, etc)</li></ul></div>	<div></div> <div>DIRECT OPERATIONS</div> <div><ul style="list-style-type: none"><li>Employees</li><li>Government, regulators and lawmakers</li></ul></div>	<div></div> <div>CUSTOMERS AND COMMUNITIES</div> <div><ul style="list-style-type: none"><li>Customers</li><li>Social and environmental partners (NGOs)</li><li>Government, regulators and lawmakers</li></ul></div>
IMPACTS AND MANAGEMENT	<p>We support employment, including for local and small and medium businesses, through our supply chain. However, we need to ensure that the conditions under which those workers are employed and remunerated are ethical and fair, and that their human rights are respected.</p> <p>We also need to work with our suppliers to address potential negative environmental impacts arising from raw material production, processing, and product manufacturing. These include impacts on water quality and availability, biodiversity, deforestation, climate change, pollution, waste, and animal welfare.</p> <p>HOW WE ACHIEVE THIS:</p> <ul style="list-style-type: none"><li>Sustainable farming and fishing</li><li>Ethical sourcing</li><li>Enterprise and supplier development</li></ul>	<p>In our direct operations, we create jobs, contribute to skills development, and promote workforce inclusivity and diversity. The Group’s culture and working environment aim to positively impact the health, safety, and wellbeing of our employees.</p> <p>We need to address potential negative impacts from our direct operations. These include impacts on water quality and availability, carbon emissions, pollution, and waste.</p> <p>HOW WE ACHIEVE THIS:</p> <ul style="list-style-type: none"><li>Water- and energy-efficiency initiatives</li><li>Waste reduction initiatives</li><li>Health and wellness initiatives</li></ul>	<p>We aim to positively impact the health and wellbeing of our customers through our store experience, product safety procedures, and wide product offering.</p> <p>We give back to our local communities and empower our customers to do the same through social development programmes and cause-related products.</p> <p>We need to mitigate the impacts of our product and packaging waste on customers and local communities.</p> <p>HOW WE ACHIEVE THIS:</p> <ul style="list-style-type: none"><li>Driving packaging innovation</li><li>Recycling facilities in-store</li><li>Surplus food and clothing donations to organisations</li></ul>
IMPACT MAGNITUDE	HIGH	MODERATE	LOW
RELATED GBJ FOCUS AREAS <sup>1</sup>			

<sup>1</sup> Read more about our impacts and how we manage them in the individual focus area chapters in this report.



# RISK AND MATERIALITY

*We identify and assess our sustainability risks and material issues annually. Vision 2025\* and the material matters we report on are informed and refreshed annually based on this process.*

SUSTAINABILITY RISKS	MATERIALITY DETERMINATION	
<p>We determine our sustainability risks using a robust approach that aligns with the Group’s integrated risk assessment and management approach. We develop risk registers for key business areas to ensure we document all identified risks, weighted and prioritised according to the agreed risk assessment method, and identify action plans to mitigate the risks.</p> <p>For more information on the Group’s integrated risk assessment and management approach, refer to the enterprise risk management section of the Integrated Annual Report.</p>	<p><b>IDENTIFICATION AND REFRESH</b></p> <p>We identify and assess the Group’s material sustainability matters annually. We do this through internal stakeholder engagement, the risk assessment process, and a desktop review of peer sustainability reports, media and news articles, global collective commitments, and global sustainability and reporting tools and indices. This is supplemented by formal external stakeholder engagement every three to five years.</p> <p>We performed a materiality refresh exercise this year. This was done through internal stakeholder engagement, engagement with selected external stakeholders, and a desktop review.</p> <p>As part of our annual review, material sustainability-related matters were tabled during the February 2025 Sustainability Committee. The committee confirmed that the current areas of focus remain relevant and unchanged. It continues to monitor the evolving sustainability landscape to ensure alignment.</p>	<p><b>MATERIAL MATTERS</b></p> <p>No new material matters were identified.</p> <p>THE FOLLOWING MATTERS WERE EMPHASISED OR REMAINED RELEVANT:</p> <ul style="list-style-type: none"><li>• Climate change – including the phasing out of fossil fuels, transitioning to renewable energy and electric vehicles, measuring and reporting on value chain emissions, net zero commitments, climate-related incentives, and the need for an internal carbon price</li><li>• Biodiversity loss – including its impact on the Group, its nature commitments, and the need to understand its associated risks</li><li>• Waste and packaging – including recycling and take-backs, reducing single-use packaging, and designing for circularity</li><li>• Food security and reducing food waste</li><li>• Regenerative farming, water and resource conservation, locally sourced products, and sustainable farming practices</li><li>• Fostering gender equality, diversity, inclusivity, and equity in the workplace, including addressing remuneration gaps and paying fair wages</li></ul> <p>While not classified as a sustainability-related material matter, the growing demands of sustainability reporting and evolving legislative requirements have been identified as emerging areas of focus, and we continue to monitor them closely.</p>






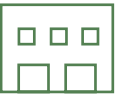


RISK AND MATERIALITY CONTINUED

	CLIMATE CHANGE	WATER	BIODIVERSITY LOSS	PACKAGING, WASTE, AND THE CIRCULAR ECONOMY	RESPONSIBLE SOURCING, TRANSPARENCY, AND TRACEABILITY
MATERIAL MATTERS	<p>Climate change will have far-reaching impacts across our value chain, presenting physical and transition risks.</p> <p>To ensure our long-term sustainability, we must adapt to climate change and mitigate its effects while working towards a just transition.</p>	<p>Much of our supply chain, customer base, and direct operations are in areas where water quality and availability are at risk. We need to address water challenges in these areas to ensure continuity of our operations and product supply.</p> <p>We must conserve and protect this precious resource for our customers and communities.</p>	<p>Globally, nature is declining and species are becoming extinct at unprecedented rates. This biodiversity loss is a critical risk to our business, the health and wellness of our customers and employees, and the economy as a whole.</p>	<p>The world has finite resources. We must transition from a linear take-make-waste approach to a circular economy approach to business.</p> <p>To do this, we must fundamentally rethink how we design, use, and reuse products, plastics, and other packaging.</p>	<p>Multi-tiered and geographically dispersed supply chains like ours can have significant negative impacts.</p> <p>We need to operate in a way that respects human rights, and protects the environment and welfare of animals.</p>
RISKS	<ul style="list-style-type: none"><li>• Threat to supply, quality, and availability of raw materials</li><li>• Supply chain and logistics disruptions</li><li>• Failure to engage suppliers to reduce value chain emissions</li><li>• Food insecurity and food price inflation</li><li>• Failing governmental and municipal infrastructure</li><li>• Business disruption due to energy interruptions and/or extreme weather events</li><li>• Lack of availability and increased cost of electricity and/or low-emission technology</li><li>• Reduced customer demand for unsustainable products</li><li>• Failure to develop a climate transition plan</li></ul>	<ul style="list-style-type: none"><li>• Food insecurity and food price inflation</li><li>• Contamination of water resources through pollution</li><li>• Changing weather patterns resulting in regional droughts</li><li>• Threat to supply, quality, and availability of raw materials</li><li>• Failing governmental and municipal infrastructure</li><li>• Failure to comply with water regulations</li><li>• Reduced customer demand for unsustainable products</li></ul>	<ul style="list-style-type: none"><li>• Threat to supply, quality and availability of raw materials</li><li>• Food insecurity and food price inflation</li><li>• Reduced customer demand for unsustainable products</li></ul>	<ul style="list-style-type: none"><li>• Lack of widely available recycling infrastructure and technology</li><li>• Lack of cost-effective and recyclable substrates and fibre alternatives</li><li>• Food waste sent to landfill due to inappropriate packaging</li><li>• Reduced customer demand for unsustainable products</li><li>• Increased customer demand for packaging reduction and take-back options</li><li>• Increased regulations and cost of compliance with laws and regulations</li><li>• Threat to supply of non-renewable raw materials</li></ul>	<ul style="list-style-type: none"><li>• Failure to address working conditions in the value chain: minimum wage violations, human rights abuses such as modern slavery, forced labour, child labour</li><li>• Poor animal welfare practices</li><li>• Inability to obtain relevant product certification</li><li>• Failure to validate sustainability claims, resulting in reputational damage</li><li>• Failure to ensure traceability of our products</li></ul>





RISK AND MATERIALITY CONTINUED

	CLIMATE CHANGE	WATER	BIODIVERSITY LOSS	PACKAGING, WASTE, AND THE CIRCULAR ECONOMY	RESPONSIBLE SOURCING, TRANSPARENCY, AND TRACEABILITY
MITIGATIONS	<ul style="list-style-type: none"><li>• Implement energy-efficiency initiatives in direct operations</li><li>• Install renewable energy</li><li>• Implement energy-efficient logistics and roll out electric vehicles</li></ul>	<ul style="list-style-type: none"><li>• Implement water-efficiency initiatives in direct operations</li><li>• Implement a detox strategy to remove harmful chemicals in clothing manufacturing</li><li>• Be involved in water stewardship projects in key sourcing regions</li><li>• Install water tanks and handwashing stations at various schools</li></ul>	<ul style="list-style-type: none"><li>• Implement and support sustainable and/or regenerative farming and fishing programmes</li><li>• Use alternative fibres</li></ul>	<ul style="list-style-type: none"><li>• Implement waste reduction and circular economy initiatives, e.g. phase out non-recyclable single-use plastic, use recycled or renewed content in products, and donate surplus products</li><li>• Implement circular fashion models, such as rental and resale</li><li>• Provide customer take-back facilities at stores</li></ul>	<ul style="list-style-type: none"><li>• Source commodities through recognised international responsible sourcing programmes and certification schemes</li><li>• Mandatory compliance by suppliers with our policies and position statements, monitored through regular audits</li><li>• Living wage roadmap and modern slavery reporting</li></ul>
CROSS-CUTTING MITIGATIONS	Implement the Factory for the Future Programme with Woolworths suppliers   Work to ensure each private-label product has a sustainability attribute   Ongoing training of staff and suppliers on sustainability-related topics   Proactive engagement with governments, regulators, and industry   Membership of sustainability-related global organisations				
PORTION OF THE VALUE CHAIN IMPACTED	<div><div> Raw materials, processing, and manufacturing</div><div> Direct operations</div><div> Customers and communities</div></div>				<div><div> Raw materials, processing, and manufacturing</div></div>
RELATED VISION 2025+ PILLARS	Thriving and Resilient	Thriving and Resilient	Thriving and Resilient	Thriving and Resilient	Ethical and Fair
RELATED FOCUS AREAS					

For more information on the material matters of the Group refer to the material matters section of the Integrated Annual Report.





# GBJ STAKEHOLDER ENGAGEMENT

*We engage continually with our stakeholders. The insights and feedback we receive inform our material matters and overall Group strategy and act as a sense check to our GBJ strategy and performance. Our engagements and the sustainability outcomes are outlined below. For more detail, refer to the stakeholder engagement section of our Integrated Annual Report.*

OUR STAKEHOLDERS	THEIR NEEDS, EXPECTATIONS AND CONCERNS	HOW WE CREATE VALUE	ENGAGEMENTS IN THE YEAR	REFERENCES
We engage our <b>customers</b> to embed customer insights into decision-making and ensure product relevance, value, and trust.	<ul style="list-style-type: none"><li>Ethical sourcing</li><li>Reduced packaging</li><li>Sustainable farming</li></ul>	<ul style="list-style-type: none"><li>Ensuring that we grow food in a sustainable way, and that products are responsibly sourced, and readily available</li><li>Providing opportunities to support schools and other charities through our MyDifference programme</li></ul>	<ul style="list-style-type: none"><li>Engaged with customers in stores, on social media and via the GBJ mailbox</li><li>1.1 million customers supported the MyDifference programme</li><li>Sponsored and participated in The Good Life Show 2024</li></ul>	<p>Customer involvement</p> <p>Plant-forward diets</p>
We engage and empower our <b>employees</b> as key enablers of strategy and influential brand ambassadors.	<ul style="list-style-type: none"><li>Fair pay and job security</li><li>Career development</li><li>Inclusion and wellbeing</li><li>Awareness and training</li></ul>	<ul style="list-style-type: none"><li>Paying our employees a ‘Just Wage’</li><li>Investing in employee training and development</li><li>Promoting diversity, inclusion, social justice, and equality, enabled by our Inclusive Justice Initiative</li><li>Providing opportunities for workplace giving and volunteering</li></ul>	<ul style="list-style-type: none"><li>Talent review forums at individual entity and business unit level</li><li>Engaged with top leaders to enhance diversity and inclusion in the Group</li><li>Engaged with people with disabilities employees to identify opportunities to improve retention</li><li>Exco chats between Woolworths employees and Exco members</li><li>Employee community engagement</li><li>Wellness Week at the Woolworths head office</li><li>Employee Assistance Programme</li></ul>	<p>Talent development and retention</p> <p>Diversity, equity and inclusion</p> <p>Employee engagement</p> <p>Employee community involvement</p> <p>Employee health and wellbeing</p>
We engage our <b>social and environmental partners</b> to contribute to social and economic development and build goodwill within the communities we serve.	<ul style="list-style-type: none"><li>Economic empowerment</li><li>Leadership on social issues</li><li>Environmental accountability</li></ul>	<ul style="list-style-type: none"><li>Local investment</li><li>B-BBEE compliance</li><li>Sustainability and education programmes</li></ul>	<ul style="list-style-type: none"><li>Various engagements with NGO partners</li><li>Engaged with Living Soils graduates</li></ul>	<p>Social development</p> <p>Living Soils Community Learning Farm</p>
We engage our <b>suppliers</b> to maintain strong, ethical, and mutually beneficial supply chain relationships.	<ul style="list-style-type: none"><li>Fair and ethical sourcing</li><li>Business growth support</li><li>Sustainable farming</li></ul>	<ul style="list-style-type: none"><li>Enterprise and Supplier Development Programme</li><li>Helping suppliers to contribute to their communities and the environment through sustainable fishing and farming programmes, and responsible sourcing of key commodities</li></ul>	<ul style="list-style-type: none"><li>Supplier training</li><li>Animal welfare training</li><li>Supplier mapping</li></ul>	<p>Transparency and traceability</p> <p>Living wage</p> <p>Sustainable farming and fishing</p> <p>Improving animal welfare standards</p>





STAKEHOLDER ENGAGEMENT CONTINUED

OUR STAKEHOLDERS	THEIR NEEDS, EXPECTATIONS AND CONCERNS	HOW WE CREATE VALUE	ENGAGEMENTS IN THE YEAR	REFERENCES
We engage our <b>investment community</b> to ensure transparent reporting, sound governance, and sustained financial performance.	<ul style="list-style-type: none"><li>• Management of economic, social, and environmental risks</li><li>• Transparent and comprehensive reporting</li></ul>	<ul style="list-style-type: none"><li>• Sustainability-linked financial strategy</li></ul>	<ul style="list-style-type: none"><li>• Roadshows and investor briefings</li><li>• AGM interactions</li></ul>	Woolworths AGM minutes, November 2025
We engage <b>industry organisations</b> to shape industry standards, share knowledge, and collective sector goals.	<ul style="list-style-type: none"><li>• Best practice input</li><li>• Sector-wide transformation</li></ul>	<ul style="list-style-type: none"><li>• Thought leadership and collaboration</li><li>• Non-competitive partnerships</li></ul>	<ul style="list-style-type: none"><li>• Industry engagement</li><li>• Participation in sustainability networks</li><li>• CRG participated in the Green Building Council Australia advisory panel for evaluating store fitouts</li></ul>	<div>Our Good Food Journey</div> <div>Responsible Sourcing</div> <div>Fishing for the Future</div> <div>Industry collaboration</div> <div>Low-carbon transition</div> <div>Packaging and waste</div>
We engage <b>government, regulators, and lawmakers</b> to contribute to national goals make constructive policy inputs and ensure compliance.	<ul style="list-style-type: none"><li>• Inclusive growth</li><li>• Local procurement</li></ul>	<ul style="list-style-type: none"><li>• Commitment to transformation, particularly for the previously disadvantaged</li><li>• Advocacy on pressing regulatory issues</li><li>• Using our core competencies to help solve societal problems such as food insecurity</li></ul>	<ul style="list-style-type: none"><li>• Government and regulatory engagement</li><li>• Policy alignment in operations</li><li>• Engagements with electricity supply authorities on regulatory approval processes</li></ul>	<div>Social development</div> <div>Responsible marketing and advertising</div> <div>Vision zero packaging waste to landfill</div> <div>Low-carbon transition</div>
We engage <b>academic institutions</b> to support research, talent development, and knowledge sharing.	<ul style="list-style-type: none"><li>• Academic collaboration</li><li>• Sustainability insight sharing</li></ul>	<ul style="list-style-type: none"><li>• Hosting research trials and pilots</li><li>• Participating in business-academic platforms</li></ul>	<ul style="list-style-type: none"><li>• Experiential learning programmes</li><li>• Research partnerships</li></ul>	<div>Education</div> <div>Living Soils Community Learning Farm</div> <div>Farming for the Future</div> <div>Talent development and retention</div>
We engage the <b>media</b> to shape public perception, share key messages, and increase transparency.	<ul style="list-style-type: none"><li>• Consumer and sustainability education</li><li>• Brand trust</li></ul>	<ul style="list-style-type: none"><li>• Providing accurate, timely updates on business and sustainability initiatives</li></ul>	<ul style="list-style-type: none"><li>• Regular media features</li><li>• Public relations engagements</li><li>• Sustainability themed posts on social media platforms</li></ul>	<div>Woolworths LinkedIn</div> <div>Our Latest News</div> <div>GBJ Booklet 2024</div>



# INCLUSIVE JUSTICE

*We care for our people and are committed to being a diverse and inclusive business, enhancing the wellbeing of our employees, customers, and communities.*

## Focus areas in this pillar

PEOPLE	19
SOCIAL DEVELOPMENT	28
HEALTH AND WELLNESS	39

## Related UN SDGs





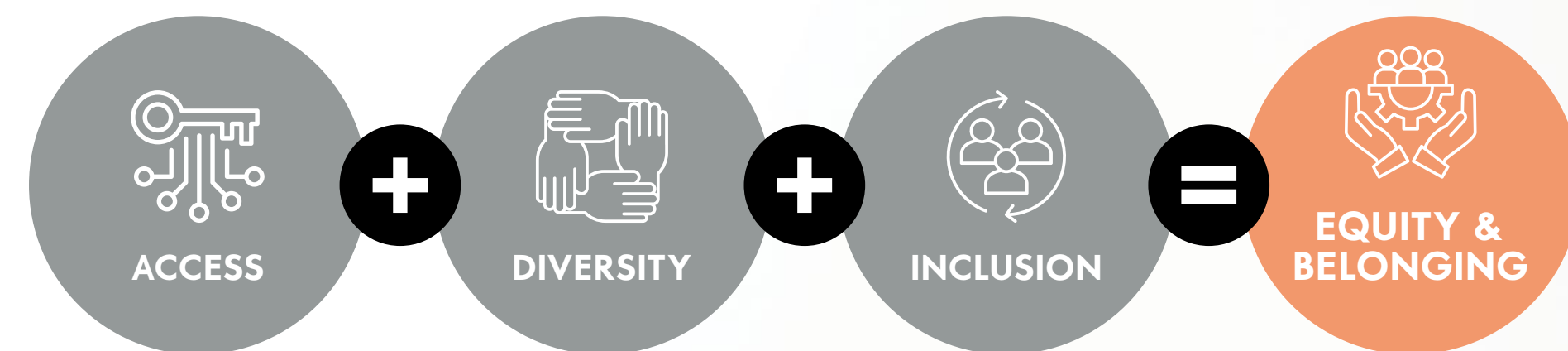
# INCLUSIVE JUSTICE INITIATIVE

*We care for our people, and are committed to being a diverse and inclusive business and enhancing the wellbeing of our employees, customers and communities.*

Our Inclusive Justice Initiative (IJI) is our commitment to social justice. It ensures that the Group's growth benefits stakeholders by fostering a just and inclusive workplace, customer experience, supply chain, and society globally. It aims to inspire inclusive growth for all people, with the rallying cry to leave no one behind.

The IJI encourages the Group to intentionally build a social justice ethos that reflects authentic actions, initiatives, communication and everyday practice. It aims to achieve high-quality social justice and redress, with empathy and humanity as our north star.

IJI initiatives are co-ordinated in a Masterplan of action in the CEO's office with support from the Corporate Social Justice unit. They are designed to achieve equity and belonging for all stakeholders in the Group's value chain by creating intentional access, fostering diversity and supporting inclusion.



Several IJI initiatives promote women empowerment and gender equality in line with the UN Women's Empowerment Principles (UNWEP). We are actively addressing the gaps identified through the UNWEP gender gap assessment and are proud of the progress made.

We are on the pathway to economic inclusion in the South African economy. Woolworths is taking numerous actions to achieve a level 3 contribution to B-BBEE while honouring commitments made beyond compliance.

We are capacitating our Corporate Social Justice unit. We established two non-profit entities to mobilise stakeholder support for achieving an inclusive supplier base and strategic community impact.

The year 2025 was the baseline for the IJI Masterplan priority impact measures. From 2026 onwards, we will report on outcomes and impacts in our workplace, marketplace, supplier base, and communities where the Group and like-minded partners exert influence.







# PEOPLE

## WHY IS THIS FOCUS AREA IMPORTANT?

We are driven by our purpose of adding quality to life. In striving to achieve this, we embrace the diverse strengths of our people, focus on their development, and empower them to do their best. We are committed to creating an inclusive culture where everybody feels they belong.

### *In this focus area*

STRATEGY & MANAGEMENT APPROACH	
OVERVIEW	20
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DIVERSITY, EQUITY AND INCLUSION	24
PEOPLE POLICIES	27

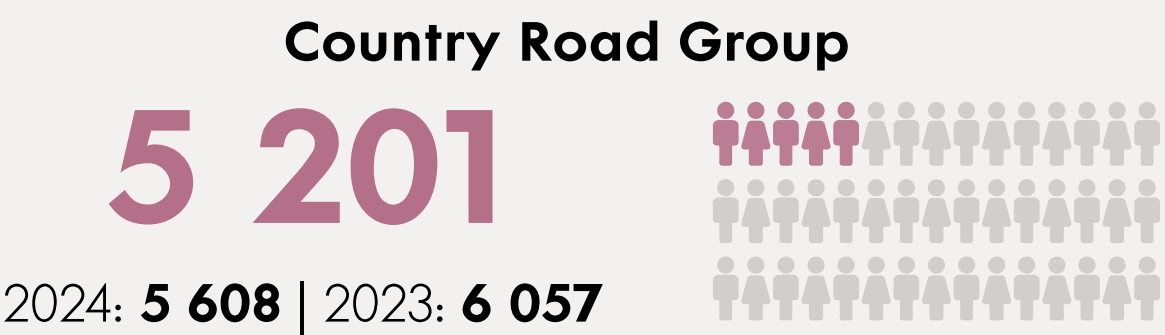
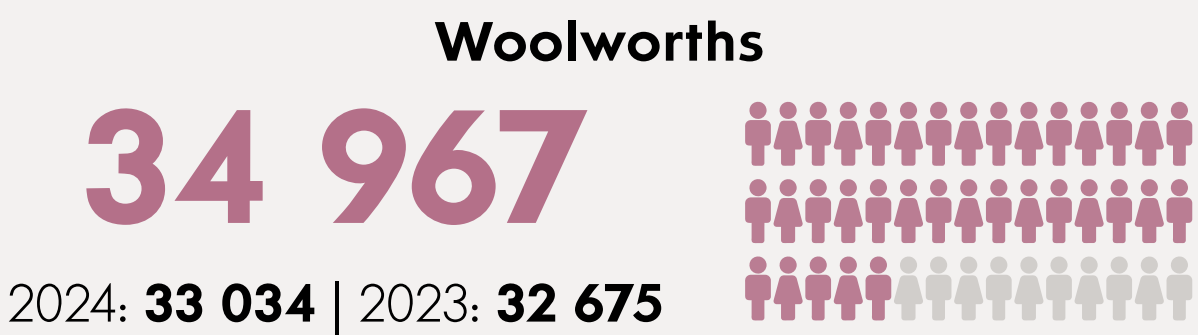


# OVERVIEW

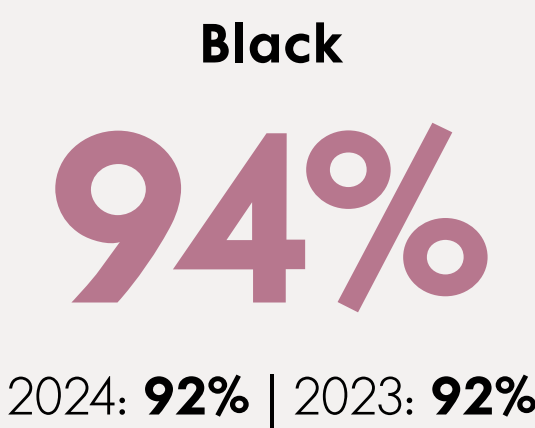
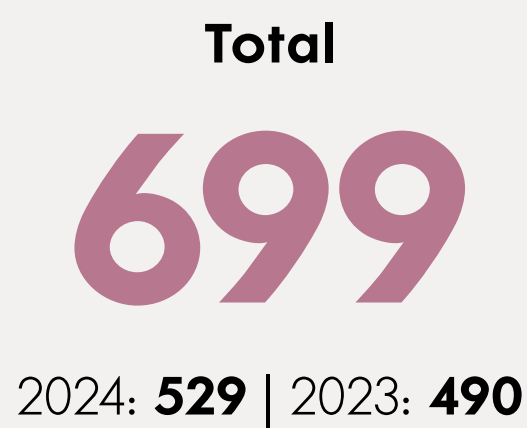
## PERFORMANCE SUMMARY

Woolworths scored 64% in the UNWEP Gender Gap Assessment, exceeding our 50% target and earning ‘Achiever’ status

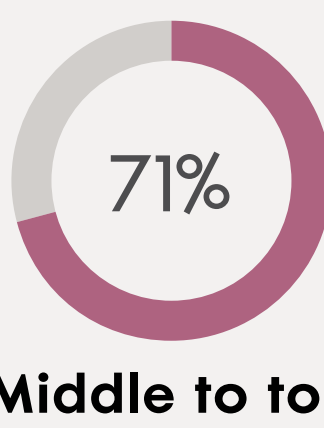
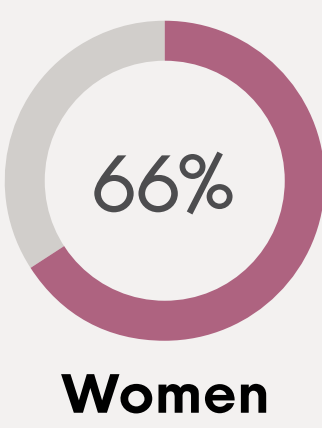
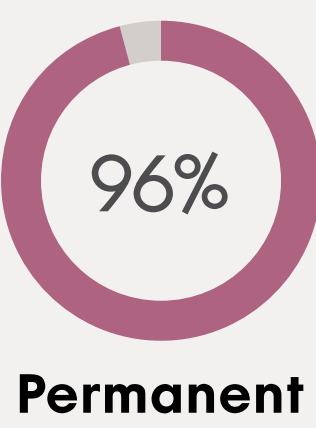
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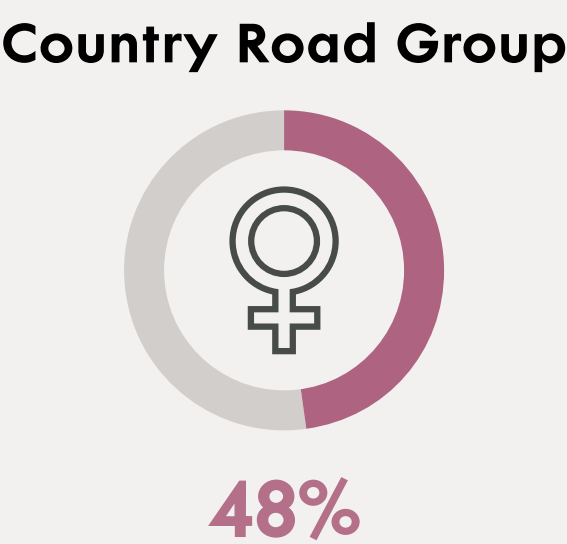
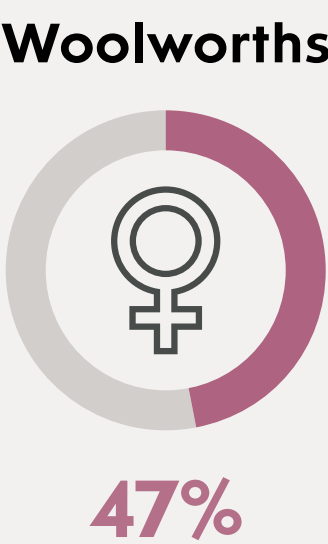
### PEOPLE WITH DISABILITIES



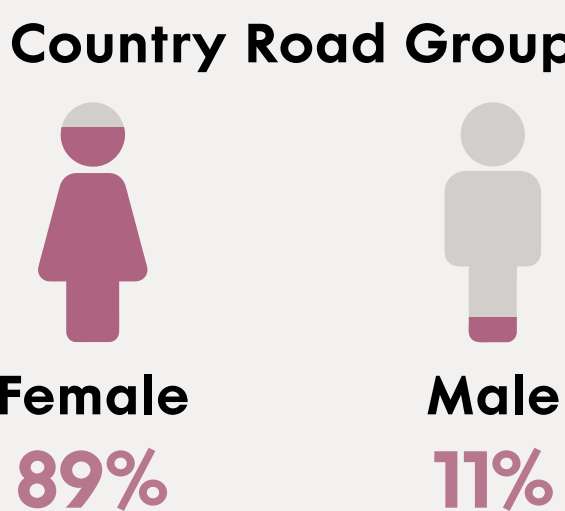
### EMPLOYMENT EQUITY EMPLOYEES IN WOOLWORTHS



### WOMEN IN TOP AND SENIOR MANAGEMENT



### GENDER REPRESENTATION



Woolworths is recognised as a Level 4 B-BBEE contributor

## HIGHLIGHTS

- CRG published its revised and enhanced Respect@Work policies, procedures and guides [Page 24]
- Woolworths conducted accessibility audits at our head office campus to enhance inclusion for employees living with disabilities [Page 26]

## LOWLIGHTS

- Internal hiring constraints and the scarcity of employment equity talent in key business areas continue to challenge Woolworths’ employment equity goals [Page 25]

## LOOKING AHEAD

- We will continue to address gaps in our policies and practices regarding women’s rights
- We will explore ways to expand corporate employment opportunities for people with disabilities that emphasise job flexibility and support





# OUR PEOPLE MANAGEMENT

The Group has integrated its regional people strategies for South Africa, Australia, and sub-Saharan Africa to ensure we become a retail employer of choice.

We employ mostly permanent workers, supplemented by third-party partners and service providers. The majority of our 40 159 employees are in our stores and distribution centres. Our central buying, product development, planning and business areas support our employees to ensure effective running of the Group.

Third-party service providers are bound by strict service level agreements, codes of practice, and contracts. They must abide by minimum standards as applicable in the relevant legislation. We conduct inspections and reviews to ensure adherence.

At Woolworths, our distribution centres use outsourced labour to assist with supply chain operations. These facilities employ 3 850 outsourced people.

Woolworths' store employee absenteeism rate was 2.81% (2024: 2.83%, 2023: 3%). This is an improvement from last year.

Woolworths' labour turnover rate was 17.6% (2024: 18.1%, 2023: 17.6%). This reverses the international trend of increasing labour turnover rates. We actively manage employee retention as competition for key talent steadily increases.

CRG's labour turnover rate increased to 31.5% (2024: 21.8%) due to increasing opportunities in online and traditional fashion businesses and active headhunting from competitors.



# TALENT DEVELOPMENT AND RETENTION

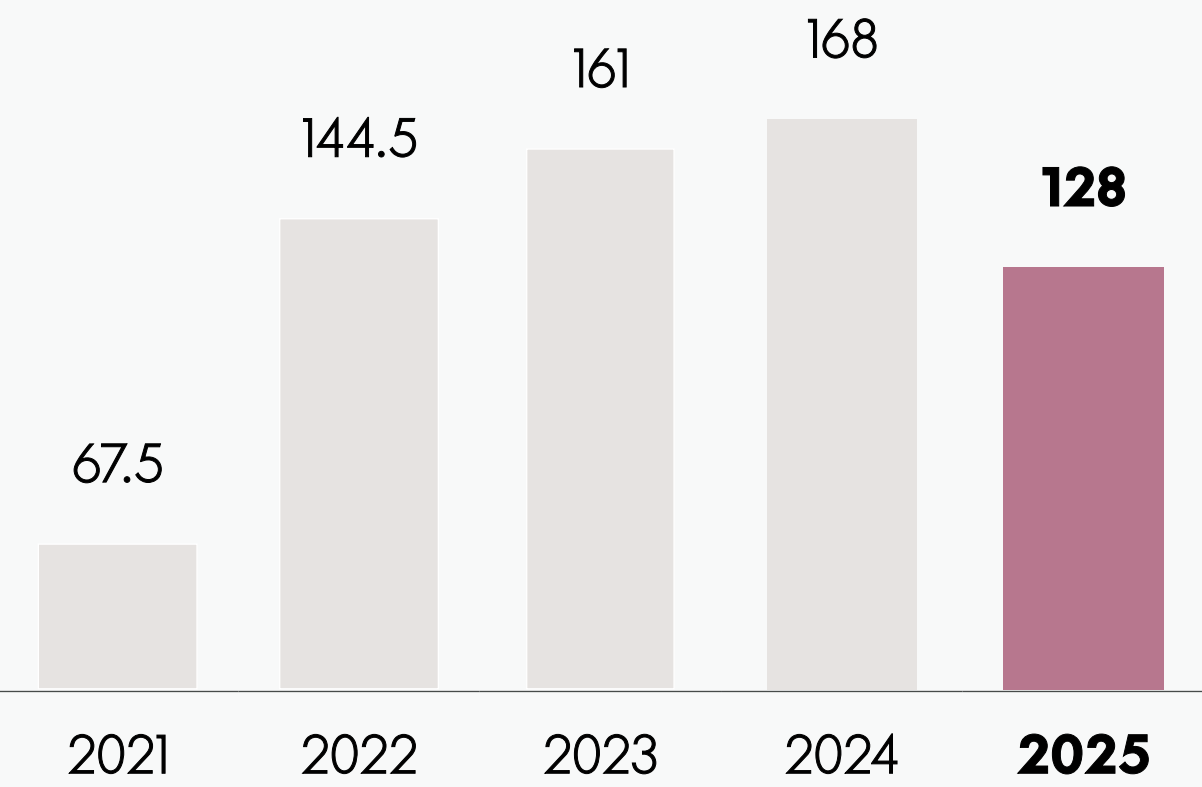
*We strive to leverage our employees’ strengths, support their growth and help them perform effectively. The Group offers education and training opportunities to provide employees with retail skills and help them meet our business objectives. Specific interventions target senior leaders to enhance their business and leadership capacity.*

Talent review forums are embedded in our cyclical process at individual entity and business unit level. The forums involve the Group CEO and People Director. These engagements, and the combined Group Exco talent forum, enable our leaders to actively manage talent and succession in the Group.






*In line with our strategy of developing our internal talent and growing leaders from within, the percentage of internal appointments was 82% (2024: 81%, 2023: 84%) for Woolworths and 62% (2024: 64%, 2023: 81%) for CRG*

WOOLWORTHS

WOOLWORTHS TRAINING SPEND (Rm)



We have implemented early career training programmes to address the skills and capability needs identified within the organisation. We strive to develop a pipeline of young talent that meets industry needs and contributes to national skills development goals.

PIPELINE DEVELOPMENT		
	<b>BURSARIES 2025</b> <ul style="list-style-type: none"><li>• 230 (2024: 217, 2023: 206) employees received funding for tertiary education</li><li>• Funding for 73 (2024: 37, 2023: 77) employee dependents to study for qualifications in the retail industry</li></ul>	We have an active bursary programme for employees and their dependents. We prioritise funding retail-related qualifications that match our core, scarce, and future skills needs.
	<b>LEARNERSHIPS ACROSS THE BUSINESS</b> <ul style="list-style-type: none"><li>• 615 (2024: 901, 2023: 983) employees enrolled on learnerships</li><li>• 74 (2024: 114, 2023: 230) unemployed youths enrolled on learnerships for people with disabilities</li></ul>	<p>Our people, particularly store staff, can enhance their qualifications through a range of learnerships and skills programmes. These support performance improvement in the employee’s current role as well as career development.</p> <p>We strengthened our commitment to learnerships for unemployed youth and youth with disabilities. 56.3% of these learners secured permanent employment, positioning learnerships as a talent pipeline for our stores. To enhance this further, we have aligned our learnership intake with store needs, vacancies, and accommodation requirements.</p>
	<b>LIVING SOILS COMMUNITY LEARNING FARM</b> <ul style="list-style-type: none"><li>• 20 interns commenced the 2025 programme</li><li>• 8 participants graduated from the 2024 programme, with 4 placed in meaningful employment</li></ul>	The Living Soils Community Learning Farm addresses food insecurity and youth unemployment by equipping young farmers with skills in regenerative agriculture. Read more about this programme in the social development chapter.
	<b>GRADUATE DEVELOPMENT PROGRAMME</b> <ul style="list-style-type: none"><li>• 40 participants commenced the 2025 programme</li></ul>	<b>SPECIALISED TRAINING FOR ASPIRING CHARTERED ACCOUNTANTS</b> <p>The South African Institute of Chartered Accountants provides specialised financial management training for aspiring chartered accountants. Their Training Outside of Public Practice programme offers a non-traditional pathway distinct from auditing. Our enrolment comprises 4 African female candidates.</p>
	<b>LEADERSHIP TRAINING FOR NEW MANAGERS</b> <p>We have redesigned our First-Time Manager Series to provide essential people management skills to newly appointed leaders in line with our people value proposition. The programme now offers a nationally recognised certification, creating a pathway to further qualifications. The pilot launched in July 2025 with a selected group of participants.</p>	<b>DEVELOPING HIGH-POTENTIAL EMPLOYEES</b> <p>10 high-potential employees have been enrolled in the Retail Management Development Programme funded by the Wholesale and Retail Sector Education and Training Authority. The programme targets historically disadvantaged individuals at middle management level, in line with the objectives of the Employment Equity Act, equipping them with essential leadership and operational management skills.</p>







DIGITAL LEARNING FOCUS

We strive to upskill our people to meet our strategic goals in an increasingly digital world. We leverage our internal communication platforms to make learning material accessible to employees. We also use WhatsApp as a communication tool.

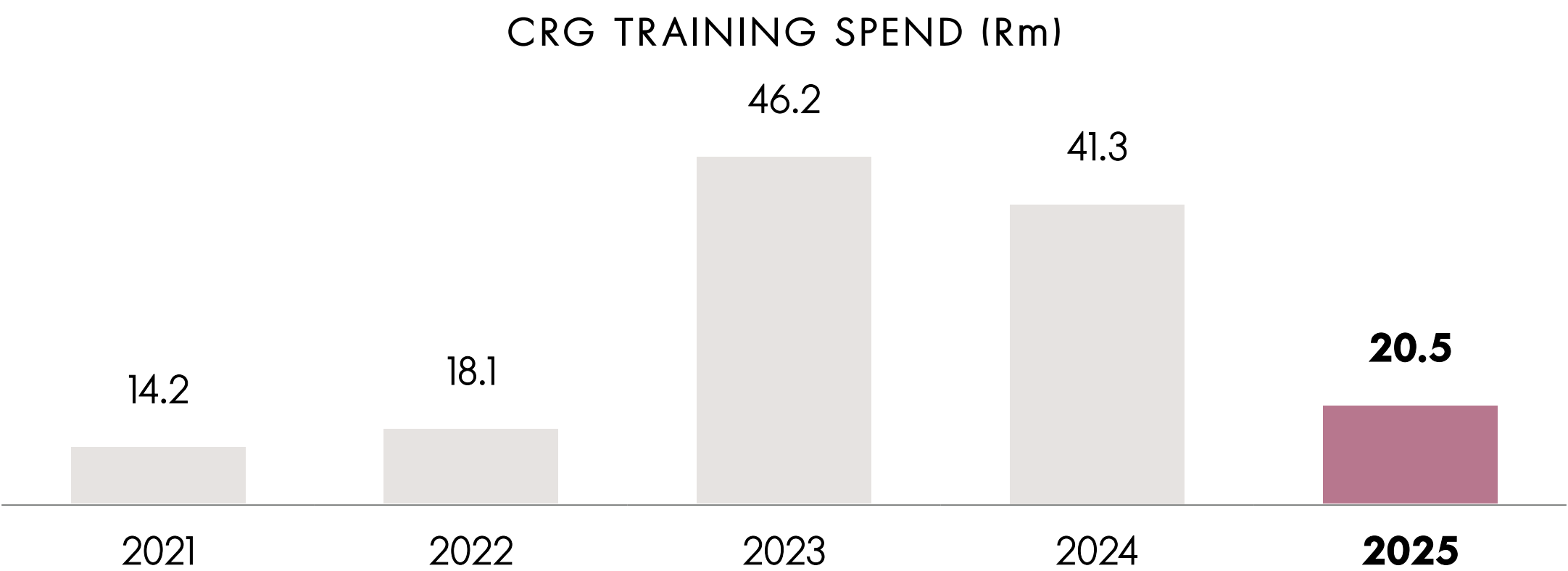
Through our WLearn digital platform, we provide omni-channel learning experiences to head office employees. We are looking to expand this to store and distribution centre staff.

GRADSTAR STUDENTS’ CHOICE AWARDS

Woolworths was named first runner-up at the 2024 GradStar Students’ Choice Awards, bearing testimony to our efforts to be an employer of choice.

The prestigious awards celebrate top-performing university students across South Africa. The programme identifies 100 outstanding students based on their leadership potential, academic excellence, and employability. It serves as a platform to connect these high-achieving students with leading employers.

COUNTRY ROAD GROUP



Country Road Group implements our Ignite and Inspire leadership development programmes across the business. These programmes address the team member capabilities required to meet our strategic objectives.

Our learning management system gives us an accurate and holistic view of training in the organisation. It enables self-service and enrolment across the learning calendar.

REMUNERATION

The Group’s Remuneration Policy promotes behaviours that drive a high-performance culture. It does this by recognising and rewarding individual responsibility and performance in achieving business objectives.

The policy aims to achieve a fair and sustainable balance between guaranteed pay, short-term incentives, long-term incentives, and retention schemes for employees. It applies to all Group employees, and participation in short- and long-term incentive schemes depends on an individual’s role and work level.

VARIABLE REMUNERATION

To encourage a sales and service culture, Woolworths upweights these measures in the variable pay scheme for store employees. The store manager gain-share scheme has been amended to align closer to our corporate short-term incentive scheme. We communicate simply so employees can understand the schemes and maximise their rewards.



# DIVERSITY, EQUITY AND INCLUSION

*Our diversity, equity and inclusion (DEI) strategy strives to inspire inclusive growth for all employees and embed inclusive justice as an integral part of our identity. This aligns with the commitments contained in our IJI Masterplan.*

THE DEI STRATEGY HAS FOUR PILLARS:



## ACCESS

Creating equal access to opportunities for all, including Black people, women and people with disabilities.



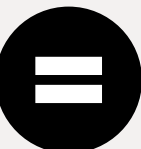
## DIVERSITY

Striving for representation at all occupational levels, reflecting the diversity of the environments we trade in.



## INCLUSION

Ensuring our strategies, policies, practices and work environments are inclusive regarding all employees.



## EQUITY & BELONGING

Building an equitable culture enabled by leaders creating an environment where all employees feel they belong.

The DEI strategy focuses on the workplace sphere of our IJI Masterplan. The other spheres (society, supplier base, and in-store) are covered elsewhere in this report.

The implementation of the IJI Masterplan will be informed by our diverse geographic, demographic and legislative contexts.

## COUNTRY ROAD GROUP

CRG has developed its DEI strategy to enable a more inclusive culture, and its pillars focus on inclusion, cultural identity (including First Nations), LGBTQIA+, and gender equity.

This year, we hosted a training session for all senior leaders. This session, named ‘Leading Safe and Inclusive Workplaces’ was a bespoke training session designed to fit our context.

We published and communicated our revised and enhanced Respect@Work policies, procedures and guides to our employees.



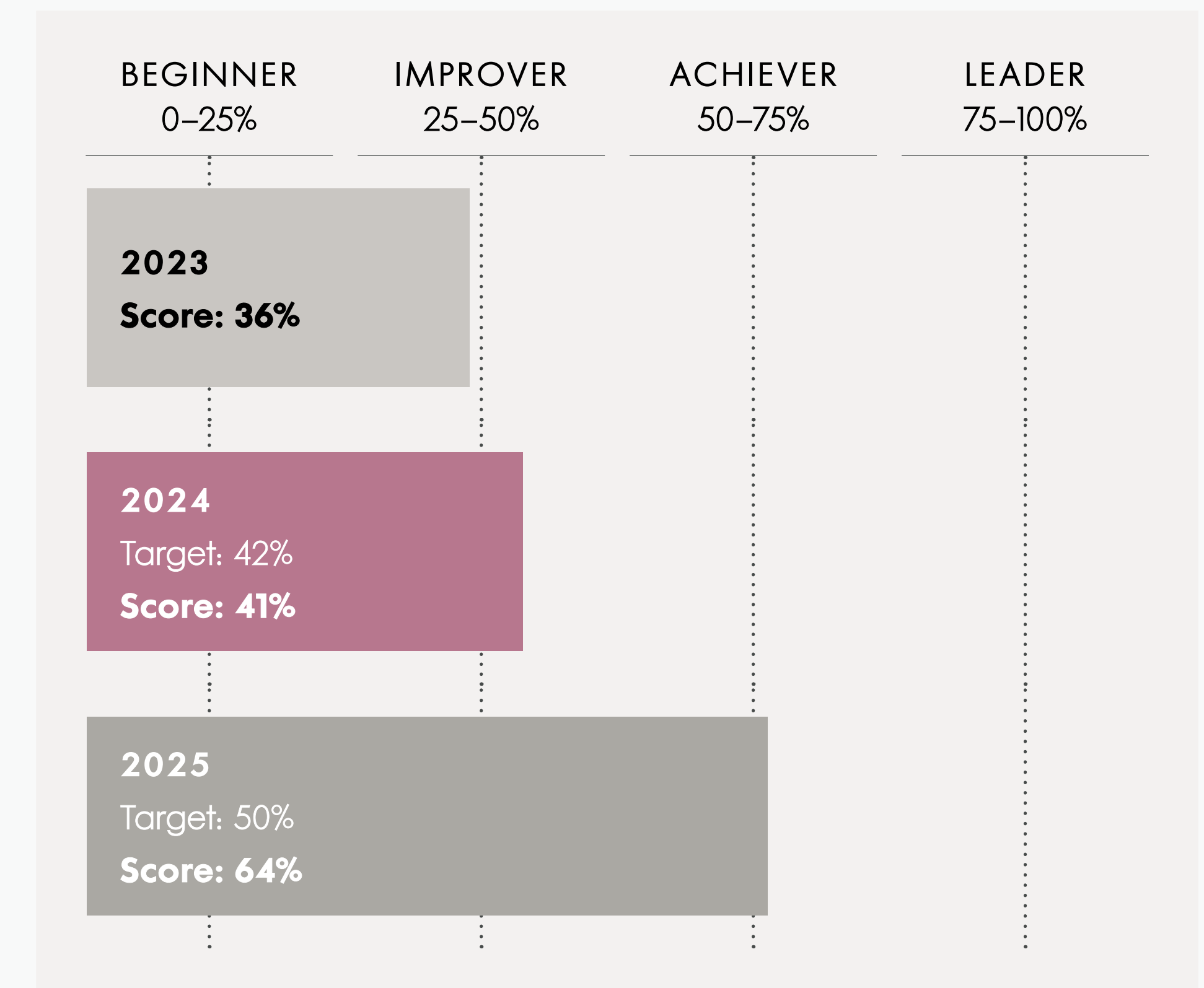
Country Road, Autumn, 2025

## WOMEN’S EMPOWERMENT AND GENDER EQUALITY

We promote women’s empowerment through strong leadership that advocates for gender equality at all levels. We promote fair and respectful treatment of every individual, regardless of their gender.

We are committed to inclusive justice for women and are a proud signatory to the UNWEP. We scored 64% against a target of 50% in the 2025 UNWEP gender gap assessment. As such, we met our goal of obtaining ‘Achiever’ status by 2025.

We will continue to address gaps in our policies and practices regarding women’s rights, as identified by UNWEP. Our ultimate goal is to obtain the highest status of ‘Leader’.

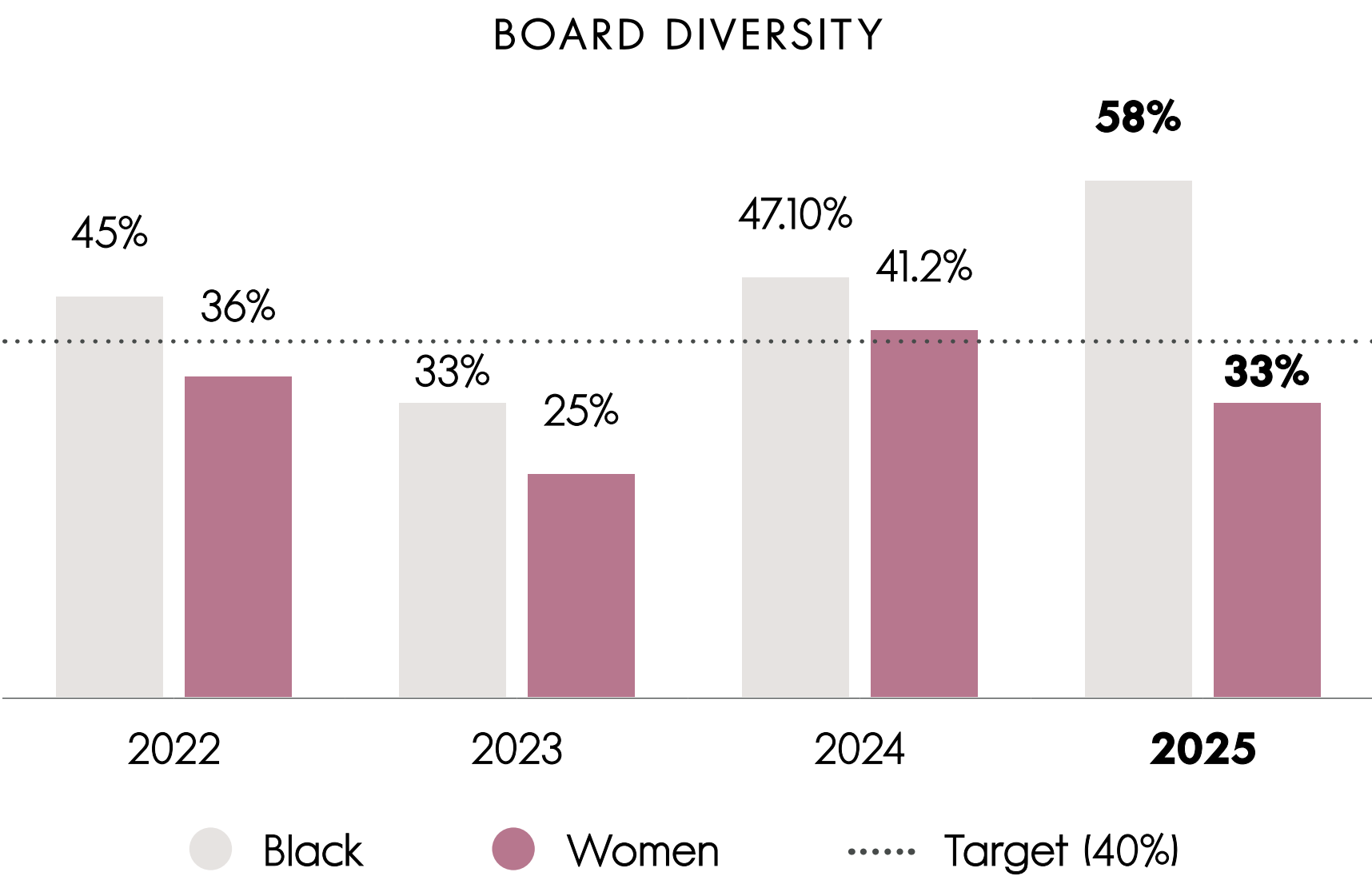




REPRESENTATION AT BOARD LEVEL

The Board Diversity Policy guides the Nominations Committee and Board in setting targets for race and gender, skills, retail experience, country-specific business knowledge, and expertise. Our board representation target is 40% for Black and 40% for female directors.

Our progress in achieving these targets is illustrated below:



EMPLOYMENT EQUITY – WOOLWORTHS

South African companies are required by law to set employment equity targets to drive transformation, diversity and equality in the workplace. Our Employee Equity (EE) Plan reflects our intention to meet this requirement and achieve our inclusive justice objectives.

OBJECTIVES OF OUR EE PLAN

Build an enabling, values-based culture that creates access, promotes inclusion and embraces diversity, fostering a sense of belonging.

Build leadership skills and promote a shift in mindset and culture to enable our workforce to become more representative, diverse and inclusive.

Continually upskill and retain key talent, particularly among groups designated by EE legislation (EE employees).

Build our internal talent pipelines for people to grow from within the business.

Identify barriers to promotion and develop plans to address these. Integrate these plans with organisational development strategies and practices for sustainable impact.

Monitor and evaluate progress against the plan.

The EE Plan is supported by a national EE Committee and Diversity Committees in our head office, business units, stores and distribution centres. The committees promote fairness and diversity in the workplace, monitor and advocate for the implementation of EE policies and practices, and foster an inclusive and equitable work environment.

We have included delivery on our EE Plan in the criteria for our goals and rewards.

EE employees as a percentage of Woolworths’ total permanent employees

96%

2024: 97% | 2023: 96%

Percentage of EE employees in middle to top management positions

71%

2024: 70% | 2023: 68%

Percentage of EE employees represented by women

66%

2024: 65% | 2023: 65%

EMPLOYMENT EQUITY PROFILE FOR WOOLWORTHS (2025)				
	Permanent employees by race		% Permanent employees by race	
	MALE	FEMALE	% MALE	% FEMALE
AFRICAN	7 569	15 868	22.95%	48.11%
COLOURED	2 789	4 611	8.46%	13.98%
INDIAN	321	570	0.97%	1.73%
WHITE	431	635	1.31%	1.93%
FOREIGN NATIONAL	86	106	0.26%	0.32%
TOTAL	11 172	22 028	33.94%	66.06%

We aim to improve African representation across all management levels year-on-year. There are a number of factors that continue to limit our progress, namely:

- Internal hiring constraints
- Scarcity of EE talent in core business areas
- Intensified competition for EE talent across sectors

Woolworths’ wider transformation data is available in the Key Sustainability Indicators appendix to this report.





DISCRIMINATION

The Group does not tolerate discrimination in the workplace. We have Codes of Ethics and Conduct that guide the business in preventing discrimination. We extend this to our suppliers through the Woolworths Supplier Code of Business Principles and CRG’s Code of Labour Practice.

WOOLWORTHS

We have various policies to eradicate discrimination at individual and organisational level. We have drafted a Non-discrimination and Equal Opportunity Policy.

We provide employees with online learning material covering discrimination, diversity and inclusion. We continue to develop an external reporting mechanism for employees to report discrimination.

CASE STUDY

RE-IMAGINE FREEDOM – ENHANCING THE DIVERSITY INTELLIGENCE OF LEADERS

We partnered with the Desmond & Leah Tutu Legacy Foundation in hosting a series of national dialogues on issues of marginalisation. Dubbed the Re-imagine Freedom series, it was captured in five short films covering race, sexual orientation, disability, gender, and nationality and borders. As an outcome of our 2023 WPride campaign, we committed to advancing a national dialogue on issues of marginalisation

The initiative was launched to Woolworths’ top 70 leaders at a leadership summit in July 2024. The leaders were divided into teams that participated in activities leading up to the summit. Insights from these activities were shared at the summit.

Leaders’ perceptions of the event suggest that it will have a strong influence on leadership behaviour going forward.

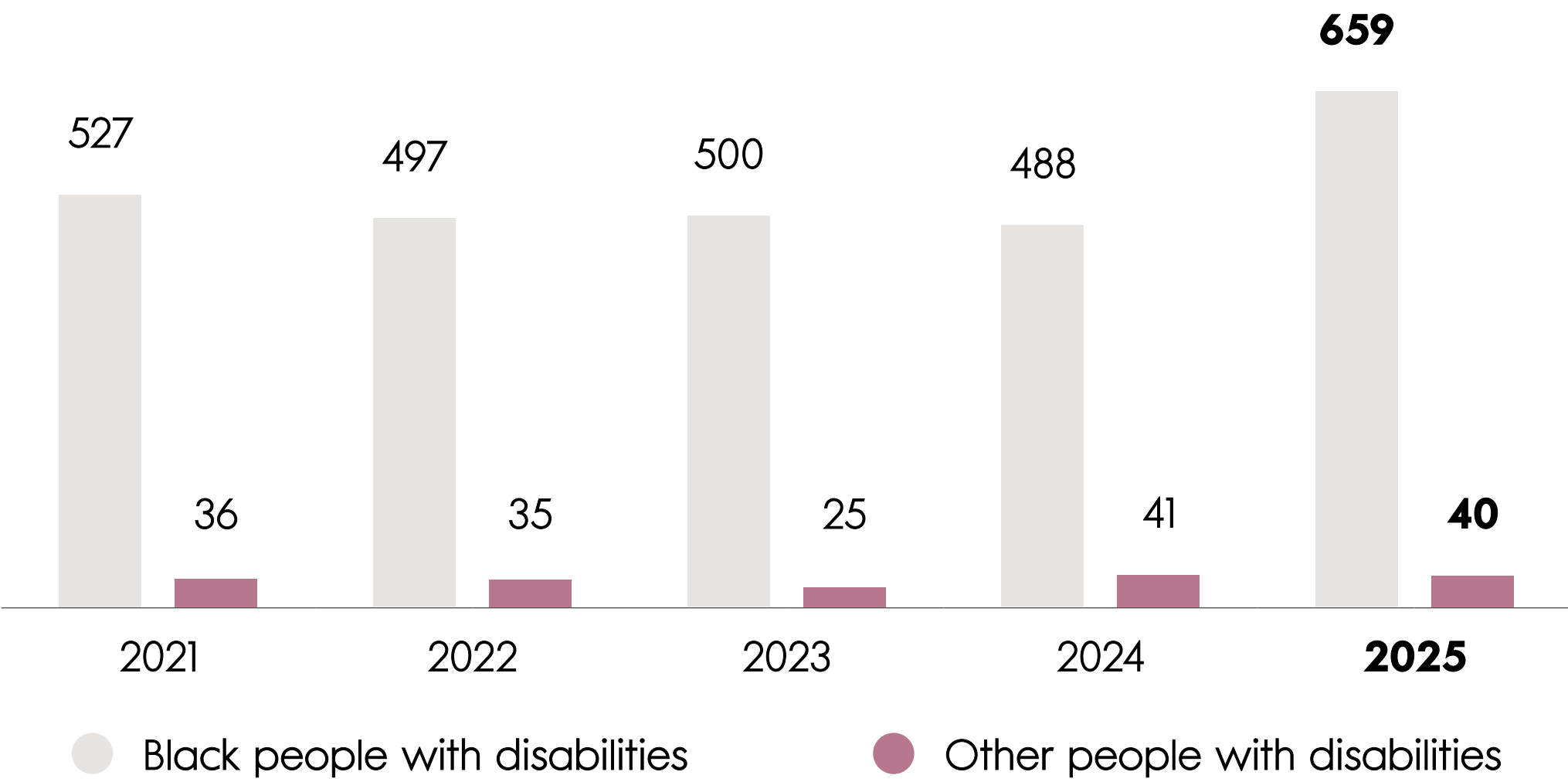
PEOPLE WITH DISABILITIES

We strive to deepen awareness and foster a workplace culture that is inclusive of our colleagues with disabilities.

This year, our efforts went beyond awareness campaigns to include actionable workplace changes:

- We hosted a silent webinar and Sign Language masterclass for employees
- We hosted a people with disabilities event in one of our flagship stores
- We facilitated a panel discussion on disability inclusion featuring Miss South Africa 2024, Mia Le Roux, and Wimbledon wheelchair tennis champion, Kgothatso Montjane
- We integrated people with disabilities learners from our professional cookery learnership into organisational events
- We engaged people with disabilities employees to identify opportunities to improve retention
- We conducted accessibility audits at our head office campus to enhance inclusion

We employ 699 (2024: 529, 2023: 490) employees living with disabilities, of whom 94% (2024: 92%, 2023: 92%) are from previously disadvantaged communities.



We will continue to enhance reasonable accommodation efforts to ensure that people with disabilities employees are integrated into the business. We will investigate expanding employment opportunities for people with disabilities in corporate roles, where job flexibility and support structures are more readily available.

EMPLOYEE ENGAGEMENT

Feedback from employees provides insights into how they experience the working environment, how leaders measure against their expectations, and where we can improve.

We obtain regular feedback from our people through enterprise-wide surveys, engagement mechanisms in our stores and distribution centres, and focused listening strategies.

WE ALSO CONDUCT:

- ‘Exco Chats’, where employees can engage with an Exco member over breakfast or lunch on issues of importance to them
- CRG Connect sessions hosted by the CRG executive leadership team
- Roadshows to connect with our store and distribution centre employees

WOOLWORTHS EMPLOYEE SURVEY

We conduct an organisation-wide survey of permanent employees every alternate year. This is done in collaboration with a specialist service provider.

The next survey is scheduled for September 2025. We will analyse the results to determine whether our interventions to address the issues raised in the previous survey were effective.

COUNTRY ROAD GROUP

Our continuous listening strategy goes beyond engagement surveys to explore other opportunities for listening to our people.

WE FOCUS ON:

- Full engagement and pulse surveys
- Formalised listening moments (on- and off-boarding)
- Leader non-negotiables of regular one-on-one





# PEOPLE POLICIES

*We have reviewed and updated several people policies to be more inclusive regarding gender, social identity, race, religious beliefs, and culture.*

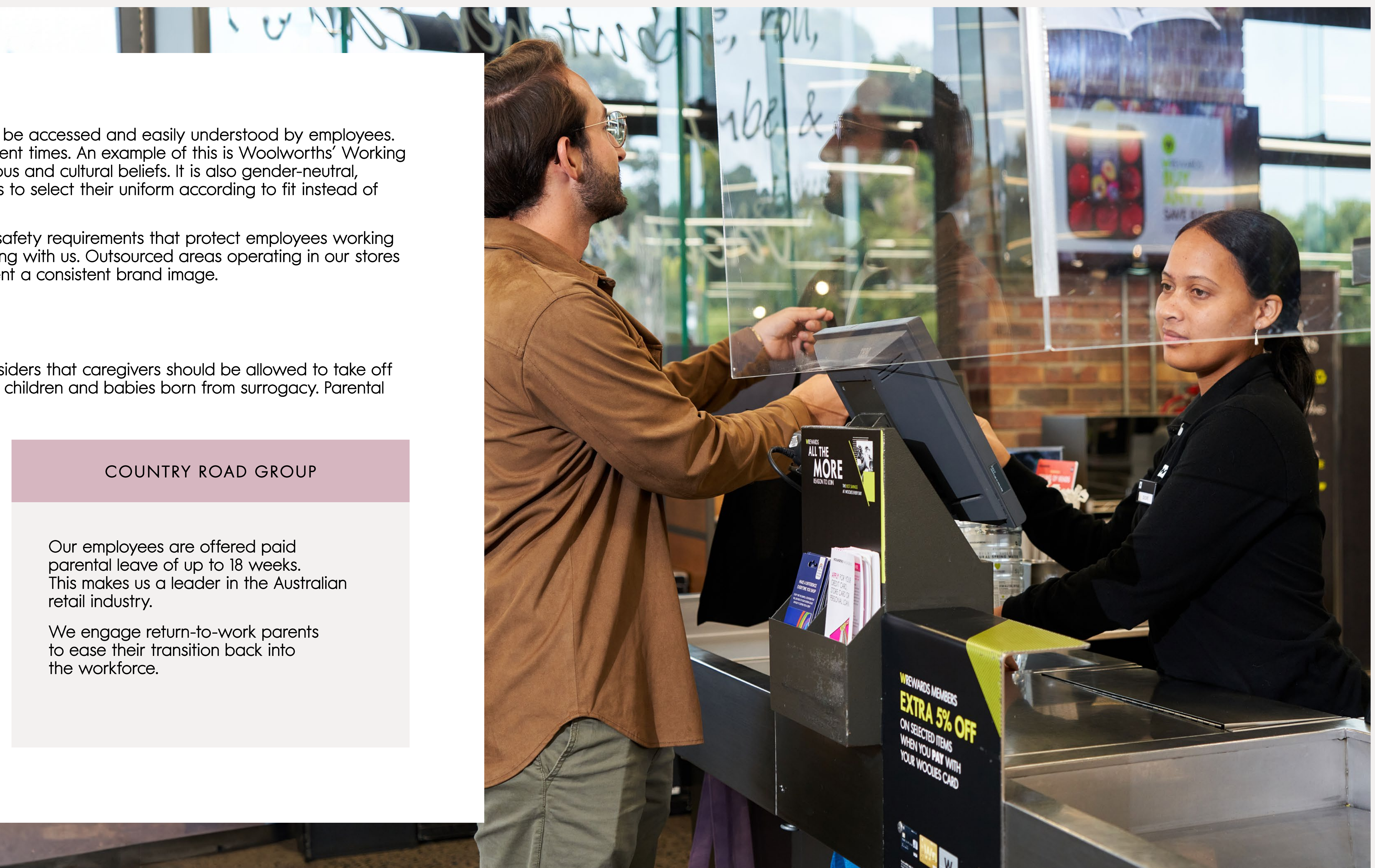
We review our policies regularly to ensure they can be accessed and easily understood by employees. We also ensure we develop policies that reflect current times. An example of this is Woolworths’ Working Wardrobe Policy. This policy considers specific religious and cultural beliefs. It is also gender-neutral, enabling employees in stores and distribution centres to select their uniform according to fit instead of gender identity or expression.

The policy does not compromise on the health and safety requirements that protect employees working in certain business operations and customers shopping with us. Outsourced areas operating in our stores have garments that apply the new policy and present a consistent brand image.

## PARENTAL LEAVE POLICY

Parental leave, as compared to maternity leave, considers that caregivers should be allowed to take off work to care for a new baby. This includes adopted children and babies born from surrogacy. Parental leave policies vary by country and company.

WOOLWORTHS	COUNTRY ROAD GROUP
<p>Our Maternity Leave Policy provides for partners who are both employed by Woolworths to share maternity leave, in addition to a stipulated period of absence for the birth parent.</p> <p>The policy makes provision for employees who adopt (as agreed by a court order) a child under the age of three or a baby born from a surrogacy arrangement.</p>	<p>Our employees are offered paid parental leave of up to 18 weeks. This makes us a leader in the Australian retail industry.</p> <p>We engage return-to-work parents to ease their transition back into the workforce.</p>







# SOCIAL DEVELOPMENT

## WHY IS THIS FOCUS AREA IMPORTANT?

As a responsible corporate citizen, and in line with our commitment to Inclusive Justice, we strive to play a meaningful role in addressing the economic and societal needs and challenges of our communities.

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

### *In this focus area*

STRATEGY & MANAGEMENT APPROACH 	
OVERVIEW	29
EDUCATION	30
FOOD SECURITY	32
COMMUNITY RESILIENCE	35
EMPLOYEE COMMUNITY INVOLVEMENT	37
CUSTOMER INVOLVEMENT	38



# OVERVIEW

### HIGHLIGHTS

- Implemented a capacity development programme aimed at reducing preventable injuries among children [Page 31]
- The Living Soils Community Learning Farm underwent a significant land expansion, tripling its output for the year [Page 34]
- After a successful launch, Woolworths has implemented the second round of our young entrepreneur programme, Youth Makers [Page 36]

### LOWLIGHTS

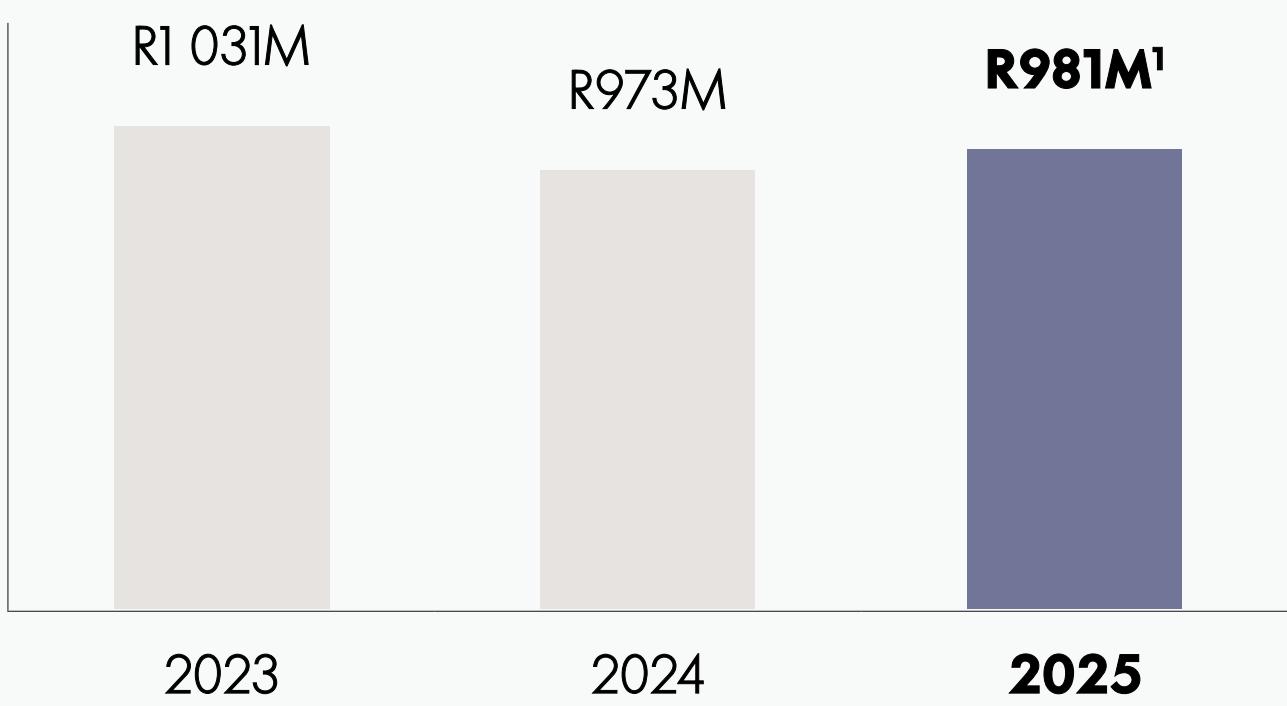
- Adverse weather conditions and unreliable water supply disrupted crop production for Living Soils and #ZeroHunger partners [page 33]

### LOOKING AHEAD

- We applied to zero-rate the Making The Difference (MTD) platform. This will enable access to the platform for learners in underserved communities
- We will investigate solutions to enhance crop resilience at the Living Soils farm



TOTAL GROUP COMMUNITY  
IMPACT CONTRIBUTION



R94  
Million

DONATED BY MYDIFFERENCE



A\$55 144

donated by Politix to the  
Movember campaign

2024: A\$173 000 | 2023: A\$120 000

<sup>1</sup> The FY2025 amount excludes CRG.



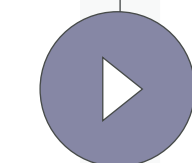
# EDUCATION

*We commit to adding value to children’s lives through education.*

The Community Inclusive Justice Institute (CIJI) NPC was established in 2024. This year we conducted a strategic review of our community education programmes. The aim was to ensure our programmes were still aligned with our intended education outcomes and to identify new opportunities for enhanced impact.

## WOOLWORTHS INTENDS TO CONTRIBUTE TOWARDS GIVING EVERY CHILD:

- Access to quality education
- The right to grow, learn and flourish in a safe environment
- Dignity, hope, and pride in their commitment to education





**Leave  
No Child  
Behind**  
Impact through education

## OUR SOCIAL IMPACT PROGRAMMES TO ACHIEVE THIS:

- Making the Difference Programme
- National Education Collaboration Trust
- ChildSafe Programme – keep kids free from harm



These initiatives are designed to achieve the broader goals of sustainable development. They align with the Department of Basic Education’s quality education agenda and the Department of Health’s focus on preventing injuries and accidents among children.

## WOOLWORTHS MAKING THE DIFFERENCE PROGRAMME



**PARTNERS:** Department of Basic Education, various subject matter experts



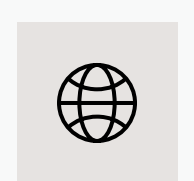
**SUPPORT:** R2.4 million spent (2024: R1.3 million, 2023: R1.6 million) | 73 467 registrations on digital platform (2024: 73 467, 2023: 35 445)

The MTD Programme develops and produces educator resources and curriculum-aligned learning opportunities for learners. It aims to empower parents to support the overall health and wellbeing of their families. The MTD digital platform features innovative, engaging content with high-end design and animation suitable for its audience.

Following the strategic review conducted this year, we are enhancing the MTD platform for greater accessibility and inclusivity. This is in pursuit of our goal of no-cost access to the platform to improve access for learners in underserved communities. All beneficiary-facing content on the platform was paused in April 2025 and will resume once the platform has been zero-rated. We submitted our application to zero-rate the platform in May 2025.

### ENHANCEMENTS TO THE MTD PLATFORM INCLUDE:

- A partnership with ChildSafe to develop and incorporate child safety content into the platform.
- Development of an offline MTD interface to enable user experience testing during the data-free enablement process.







## CASE STUDY

### CHILDSAFE PROGRAMME: LEAVE NO CHILD BEHIND

Woolworths has extended its partnership with ChildSafe to launch a capacity development programme to reduce preventable injuries among children.

The Leave No Child Behind Child Injury Prevention Awareness, Education and Training intervention equips early childhood development (ECD) practitioners, community health workers, and community members with skills to keep children free from harm.

We engaged 86 ECD practitioners at a pilot training workshop in East London in October 2024.

We empowered communities with learning material designed to support learners and training facilitators. This content will be made available on the MTD platform.

We conducted workshops and targeted outreach initiatives across ECD centres, community centres and other local hubs to ensure broad and equitable engagement.

#### KEY ACHIEVEMENTS THIS YEAR:

- 7 ECD ChildSafe training sessions conducted
- 161 ECD centre representatives reached
- 345 support staff reached
- 376 teachers reached
- 6 023 children reached

### NATIONAL EDUCATION COLLABORATION TRUST (NECT)



#### PARTNERS:

Government, business, labour, civil society



**SUPPORT:** R2 million donated annually (R22 million to date)

Woolworths supports the efforts of the NECT to improve school functionality and elevate the quality of education. The NECT focuses on enhancing district capabilities for effective operational planning, monitoring, and feedback.

#### KEY ACHIEVEMENTS THIS YEAR:

- 3 177 officials trained in coaching and mentoring
- 1 405 support team members trained in learner and teacher wellbeing
- 21 books and 9 teacher guides created for grades 4–12
- Sanitation and repairs completed at 187 schools
- 5 policy papers produced on education priorities

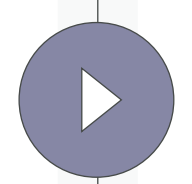


# FOOD SECURITY

*Woolworths has worked for many years to make a positive, sustainable contribution to alleviating hunger in South Africa. Food security and access to food are fundamental human rights. No one should be left behind when it comes to access to nutritious and sufficient food. Our alignment with the UN SDG goal of #ZeroHunger by 2030 expresses our commitment to Inclusive Justice in this regard.*

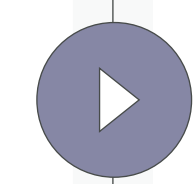
## WOOLWORTHS INTENDS TO:

- Meaningfully contribute to the alleviation of current food insecurity and reduce food wastage
- Co-create sustainable solutions with food-vulnerable communities
- Create food systems beyond subsistence farming
- Support education efforts that promote sustainable nutrition, and create experiential learning opportunities that encourage healthy living



## OUR SOCIAL IMPACT PROGRAMMES TO ACHIEVE THIS:

- Surplus food donations
- Partnership with FoodForward SA (FFSA)
- Seven organisations supported nationally
- The Living Soils Community Learning Farm



## THIS RESULTS IN:

- Creation of food-secure and resilient communities
- Improved sustainable food production processes
- Improved livelihoods and economic inclusion
- Improved health

## SURPLUS FOOD DONATIONS



**PARTNERS:**  
FFSA<sup>1</sup>



**SUPPORT:** R857 million in surplus food donated (2024: R816 million, 2023: R856 million) | R1.2 million in cash donated (2024: R1 million, 2023: R1 million)

We partner with FFSA to reduce hunger in South Africa by safely and cost-effectively securing quality food and making it available to those who need it. We do this by donating surplus food from our stores to communities in need.

All our food stores use the FFSA FoodShare platform to connect to nearby beneficiary organisations in the FFSA network. This enables these organisations to regularly collect surplus food.

FFSA is exploring opportunities to broaden its impact. Their Food Gardens Connect Programme now includes buy-back agreements that enable participants to generate income from their produce.



<sup>1</sup> FFSA's financial year ran from March 2024 to February 2025.







FOODSHARE STATISTICS

<div>Number of beneficiary organisations in FFSA’s network</div> <div>2 519</div>	<div>Surplus food tonnage distributed through Woolworths FoodShare</div> <div>13 124</div>
<div>Number of Woolworths Food stores on FoodShare platform</div> <div>361</div> <div>2024: 363   2023: 360</div>	<div>Percentage of total tonnage of surplus food distributed through Woolworths FoodShare</div> <div>63%</div> <div>2024: 65%   2023: 56%</div>
<div>Number of meals attributed to Woolworths FoodShare</div> <div>52.5M</div> <div>2024: 56.6 MILLION 2023: 48.2 MILLION</div>	<div>Number of beneficiaries reached daily</div> <div>935 100</div> <div>2024: 920 000 2023: 985 000</div>
<div>Carbon emissions saved through Woolworths FoodShare</div> <div>68 245 tCO<sub>2</sub>e</div> <div>2024: 73 632 tCO<sub>2</sub>e   2023: 62 717 tCO<sub>2</sub>e</div>	

#ZEROHUNGER INITIATIVES

- **PARTNERS:** ForAfrika, INMED South Africa, Siyazisiza Trust, Social Change Assistance Trust, Thanda, Timbali Technology Incubator and Rhiza Babuyile
- **SUPPORT:** R3.3 million donated (2024: R2.45 million, 2023: R2.7 million)

The Woolworths Trust funds seven food security partners dedicated to producing food and supporting incomes for their beneficiaries.

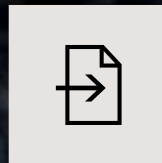
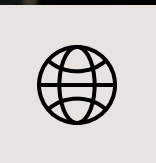
These organisations create impact by:

- Establishing food gardens and community farms
- Supporting community food and nutrition distribution
- Training beneficiaries in agri-aquaculture, plant production and climate-smart agriculture
- Providing employment and enterprise development opportunities
- Facilitating market access and developing infrastructure

This year, our partners faced several challenges:


- Adverse weather conditions and infrastructure issues, such as unreliable water and electricity supply, which disrupted crop production
- Security concerns including theft, vandalism and damage to community gardens
- Difficulty in securing youth participation in farming despite high levels of unemployment
- Financial sustainability and market access constraints


Our three-year funding model has enabled our partner organisations to achieve scale and sustainability. We will explore longer-term commitments with partners performing well to sustain their momentum. We will run a capacity building programme to enable our partners to diversify their income for long-term sustainability.





LIVING SOILS COMMUNITY LEARNING FARM

- 

**PARTNERS:** Spier Wine Farm, Sustainability Institute, Community Inclusive Justice Institute (CIJI) NPC
- 

**OUTPUT:** 16 896 kg of produce harvested (2024: 5 031 kg, 2023: 6 926 kg) | 11 292 kg donated to at-risk households (2024: 1 392 kg)

The Living Soils Community Learning Farm empowers young emerging farmers with skills to tackle food insecurity and promote local youth employment. Each cohort of interns is trained in the regenerative agriculture practices that we promote to our suppliers.

The programme has expanded its offering to give interns a first-hand understanding of the day-to-day requirements of farming. Interns keep records of personal development and farming operations, creating a portfolio that can be used for employment or further study.

For the first time, we evaluated interns on their understanding and application of the Farming for the Future principles covered during their training. All interns were graded and certified.

This year, we encountered a challenge during fruit harvest season when some interns left to pursue opportunities at local fruit farms. We will investigate a more robust recruitment process to mitigate this attrition.

The farm underwent a significant land expansion this year, growing from 0.4 ha to 1.1 ha, a 175% increase. This contributed to a tripling of the farm’s output.

Between August and October 2024, the farm experienced flooding, prolonged municipal irrigation maintenance, and recurring burst pipes. This hindered crop development during a critical growth phase. The subsequent period of extreme heat increased disease pressure, causing substantial plant losses and impacting harvest gains.

We are exploring several solutions to mitigate such challenges. These include on-site water storage facilities, enhancing soil health practices to improve water retention and plant resilience, and improving crop rotation to manage disease pressure in extreme conditions.

- PROGRAMME STATISTICS:
- 8 interns graduated, with 4 placed in meaningful employment
  - 20 interns enrolled
  - 11 Black women interns enrolled
  - 5 604 kg of produce sold to households and food security initiatives



CASE STUDY

ENGAGING OUR LIVING SOILS INTERNS

We seek our graduates’ feedback on their experience of the programme. This feedback confirms that the programme builds strong regenerative agriculture skills, confidence and community-driven purpose, particularly among young women.

Graduates highlighted a need for greater exposure to farm machinery and systems. In response, we have introduced tractor driving as an additional skill. This will deepen the new cohort’s technical competency and workplace readiness.

*“I used to have less confidence talking about my career in agriculture but during my internship I developed love for agriculture. Now I have confidence to talk about my career in agriculture.”*

– A GRADUATE’S RESPONSE TO A QUESTION ON THEIR PERSONAL GROWTH





# COMMUNITY RESILIENCE

*We aim to contribute to improving the physical and mental health of communities.*

## MIMCO OUR WATCH INTERNATIONAL WOMEN’S DAY



**PARTNER:**  
Our Watch



**SUPPORT:** A\$203 360 donated (2024: A\$140 000, 2023: A\$179 293)

Mimco supports Our Watch in preventing violence against women and promoting gender equality. On International Women’s Day, we donate all sales profits to Our Watch. Funds raised for Our Watch support their research, projects and campaigns. These drive cultural and behavioural change, thereby promoting a future free from violence. Budget constraints limited our ability to expand partnership efforts beyond International Women’s Day, as intended last year. However, the Mimco team hosted a bake sale at the CRG head office to raise funds internally. This generated an additional A\$3 360 for Our Watch’s work.



## WITCHERY WHITE SHIRT CAMPAIGN



**PARTNER:**  
Ovarian Cancer Research Foundation (OCRF)



**SUPPORT:** A\$792 937 donated for 2024<sup>1</sup> (2023: A\$1 228 284, 2022: A\$677 832)

The Witchery White Shirt Campaign raises awareness and funds for the OCRF. Witchery, through the OCRF, is the single largest non-governmental donor to ovarian cancer research in Australia. For the 17<sup>th</sup> iteration of the campaign, we have collaborated with Viktoria & Woods and expanded our OCRF collection to feature the OCRF White Jean. 100% of gross proceeds from the sale of each OCRF White Shirt and White Jean will be donated to the OCRF to help fund research to prevent, detect and better treat ovarian cancer.



## WITCHERY INTERNATIONAL WOMEN’S DAY AND NAIDOC<sup>2</sup> WEEK EVENTS

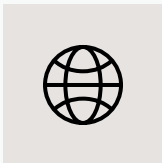


**PARTNER:**  
Future Women



**SUPPORT:** A\$50 000 (2024: A\$60 000) raised from ticket and table sales for the annual breakfast event hosted by Witchery

Witchery partners with Future Women on International Women’s Day and NAIDOC Week events to amplify the voices of Australia’s First Nations women. 10% of ticket sales for the annual breakfast events hosted are donated to the Australian Indigenous Education Foundation.



<sup>1</sup> Witchery donates to OCRF a year in arrears for the previous year’s campaign. This figure was donated to OCRF in FY25 for the FY24 White Shirt campaign.  
<sup>2</sup> NAIDOC Week is an Australian observance lasting from the first Sunday in July until the following Sunday. NAIDOC stands for National Aborigines’ and Islanders’ Day Observance Committee.



# COMMUNITY RESILIENCE

## COUNTRY ROAD AND NATIONAL GALLERY OF VICTORIA



**PARTNER:**  
National Gallery of Victoria (NGV)

The inaugural exhibition of the Country Road and NGV partnership, My Country: Country Road + NGV First Nations Commissions, opened from March to August 2024 at The Ian Potter Centre: NGV Australia. The exhibition paired emerging First Nations artists from each Australian state and territory with esteemed industry mentors, who collaborated to create new and ambitious works for the NGV collection.

NGV Australia attracted 201 000 visitors across the exhibition season, with My Country proving the most popular exhibition with NGV Australia during this period. A virtual tour was created to ensure accessibility for remote and rural communities.

Following the success of the exhibition, eight First Nations artists have been selected for the upcoming exhibition.



## POLITIX MOVEMBER



**PARTNER:**  
Movember

**SUPPORT:**  
Funds raised: A\$120 000 (2024: A\$173 000, 2023: A\$120 000)

Politix’s partnership with Movember helps to fund initiatives focused on prostate and testicular cancer, mental health and suicide prevention. It is now in its seventh year.

Politix held a campaign launch at CRG’s head office, where the Movember team detailed how our fundraising and awareness efforts have positively impacted their work. This was followed by a live shave-down initiative.

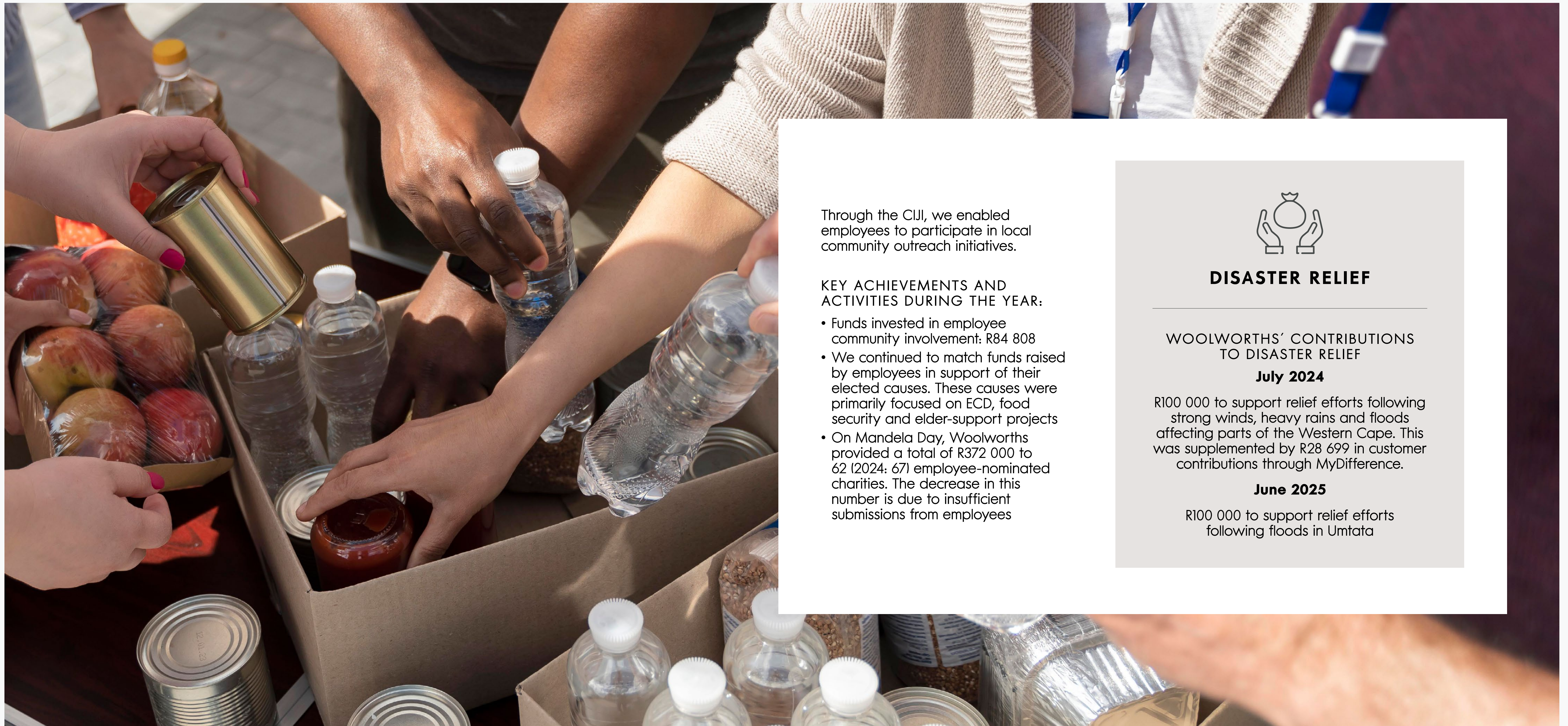
## YOUTH MAKERS

After a successful launch, Woolworths has implemented the second round of our young entrepreneur programme, Youth Makers. The competition is open to entrepreneurs aged between 18 and 35. Successful candidates will get the opportunity to grow their business with Woolworths’ support. The programme offers mentorship from Woolworths internal experts and funding opportunities.



# EMPLOYEE COMMUNITY INVOLVEMENT

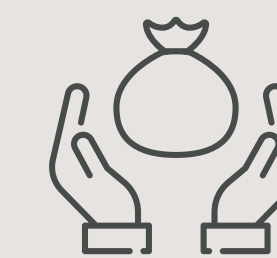
*We encourage our employees to get involved in their communities. This fosters a culture of community involvement, gives deeper meaning to our Inclusive Justice ethos, and extends the Group's social development reach.*



Through the CIJ, we enabled employees to participate in local community outreach initiatives.

#### KEY ACHIEVEMENTS AND ACTIVITIES DURING THE YEAR:

- Funds invested in employee community involvement: R84 808
- We continued to match funds raised by employees in support of their elected causes. These causes were primarily focused on ECD, food security and elder-support projects
- On Mandela Day, Woolworths provided a total of R372 000 to 62 (2024: 67) employee-nominated charities. The decrease in this number is due to insufficient submissions from employees



#### DISASTER RELIEF

##### WOOLWORTHS' CONTRIBUTIONS TO DISASTER RELIEF

###### July 2024

R100 000 to support relief efforts following strong winds, heavy rains and floods affecting parts of the Western Cape. This was supplemented by R28 699 in customer contributions through MyDifference.

###### June 2025

R100 000 to support relief efforts following floods in Umtata



# CUSTOMER INVOLVEMENT

*Building connections with our customers and communities is crucial for sustained business success.  
We aim to make giving back easy, trusted, and sustainable for our customers and partners.*

## MYDIFFERENCE



**PARTNERS:** Our customers and causes



**SUPPORT:** R94 million donated (2024: R103 million, 2023: R90 million)



This year, we combined the MySchool MyVillage MyPlanet (MySchool) and WRewards programmes into a single programme called MyDifference. MyDifference combines customer rewards with tangible social impact. It enables customers to support causes they care about, such as education, conservation and community upliftment, through their everyday shopping experiences. All activities previously conducted by the MySchool programme are now carried out under the MyDifference Programme.

### KEY ACTIVITIES:

- In-class coaching and mentoring of 60 foundation phase teachers in KwaZulu-Natal.
- Transitioned the School Leadership Forum from fully virtual to a hybrid model, introducing in-person engagements. This programme provides monthly coaching to 150 educators, impacting 5 000 learners
- Construction of classrooms in 10 ECD centres. This is implemented in line with the school calendar year, which affects completion time. We aim to complete this construction in 2026

Number of causes supported

8 183

2024: **8 389**  
2023: **8 474**

Number of customers supporting the programme

942 172

2024: **1.3 MILLION**  
2023: **1.3 MILLION**

Number of schools supported

6 823

2024: **7 007**  
2023: **7 073**

Number of charities supported

1 076

2024: **1 095**  
2023: **1 112**

Number of charities supporting animal- and environment-related causes

284

2024: **287** | 2023: **289**

## CASE STUDY

### TEACHER BURSARIES PROGRAMME

Qualified and capable teachers are critical to improving educational outcomes. This is particularly true in underserved areas, where many learners need additional academic support and interventions. At the same time, aspiring teachers are often challenged by lack of access to tertiary education and practical teaching experience.

The Teacher Bursaries Programme provides bursaries and structured internships in partnership with the Realema Internship Programme and St. Peter's Foundation. It also offers practical, in-school teaching experience at some of South Africa's top educational institutions. By combining financial support with hands-on learning, we lay the foundation for long-term teacher employability and a sustainable educational impact.

We currently support 81 part-time bursaries and internships. The participants receive university tuition, prescribed books, access to an academic tutor, and coaching support to build their teaching capabilities.

The programme aims to expand its impact by developing participants' leadership capabilities. This will ensure that our future educators not only succeed academically but also become leaders who can drive change in their communities and schools.







# HEALTH & WELLNESS

## WHY IS THIS FOCUS AREA IMPORTANT?

We need to create a supportive working environment that enables employees to thrive. A strong focus on employee wellbeing is also integral to our People Value Proposition. As a food retailer, we should inspire our customers to make healthy choices by providing a wide range of healthy food options.

### *In this focus area*

STRATEGY & MANAGEMENT APPROACH	🌐
OVERVIEW	40
EMPLOYEE HEALTH AND WELLBEING	41
OUR GOOD FOOD JOURNEY	44
PRODUCT SAFETY AND INTEGRITY	46



# OVERVIEW

## HIGHLIGHTS

- We introduced health insurance for store and distribution centre staff that grants them greater access to general practitioners, hospitals and acute and chronic care as part of our Beyond Just Wage initiative [Page 42]
- Woolworths Food launched a range of dairy-free cheeses made from macadamia nuts, improving the nutrient profile of our products [Page 44]
- We expanded our Employee Assistance Programme to include our learnership students [Page 42]

## LOOKING AHEAD

- We will continue to expand the number of products in our PlantLove range to support sustainable nutrition for customers
- We will adhere to the South African Department of Health's regulations relating to the advertising of foodstuffs once they are finalised

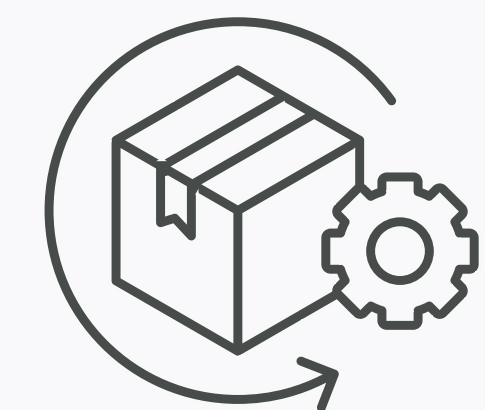


# R124M

in revenue generated from  
our PlantLove range

PlantLove™

*There were no  
product recalls for the  
Group this year*





# EMPLOYEE HEALTH AND WELLBEING

*We tailor our wellbeing initiatives to the specific needs of the geographies where we trade. Our approach to wellbeing aims to ensure employees have the tools, capabilities, and capacity to balance work and personal demands, enabling them to thrive in all aspects of their lives.*

## SOUTH AFRICAN CONTEXT

In South Africa, we have implemented a holistic wellbeing framework consisting of interconnected dimensions that enable employees to assess the areas that require balance and take steps to improve their overall wellbeing.





Our leaders are committed to creating a supportive experience by prioritising wellbeing, creating safe and trusting spaces, respecting boundaries, and actively managing stress and burnout.

Leaders are trained in various aspects of wellbeing, including conflict management, bereavement management, promoting boundaries, early counselling, and referral techniques.



## AUSTRALIAN CONTEXT

CRG’s wellbeing strategy aims to foster a wellbeing culture that supports and empowers people to thrive. CRG’s wellbeing programme follows a holistic and integrated approach:

VISION			
WE ENVISION A WORKPLACE WHERE EVERYONE THRIVES. OUR WELLBEING STRATEGY IS WOVEN INTO THE FABRIC OF OUR TEAM MEMBER LIFECYCLE TO SUPPORT A SAFE AND SUPPORTIVE ENVIRONMENT ALWAYS.			
STRATEGIC PILLARS			
 HEALTH	 ENVIRONMENT	 BALANCE	 RELATIONSHIPS
Support for physical, mental and financial health is key to achieving a positive sense of wellbeing.	At all stages of the team member lifecycle, we create environments that meet the wellbeing needs of our team: safety, a sense of meaning, and a thriving culture.	We trust our teams to make decisions about their work-life balance that suit their needs, while getting the job done.	A strong sense of connection is a building block of wellbeing. We support our teams to have positive relationships at work and beyond.
INITIATIVES: <ul style="list-style-type: none"><li>Employee Assistance Programme (EAP) optimisation and ongoing support</li><li>Mental health online module for leaders</li><li>Mental health workshops for leaders</li><li>Financial wellbeing sessions</li></ul>	INITIATIVES: <ul style="list-style-type: none"><li>Psychosocial risk assessment and action plan</li><li>Reward and recognition</li><li>Core inclusion and cultural diversity online modules</li></ul>	INITIATIVES: <ul style="list-style-type: none"><li>Retail flexibility project</li><li>Leading education for hybrid teams</li><li>Support for parents and caregivers</li></ul>	INITIATIVES: <ul style="list-style-type: none"><li>Volunteering opportunities</li><li>Wellbeing month activation</li><li>Personal and development criteria included in employee goal setting</li></ul>





EMPLOYEE ASSISTANCE PROGRAMME

OUR HEALTH AND WELLBEING SERVICES



EMPLOYEE ASSISTANCE PROGRAMME



BASIC PRIMARY HEALTH SERVICES AND ADVICE



MONITORING OF CHRONIC ILLNESSES



WELLNESS SCREENING, INCLUDING VOLUNTARY HIV TESTING



MENTAL HEALTH PROGRAMME

Our EAP helps employees navigate personal problems that can affect their performance at work. It is accessible via a toll-free service, WhatsApp, online and a dedicated app.

We provide this service to employees and their direct families in multiple South African languages. This year, we also made the EAP available to our learnership students.

EMPLOYEE FOR EMPLOYEE (E4E) FUND

The E4E Fund provides temporary relief to employees facing unforeseen financial challenges such as increased living costs or natural disasters. It supports employees who lack alternative resources during times of financial stress.

The E4E Fund is mainly funded by employee contributions and fundraising activities.

DEALING WITH PERVASIVE CONTAGIOUS AND VIRAL DISEASES

We offer voluntary HIV testing and counselling annually to store, distribution centre and head office staff during our wellness days. We treat HIV/AIDS in the same way as any other chronic or life-threatening disease.

We oversee the management of chronic illnesses among employees and help them apply for disability benefits through our insurers where appropriate.

*We introduced compulsory health insurance for store and distribution centre staff – our largest staff complement – in July 2025. This gives them greater access to general practitioners, hospitals and acute and chronic care as part of our Beyond Just Wage initiative.*





WORKPLACE INJURIES

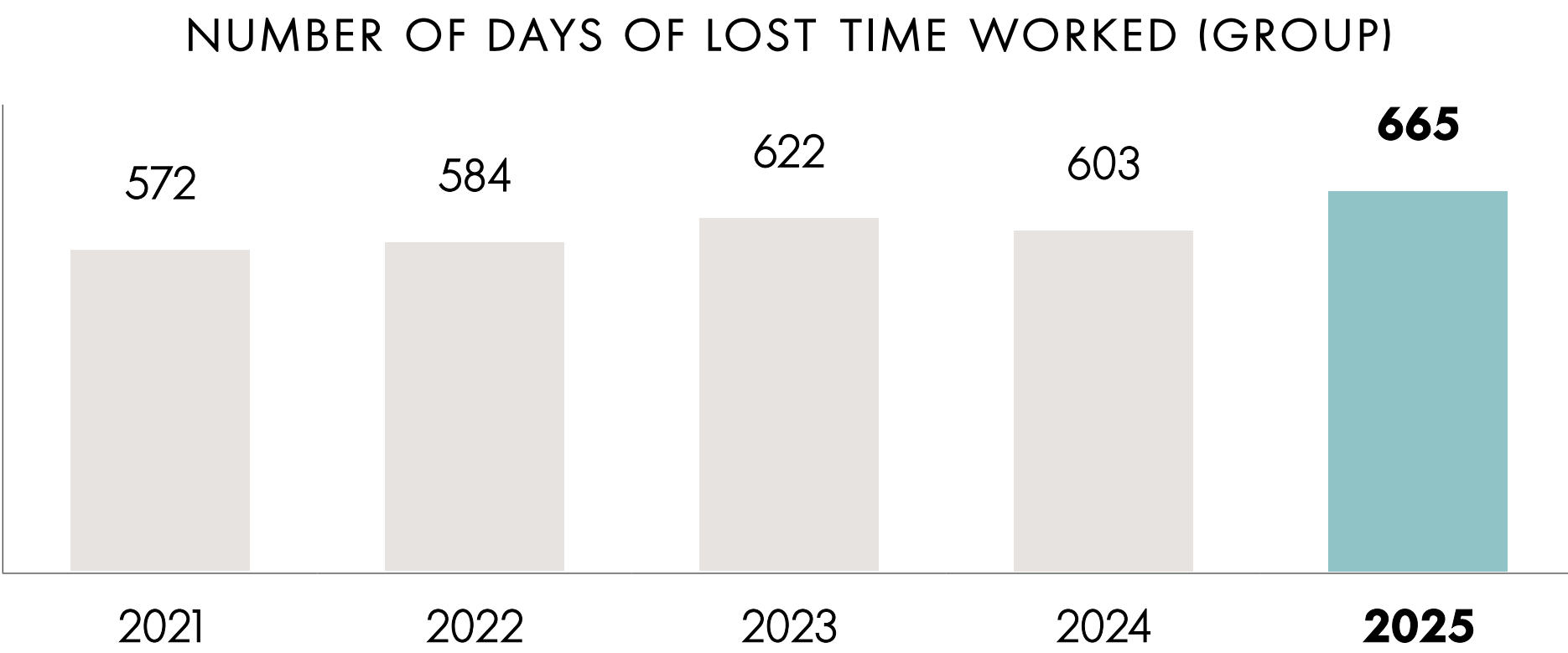
We apply the principles of prevention of injuries and adherence to health and safety guidelines across the Group. These guidelines inform the design of all our sites and are supported by operating procedures.

We conduct rotational internal audits of all stores and distribution centres. This ensures they comply with operational health and safety procedures and manage risks appropriately. Any non-compliance is reported and remediated.

Health and safety representatives are appointed at all stores, distribution centres and administration buildings. They receive support from Health and Safety Committees comprising employees from various departments on-site.

We include health and safety procedures in our employee induction programme and conduct ad hoc training on any new procedures.

CRG implemented a zero-harm philosophy for workplace behaviour. This makes it everyone’s responsibility to ensure a safe workplace. We established an internal working group and provided regular communication to support this shift.



The Omni Fulfillment Centre (OFC) achieved a key milestone of 430 Lost Time Injury free days, reflecting the site’s sustained emphasis on injury prevention and early intervention.

*The Group had no employee fatalities in the last six years.*

CASE STUDY

**COUNTRY ROAD GROUP’S PSYCHOSOCIAL RISK ASSESSMENT**

This year, CRG investigated psychosocial hazards across the organisation. The aim was to develop appropriate control measures to mitigate these risks.

The assessment involved the following:

- Identifying hazards by consulting with stakeholders and analysing available data sources. These included incident reports, workers’ compensation claim data, leave reports, EAP usage and external reports
- Considering the likelihood and potential consequences of the identified hazards
- Proposing control recommendations to reduce risk as far as practical. These will be determined in consultation with key stakeholders and prioritised for action according to risk and feasibility

We will conduct business unit-specific risk assessments and develop control plans in consultation with stakeholders. We will also conduct training and raise awareness for leaders and employees.

GENDER-BASED VIOLENCE (GBV) AND FEMICIDE

An average of 13 employees contact our counselling line about GBV and related issues monthly. This relates mostly to experiences outside of the workplace.

The Group has zero tolerance for sexual harassment in the workplace. Interventions to prevent it include:

- A revised Statement on Harassment and Sexual Harassment Policy, incorporating the Code of Good Practice on Harassment in the Workplace issued by the Department of Labour
- Training all Woolworths employees on the revised policy
- Providing all staff with detailed training material on sexual harassment via the MyWoolies app.

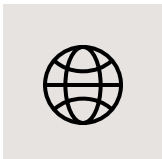
We conducted intensive training of managers at head office, distribution centres and stores across our operations.

We provide support to staff and management for all types of harassment to ensure fair and decisive action is taken when necessary. Independent reporting lines are available for reporting sexual harassment. We provide trauma counselling in cases of sexual assault and other forms of harassment.

At Woolworths, there were 13 dismissals due to sexual harassment (2024: 13, 2023: 9).

We engage with employees on GBV and femicide during the annual 16 Days of Activism campaign. In December 2024, in recognition of this campaign, and under the national theme “30 Years of Advancing Collective Action to End Violence Against Women and Children”, Woolworths hosted a webinar with gender rights advocate Dolly Nqonji to raise awareness and promote action on GBV.

The session reinforced our commitment to human dignity and the need to foster a culture of empathy and collective responsibility.





# OUR GOOD FOOD JOURNEY

*We are committed to offering food that is better for our customers, better for the people who produce it, and better for the environment. This is our Good Food Journey.*

## SUSTAINABLE NUTRITION

We make it easier for customers to access healthy food options by providing them with sufficient and accurate detail to enable informed decision making. We aim to make healthy eating satisfying, delicious, and convenient across our product ranges. We seek to innovate and improve nutritional quality via reformulation. Our product development aligns with internally defined nutrient profile goals and targets.

Our Good Food Journey includes:

- Avoiding additives like tartrazine and other azo dyes, MSG, aspartame, saccharin, and cyclamate in our food
- Using natural colourants and flavourants as far as possible
- Providing more organic and free-range options
- Animal welfare

Number of  
products in our  
PlantLove range

81

2024: 75

## PLANT-FORWARD DIETS

Plant-based eating is included in our brand values and nutrition standards. Our goal is to offer more plant-based options for customers to support sustainable nutrition.

Our plant-based food range, PlantLove, covers all lifestyle choices. This includes dairy alternatives, drinks, snacks, desserts, dairy-free cheeses, and vegan and vegetarian ready-made meals and meal accompaniments. We also provide recipes that include plant-based basics like whole grains, legumes, nuts, seeds, and vegetables.

Woolworths Food launched a range of dairy-free cheeses made from macadamia nuts. This improves the nutrient profile of our products and offers an alternative to the previous coconut-based range. Plant-based options are an established part of our Christmas product offering.

We were the headline sponsor of The Good Life Show in Cape Town and Johannesburg in May 2025. This enabled us to showcase our plant-based products through displays, talks, cooking demonstrations and masterclasses.

Revenue  
generated from our  
PlantLove range

R124

MILLION

## OUR GOOD FOOD JOURNEY INITIATIVES

Promoting consumption of less sugar, salt and saturated fats, and more diverse whole grains, lentils, pulses and vegetables in all food categories.

Transparent ingredients and nutritional labelling to enable informed dietary choices.

Portion control on-pack guides.

Developed an online wellbeing shop to showcase our plant-based and wellbeing range. The product selection is customer-friendly and limited to dietary lifestyle needs.





## EMPLOYEE TRAINING ON NUTRITION

All new Woolworths Food employees undergo a nutrition introductory session. The training covers the wellbeing strategy, responsible marketing, and affordable health. All product developers attend a series of workshops on mindful product development.

This year, the product development team started on a pilot nutrition course for food industry workers. The course aims to refresh their knowledge of nutrition and enable them to apply this knowledge in responsible product development.

During our annual Wellness Week in October 2024 our internal subject matter experts gave a live cooking demonstration for head office staff, sharing practical tips and recipes to inspire healthier food choices.

## INDUSTRY ENGAGEMENT

Woolworths is a member of the Consumer Goods Council of South Africa's Healthy Food and Food Safety Initiative working groups. These provide a platform for engagement between members, policymakers and other stakeholders.

## VITALITY HEALTHYFOOD™

Woolworths partners with the Discovery Vitality HealthyFood™ Programme to encourage healthy food purchases. Customers who link their MyDifference cards to Vitality are rewarded when they purchase Vitality HealthyFood™ linked products.

## RESPONSIBLE MARKETING AND ADVERTISING

Woolworths adheres to the Advertising Regulatory Board's Code of Advertising Practice.

### FOOD

The South African Department of Health published draft regulations relating to the advertising of foodstuffs. The regulations require front-of-pack warning labels on packaged foods high in total sugar, salt or saturated fat, and which contain artificial sweeteners. They include several restrictions on health-related claims.

The regulations have not yet taken effect. We will adhere to them once they are finalised.

### ALCOHOLIC BEVERAGES

We supplement our alcoholic beverage range with a de-alcoholised wine range. We provide a nutrition profile and drinking guidelines for all our wines.

We recognise the possible effects of alcohol on health and GBV. We are part of the Association for Alcohol Responsibility and Education (AWARE), a non-profit organisation that seeks to prevent the negative consequences of alcohol abuse.

Woolworths does not have a formal statement on responsible use of alcohol, but abides by:

- The South African Liquor Brand Owners Association codes
- AWARE's Code of Commercial Communications, which sets out guidelines for marketing alcohol products in a socially responsible manner
- All trading regulations in the municipalities where stores are located

We include warnings on all wine labels, in line with the relevant regulations. We include similar warning messages in our marketing where relevant.

## CASE STUDY

### INCLUSIVE JUSTICE IN-STORE

Woolworths aims to deepen its connection with the diverse South African market. We have evolved our food range to be more inclusive and culturally resonant.

Our product innovation is grounded in a deliberate effort to reflect South Africa's rich culinary heritage. New product lines are tailored to traditional tastes, preparation rituals, and mealtime preferences across cultural groups. This has driven stronger sentiment and engagement from previously underrepresented customer segments.

For key cultural and religious moments such as Eid, Diwali, Pesach, and Easter, we have created campaigns that honour tradition with authenticity and cultural sensitivity. We applied inclusive casting principles for these campaigns and collaborated with content creators who brought lived insight and real representation.

We delivered a fully integrated, cross-category campaign spanning our Food, Fashion, and Home businesses. This was amplified by a bold and cohesive marketing push. The resulting uplift in emotional connection and cultural relevance affirms the value of our focus on inclusion and authenticity.

Our social impact campaigns include Breast Cancer Awareness Month and Movember. We educate and encourage with empathy and care. Our Pride capsule features a unisex product range, underscoring our support for individuality, self-expression, and gender inclusivity.

Woolworths strives to create inclusive in-store environments. We now offer a parent room in-store, giving parents a safe, comfortable, and private space to care for their children.

These initiatives reflect an evolving Woolworths brand voice that celebrates diversity visually, emotionally, and purposefully.





# PRODUCT SAFETY AND INTEGRITY

*We are committed to the highest levels of product safety throughout the business. Mechanisms are in place to ensure our products undergo thorough testing and rigid process control to make them as safe as possible.*

## CLOTHING SAFETY

Woolworths provides all clothing manufacturers with a Safety Manual detailing our safety policy and requirements for the production, processing, and finishing stages to ensure our products are safe for customers.

CRG suppliers can access a portal with product safety and performance testing guidelines.

## CHILD SAFETY

CRG collaborated with retail peers to publish safety standards and guidelines for designing and developing apparel, accessories and footwear for children. The requirements are captured in CRG's Children's Apparel Safety Standard.

Woolworths maintains the highest level of product safety throughout the design and manufacturing of our baby and children's clothing. Practices include:

- Running all clothing through metal detectors before it leaves the factory to ensure no pins or needles are left in the product
- Putting a bar tack behind all draw cords of children's clothing to ensure they cannot be pulled out
- Placing a protective flap over zippers of baby rompers to avoid skin getting caught by the zipper
- Putting anti-slip silicone prints on baby socks to prevent slipping
- Designing selected school items with fabric that has built-in UV protection
- Putting reflective strips on school bags, rain jackets and shoes to make children more visible

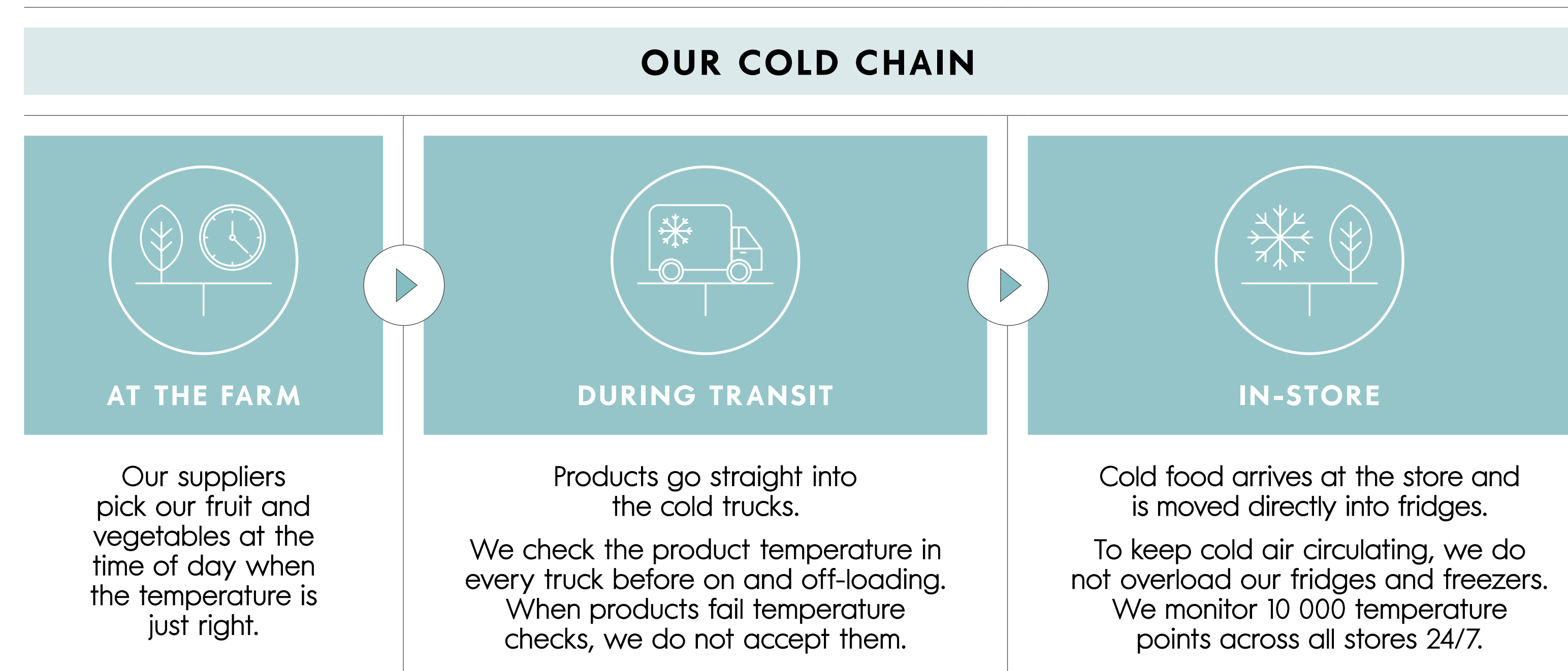
Any site that supplies us with baby products undergoes an initial baby safety audit, which we pay for. Following this, these sites are audited regularly.

## FOOD SAFETY

Our rigorous hygiene, food, and housekeeping code of practice applies to all Woolworths food production supplier sites that make private-label food.

All Woolworths' food labels contain detailed information on ingredients, nutritional values, and allergens.

Temperature disruptions can shorten the life of some products and can potentially cause temperature-sensitive products to become harmful. Therefore, we take great care to maintain a strict cold chain from the producer to the customer.



We continuously strive to improve our food safety systems and processes. Our activities include:

- A food safety workgroup that continuously assesses processes for improvements
- A quarterly governance forum that keeps up to date on trends and best practices in the industry
- Supplier webinars where we share our learnings
- After every product recall, we review the process and amend if necessary

## PRODUCT RECALLS

Woolworths has a robust product recall process for removing products that pose a potential safety risk. Once an instruction is given to stores to remove a product, it is actioned within two hours.

All factories that manufacture products for Woolworths are audited independently by various inspection services. Woolworths' technical teams also visit factories regularly to ensure the highest standards are maintained.

CRG has robust internal processes to assess product safety risks and to initiate product recalls when warranted.

There were no product recalls for the Group this year.





# ETHICAL AND FAIR

*We care how our products are made, and are committed to a fully transparent, traceable, and ethical supply chain.*

## Focus areas in this pillar

ETHICAL SOURCING	48
SUSTAINABLE FARMING	63

## Related UN SDGs

1

NO  
POVERTY



12

RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



15

LIFE  
ON LAND





A collection of ceramic plates and folded fabric items featuring indigenous-style patterns. One plate has several small black lizard-like figures. Another has a large purple lizard. A third has concentric purple circles. The fabric has purple and white geometric patterns. The items are arranged on a light-colored surface with some wooden blocks in the background.

# ETHICAL SOURCING

WHY IS THIS FOCUS AREA IMPORTANT?

The diverse and often complex supply chains involved in producing our products can have significant human rights and environmental risks and impacts. Our ethical sourcing programmes enable us to mitigate these risks and impacts where necessary and positively influence them where possible.

*In this focus area*

STRATEGY & MANAGEMENT APPROACH	
OVERVIEW	49
TRANSPARENCY AND TRACEABILITY	50
HUMAN RIGHTS AND ETHICS	52
INCLUSION IN THE SUPPLY CHAIN	57
RESPONSIBLE SOURCING	58
MATERIAL INNOVATION	62



# OVERVIEW

## PERFORMANCE SUMMARY

VISION 2025+ GOAL HAVE A FULLY TRANSPARENT, TRACEABLE, AND ETHICAL SUPPLY CHAIN BY 2025		VISION 2025+ GOAL DEVELOP A ROADMAP BY 2022 FOR ACHIEVING A LIVING WAGE FOR ALL WORKERS ACROSS OUR SUPPLY CHAIN		VISION 2025+ GOAL RESPONSIBLY SOURCE ALL KEY COMMODITIES FROM TRACEABLE SOURCES BY 2025	
BASELINE	CRG: tier 1 supplier list published <sup>1</sup> Woolworths: no supplier lists published	BASELINE	no roadmap in place	% of commodities responsibly sourced	refer to details in the responsible sourcing section [page 58]
2022	Woolworths FBH tier 1 supplier list mapped and published <sup>2</sup>	2023	roadmap developed		
2023–2024	Woolworths FBH tier 2 supplier list mapping	2024	roadmap in place	PROGRESS	●●●○
2025	<b>Woolworths FBH and CRG tier 2 supplier list mapping</b>	2025	<b>Woolworths FBH: Baseline established for suppliers paying more than minimum wage</b> <b>CRG: Benchmarks updated to assess wage gaps among suppliers</b>	% of commodities responsibly sourced and traceable	refer to details in the responsible sourcing section [page 58]
PROGRESS	●●●○	PROGRESS	●●●●	PROGRESS	●●○○

### HIGHLIGHTS

- The Group progressed from foundational to full membership of the Ethical Trade Initiative [Page 54]
- We expanded our responsibly sourced food commodities to include nuts [Page 60]
- We updated our living wage benchmarks to better assess wage gaps for CRG’s tier 1 finished goods factories [Page 55]

### LOWLIGHTS

- Continued volatility in the cost of key commodities hindered progress in meeting our responsible sourcing commitments [Page 59]

### LOOKING AHEAD

- CRG will explore tech-enabled solutions to improve visibility and analysis of our supply chain beyond tier 1
- We will continue working on commodity roadmaps for traceability to facilitate publication of the Group’s full supply chain in future

#### PROGRESS KEY



NEEDS FOCUS:  
limited progress requiring support



PROGRESSING:  
some progress made, but not at the expected pace



ON TRACK:  
progress aligned with expectations



ACHIEVED:  
target fully met or exceeded

1 Coverage of tier 1 suppliers of CRG: 100%.  
2 Coverage of tier 1 suppliers of Woolworths FBH: 56%.

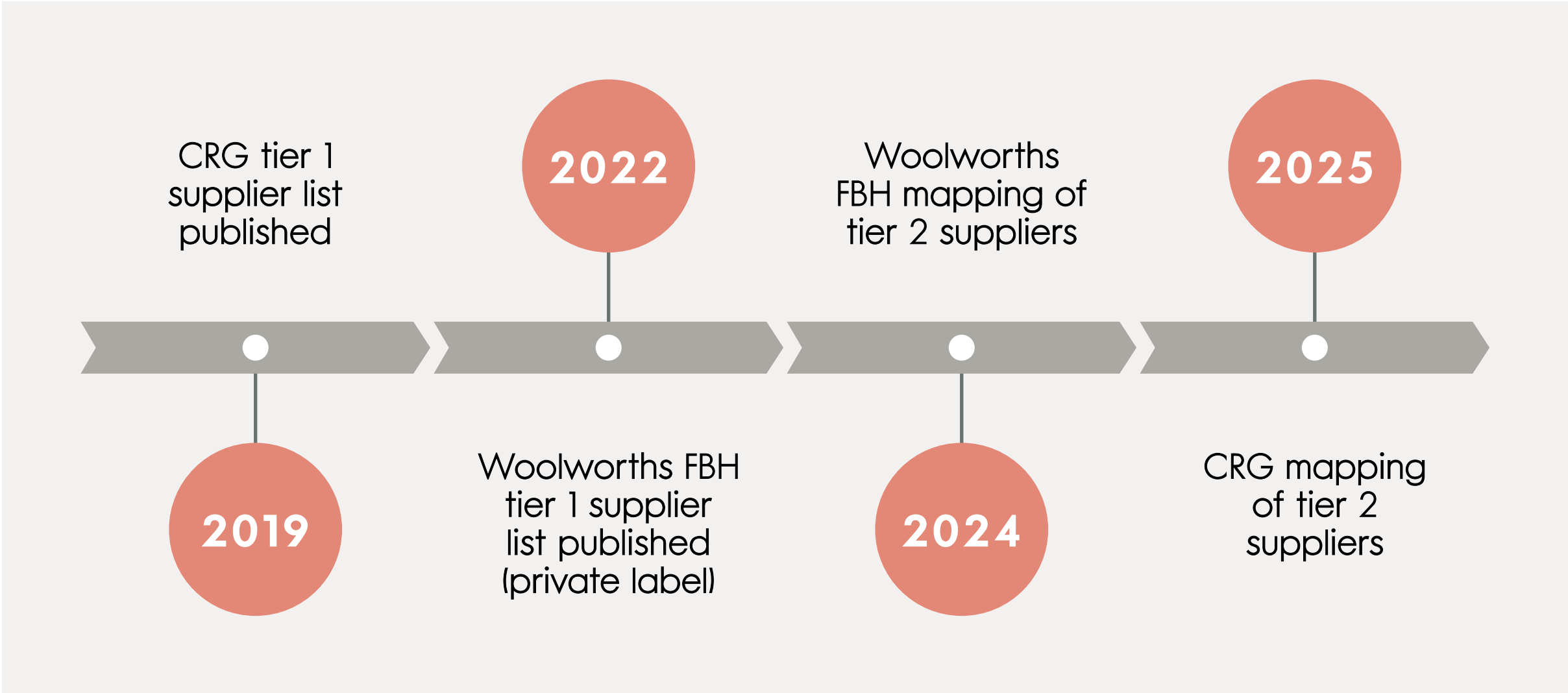


# TRANSPARENCY AND TRACEABILITY

## SUPPLY CHAIN TRANSPARENCY

By tracing a product to its source, we can help to improve working conditions in the supply chain and reduce environmental impact. We aim to improve our traceability processes and tools to enhance supply chain transparency.

We have published our suppliers as follows<sup>1</sup>:















The mapping of Woolworths FBH tier 2 suppliers is ongoing. The list will be published on completion. In April 2025, CRG distributed a survey to its tier 1 suppliers to obtain information on tier 2 suppliers.

Woolworths Food is progressively implementing a digital platform to enable it to publish key commodity supply chains.

1 Coverage of tier 1 suppliers: Woolworths FBH – 99%, CRG – 100%.  
2 % sourced based on goods received note (GRN) units.  
3 Other countries supplying Woolworths FBH include Italy, Pakistan, Vietnam, Turkey, and Tanzania.. We have eight or less suppliers for each of these other countries, and they each supply less than 1% of our products.  
4 Other countries supplying CRG include India, Thailand, Pakistan, Sri Lanka, Spain, Portugal, Italy and Slovakia.. Each of these other countries supply less than 2% of our products.

## SUPPLIERS BY REGION<sup>2</sup>

WOOLWORTHS FBH		COUNTRY ROAD GROUP	
 CHINA Tier 1: ● 36%	 SOUTH AFRICA Tier 1: ● 34% <sup>MA</sup>	 CHINA Tier 1: ● 87%	 AUSTRALIA Tier 1: ● 2%
 SOUTHERN AFRICA (EXCL. SA) Tier 1: ● 22%	 INDIA Tier 1: ● 4%	 BANGLADESH Tier 1: ● 4%	 INDONESIA Tier 1: ● 3%
 BANGLADESH Tier 1: ● 3%	 OTHER COUNTRIES <sup>3</sup> Tier 1: ● 1%	 VIETNAM Tier 1: ● 2%	 OTHER COUNTRIES <sup>4</sup> Tier 1: ● 2%





FIBRE TRACEABILITY

Through FY25, Country Road worked with Oritain<sup>1</sup> to scientifically trace our Verified Australian cotton and Verified Australian merino wool back to Australian origin. We expanded the programme to include Country Road Home towels, tea towels and robes.

Country Road launched the Australian-made T-shirt with Good Earth Cotton<sup>®2</sup> and FibreTrace<sup>®3</sup> in August 2023. Using technology such as FibreTrace<sup>®</sup> enables us to follow the journey of our cotton and support better working conditions and best-practice farming.

1 Oritain verifies the origin of fibres in a garment based on their ‘origin fingerprint’. Soil composition, climate, altitude and other environmental factors reveal the details of a product’s origin.

2 Good Earth Cotton<sup>®</sup> is a cotton farming programme established in New South Wales, Australia. It is certified climate-positive, meaning it captures and stores more carbon than it emits through the growth life cycle.

3 FibreTrace<sup>®</sup> is a luminescent pigment bonded to fibre. It can be scanned along the supply chain to map and verify it from farm to finished garment.

LOVE LOCAL

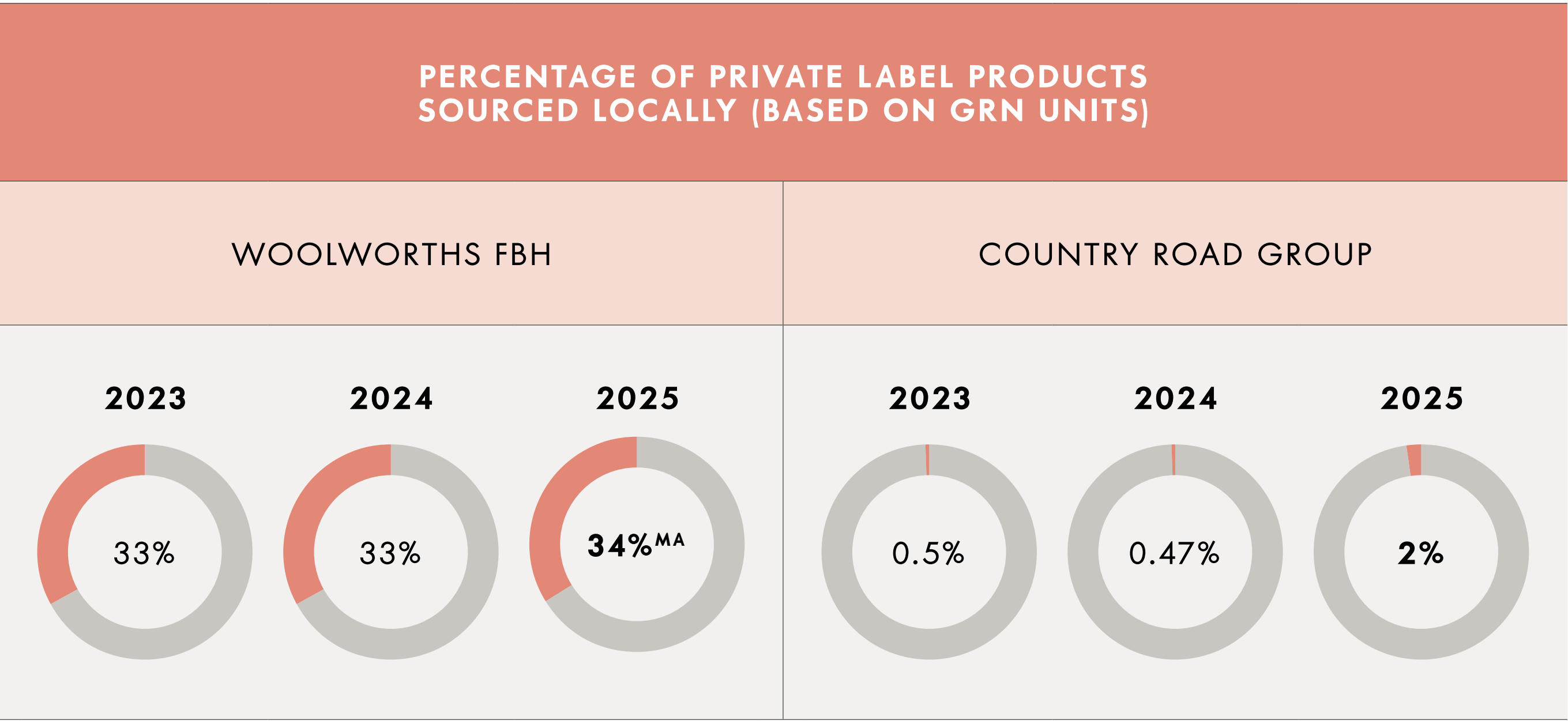
We are committed to increasing the proportion of private label products sourced locally.

Woolworths FBH offers a range of mechanisms to help local suppliers build capacity and meet volume requirements. This includes favourable payment terms and technical assistance. We also provide financial assistance to exclusive local suppliers. We are exploring alternative financing models to further support suppliers’ cash flow and long-term viability.

Country Road has partnered with the Darwin Aboriginal Art Fair Foundation to support emerging Nations artists since 2020. Through this partnership, we provide annual mentorship to the winner of the National Indigenous Fashion Awards. We also support Country to Couture, an annual showcase of First Nations fashion that provides a launchpad for emerging talent.

KEY ACTIVITIES THIS YEAR:

- Hosted two runway shows, which involved 100 First Nations creatives and talent
- Simone Arnol was named this year’s Fashion Design category winner and will embark on a 12-month mentorship with Country Road



CASE STUDY

COUNTRY ROAD X ROBERT GORDON: A STORY OF AUSTRALIAN CRAFT

Country Road partnered with Robert Gordon to produce a capsule range designed, sourced and made in Victoria, Australia.

The range comprises six silhouettes that are crafted using clay from the Bendigo region in Victoria. The distinctive colour is achieved by using reclaimed glaze, sourced from leftover samples and factory remnants that would otherwise be discarded. This makes each piece unique, embracing character variations and imperfections that cannot be replicated.

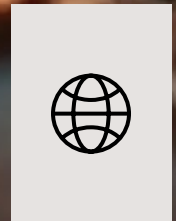
CASE STUDY

COUNTRY ROAD HOME X WAVERLEY MILLS: CELEBRATING AUSTRALIAN CRAFTSMANSHIP

Country Road collaborated with Waverley Mills to release a limited-edition range of woollen blankets and throws for our Autumn/Winter 2025 collection.

Established in 1874 and located in Tasmania, Waverley Mills is Australia’s oldest working textile mill. It specialises in woollen blankets and throws that are spun, woven, and finished in-house.

This range highlights our commitment to supporting Australian skills, jobs and manufacturing in the fashion and textile industry.





# HUMAN RIGHTS AND ETHICS

## SUPPLIER CODES OF CONDUCT

The Group expects all suppliers and service providers to adhere to its supplier codes of conduct, which include the Woolworths Supplier Code of Business Principles and CRG’s Code of Labour Practice. These align with the International Labour Organisation’s conventions on ethical trade and the Ethical Trading Initiative Base Code.

The supplier codes specify our standards for human rights, labour practices, health and safety, environmental stewardship, animal welfare, and anti-bribery and corruption. They are supported by various policies and position statements.

## DUE DILIGENCE ON NEW SUPPLIERS

We conduct due diligence before onboarding new suppliers to identify and address potential risks.

RISK FACTORS WE CONSIDER WHEN CONDUCTING DUE DILIGENCE
The location of suppliers and their factories
The nature of the supplier
Whether they are known to us
The nature of the industry in which they operate

Suppliers must sign supplier agreements before any orders are placed. These include:

- Acceptance of our supplier codes of conduct
- Submission of a social and ethical compliance audit
- Submission of a self-assessment questionnaire (for low-risk and small suppliers)

## SOCIAL AND ETHICAL COMPLIANCE AUDITS

The Group uses social and ethical compliance audits to ensure suppliers adhere to our requirements and codes. These include protocols relating to audit approach, frequency and grading.

A risk-based audit approach on Woolworths Food and FBH suppliers is followed where the frequency of audits is determined by their previous audit results.

All supplier factories are regularly audited against the codes by independent auditors commissioned by Woolworths or Woolworths-approved auditors. Alternatively,

suppliers must supply audit reports from an approved list of audit formats and independent auditors. Small or low-risk suppliers complete self-assessments.

We encourage suppliers to use the SEDEX platform to improve audit consistency across the Group. We are also converting our supply base to the SEDEX members ethical trade audit (SMETA). SMETA audits suppliers’ performance with respect to labour, health and safety, environment, and business ethics considerations.

SOCIAL AND ETHICAL AUDITS 2025								
	Percentage of supplier sites on SEDEX	Number of supplier sites audited	Percentage of supplier sites audited during the year <sup>1</sup>	Percentage of supplier sites meeting social and ethical compliance requirements (Target: 100%)	Number of business-critical audit findings	Percentage of audits announced	Percentage of audits unannounced	Percentage of audits where workers were interviewed
WOOLWORTHS FOOD	76%	117	36%	62% <sup>MA</sup>	1	100%	0%	100%
WOOLWORTHS FBH	95% <sup>2</sup>	285	53%	100% <sup>MA</sup>	0	100%	0%	100%
COUNTRY ROAD GROUP	80%	144	71%	94% <sup>MA</sup>	4	93%	7%	97%



1 Woolworths audit scope includes either SMETA and/or BSCI. CRG audit scope includes SMETA, BSCI, SA8000, WRAP, WCA, ERS, ECA.  
2 Supplier sites are also included on the BSCI platform.



CATEGORY OF AUDIT FINDINGS	ENVIRONMENTAL ISSUES	HEALTH AND SAFETY ISSUES	LABOUR, ETHICS, HUMAN RIGHTS ISSUES
WOOLWORTHS FOOD	3	28	59
WOOLWORTHS FBH	64	793	779
COUNTRY ROAD GROUP	21	373	246

We strive to resolve all audit issues with our suppliers. However, we may suspend or end the relationship if there is a serious breach of our code of conduct or recurring business-critical non-compliance.


Woolworths Food has a continuous improvement programme to help suppliers improve their social and ethical audit results. For suppliers due for an audit, the programme includes mandatory training and mandatory site visits to assess gaps and audit preparedness.

Woolworths FBH is working with the Fair Labour Association and other retailers to address common supply chain issues.

COMPLIANCE WITH LABOUR STANDARDS

We investigate any compliance matters thoroughly and resolve them with the labour departments in the countries where we operate. There were no outstanding cases against the Group at the end of the year.

<div> NATURE OF FINDINGS</div>	
Most of the findings were gaps in management systems related to labour and health, and safety practices.	
<b>LABOUR PRACTICES</b> Excessive overtime, insufficient rest breaks between shifts, and overtime premium not being paid as required.	<b>HEALTH AND SAFETY PRACTICES</b> Preparedness for emergencies, i.e. inspection of fire-fighting equipment, access to fire-fighting equipment, and locked/ blocked fire exits.

<div> REMEDIAL ACTIONS</div>	
<b>BUSINESS-CRITICAL FINDINGS</b> These include payment below minimum wage, forced or child labour, and modern slavery practices.  If any business-critical findings are identified, they are escalated to senior management within the Group, and suppliers must address them immediately.	<b>OTHER FINDINGS</b> These could include updating policies and procedures, investing in proper equipment, or providing adequate employee and factory management training.  The buying teams help suppliers meet requirements and follow up to ensure corrective actions are taken.
Woolworths’ audit results and findings are summarised and reported quarterly to Internal Audit and the Group Risk, Information and Technology Committee.	





## HUMAN RIGHTS DUE DILIGENCE

The Group is ensuring the application of best practices in human rights due diligence by using resources provided through our Ethical Trade Initiative membership.

This year, CRG performed a third-party risk assessment of human rights among its trade and non-trade suppliers.

Woolworths FBH is developing a human rights due diligence strategy and investigating worker voice engagement mechanisms.

## COLLECTIVE BARGAINING AND FREEDOM OF ASSOCIATION

As a signatory to the United Nations Global Compact, we subscribe to freedom of association and effective recognition of the right to collective bargaining.

Woolworths recognises freedom of association and supports internal collective forums and direct one-on-one employee relationships. Collective bargaining agreements exist in some African countries where we operate.

Union members made up 2.4% (2024: 3%, 2023: 1.09%) of staff in our stores.

In our distribution centres, 41.9% of staff are members of the South African Commercial Catering and Allied Workers Union.

CRG's union members made up 0.54% of staff (2024: 0.61%, 2023: 0.58%). Consultation regarding major change is a mandatory provision for Australian collective agreements.

## RECRUITMENT FEES

The Group does not allow payment of recruitment fees. If the social and ethical audits detect such payment, it will be raised as a business-critical finding, and we will engage with the supplier to rectify it immediately.

## CHILD AND FORCED LABOUR

We do not tolerate child or forced labour in our direct operations or supply chain. In line with legislation, we do not permanently employ anyone below 18 years of age. During peak trading in South Africa, students aged 16 and above are offered temporary employment, but only with parental consent. We have no specific policy on this, but we actively manage our approach.



## GRIEVANCE MECHANISMS AND REMEDIATION

We have internal and external grievance channels for employees in our direct operations and supply chain.

Employees can raise their concerns directly with our Human Resources teams. Our internal grievance and dispute resolution policies describe what issues constitute a grievance and explain how grievances are assessed, verified, and remediated.

Employees or workers in the supply chain can raise concerns anonymously through external whistle-blowing hotlines. These are run by third parties and are accessible by phone and email. We investigate all grievances confidentially using the approach outlined in our whistle-blowing policies.

Many of the Group's social and ethical audits also evaluate suppliers' grievance mechanisms. For CRG, workers in the supply chain can raise grievances using an email address listed in the publicly available sourcing code of conduct.

If we identify that we have caused, contributed to, or been linked to any grievance raised, we will provide for or co-operate in its remediation.

## WHISTLE-BLOWING

The Group encourages a culture of intolerance of wrongdoing and of speaking up so appropriate action can be taken.

Woolworths' Tipoff Line enables employees to report confidentially on issues relating to fraud, theft and corruption. The line is managed by Deloitte.

We also have an independent reporting service that employees can use to confidentially report cases of harassment, including sexual harassment and bullying

CRG has a hotline for any matter an employee may wish to report confidentially.

## ETHICAL SOURCING TRAINING

We actively create opportunities to build capacity for ethical sourcing of products, both internally and with our suppliers. Woolworths FBH regularly conducts social and ethical compliance training.

## ETHICAL TRADING INITIATIVE

The Ethical Trade Initiative (ETI) is an alliance of companies, trade unions, and NGOs that collectively promote respect for workers' rights. It tackles issues such as a living wage, modern slavery, workers' access to grievance mechanisms, and remediation.

### CASE STUDY

#### GRADUATING TO FULL MEMBERSHIP OF THE ETI

This year, the Group advanced from foundational to full membership of the ETI. This reflects our active engagement with the ETI's corporate transparency framework, which sets out the public reporting requirements for company members.

We continue to strengthen the capabilities of our procurement teams to address these requirements in our daily operations. We aim to move beyond meeting minimum disclosure requirements by embedding best-practice principles in our reporting and operations.





LIVING WAGE

We have developed a roadmap towards enabling a living wage for workers in our supply chain. It sets out activities we plan to undertake, including deliverables, milestones, provisional timelines, and resources. The roadmap will evolve as we progress on our living wage journey. Specific activities across varying timeframes include:

ACTIVITIES	STATUS
ONGOING	
Identify credible organisations to partner with on our living wage journey	Started
Conduct training with internal teams and suppliers	Started Living wage is part of FBH’s compliance training
SHORT TO MEDIUM TERM (1 TO 3 YEARS)	STATUS
Build up a database of current wages being paid	Started
Identify appropriate benchmarks for living wages, considering regional variation and being clear on assumptions made. We will use the Global Living Wage Coalition <sup>1</sup> and its Anker methodology <sup>2</sup> as far as practically possible	Started, very early stages
CALCULATE THE WAGE GAP AND QUANTIFY THE IMPACT ON PRODUCT COSTING	STARTED
Update our Supplier Code of Business Principles as necessary. Translate it into local languages and ensure wider distribution directly to workers	Started, very early stages
Develop a responsible purchasing practices framework	Not yet started
Roll out and improve worker voice engagement mechanisms	Started, pilot projects only
Identify relevant worker empowerment projects	Started, pilot projects only
LONG TERM (4 TO 5 YEARS)	STATUS
Engage with internal and external stakeholders and finalise our approach to enable payment of living wages in our supply chain	Not yet started

CASE STUDY

UPDATING LIVING WAGE BENCHMARKS FOR COUNTRY ROAD GROUP

WHL supports the right to a living wage across its supply chain. CRG updated its living wage benchmarks to better assess wage gaps in tier 1 finished goods factories. We used the Anker methodology where available.

This update enables integration of worker data, wage records, and audit findings to compare actual wages against minimum wage and credible living wage benchmarks. We also began developing a method to include in-kind benefits in our wage assessments for a more accurate view of total compensation.

We will continue to refine our approach by validating in-kind benefit data and reviewing benchmark sources. We will use these insights to guide supplier engagement, support wage improvements, and collaborate with industry partners to address systemic wage challenges.

1 The Global Living Wage Coalition brings together Fairtrade International, GoodWeave International, the Rainforest Alliance, Social Accountability International, the ISEAL Alliance and living wage experts Richard Anker and Martha Anker. It aims to develop living wage benchmark estimates in multiple countries, based on a single definition and methodology, to enable industries and companies to move towards paying a living wage.

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



MODERN SLAVERY

We recognise that modern slavery does not occur in isolation, often involves other breaches of human rights, and is difficult to identify and address. We are committed to practical solutions for assessing and mitigating modern slavery and human rights risks.

TYPES OF MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN INCLUDE	THESE RISKS ARISE FROM A RANGE OF UNDERLYING FACTORS, INCLUDING
<ul style="list-style-type: none"><li>• Forced labour</li><li>• Bonded labour</li><li>• Deceptive recruiting</li><li>• Child labour</li></ul>	<ul style="list-style-type: none"><li>• Use of migrant or unskilled labour in supply chains where workers are more vulnerable to exploitation</li><li>• Unauthorised subcontracting, which could involve unknown providers of goods or services who might be engaged in modern slavery</li><li>• Potential involvement of children in extended supply chains (including hazardous or harmful work)</li><li>• Extreme working conditions such as excessive overtime or lack of rest days</li><li>• Underpayment of wages or social insurance</li></ul>

WHL is a signatory to the United Nations Global Compact. Being a signatory means committing to operating in ways that, at minimum, meet fundamental human rights, labour, environment, and anti-corruption responsibilities.

OUR ACTIONS TO MITIGATE MODERN SLAVERY	
Keeping abreast of developments in human rights, forced labour, and modern slavery	Mandatory adoption of our supplier codes of conduct by suppliers
Suspension or termination of supplier relationships when audits identify critical issues that remain unresolved	Capacity building, training and engagement, internally and with suppliers
Routine supplier social and ethical compliance audits and follow-up on remedial actions	Establishment of mechanisms to understand worker sentiment through surveys
Responsible purchasing practice guidelines for Woolworths buying teams	Regularly attending ETI member sessions
Internal cross-functional teams in Woolworths to address modern slavery and living wage issues and improve conditions for workers in our supply chain	Connecting with industry peers, NGOs, and multi-stakeholder initiatives to stay abreast of the changing risk landscape

Under Australia’s Modern Slavery Act, CRG submitted its fifth modern slavery statement, covering the period 1 July 2023 to 30 June 2024. We will conduct a gap analysis of our modern slavery due diligence processes against best practice to inform a future due diligence action plan.

CASE STUDY

COUNTRY ROAD GROUP’S SUPPLY CHAIN RISK ASSESSMENT WITH LRQA

CRG partnered with LRQA’s advisory team to conduct a supply chain risk assessment and segmentation project. This supports our ethical sourcing goals and modern slavery reporting obligations.

LRQA worked with our ethical sourcing team to review our supply chain segmentation and sustainability risk indicators. They assessed supplier performance, risk exposure and monitoring practices and benchmarked them against industry standards.

The analysis identified inherent modern slavery risks and informed updates to our segmentation model. It also provided a roadmap to improve supplier monitoring, risk responsiveness, and overall programme effectiveness.

We will use these insights to evolve our ethical sourcing strategy. We will integrate risk-based segmentation into sourcing decisions, refine monitoring tools, and enhance supplier engagement across the value chain.

CRG is a signatory to the International Accord for Health and Safety in the Textile and Garment Industry. The accord seeks to improve workers’ safety and supply chain conditions globally. It grew out of the Accord on Fire and Building Safety in Bangladesh and will continue supporting building safety work in that country.





# INCLUSION IN THE SUPPLY CHAIN

*Woolworths values its opportunity as a large business to support small, Black-owned and Black women-owned businesses. Doing this allows us to contribute to job creation, improve access to the mainstream economy, and promote inclusive economic growth.*

Woolworths empowers Black-owned and Black women-owned micro, small and medium enterprises (MSMEs) through its Enterprise and Supplier Development (ESD) Programme. The programme aims to unlock market opportunities, provide capital, and build capacity to increase local procurement and drive sustainability.

Our IJI emphasises the need to offer small businesses viable procurement opportunities backed by tailored business support for long-term growth. Through the IJI Masterplan, we are establishing targets that will drive accountability in this regard.

Our support for MSMEs includes:

- Facility sharing
- Cash flow support
- Linkages with like-minded partners, such as established suppliers or financiers
- Support from our procurement and buying teams

This is supplemented by needs-based assessments, gap analyses, ongoing mentoring and monitoring.

## OUR CONTRIBUTIONS THIS YEAR

R1.7 billion (2024: R4 billion, 2023: R2.8 billion) towards revenues of MSMEs in our supplier base

R6.7 billion (2024: R7 billion, 2023: R7 billion) in revenues from Black- and Black women-owned suppliers in our supplier base

15 (2024: 15, 2023: 32) MSME beneficiaries of the ESD programme accessed procurement opportunities to the value of R341 million (2024: R235 million, 2023: R391.7 million)



## CASE STUDY

### WOOLWORTHS LAUNCHES THE INCLUSIVE JUSTICE INSTITUTE

Woolworths launched its Inclusive Justice Institute in June 2025. The institute aims to support MSMEs and community impact programmes and promote social justice in a meaningful way.

The institute houses two non-profit companies:

- The CIJI, which drives Woolworths’ social impact programmes
- The Enterprise Inclusive Justice Institute (EIJI), which will drive Woolworths’ MSME development programme

*Woolworths has established a R200 million mandate to support the growth of qualifying black-owned MSMEs through the EIJI.*

In addition to Woolworths’ investment, the Land and Agricultural Development Bank of South Africa has committed R100 million to the EIJI. This funding will target emerging farmers, particularly those from previously disadvantaged backgrounds.





# RESPONSIBLE SOURCING

The key commodities in our business are palm oil, cocoa, coffee, soya, seafood, cotton, leather, man-made cellulose fibres (MMCFs)<sup>1</sup>, timber and synthetics. Our Vision 2025+ goal is for our key commodities to be responsibly sourced and traceable by 2025.

- Through this goal, we aim to:
- Create demand for commodities produced in ways that responsibly manage environmental impacts and benefit farmers, suppliers and local communities while protecting human rights and enabling good working conditions
  - Provide visibility of the origin of our products throughout the supply chain

All commodities listed below are responsibly sourced mass balance commodities, unless stated otherwise. Mass balance sourcing is a method of sourcing that allows for ingredients certified as having certain attributes (e.g. recyclability) to become mixed with non-certified ingredients during production and transit. By contrast, segregated sourcing keeps certified and non-certified ingredients separate, allowing them to be traced throughout the supply chain.



PERCENTAGE OF RESPONSIBLY SOURCED (WOOLWORTHS)	2023	2024	2025 TARGET	2025	PROGRESS
PALM OIL (WOOLWORTHS FOOD)	100%	100%	100%	100%	●●●●
COCOA	100%	100%	100%	100%	●●●●
COFFEE	75%	94.2%	94%	97% <sup>MA</sup>	●●●●
COTTON (WOOLWORTHS FBH)	100%	99%	100%	99.5%	●●●●○
MMCFs (WOOLWORTHS FBH)	95%	92%	99%	97.7%	●●●●○
TIMBER (WOOLWORTHS FBH)	100%	100%	100%	98% <sup>MA</sup>	●●●●○
LEATHER (WOOLWORTHS FBH)	53%	60%	85%	89.4%	●●●●
SYNTHETICS (WOOLWORTHS FBH)	12%	10.89%	12%	8.7%	●●○○○

PROGRESS KEY



NEEDS FOCUS:  
limited progress requiring support



PROGRESSING:  
some progress made, but not at the expected pace



ON TRACK:  
progress aligned with expectations



ACHIEVED:  
target fully met or exceeded

<sup>1</sup> MMCFs are fibres derived from wood, such as viscose, rayon, lyocell, tencel and modal.



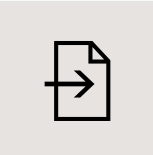
HOW WE MANAGE COMMODITY SOURCING IN FOOD

PALM OIL	COCOA	COFFEE	SOYA
<p>Woolworths supports the Roundtable on Sustainable Palm Oil (RSPO) and only sources 100% certified sustainable palm oil (CSPO) for our private label food and personal care products.</p> <p>We require mass balance RSPO palm oil as a minimum standard. This requirement is fulfilled in all our products containing palm oil or palm oil derivatives. We are investigating solutions that will enable a shift towards a segregated and traceable supply of palm oil, where viable. Currently, limited local demand and infrastructure for segregated palm oil result in a cost premium.</p> <p>We will engage our customers and the industry to address this challenge and support a broader shift towards sustainable palm oil in South Africa.</p> <p>We have purchased RSPO credits to the value of 458 tonnes from smallholder farmers. This supports their inclusion in the mainstream market.</p> <p>We continue to map our palm oil value chain through a traceability system.</p>	<p>Woolworths uses 100% responsibly sourced cocoa in its core chocolate and sweets lines and sells it as an ingredient. We also source cocoa certified by Rainforest Alliance, Fairtrade International, Cacao Trace, and Cocoa Horizon.</p> <p>Cocoa prices surged during the year due to poor crop yields caused by disease and climate-related issues. This limits our ability to source segregated cocoa.</p> <p>The EU Deforestation Regulation (EUDR)<sup>1</sup> is due to come into effect in January 2026. We expect the cocoa market to shift towards EUDR-certified cocoa. We will assess the impact of this on our cocoa sourcing.</p> <p>We established a cocoa workgroup of internal experts. The workgroup will monitor the cocoa landscape, gather global cocoa data, and support our efforts to map our cocoa supply chain to farm level.</p> <p>We onboarded our first tranche of suppliers on our cocoa and cocoa derivatives A-list. Eligible suppliers are required to have established or be actively working towards sustainability, transparency, and responsible sourcing that aligns with our commitments.</p>	<p>We are committed to sourcing only the finest premium quality coffee beans, harvested sustainably to ensure the livelihood of communities and the environment.</p> <p>Our goals are to have:</p> <ul style="list-style-type: none"><li>• A coffee supply chain that is fully transparent and traceable to, at minimum, primary co-op level by 2025</li><li>• All coffee sourced according to one of our approved third-party certification schemes</li></ul> <p>These goals are underpinned by the three pillars of traceability, sustainability, and ethics.</p> <p>TRACEABILITY</p> <p>We have mapped our tier 1 and tier 2 coffee suppliers and are completing the mapping of our tier 3 suppliers. We will expand this exercise to include all products with coffee as an ingredient.</p> <p>SUSTAINABILITY</p> <p>We assessed our top coffee suppliers against Farming for the Future principles. We will use the results to develop a Farming for the Future standard for commercial coffee farmers.</p> <p>ETHICS</p> <p>We employ an independent service provider to conduct ethical and social compliance audits against the ERSA Agricultural Standard. Our top coffee suppliers presented no material findings.</p> <p>We partner with Project Canopy to distribute pest- and disease-resistant coffee seedlings to smallholder farmers in Tanzania. We also train farmers in regenerative farming principles.</p>	<div><p>Number of smallholder farmers assisted</p><p>411</p></div> <div><p>Number of seedlings donated</p><p>270 000</p></div> <div><p>Number of farmers trained through the community training programme</p><p>700</p></div> <p>The learnings from this project will be used to develop a similar project in Ethiopia.</p> <p>Woolworths is a member of the Round Table on Responsible Soy (RTRS). We contribute to the development of a sustainable soya market by purchasing RTRS credits<sup>2</sup> from certified growers who meet the RTRS standard for responsible soya production.</p> <p>98% of the soya used by Woolworths is used in animal feed by our protein suppliers. We continue to engage the animal feed production industry regarding their sourcing strategies and approach to soya attributes and certification.</p> <p>We are drafting a soya policy to guide us in addressing the use of soya and its sources in our supply chain.</p> <p>The volatility of soya prices remains a challenge. If the cost of domestic soya is too high, farmers opt to buy cheaper alternatives internationally. This limits our ability to source responsibly produced soya.</p>

FOR INFORMATION ON THE RESPONSIBLE SOURCING OF SEAFOOD, REFER TO FISHING FOR THE FUTURE PAGE 64.

1 The EUDR was adopted to address deforestation and forest degradation linked to consumption of key agricultural commodities. The regulation will require cocoa imported into the European Union to be deforestation-free.

2 RTRS-certified farms must be approved by auditors as meeting RTRS requirements for sustainable production. These include deforestation requirements with clear criteria on human and labour rights. Because of the complexity involved in converting soya used in animal feeds to a responsibly sourced variety, we have started buying RTRS credits to promote a responsible soya industry. One RTRS credit is equivalent to one tonne of soya.





RESPONSIBLY SOURCED NUTS

Peanuts and tree nuts such as almonds, cashews and hazelnuts can have significant environmental and social impacts. Unsustainable farming of these commodities can cause deforestation, biodiversity loss and water overuse. There are also documented cases of child labour, poor working conditions, and gender inequality in global nut supply chains.

Woolworths has expanded on its commitment to responsible sourcing by including nuts in its targeted key commodities.

This began with a scoping exercise to understand the varieties of nuts used in our food business and whether they are used whole, in oil or in nut butter.

We will onboard our tier 1 nut suppliers onto our traceability platform to determine the extent to which we can map our nut supply chain. Then we will issue due diligence questionnaires to our tier 1 suppliers.

HOW WE MANAGE COMMODITY SOURCING IN FASHION, BEAUTY, AND HOME

COTTON	MMCFs	TIMBER	LEATHER	SYNTHETICS
<p>Woolworths FBH and CRG are members of Better Cotton, which supports locally grown, certified organic or recycled cotton.</p> <p>Since Better Cotton is a mass balance scheme, it limits our ability to trace cotton back to farm level. Woolworths FBH is investigating transitioning to traceable Better Cotton, and trialling a blockchain platform to assist with this.</p> <p>We have established more rigorous methods of verifying Better Cotton mass balance use. These include regular reconciliation of cotton tonnage and ensuring our suppliers are actively using the Better Cotton platform.</p> <p>In the period 1 July 2024 to 31 December 2024 our sourcing of Better Cotton resulted in an estimated 275.74 million litres of water being saved, 380 kg of pesticides being avoided, and Better Cotton farmers benefitting from an estimated \$450 336 million additional profit<sup>1</sup>.</p> <p><i>The Group sourced an estimated 4 936 tonnes of Better Cotton this year.</i></p>	<p>The Group works with its MMCF suppliers and producers to prevent illegal forest degradation or deforestation resulting from fabric production. We partner with Canopy to achieve this.</p> <p>To supplement our work with Canopy:</p> <ul style="list-style-type: none"><li>• Woolworths FBH sources MMCFs that are Forest Stewardship Council (FSC®) certified</li><li>• CRG prioritises sourcing from Green Shirt-rated<sup>2</sup> MMCF suppliers.</li></ul> <p>Achieving full traceability of our MMCFs is limited by the high costs associated with FSC® certification for many companies in the clothing value chain.</p> <p>Woolworths FBH is exploring a solution to enable mapping of our MMCF supply chain.</p> <p>Woolworths’ percentage of responsibly sourced MMCFs increased this year.</p>	<p>Woolworths is a signatory to the Vancouver Declaration. This commits us to sustainable forest product sourcing and endorsing FSC® for certification of forest products.</p> <p>CRG is committed to designing and developing timber products and products with timber inputs from legally harvested sources.</p> <p>Timber traceability is a challenge due to the high cost of FSC® certification for many companies in the homeware value chain.</p>	<p>The Group is a member of the Leather Working Group (LWG), which promotes best practice in chemical management and wastewater treatment. We promote the LWG to the tanneries we source from.</p> <p>Full traceability of the leather used in our products is a challenge due to the complexity of the multi-tier leather supply chains.</p> <p>We continue with baseline assessments of our tanneries to understand their LWG certification.</p>	<p>We strive to source recycled synthetics through programmes like the Global Recycle Standard and Recycled Claims Standard. Our focus is on petroleum-based synthetics such as polyester and nylon/polyamide.</p> <p>We face considerable challenges due to the high cost of recycled polyester and its limited local availability.</p> <p>Our percentage of responsibly sourced synthetics decreased this year. However, we continue exploring ways to increase volumes of recycled synthetics in our product ranges.</p> <p>We are investigating the viability of a system-supported approach to verifying the chain of custody of certified recycled synthetics.</p>

Woolworths FBH has a platform designed to enhance sustainable commodity data management in our product lifecycle. CRG has an internal manual to guide brands in sourcing more sustainable fibres and materials.



1 Better Cotton farmers experience profit increases for various reasons, the most common being increased yields and better use of inputs (such as irrigation, pesticides or synthetic fertiliser).  
2 MMCF suppliers are audited and ranked by Canopy in their Hot Button Report. Green Shirt-rated suppliers have the lowest risk of sourcing from ancient or endangered forests, and score points for investing in next-generation fibres, chemical management and environmental commitments.



## SUSTAINABILITY ATTRIBUTES

We aim to ensure that every private label product includes at least one sustainability attribute. These are product features that help reduce social and/or environmental impacts at one or more stages in the value chain.

Sustainability attributes are tailored to each business. They cover several material issues across our value chain, including:

- Energy and climate change
- Waste reduction, with a focus on packaging and food waste
- Sustainable farming and fishing practices

Several more detailed individual attributes underlie each of these material issues.

Individual sustainability attributes are defined and described in guidance documents. This supports the business when making sustainability attribute claims for reporting or marketing purposes.

Woolworths Food has enhanced its approach by aiming for all private label products to carry at least two sustainability attributes. This further embeds sustainability in our product design and sourcing decisions.

***Percentage of Woolworths Food private label products with two sustainability attributes: 89.9%<sup>MA</sup>***

## PERCENTAGE OF PRIVATE LABEL PRODUCTS WITH A SUSTAINABILITY ATTRIBUTE

### Woolworths Food

100%<sup>MA</sup>

2024: 100% | 2023: 100%

### Woolworths FBH

85.51%<sup>MA</sup>

2024: 87.28% | 2023: 85%



# MATERIAL INNOVATION

*One of the Group’s Vision 2025\* goals is for all private label clothing, beauty, and homeware products to contain at least one renewed, reused or recycled material input by 2030.*

We continue to drive innovation in our product development processes. We also monitor the progress and commercial viability of alternative materials such as vegan, renewed, reused or recycled fibres.

Currently, the Group incorporates a variety of alternative materials. These include recycled polyester, recycled natural fibres such as wool and cotton, and plant-based vegan leather.

### DESIGNING FOR LONGEVITY

Woolworths FBH seeks to improve the circularity of its private label products by designing garments that last longer.

- Longevity is achieved through:
- Physical durability: strong construction and materials that resist wear and are easy to maintain
  - Emotional durability: products that stay relevant and desirable over time
  - Repairability: easy-to-fix design
  - Easy care: finishes that reduce wear and maintenance
  - Versatility: multi-functional and adaptable styling

DESIGNING FOR LONGEVITY IN FASHION, BEAUTY AND HOME (FOR PRIVATE LABEL PRODUCTS)					
PHYSICAL DURABILITY ATTRIBUTES – PERFORMANCE	ANTI-PILL A design that prevents the formation of pills – small balls of tangled fibre that make fabric look old and worn.	DURABLE ELASTICS We test our elastics’ ability to retain their extensibility and modulus¹ during rapid ageing.	DURABLE WIRE CASING We select wire case trims that are strong and durable after multiple washes and wear.	SNAG-RESISTANT We ensure that fabrics made with synthetic filament yarns do not “snag” to an unacceptable level.	STAYNEW An enzyme treatment in cellulosic fibres that attacks shorter fibres protruding from the fabric surface. This makes fabrics cleaner and smoother in appearance.
EASY CARE ATTRIBUTES – CONVENIENCE	STAIN-RESISTANT Fabrics/garments are treated to resist wetting by oily liquids.		EASY IRON Adding 100% cotton to our menswear range.		NON-IRON We select garments that are chemically treated to resist wrinkling and have a ‘just ironed’ look. Tape is added to the shoulder and front to give structure.
VERSATILITY ATTRIBUTES – COMFORT	ADJUSTABLE WAISTBAND A unique extended waistband functionality that is engineered to allow the waistband to expand or contract based on the user’s movement.				

<sup>1</sup> Extensibility means ability to stretch without tearing. Modulus means resistance to deformation.







# SUSTAINABLE FARMING

## WHY IS THIS FOCUS AREA IMPORTANT?

Nature is declining globally at unprecedented rates. Species extinction is accelerating, and food systems are increasingly affected by climate change, soil degradation, and worsening water quality and availability. This places our business and the wellness of our customers, employees, and society at risk.

To address these challenges, we must enhance the resilience of our supply chain and contribute to a more sustainable food system. We do this by promoting regenerative agriculture, actively managing environmental impacts, and prioritising the welfare and dignity of people and animals in our supply chain.

### *In this focus area*

STRATEGY & MANAGEMENT APPROACH	🌐
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IMPROVING ANIMAL WELFARE STANDARDS	69



# OVERVIEW

## PERFORMANCE SUMMARY

### VISION 2025+ GOAL

ALL PRIVATE LABEL PRODUCTS WILL SUPPORT REGENERATIVE FARMING PRACTICES BY 2030

#### WOOLWORTHS FOOD

BASELINE	(2019): 52% <sup>1</sup>
2023	79%
2024	100% of private label produce and horticulture lines on the Farming for the Future Programme
2025	<b>72% for full produce (including horticulture), 97% for long life dairy, 50% for fresh milk, and 97% for wine<sup>2</sup></b>
PROGRESS	<div><div></div><div></div><div></div><div></div></div>

#### WOOLWORTHS FBH AND CRG

BASELINE	still to be determined
2022–2025	researching regenerative farming programmes
PROGRESS	<div><div></div><div></div><div></div><div></div></div>



The Biodiversity Project has restored

102.6 hectares

of farmland and planted 14.4 km  
of riverbank since inception

### HIGHLIGHTS

- We developed a roadmap for our Vision Zero Programme and started work on the first phase [Page 66]
- We expanded our Biodiversity Project to include a new cotton farming family [Page 66]

### LOWLIGHTS

- Weather conditions disrupted some Biodiversity Project activities [Page 66]

### LOOKING AHEAD

- We will finalise a Farming for the Future standard for our directly sourced coffee
- We will expand the Biodiversity Project to a new region next year, with new farming families identified
- Woolworths will update its Animal Welfare Policy to reflect the ‘Five Domains’ model of animal welfare

#### PROGRESS KEY



NEEDS FOCUS:  
limited progress requiring support



PROGRESSING:  
some progress made, but not at the expected pace



ON TRACK:  
progress aligned with expectations



ACHIEVED:  
target fully met or exceeded

<sup>1</sup> Covers produce, horticulture, vegetables and wine.  
<sup>2</sup> Percentage has decreased due to the inclusion of prepared lines to the basket.



# SUSTAINABLE FARMING AND FISHING

*Through our sustainable farming and fishing programmes, we aim to contribute to a more sustainable, resilient, and inclusive food system together with our farmers and suppliers.*

## REGENERATIVE AGRICULTURE

Our Vision 2025+ strategy commits us to regenerative agriculture. This involves science-based farming that mitigates climate change, rebuilds soil and restores biodiversity, resulting in carbon drawdown and an improved water cycle.

Our fashion and homeware businesses are researching available regenerative farming programmes. We will align with best practice as it evolves. We work with our existing programmes and certifications to understand how they incorporate regenerative farming principles. Our primary focus is on cotton, which is the most used fibre in our private label clothing collections.



## FARMING FOR THE FUTURE

Our Farming for the Future Programme provides a scientific and data-driven methodology for farming. By integrating each farm within its wider ecosystem, the programme seeks to improve the farm’s resilience, yield and profitability while gradually enhancing the ecosystem’s capacity.

We continually refine the programme to adapt to changes in the operating context and farming best practices. This challenges farmers to keep improving.

The programme comprises various modules for which data points are measured at farm level. This includes data related to:

- Soil health
- Water use and irrigation efficiency
- Wastewater management
- Crop protection

An independent specialist company assesses each farm’s data points and certifies the results. Targets are set for continuous improvement. We provide farmers with recommended action plans to help them meet these targets.

For suppliers to display the Farming for the Future logo on their product packaging, they must:

- Source at least 80% of the total volume produced or procured from a farm with a minimum certification for Farming for the Future
- Continue to achieve their improvement targets

Farming for the Future covers fresh produce, horticulture, wine, and dairy. We have migrated our mushroom suppliers and packhouses to the Factory for the Future Programme, as this is more appropriate given the nature of their operations.

We are expanding the programme to include our coffee suppliers. We assessed our top suppliers against Farming for the Future principles and will use the results to develop a Farming for the Future standard for our directly sourced coffee.

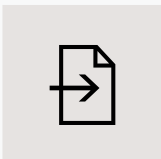
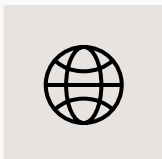
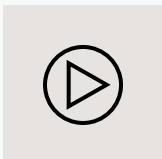
The onboarding of Farming for the Future suppliers onto our cloud-based sustainability management system is nearly complete. The system enables efficient capturing of data for assessments and enables us and our suppliers to track their progress. We run regular training sessions online and in person to make onboarding easy for suppliers.

	2023	2024	2025
NUMBER OF PRIMARY SUPPLIERS ASSESSED	151	128	151
NUMBER OF SECONDARY SUPPLIERS ASSESSED	194	200	171
FARMERS’ PASS RATE AGAINST ANNUAL IMPROVEMENT TARGETS	98.3%	99.2%	89%
NUMBER OF DATA POINTS ASSESSED	147	154	199

To encourage and motivate our farmers, we have concluded an agreement with a major South African bank to enable farmers to leverage their Farming for the Future certification as collateral in negotiating preferential loan terms. We aim to expand this approach to include other financial institutions.

Additionally, we funded a PhD student at Coventry University whose research focuses on the benefits of Farming for the Future for producers. The findings will provide qualitative value insights.

Our pilot initiative to expose school children to Farming for the Future through their curriculum now includes an additional school. We are engaging the Department of Education to share our insights.





VISION ZERO


Woolworths Food launched its Vision Zero Programme last year. The programme aims to reduce suppliers’ reliance on synthetic pesticides by helping them find alternative methods to control pests and diseases. Our objective is to have zero pesticide residue on our products by 2035.

This year, we developed a Vision Zero roadmap towards achieving this goal. The first phase


focuses on data-driven decision-making, building supplier awareness and capacity, and developing partnerships for research and innovation in alternatives to pesticides.

We are developing an internal dashboard for real-time pesticide residue analysis and tracking. We incorporated an integrated pest management assessment tool into the Farming for the Future programme.


OUR FIRST PHASE IMPLEMENTATION OF THE VISION ZERO ROADMAP INCLUDED:



DATA-DRIVEN  
DECISION-MAKING



SUPPLIER CAPACITY  
BUILDING



INDUSTRY  
PARTNERSHIPS

- Established a baseline on pesticide usage to drive targeted reduction strategies
- Strengthened our residue monitoring systems, particularly for high-risk products

- Refined our Integrated Pest Management protocol to assist farmers in this Farming for the Future journey
- Updated our pesticide usage guideline to align with Vision Zero
- Ran four workshops with farmers to promote Vision Zero and alternative pest control methods

- Began testing monitoring technology to help farmers reduce their reliance on synthetic pesticides
- We are exploring mass trapping solutions using light-emitting diodes (LEDs)
- We are testing tools such as DropSight<sup>1</sup> to measure the accuracy of spraying equipment

1 A mobile-based tool that uses UV fluorescence to measure spray coverage and deposition on plants. It helps farmers optimise their sprayer settings for more effective application.

THE BIODIVERSITY PROJECT WITH LANDCARE AUSTRALIA

	2023	2024	2025
CUMULATIVE CRG DONATION SINCE 2020	A\$150 000	A\$200 000	<b>A\$250 000</b>
FUNDS RAISED FROM HERITAGE SWEAT SINCE 2020	A\$612 745	A\$778 238	<b>A\$928 238</b>
NUMBER OF FARMS SUPPORTED	6	6	<b>7</b>
FARMLAND RESTORED	62.5 ha	59.6 ha	<b>102.6 ha</b>
RIVERBANK REPLANTED	11.6 km	11.6 km	<b>14.4 km</b>

The Biodiversity Project, in collaboration with Landcare Australia, seeks to enhance biodiversity and regenerate Australian farmlands, with an emphasis on cotton-growing areas.

The partnership is supported by sales of Country Road Verified Australian Cotton Heritage Sweats along with corporate contributions. This funding enables Landcare Australia to carry out biodiversity projects in farming areas and include more farmers in the programme.

*This year, we welcomed a new farming family into the programme. 4 000 seedlings were planted at their property, covering 43 hectares of farmland and 2.8 km of riverbank.*

KEY ACHIEVEMENTS DURING THE YEAR

- 2 500 seedlings were planted at the Kahl family site in July 2024, replacing plants lost in the 2022 floods
- Project representatives were panellists at the Australian Cotton Industry Conference
- ABC’s NSW Country Hour featured the project and its positive impact on biodiversity
- The project enabled the restoration of koala habitat

Unforeseen weather conditions in the Namoi region resulted in delays in groundwork on several projects, including the Hamparsums fish project.

We will expand the project to a new region, with onboarding of new farming families due to begin in the coming year.





FISHING FOR THE FUTURE

Our Fishing for the Future Programme ensures that our seafood is responsibly sourced. The programme addresses climate change, waste management, ecosystem health, resource efficiency and social justice across the value chain.

We currently source 42 species from 31 countries, procuring seafood from some of the world’s most innovative fisheries and aquaculture companies.

We have revised our Responsible Seafood Procurement Policy and guidelines. These documents require compliance from all our seafood suppliers and help them align with our expectations and goals.

*Percentage of total seafood units responsibly sourced: 98.81% (2024: 98.98%, 2023: 99%)*



Our supply chain scoring system aims to optimise supply chain performance and reduce risks for our seafood suppliers. We began applying this system to our supply chain for our top three species in April 2025.

We continue to onboard our seafood supply chain companies onto our traceability platform.

Fishing for the Future contributes to global seafood sustainability and the broader UN SDGs by:

- Inspiring and enabling our customers to eat healthy seafood in a responsible way
- Sourcing seafood that has the most positive environmental, social and economic impacts and that strives to minimise adverse impacts
- Promoting ethical behaviour throughout our supply chains, including respect for human rights and fair labour practices
- Ensuring fish health and welfare in line with the ‘Five Freedoms’ model of animal welfare
- Encouraging our suppliers to integrate sustainability throughout their operations

We work in partnership with several NGOs to adopt innovative technologies and solutions around seafood and continually improve sustainability outcomes across our supply chains.

This year, we implemented four fishery improvement projects in collaboration with WWF-SA. These projects bring fishers, processors, retailers and conservation groups together to improve fishing practices, reduce environmental impacts and strengthen management systems.

*As a member of the North Atlantic Pelagic Advocacy Group, Woolworths supports the North-East Atlantic mackerel and Atlanto-Scandian herring fishery improvement project. A Woolworths representative serves on the Atlantic herring working group.*

CASE STUDY

RESPONSIBLY SOURCED TILAPIA

Humane harvesting in aquaculture involves proper handling and quick, painless methods to minimise suffering in fish at the end of life. This is ethical, responsible, and enhances product quality by minimising stress-related compounds in the flesh. It also supports worker safety and meets growing consumer and regulatory demands for ethical practices in seafood production.

In August 2012, Regal Springs tilapia farm became the first fish farm in the world to obtain Aquaculture Stewardship Council certification. Regal Springs embodies our Fishing for the Future principles. They have been supplying tilapia to Woolworths since 2015. They also hold Best Aquaculture Practices certification and British Retail Consortium Food Safety Standard certification.

In October 2024, Regal Springs received an Aquaculture Innovation Award from the NGO Compassion in World Farming for its advances in the treatment of tilapia. This followed three years of research and development in collaboration with ACE Aquatec, the Global Seafood Alliance, Nautilus Collaboration and the Centre for Responsible Seafood.

This collaboration led to the development of an electric stunner. The innovative device ensures that all Regal Springs tilapia are humanely stunned before harvest, reducing stress at this critical point in their farming cycle.



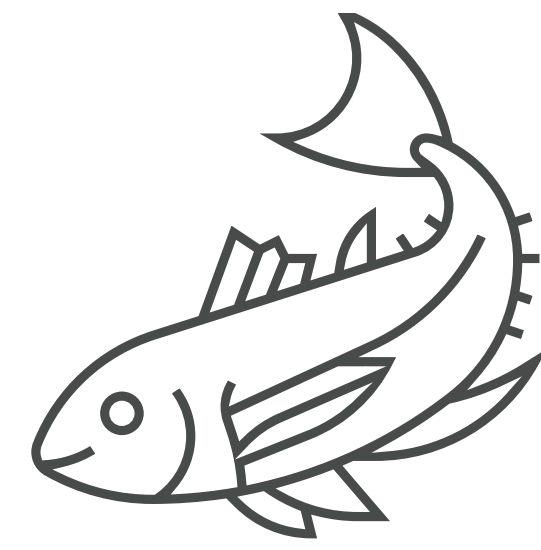
Cages at the Regal Springs tilapia farm on Lake Toba in Indonesia



## KEY ACTIVITIES THIS YEAR INCLUDED



We launched our 'frozen silvers' in April 2025. This product is procured in collaboration with Abalobi, a non-profit organisation that supports resilient and sustainable small-scale fishing communities globally.

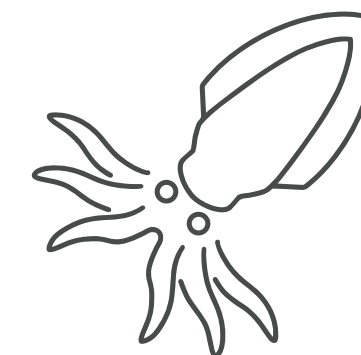


***We supported  
a Global Tuna  
Alliance call for  
action on social  
responsibility  
and labour rights  
aboard tuna vessels  
at the 29<sup>th</sup> sitting of  
the Indian Ocean  
Tuna Commission.***

Woolworths supported the North Atlantic Pelagic Advocacy Group's 'Mackerel Maths' campaign. The campaign calls on states involved in the Atlantic mackerel and Atlanto-Scandian herring fisheries to conclude a sharing agreement that ensures total catches stay within recommended limits, securing a healthy future stock.

In December 2024, Woolworths represented retailers at a science policy workshop on innovations for sustainable aquatic food systems held in Cape Town. The session was hosted by the Department of Forestry, Fisheries and the Environment together with the European Union and European Alliance on Agricultural Knowledge for Development.

Woolworths was a signatory to a letter addressed to the South Pacific Regional Fisheries Management Organisation calling for improved management of fishing for jumbo flying squid in the South Pacific.





# IMPROVING ANIMAL WELFARE STANDARDS

*We regard it as our ethical obligation to ensure our suppliers treat the animals in our supply chain respectfully and humanely. This is what our customers expect and is directly linked to the quality of the food we sell.*

We require suppliers to comply with our animal welfare policies and relevant animal welfare standards and legislation. We work with them to improve animals’ welfare and minimise potential harm, stress and pain.

Independent service providers conduct regular site visits and audits to ensure our suppliers comply with these requirements. If a product does not comply, we remove it from the shelf and take steps to ensure future compliance.

To optimise humane slaughter outcomes at our poultry abattoirs, we hired a specialist to assess all our poultry and duck abattoirs against the latest international guidelines. Each facility was provided with a report offering practical recommendations to improve stunning outcomes.

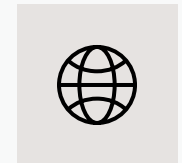
We used this feedback to develop the first comprehensive Woolworths poultry abattoir specifications. We will audit our abattoirs against these specifications in the coming year.

We also participate in various multi-stakeholder organisations and initiatives to improve animal welfare standards.

CRG’s Animal Welfare Policy aligns with the Five Domains model of animal welfare, while Woolworths’ policy aligns with the Five Freedoms model.<sup>1</sup> Woolworths is transitioning to the Five Domains model and will incorporate it into its revised Animal Welfare Policy. This model allows for a more detailed assessment of physical and mental welfare, supports proactive welfare improvement rather than just harm avoidance, and better reflects current scientific understanding of animal sentience and behaviour.

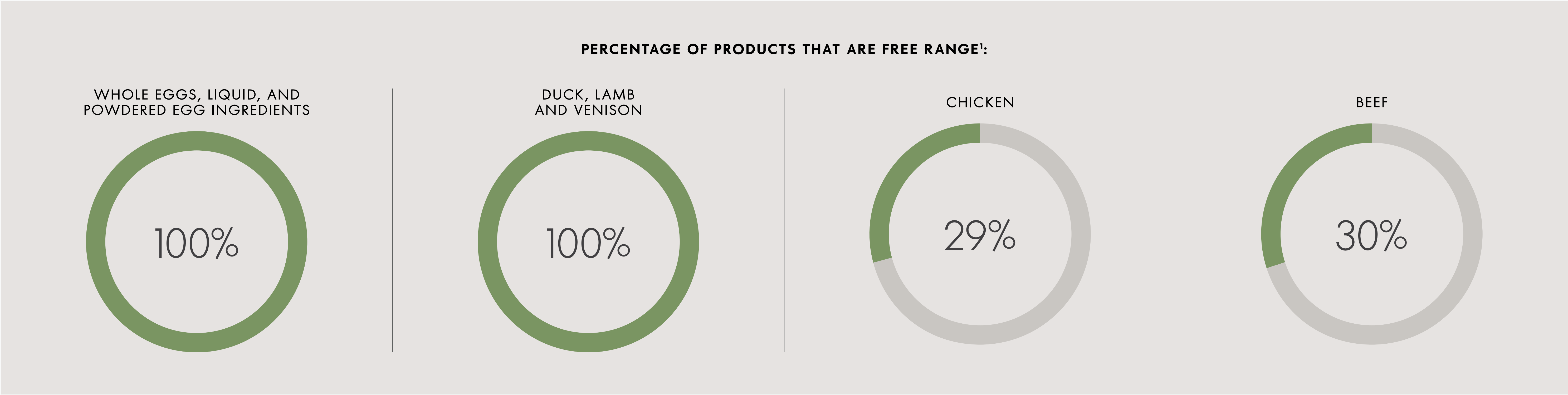
<sup>1</sup> The Five Domains model is a framework developed in the 1990s and used internationally for assessing animal welfare. It evolved from the Five Freedoms model, which originated in the United Kingdom in the 1960s.

FIVE FREEDOMS MODEL	FIVE DOMAINS MODEL
<div>1 <b>Freedom from hunger and thirst:</b> By providing ready access to fresh water and a diet to maintain health and vigour</div>	<div>1 <b>Nutrition:</b> Good nutrition with access to the right amount of fresh water and food for the animal’s needs and happiness</div>
<div>2 <b>Freedom from discomfort:</b> By providing an appropriate environment, including shelter and a comfortable resting area</div>	<div>2 <b>Environment:</b> Good environment with appropriate spaces to rest and find shelter</div>
<div>3 <b>Freedom from pain, injury, or disease:</b> By prevention or rapid diagnosis and treatment</div>	<div>3 <b>Physical health:</b> Good health by attempting to prevent disease or injury and providing prompt treatment when needed</div>
<div>4 <b>Freedom to express normal behaviour:</b> By providing sufficient space, proper facilities and company of the animal’s own kind</div>	<div>4 <b>Behavioural interactions:</b> Appropriate behaviour by providing space, facilities, company, and opportunity for decision-making</div>
<div>5 <b>Freedom from fear and distress:</b> By ensuring conditions and treatment which avoid mental suffering</div>	<div>5 <b>Mental state:</b> Positive mental experience by giving comfort and positive emotional experiences while trying to eliminate or reduce negative experiences</div>





ANIMAL WELFARE IN FOOD (FOR PRIVATE LABEL PRODUCTS)





ALL FRESH MILK IS rBST-FREE<sup>2</sup>  
(excluding goat and plant-based)





In April 2025, Woolworths participated in a talk hosted by the Animal Welfare League. We provided our insights on free range egg production and the value of the retailer-farmer relationship.





Kinder to Sows pork is used for fresh pork products, pork ribs, and all bacon and gammon lines.

<sup>1</sup> Free range means the animals can roam freely, eat a natural diet, and do not receive routine antibiotics or growth stimulants.  
<sup>2</sup> Recombinant bovine somatotropin (rBST) is a hormone used for increasing milk production in dairy cows.





OUTCOMES-BASED MEASUREMENT PROGRAMME

Working with the Food Animal Initiative, we use outcomes-based measurement to improve our agricultural programmes and enhance animal welfare, sustainable livestock, and aquaculture practices across our supply chain.

We generate a quarterly report for each supplier’s outcome measures dataset and incorporate the report into the supplier’s business plan.

We collected data on the lives and welfare of 125 million animals across 17 (2024: 16, 2023: 17) farming methods.

We are updating our farming and slaughter specifications with the assistance of the Food Animal Initiative and benchmarking our standards against international best practice and the latest research. We shared our first set of specifications on beef commercial feedlots with our main beef suppliers. We will conduct audits against these specifications in the coming year.

All our laying hens in the Western Cape are now humanely slaughtered at the end of their productive life. We are helping to establish a new abattoir at one of our egg suppliers.

FARMING METHODS ON OUR OUTCOMES-BASED MEASUREMENT PROGRAMME				
1 Free range chicken	2 Commercial chicken	3 Commercial beef	4 Organic eggs	5 Free range eggs
6 Free range beef	7 Wagyu beef	8 Angus beef	9 Free range duck	10 Regular milk
11 Ayrshire milk	12 Kinder to Sows pork	13 Free range lamb	14 Rainbow trout	15 Free range venison
16 Ostrich	17 Organic dairy			





ANTIBIOTICS

Woolworths uses antibiotics responsibly and works to reduce their use. This applies especially to shared-class antibiotics, which are critical to human health.

Our Antimicrobial Guideline sets out five principles regarding antibiotics: record, reduce, replace, refine, and remove.

Our outcomes-based programme measures the amount and type of antibiotics our suppliers use. The data shows an overall reduction in usage.



SUPPLIER TRAINING AND ANIMAL WELFARE OFFICERS

There are few animal welfare experts and trainers in South Africa. Therefore, we work with a respected international company that conducts animal welfare training and issues animal welfare officer certifications for our suppliers.

We held two training courses at the Woolworths head office. One focused on poultry welfare at slaughter, the other on red meat welfare at slaughter. The training was attended by 75 individuals, including abattoir staff, suppliers, auditors and Woolworths employees. Prior to the training, the facilitator visited our red meat and poultry abattoirs to offer site-specific advice.

Suppliers that have an assigned animal welfare officer who has attended this training are rewarded by having a sustainability attribute allocated to their products.

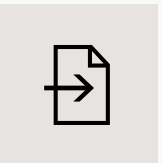
All Woolworths’ product technologists working in the protein category are trained animal welfare officers. There are animal welfare officers at all our red meat and poultry abattoir suppliers.

ANIMAL WELFARE IN FASHION, BEAUTY AND HOME (FOR PRIVATE LABEL PRODUCTS)

ANIMAL TESTING	100% of WBeauty products not tested on animals (certified by Beauty Without Cruelty)
VEGAN	100% of the WBeauty range is vegan
FEATHERS AND DOWN	No live plucking permitted. Aim to source in line with the Responsible Down Standard, Global Traceable Down Standard or Downpass
FUR	No natural fur or farmed fur permitted in products <sup>1</sup>
WOOL	Aim to source non-mulesed, local wool
ANGORA	No angora products sold since 2014
CASHMERE	Aim to source responsibly in line with the Good Cashmere Standard®
MOHAIR	Aim to source responsibly in line with the Responsible Mohair Standard
ALPACA	Aim to source responsibly in line with the Responsible Alpaca Standard
EXOTIC SKINS	No exotic skins, such as snake, alligator, crocodile, or lizard, permitted in products
ENDANGERED SPECIES	No species that appear on the Convention on International Trade in Endangered Species of Wild Fauna and Flora or the IUCN Red List of Threatened Species permitted in products

Woolworths is increasingly looking towards synthetic alternatives for animal-derived materials where appropriate, viable, and aligned with our GBJ strategy.

<sup>1</sup> Our definition of fur aligns with that of the Fur Free Alliance. It includes any fur from animals bred and farmed purely for their skins, such as mink, sable, chinchilla, fox, muskrat, racoon dog, rabbit, astrakhan, and karakul. It excludes by-products of the meat industry, such as shearing and sheepskin.





# THRIVING AND RESILIENT

*We care for the environment, and are committed to working towards net zero impact and a just transition to a low carbon economy.*

*Focus areas in this pillar*

PACKAGING AND WASTE	74
WATER	87
ENERGY AND CLIMATE CHANGE	95

*Related UN SDGs*

2 ZERO HUNGER



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION








# PACKAGING AND WASTE

## WHY IS THIS FOCUS AREA IMPORTANT?

A large amount of product and packaging produced globally ends up in landfill, is incinerated, or leaks back into the environment. This wastes natural resources and causes pollution.

To avoid these negative impacts, we aim to reduce waste sent to landfills across our value chain and minimise the use of non-renewable resources. We drive a market for recycled materials by using them in our operations, packaging, and products. We also encourage recycling, reuse, repair and repurposing of our products and packaging.

### *In this focus area*

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# OVERVIEW

## PERFORMANCE SUMMARY

<div><div>VISION 2025+ GOAL</div><div>ALL OUR PACKAGING WILL BE REUSABLE OR RECYCLABLE BY 2022</div></div>		<div><div>VISION 2025+ GOAL</div><div>HALVE FOOD LOSS AND WASTE IN OUR OPERATIONS AND ACROSS OUR TOP 30 SUPPLIERS BY 2030</div></div>	
BASELINE	Not established prior to reporting	BASELINE	2022 (2.3% food waste to landfill)
2023	WSA Food: 98%, WSA FBH: 50%	2023	2.7% food waste to landfill
2024	WSA Food: 98.7%, WSA FBH: 93.8%	2024	3.2% food waste to landfill
2025	WSA Food: 98%, WSA FBH: 93%	2025	3.2% food waste to landfill
PROGRESS	<div><div></div><div></div><div></div><div></div></div>	PROGRESS	<div><div></div><div></div><div></div><div></div></div>
<div><div>VISION 2025+ GOAL</div><div>ALL OUR PRIVATE LABEL PRODUCTS DESIGNED TO BE REUSED, REPAIRED, RESOLD OR RECYCLED BY 2025</div></div>		<div><div>VISION 2025+ GOAL</div><div>ALL OUR PRIVATE LABEL CLOTHING, BEAUTY, AND HOME PRODUCTS WILL CONTAIN AT LEAST ONE RENEWED, REUSED OR RECYCLED MATERIAL INPUT BY 2030</div></div>	
BASELINE	Still to be determined	BASELINE	Still to be determined
2023	Work underway	2023	Work underway
2024	Work underway	2024	Work underway
2025	Work continues	2025	Work continues
PROGRESS	<div><div></div><div></div><div></div><div></div></div>	PROGRESS	<div><div></div><div></div><div></div><div></div></div>

## HIGHLIGHTS

- CRG partnered with RMIT University on circularity research [page 84]
- Woolworths replaced the non-recyclable PETG<sup>1</sup> sleeves on our mayonnaise jars to improve recycling rates [Page 76]
- Woolworths developed packing manuals to help suppliers reduce product damage and resultant waste in distribution centres and transit to stores [Page 80]
- Woolworths FBH transitioned from a recycling to a reuse model for its hangers, minimising waste and improving circularity [Page 78]

## LOWLIGHTS

- Waste volumes at distribution centres increased due to baling capacity constraints and the closure of our composting service provider [Page 81]
- Challenges to achieving 100% recyclability due to certain packaging materials that remain non-recyclable globally [Page 77]

## LOOKING AHEAD

- We are exploring the feasibility of a packaging recovery process for Woolworths Dash paper bags as part of the delivery process. This will give customers an easy way to recycle the bags
- CRG will incorporate considerations from the Australian Packaging Covenant Organisation’s 2030 Strategy, including its proposed extended producer responsibility (EPR) scheme
- CRG will explore opportunities to engage more deeply with circularity initiatives, including circularity platforms, principles and design considerations

<sup>1</sup> Polyethylene terephthalate glycol, a plastic used in food, beverage and medical packaging.

### PROGRESS KEY



NEEDS FOCUS:  
limited progress  
requiring support



PROGRESSING:  
some progress made, but  
not at the expected pace



ON TRACK:  
progress aligned  
with expectations



ACHIEVED:  
target fully met  
or exceeded



## WOOLWORTHS' PACKAGING MILESTONES FOR THE YEAR

**September  
2024**

WOOLWORTHS FBH TRANSITIONED  
FROM A RECYCLING TO A REUSE  
MODEL FOR ITS HANGERS, MINIMISING  
WASTE AND IMPROVING CIRCULARITY

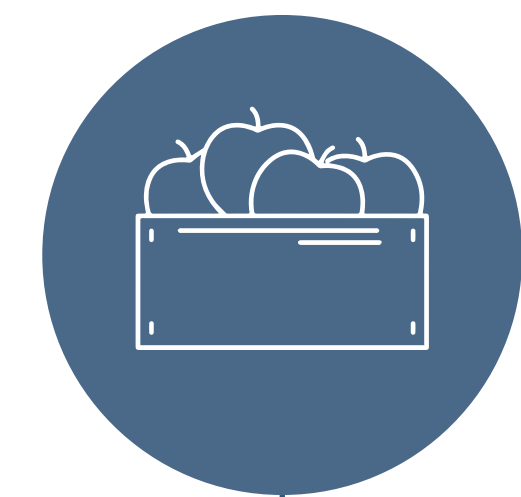


**October  
2024**

LAUNCHED OUR  
WBEAUTY REFILLABLE  
MAKE-UP RANGE

**October  
2024**

REPLACED THE NON-  
RECYCLABLE PETG SLEEVES ON  
OUR MAYONNAISE JARS TO  
MAKE THEM FULLY RECYCLABLE



**January  
2025**

WOOLWORTHS FOOD  
LAUNCHED A TRIAL OF  
CARDBOARD PACKAGING  
FOR TWO APPLE PRODUCTS



# VISION ZERO PACKAGING WASTE TO LANDFILL

*We have committed to ensuring our packaging is reusable or recyclable. We aim to minimise or eliminate the negative impacts of our packaging by adopting circular design and reuse.*

TOTAL PACKAGING	2023	2024	2025
Woolworths Food	35 210 tonnes	44 467 tonnes	42 907 tonnes
Woolworths FBH	5 239 tonnes	5 214 tonnes	7 632 tonnes
PERCENTAGE OF PACKAGING THAT IS REUSABLE OR RECYCLABLE			
Woolworths Food	98%	99%	98%
Woolworths FBH	50%	94%	93%

Using more sustainable packaging reduces our environmental impact and satisfies customer demand for recycled or responsibly sourced materials that divert waste from landfill.

On the other hand, packaging protects our products from damage and spoilage, resulting in less waste. It also ensures quality and safety for our customers. We strive to balance meeting this need with reducing our packaging. Product quality and customer safety must never be compromised.

Woolworths’ approach to packaging includes:

- Driving packaging innovation to improve recyclability, increase the use of recycled content, and eliminate unnecessary or problematic packaging
- Sourcing forest products like wood, paper and board for our packaging from sustainably managed forests certified by the FSC®
- Increasing the use of post-consumer recycled plastic in new packaging to reduce the volume of virgin plastic used

- Training our suppliers to work with new materials and meet new packaging requirements
- Acquiring new machinery or retrofitting existing machinery to accommodate packaging shifts

The cost and availability of recyclable materials affect the pace at which we can shift to fully recyclable packaging. At the same time, lack of recycling technology and infrastructure limits how much recyclable packaging actually gets recycled.

To address the problem of bottle caps leaking into the environment and not being recycled, Woolworths Food is trialling tethered closures for caps. This aims to ensure that caps stay attached to bottles throughout their lifecycle, thereby improving their overall recyclability.

We are investigating transitioning products such as chocolate slabs, sliced meat trays and selected produce from plastic to paper-based packaging.

## ON-PACK RECYCLING LABELS

Woolworths places on-pack labels on our packaging to indicate what is recyclable and what is not. This promotes more recycling and less contamination in recycling streams.

## EXTENDED PRODUCER RESPONSIBILITY

South Africa’s (EPR regulations require producers to collectively manage post-consumer packaging waste, improve recyclable collection, and boost recycling rates to promote a circular economy. Compliance is facilitated collectively by various producer responsibility organisations (PROs).

Woolworths complies with the EPR regulations. We are members of various PROs and pay all EPR fees to the PROs based on their rates for the various material types and formats they recycle on our behalf.

We actively participate in working groups and steering committees convened by the PROs that are working on recycling solutions for the packaging types we place on the market.

*Woolworths is a member of six PROs in fulfilment of our EPR obligations.*

We also participate in industry forums and engagements with the Department of Forestry, Fisheries and the Environment, which is responsible for the EPR regulations.

## INDUSTRY MEMBERSHIPS AND ASSOCIATIONS

Woolworths is a founding member of the South African Plastics Pact, a collaborative initiative to create a circular economy for plastic packaging.

CRG keeps abreast of government and industry developments regarding packaging through its membership of the Australian Packaging Covenant Organisation (APCO).

APCO plans to introduce an EPR scheme in future. This will require Australian brand owners to pay a variable fee per tonne of packaging placed on the market, based on its recyclability. CRG participated in APCO’s Member Reference Group to provide industry feedback on the EPR scheme during its development.

## ELLEN MACARTHUR FOUNDATION COMMITMENT

The Group is a signatory to the Ellen MacArthur Foundation’s New Plastics Economy Global Commitment and submits an annual report on our packaging data. The submission provides details on the tonnes of packaging we use each year.





PHASING OUT SINGLE-USE PLASTIC SHOPPING BAGS

We are committed to phasing out unnecessary single-use plastic, including single-use plastic bags. While we offer alternatives, our main focus is encouraging customers to use their reusable bags.

WOOLWORTHS FOOD	<ul style="list-style-type: none"><li>• All stores are plastic shopping bag free</li><li>• Reusable bag alternatives offered:<ul style="list-style-type: none"><li>◦ Low-cost bags consisting of a minimum of 70% post-consumer recycled PET plastic waste</li><li>◦ Colourful fabric bags made from 85% post-consumer recycled PET plastic waste</li></ul></li><li>• We conducted a plastic barrier bag phase-out trial in 12 stores in 2024. Based on feedback and insights from the trial, we began a second phase</li></ul>
WOOLWORTHS FBH	<ul style="list-style-type: none"><li>• All stores are plastic shopping bag free</li><li>• We offer customers fully recyclable, FSC®-certified paper bags made from recycled content</li></ul>
WOOLWORTHS ONLINE	<ul style="list-style-type: none"><li>• Woolworths FBH products are delivered in either:<ul style="list-style-type: none"><li>◦ Recyclable cardboard boxes with recycled and recyclable paper void fill and fully recyclable hologram stickers on the accompanying dispatch documentation, or</li><li>◦ Plastic flyer bags</li></ul></li><li>• We optimise cardboard sizes to suit different delivery sizes, thereby reducing cardboard consumption per order</li><li>• We are working to find a sustainable and commercially viable replacement for the plastic flyer bags</li></ul>
WOOLWORTHS CLICK AND COLLECT	<ul style="list-style-type: none"><li>• Paper bags, cardboard boxes or plastic flyer bags are used for FBH products</li><li>• Where plastic is needed, we continue to explore more sustainable and viable options</li></ul>
WOOLWORTHS DASH	<ul style="list-style-type: none"><li>• Delivery bags are fully recyclable, FSC®-certified paper bags made from recycled content</li><li>• We complement the large-size bag with an additional, smaller bag to reduce the paper used for smaller deliveries</li></ul>
COUNTRY ROAD GROUP	<ul style="list-style-type: none"><li>• All stores are plastic shopping bag free</li><li>• Paper bags are offered</li></ul>





# WASTE REDUCTION IN DIRECT OPERATIONS

## HEAD OFFICE

Waste at our head offices in South Africa and Australia is collected, sorted, and sent for recycling where appropriate.

Waste is collected from recycling bins strategically placed around the buildings to encourage staff to sort at source. Woolworths head office’s waste streams are tracked on an online system in real time.

*63% of waste by weight and 74% of waste by volume was recycled from Woolworths’ head office*

### NON-HAZARDOUS WASTE – WOOLWORTHS HEAD OFFICE (TONNES)

	2023	PERCENTAGE	2024	PERCENTAGE	2025	PERCENTAGE
RECYCLED	71	60%	83	65%	93	63%
LANDFILL	47	40%	45	35%	55	37%
TOTAL	118	100%	128	100%	148	100%

## STORES

### HANGER RECYCLING

Country Road, Trenery, and Woolworths collect hangers from stores for reuse and recycling.

Woolworths’ hangers are made from a minimum of 50% recycled material. Used hangers are collected from all Woolworths stores using reverse logistics and returned to our distribution centres. Hangerman collects them from the distribution centres, refurbishes or recycles them if damaged, and returns them to suppliers for reuse.

### SECONDARY AND TERTIARY PACKAGING

Most waste from Woolworths stores, including secondary and tertiary packaging, is returned to our distribution centres for recycling via reverse logistics. This enhances recycling rates using our sorting and baling infrastructure. Wet waste in stores is managed through shopping centres’ collection processes.

	2023	2024	2025
AVERAGE HANGER REUSE RATE – COUNTRY ROAD	47%	35%	37.5%
AVERAGE HANGER REUSE RATE – TRENERY	45%	10%	6.12%
NUMBER OF WOOLWORTHS FBH HANGERS REUSED OR RECYCLED	8.6 million	5 million	15.76 million

## CASE STUDY

### WOOLWORTHS HANGERS: FROM RECYCLING TO REUSE

Woolworths transitioned to a hanger reuse model in our fashion departments. Previously, stores purchased new or recycled hangers with each order. Now, they hold stock of core hanger types (such as blouse or adjustable clip hangers) and reuse them at least six times on average.

This has reduced the number of new hangers purchased annually by an estimated 15.76 million, equating to approximately 450 tonnes less new plastic used each year. When hangers are damaged or deemed unusable, those that can be repurposed are donated, while the rest are downcycled to extend the use of the plastic.

This approach has been integrated into all our fashion stores in South Africa. We saw an increase in hanger reuse cycles this year, indicated by decreasing purchases of new hangers. We are also working to consolidate and reduce our hanger types and sizes to enable wider and easier reuse in stores.



### COFFEE CUP AND GROUNDS RECYCLING

Woolworths collects disposable coffee cups from stores and head office and sends them to distribution centres via reverse logistics for third-party recycling.

Coffee grounds from coffee carts and WCafés are sent to organic waste recyclers for use in compost and mushroom farming. These grounds are also available to customers on request for use in home composting.

### STORE DESIGN AND VISUAL MERCHANDISING

The Woolworths store design and visual merchandising teams use a sustainability checklist to ensure materials used in-store come from sustainable sources, are manufactured more sustainably, and/or can be upcycled or recycled.

### KEY ACHIEVEMENTS THIS YEAR

We used paper and recycled wallpaper as the main substrates for our Christmas window displays. The sleeves were printed on paper and designed to slide over existing boxes, reducing the amount of material used

We used recycled paper for the window décor for our Autumn 2024 season

We used alien cleared wood for our in-store fittings

### CASE STUDY

### ALIEN CLEARED WOOD USED FOR IN-STORE FURNITURE

Woolworths uses Australian Blackwood, an invasive alien tree species, for store fittings in our Food stores.

This timber is being cleared by a family-run company in and around Knysna forest. The company has over a century of experience in sustainable forestry and adheres to strict environmental guidelines. It employs 100 people.

To date, Woolworths has used approximately 600 cubic metres, or 850 trees, across multiple store areas. These include fridge surrounds, bakery, egg and cheese displays, event zones, and queuing aisles.

By using locally sourced and responsibly harvested wood, Woolworths is reducing our environmental impact, supporting local communities and helping to protect natural resources.





DISTRIBUTION CENTRES

Woolworths’ distribution centres manage waste generated on-site, waste from transit packaging, and waste generated at stores. We developed packing manuals to help suppliers reduce product damage and resultant waste in distribution centres and transit to stores.

We strive to recycle waste and redirect non-recyclable materials wherever possible. This year, we redirected our wet waste for composting using the bokashi method. The service provider sells this compost to landscapers and businesses and donates a portion to community gardeners.

To minimise the purchase of boxes for transit packaging, we reuse imported cartons and boxes returned from stores. However, due to process changes occurring at our distribution centres, we had to buy more cartons this year to accommodate higher volumes which decreased reuse. Additionally, we experienced constraints with baling capacity at our Maxmead and Midrand distribution centres.



DISTRIBUTION CENTRES	2023	2024	2025
WOOLWORTHS			
WASTE RECYCLED	7 807 tonnes	8 952 tonnes	10 013 tonnes
WASTE TO LANDFILL	306 tonnes	683 tonnes	662 tonnes
TOTAL	8 113 tonnes	9 635 tonnes	10 675 tonnes
WET WASTE CONVERTED TO COMPOST	98 tonnes	153 tonnes	82 tonnes
WASTE REBATE RECEIVED FOR RECYCLING	R7.2 million	R7.2 million	R9.23 million
COUNTRY ROAD GROUP			
WASTE RECYCLED	230 tonnes	173 tonnes	175 tonnes
WASTE TO LANDFILL	33 tonnes	46 tonnes	86 tonnes
TOTAL	263 tonnes	219 tonnes	261 tonnes





CUSTOMER RECYCLING

Customers play a vital role in our vision for circularity. As end-users, their actions regarding products at the end of their lifespan are crucial. We offer the following customer take-back initiatives at our facilities:

<p>CLOTHING COLLECTION FACILITIES</p> <p>Customers can drop off pre-loved garments at clothing collection points at selected Woolworths stores. We donate these items to Taking Care of Business.</p>	<p>BATTERY AND LIGHTBULB RECYCLING</p> <p>All Woolworths stores provide battery and lightbulb collection bins. Recycling is handled by our PRO partner as part of our EPR obligations.</p>
<p>BRING-A-BAG-TAKE-A-BAG</p> <p>All Woolworths Food stores offer Bring-a-Bag-Take-a-Bag stands. This fosters a culture of reuse by enabling customers to make their extra reusable bags available for others to use.</p> <p>The stands are made from plastic that would otherwise end up at landfill, such as yoghurt tubs, toothpaste tubes, and chip packets. They are produced by a Black-owned local supplier who is part of Woolworths’ ESD Programme.</p>	<p>WOOLWORTHS REUSABLE BAGS TAKE-BACK</p> <p>All Woolworths Food stores allow customers to recycle our low-cost reusable bags once they have reached end-of-life. The bags are recycled into a substrate used in pet bed mattresses.</p>
<p>REVERSE VENDING MACHINES</p> <p>We have eight reverse vending machines at selected stores nationwide, and one at the Woolworths head office in Cape Town.</p> <p>The machines make it easy for customers to recycle items such as glass containers, tin cans, juice cartons and plastic bottles.</p>	<p><i>We also encourage customers to reuse or recycle the cardboard boxes and paper bags used for Woolworths FBH and Dash deliveries.</i></p>



FOOD WASTE

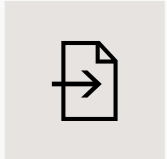
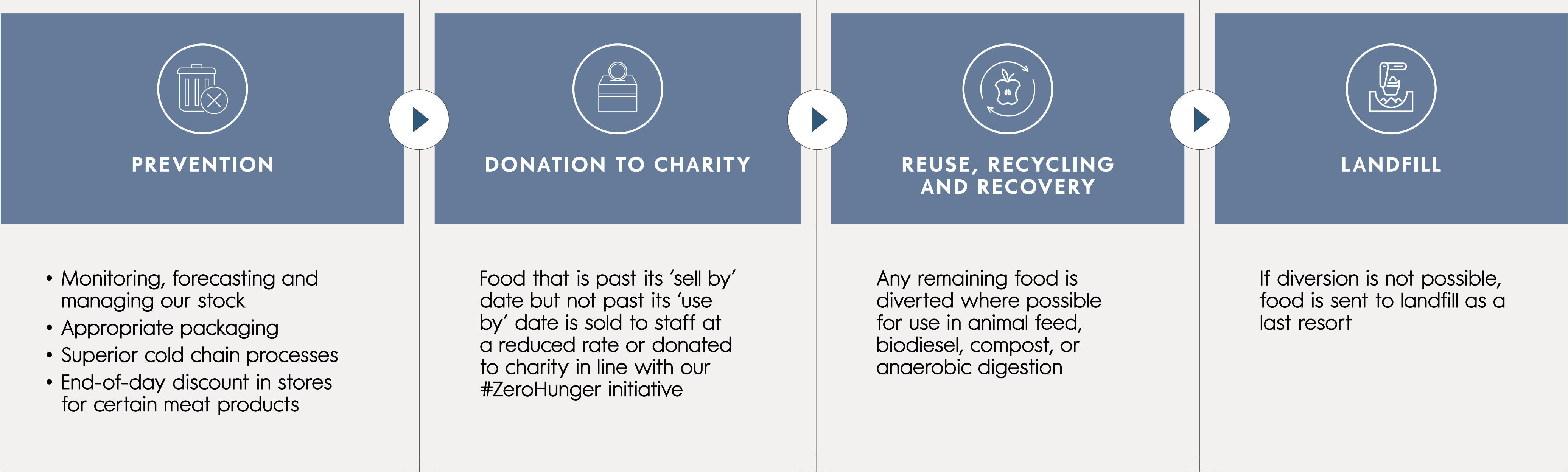
We have committed to a 50% reduction in edible food waste going to landfill by 2030. We have incorporated this goal into our Vision 2025+ strategy.

Woolworths is a founding member of the SA Food Loss and Waste Initiative. This is a voluntary initiative led by the Consumer Goods Council of South Africa (CGCSA) and the Department of Trade, Industry and Competition, together with the Department of Forestry, Fisheries and the Environment.

Woolworths participates in the Friends of Champions network. The network brings like-minded businesses together to work towards UN SDG 12.3: to halve food loss and waste. As part of this network, we quantify our food loss and waste and monitor our progress against the goal.

DIRECT OPERATIONS

Woolworths’ primary aim is to prevent food waste in our operations. We apply the following approach to reduce food loss and waste in our operations:







DESTINATION OF FOOD WASTE (TONNES) <sup>1</sup>	2023	2024
CHARITY	13 086	15 743
LANDFILL*	460	562
ANIMAL FEED	78	169
COMPOST*	147	89
ANAEROBIC DIGESTION*	528	750
BIODIESEL*	242	256
EFFLUENT*	55	31
TOTAL SURPLUS FOOD REDISTRIBUTED TO ALL DESTINATIONS	14 596	17 602 <sup>2</sup>
TOTAL FOOD LOSS AND WASTE (SUM OF*)	1 432	1 689
FOOD LOSS AND WASTE SENT TO LANDFILL AS A PERCENTAGE OF ALL SURPLUS FOOD REDISTRIBUTED	3.2%	3.2%

<sup>1</sup> Reporting in terms of calendar year (Jan–Dec)  
<sup>2</sup> Total differs slightly due to rounding

VALUE CHAIN

We engage our suppliers to commit to the Food Loss and Waste Initiative (FLWI). So far, 56 (2024: 56) Woolworths suppliers have signed up. We are proud of the fact that most core signatories are Woolworths suppliers.

Suppliers who sign up commit to:

- Using the World Resources Institute’s Food Loss & Waste Protocol to quantify and report their food loss and waste data
- Demonstrating progress towards halving their food loss and waste

*77% of signatories to the FLWI are Woolworths and its suppliers*

This year, we reviewed food waste data submitted by our suppliers through our sustainability management system. This will help us quantify the amount of waste produced by our factories and farmers, including what is sent to landfill.

We will use these insights to engage our suppliers to identify key drivers of waste and develop targeted strategies to help them reduce their food waste. This will reduce their environmental impact and enable them to become more efficient and sustainable.

CUSTOMERS

Woolworths is increasing communication with customers to reduce food waste in their homes. On our social media platforms, we profile various initiatives that tackle food waste, like FoodForward SA, Living Soils, and #ZeroHunger.

This year, we will celebrate the sixth anniversary of the International Day of Awareness of Food Loss and Waste.





# ADDRESSING SURPLUS PRODUCT

*Manufacturing requires extracting natural resources, energy, and other chemicals. Destroying surplus products means all these resources get wasted, and the destruction process negatively impacts the environment. Redirecting surplus products in a more circular way avoids these negative impacts.*

## SURPLUS CLOTHING

Textile waste sent to landfill discharges chemicals into the soil, contributing to environmental degradation and pollution. To reduce the amount of surplus clothing<sup>1</sup> sent to landfill, our Group companies facilitate the collection and distribution of garments through four partner organisations: Taking Care of Business<sup>2</sup> (Woolworths), Red Cross Fashion Trade (Country Road), Fitted for Work<sup>3</sup> and Dressed for Success<sup>4</sup> (Witchery).

Woolworths FBH sells surplus clothing to MyRunway and online. Any items not sold through these channels are donated to Taking Care of Business. Single customer return items are also donated to Taking Care of Business.

CRG donates faulty or returned goods that are not suitable for resale to Red Cross. Customers can also participate in the Fashion Trade Programme, which rewards them with a A\$10 gift voucher for donating their pre-loved clothes in-store.

Since the programme’s launch in 2011, Red Cross has received 340 000 units of pre-loved Country Road items donated by the company and its customers. 15 594 units were donated in FY 2025. Sale proceeds from these donations enable Red Cross to fund various programmes, including support for communities affected by extreme weather events and conflicts. This year, Country Road trained retail teams and updated in-store resources to continue supporting Red Cross.

Witchery donated new clothing, shoes and accessories to Fitted for Work Australia and Dress for Success New Zealand. These organisations support women who need professional attire to re-enter the workforce.

## SURPLUS FOOD

Refer to the food waste and social development sections for more information on our surplus food donations.

	2023	2024	2025
Value of clothing donated to Taking Care of Business	R33.2 million	R18.9 million	<b>R14.8 million</b>
Value of clothing sold to MyRunway	R8 million	R9 million	<b>R9.2 million</b>
Weight of garments donated to Red Cross	16 127 kg	17 438 kg	<b>13 930 kg</b>
Value of clothing donated to Fitted For Work	A\$285 632	A\$653 001	<b>A\$24 375</b>

1 Surplus clothing is clothing that has not been sold, was returned because of defects, or was damaged in transit.  
2 Taking Care of Business empowers unemployed women from disadvantaged areas in South Africa through a programme of life skills and financial and career development to start sustainable clothing microbusinesses.  
3 Fitted for Work Australia helps women experiencing disadvantages to regain confidence and secure and maintain employment.  
4 Dressed for Success New Zealand empowers women to achieve economic independence by providing a network of support, professional attire, and development tools to thrive in work and life.  
5 Approximate amount.





# CIRCULAR FASHION AND HOMEWARE

## LAYING THE GROUNDWORK FOR CIRCULARITY

Our Vision 2025+ circularity targets have proven difficult to progress due to a lack of technology, infrastructure, and overall standards and definitions in the fibre reuse and recycling industry

However, we continue to monitor global trends, initiatives, and pilot programmes. We investigate and trial the use of renewed, reused or recycled substrates where commercially viable, and conduct training on designing for circularity with relevant teams.

## TOWARDS CIRCULARITY

Throughout the garment production process, valuable fabric is lost due to cutting or faults in the sewing. We worked with our largest supplier, Kashion, to create a more circular process. This brings new value by blending these waste fabrics with virgin cotton fibres to make something new.

### CASE STUDY

#### REFASHIONING THE INDUSTRY: ACCELERATING CIRCULAR DESIGN WITH RMIT

In a linear economy, products are typically designed to end their lives in landfills. To move the fashion industry to a circular model, we need to make product material and design choices that enable garments and their components to be reused and recycled. Much research has been done on this, and small-scale projects have been piloted, but applying circularity at scale remains challenging in the face of practical business considerations.

CRG and RMIT University were awarded funding through Sustainability Victoria's Circular Economy Innovation Fund to create, pilot, and share circular design guidelines informed by real-life challenges and criteria.

CRG and RMIT were joined by two expert partners, circular design expert Courtney Holm from A.BCH and sustainability expert Julie Boulton. CRG teams participated in multiple

sessions with RMIT and the expert partners to workshop circular design guidelines. The teams piloted the guidelines in the design and product development phases before sharing their findings at the next workshop.

The partnership published its ReFashioning guidelines as an open-source tool for the broader Australian industry in March 2025.

Seamless, Australia's national product stewardship scheme, used these guidelines as part of its Re:Think initiative to reduce textile waste. CRG team members shared their insights at various events to raise awareness of circular design.

In 2026, we will consider working with RMIT on evolving the guidelines to improve their industry relevance and practical guidance.

### CASE STUDY

#### COUNTRY ROAD X HOMIE REBORN

Country Road partnered with HoMie REBORN to create a limited-edition range of our redesigned Country Road Heritage Sweat. This was done using past season garments, supporting our exploration of re-manufacturing models.

HoMie is a Melbourne-based streetwear label and social enterprise that supports young people affected by homelessness or hardship. Its REBORN programme explores creative ways to rework existing garments into limited-edition pieces with local manufacturers.

The Country Road x HoMie range was sold at our Brighton, Chadstone, South Yarra and Warringah Mall stores.



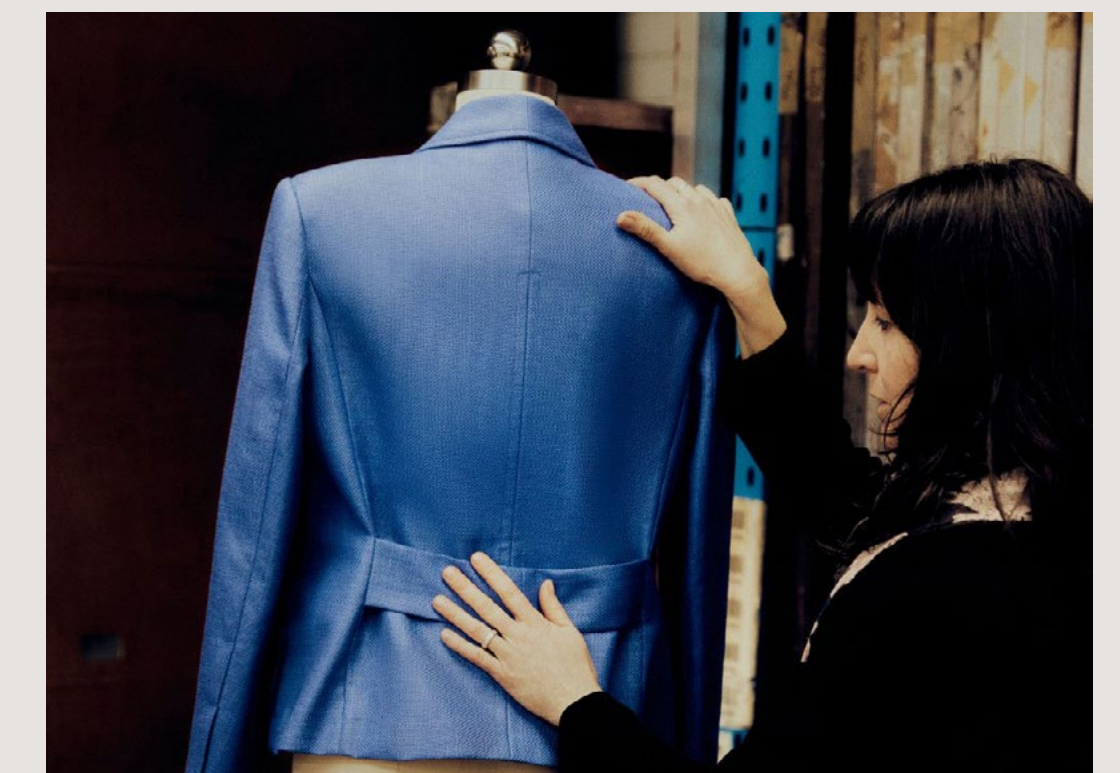
### CASE STUDY

#### COUNTRY ROAD REDESIGN CAPSULE: EXPLORING REMANUFACTURE WITH MIRIAM BORCHERDT

Country Road, together with RE-kin-DLE and Miriam Borchardt, released a small collection that was reworked from past season designs.

Miriam Borchardt is a fashion designer and researcher doing her PhD at RMIT University. Through this collaboration, we applied techniques such as laser cutting, printing, dyeing and disassembly to heavily discounted past season garments. The aim was to address rejection issues and return products to full-price sales.

The pilot enabled us to test redesign and remanufacturing methods in our supply chain. It provided insights into obstacles and opportunities as we pursue our aim of transitioning to a circular fashion model.







# WATER

**WHY IS THIS FOCUS AREA IMPORTANT?**

The Group operates in areas where water stress is a risk for the business and communities.

Water is essential to our operations. It is vital for agriculture and manufacturing, the health and hygiene of our employees and communities, and keeping our facilities operational.

*In this focus area*

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WATER STEWARDSHIP IN OUR SUPPLY CHAIN	91
WATER STEWARDSHIP IN OUR COMMUNITIES	94



# OVERVIEW

## PERFORMANCE SUMMARY

### VISION 2025+ GOAL

WORK WITH OUR SUPPLIERS AND PARTNERS TO CREATE A NET POSITIVE WATER IMPACT IN WATER-STRESSED BASINS IN OUR VALUE CHAIN BY 2050

Progress ●●●○

Percentage of direct operations with online water meters

67%

2024: **74%** | 2023: **81%**

Percentage of progress by Woolworths private label FBH suppliers in eliminating hazardous chemicals

94%<sup>1, MA</sup>

2024: **94%** | 2023: **97%**

<sup>1</sup> These certifications only cover soft materials in fashion and home.



## HIGHLIGHTS

- The Woolies Water Fund installed two water systems at the Living Soils Community Learning Farm [Page 94]

## LOWLIGHTS

- Installing water meters in our African operations remains a challenge due to high installation and maintenance costs [Page 89]
- Recycled water usage at some distribution centres experienced interruptions due to various technical difficulties in the first quarter of the year [Page 90]

## LOOKING AHEAD

- We will ensure business continuity by implementing emergency backup water tanks in new stores and retrofitting in existing stores over the next few years
- The Woolies Water Fund will focus its efforts on areas with high water security risks in the coming year

### PROGRESS KEY



**NEEDS FOCUS:**  
limited progress requiring support



**PROGRESSING:**  
some progress made, but not at the expected pace



**ON TRACK:**  
progress aligned with expectations



**ACHIEVED:**  
target fully met or exceeded



# WATER STEWARDSHIP IN OUR OPERATIONS

*Water is critical for keeping our business operational.*

*Many of our operations are in water-constrained areas, and we need to diversify our water sources.  
We do this by increasing our water use efficiency and using greywater, rainwater, or recycled water where possible.*

## DIRECT OPERATIONS

We have implemented various water efficiency initiatives to reduce consumption in our direct operations.

### WATER EFFICIENCY INITIATIVES IN OUR DIRECT OPERATIONS



INSTALLING TANKS FOR RAINWATER HARVESTING



WATER RECYCLING



USING GROUNDWATER AS AN ALTERNATIVE  
SOURCE WHERE POSSIBLE



INSTALLING AIR-COOLED REFRIGERATION  
AND AIR-CONDITIONING SYSTEMS BASED  
ON COMMERCIAL VIABILITY



DUAL-FLUSH TOILETS



TIMER TAPS ON BASINS

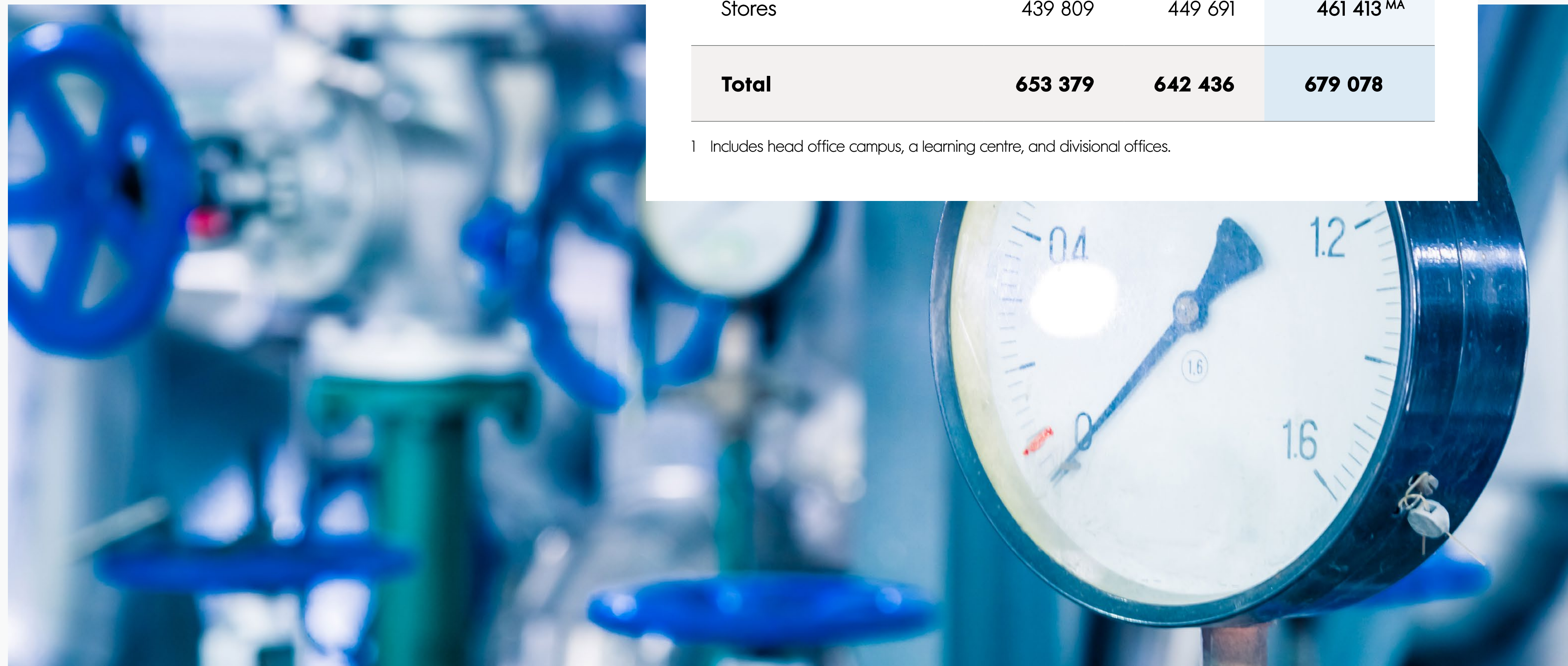
Effective water metering is critical for managing consumption. In South Africa, we install online water metering in all new full-line, Food and FBH store formats. Due to their size and minimal water usage, we do not install meters in smaller standalone store formats such as WEdit, WCellar and Now Now.

Installing online water meters remains a challenge in our African operations. High installation and maintenance costs make their use impractical in many parts of the rest of Africa.

CRG does not monitor or measure water consumption due to minimal usage in its direct operations.

WATER CONSUMPTION (KILOLITRES)	2023	2024	2025
Administration buildings <sup>1</sup>	17 004	12 684	14 736 <sup>MA</sup>
Distribution centres	96 566	180 061	202 929 <sup>MA</sup>
Stores	439 809	449 691	461 413 <sup>MA</sup>
<b>Total</b>	<b>653 379</b>	<b>642 436</b>	<b>679 078</b>

<sup>1</sup> Includes head office campus, a learning centre, and divisional offices.







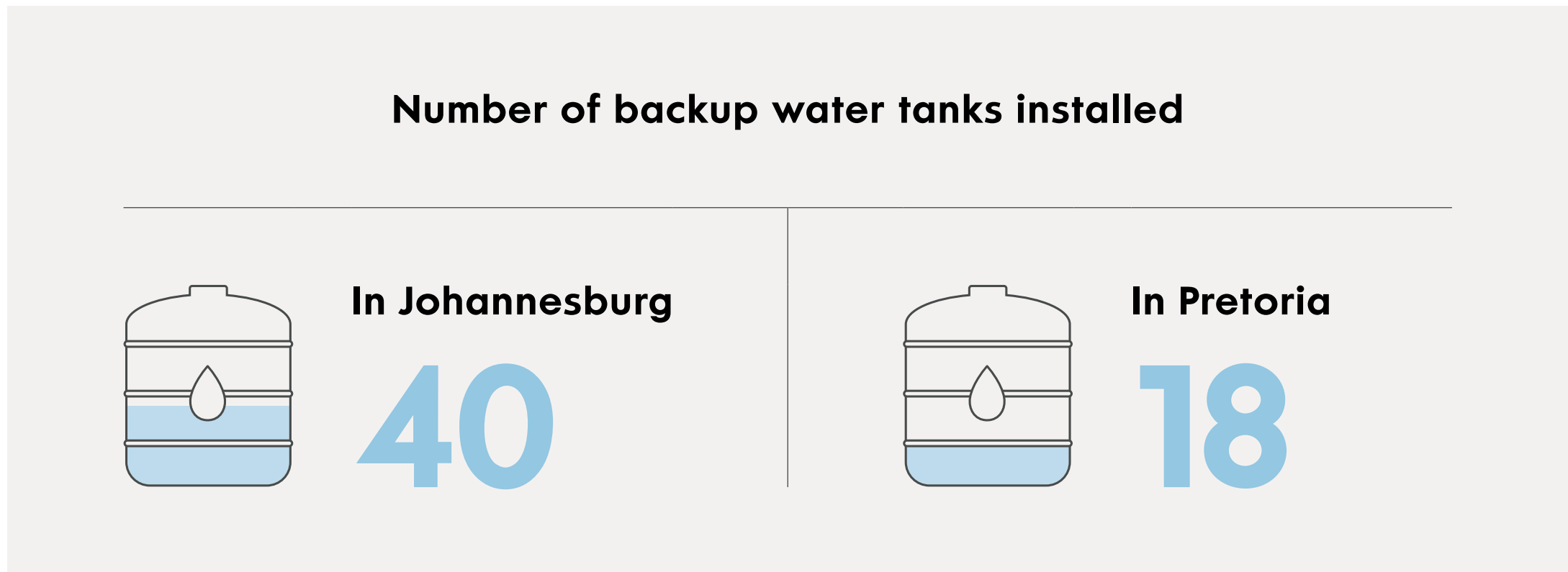
**HEAD OFFICE**

The Woolworths head office sources an estimated 28% (2024: 45%, 2023: 35%) of its daily consumption from an underground water supply as greywater. This decrease is as a result of technical issues related to our ground water supply systems. We continue to investigate solutions to increase our share of this supply.

**STORES**

Water consumption in our stores increased compared to the previous year. This is as a result of abnormal water consumption patterns in the previous year caused by loadshedding, which disrupted our hot food and café operations, thus artificially reducing our water needs.

In response to water supply interruptions in the northern regions of South Africa last year, we installed emergency backup water tanks in Gauteng and KwaZulu-Natal. This year, we continued to install backup tanks in new stores and retrofit in existing stores in Johannesburg and Pretoria. This is a phased process over multiple financial years.



We continue to hold regular training sessions with store teams to raise awareness and share best practices on water efficiency.

**DISTRIBUTION CENTRES**

Our distribution centres use recycled water for food distribution tray washing, gardening and ablutions. Maintenance of the reverse osmosis plants in our distribution centres reduced the frequency of breakdowns, resulting in improved recycled water use.

Borehole water consumption resumed at the Midrand distribution centre after functionality was lost in the first quarter of the year. This was due to construction-related damage from expansion work at the site. This expansion also affected consumption patterns at the site. Water consumption increased compared to last year.

Despite these impacts, we achieved a water consumption intensity of 0.84 kl/m² (2024: 0.99; 2023: 1.12) at our distribution centres.



# WATER STEWARDSHIP IN OUR SUPPLY CHAIN

*Our suppliers' operations rely heavily on the availability and quality of water. Therefore, we continue to expand our focus beyond our direct operations, working with suppliers to build water resilience in our supply chain.*

*Climate change impacts water quality and availability through changes in the water cycle. This will ultimately affect our food products' growth, sourcing of key commodities, and product manufacturing process.*

## WOOLWORTHS FARMING FOR THE FUTURE AND FACTORY FOR THE FUTURE

We continuously engage our suppliers on their water footprint and its impact on their operations. This enables us to address water-related challenges and ensure the continuous supply of our products.

Farming for the Future and Factory for the Future are established programmes within the Woolworths Food supply chain. For the farmers involved, the benefits have included improved water efficiency and wastewater management.

Farming for the Future has a Water Footprint Index that tracks and assesses the progress of 116 parameters year-on-year. These include water use efficiency, wastewater, alien vegetation, and soil quality. Using this index, we work with farmers to identify their water-related risks and reduce their water footprint over time.

The Factory for the Future Programme helps us understand how our processing factories manage water usage. We also collect their water use data.

## WATER STEWARDSHIP WITH FOOD SUPPLIERS

This year, Woolworths Food started working with WWF-SA to assess water risk for its South African suppliers using WWF-SA's water risk filter tool. The tool uses a comprehensive, location-specific approach to assess current and future climate-driven risks impacting water availability, quality, and ecosystem health. It will enable us to gain detailed insights into the water-related vulnerabilities of our supply chain and to model scenarios that project these risks to 2030 and 2050.

In the initial phase of this project, we integrated key Woolworths Food supplier data into the risk filter tool and conducted a preliminary risk assessment.

We are analysing the preliminary results. This will enable us to prioritise key suppliers for the operational risk assessment, the next phase of this project.





Woolworths, with WWF-SA and other partners, is helping restore South Africa's water resources in the Boland and Grootwinterhoek water source area. This partnership supports the work of the Wolseley Water Users Association by co-funding the operational costs of the water stewardship coordinator in the area.

These efforts will focus on two specific areas of the upper Breede River and be conducted in accordance with its River Maintenance and Management Plan<sup>1</sup>. The region of focus is between Wolseley and Rawsonville.

We aim to expand the catchment coordinator model to the Hex River, enabling its operation in six regions.

- Invasive alien clearing along 352 ha of the Breede River
- 13 ha of new areas cleared
- 6.5 ha of river restoration activities initiated
- 10 000 plants propagated for replanting projects

We aim to expand the catchment coordinator model to the Hex River, enabling its operation in six regions.



We promote water stewardship in our textile value chain. We do this through responsible sourcing certification schemes that promote water stewardship practices for key commodities.



**COTTON**

## LEATHER

Promotion of best practice in chemical management and wastewater treatment



Promotion of water recycling and reduction of wastewater



WATER STEWARDSHIP  
IN OUR PRODUCTS  
(PRIVATE LABEL)

WBeauty products are formulated without parabens, phthalates, formaldehyde-releasing preservatives, and other toxic ingredients.

Our RE: denim products are manufactured using ozone washing technology, which takes air from the atmosphere and transforms it into ozone, which is used to wash down denim and remove excess dyestuff. This process uses significantly less water.



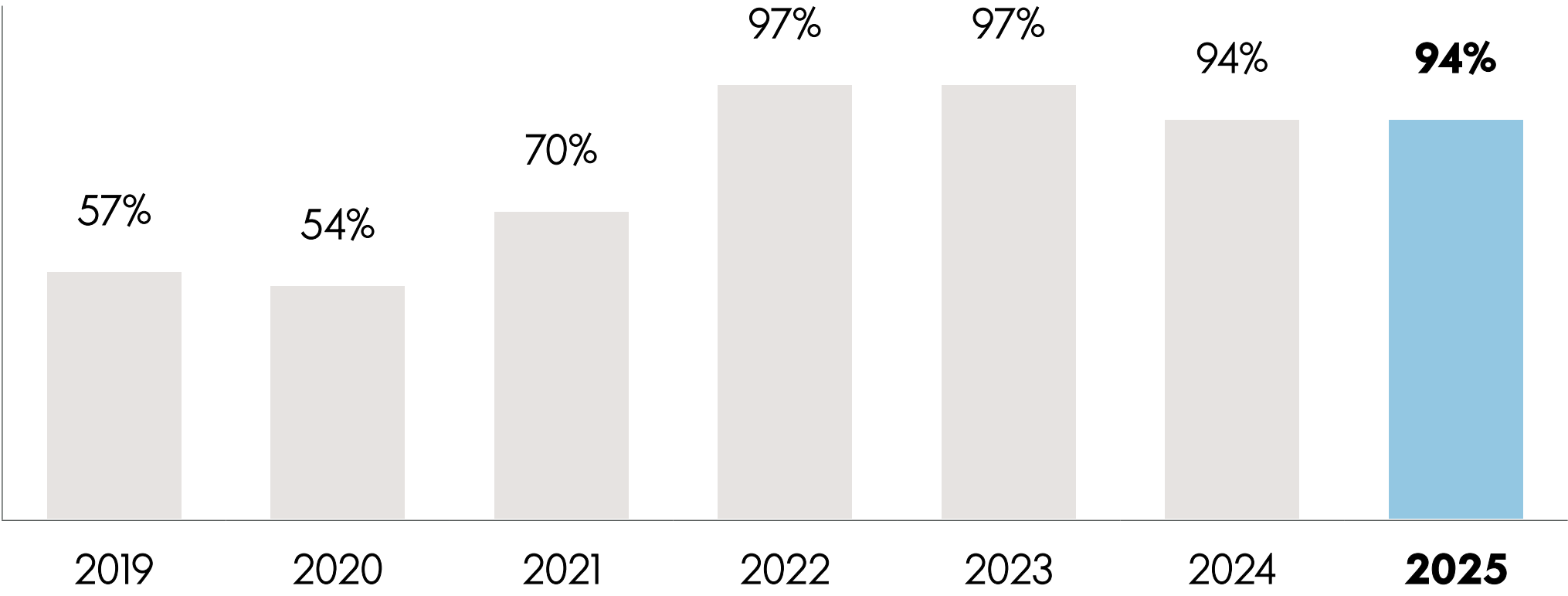
DETOX – REDUCING HARMFUL CHEMICALS

Textile manufacturing uses chemicals that can harm water resources, consumers, and the environment. To mitigate this, Woolworths FBH is removing harmful chemicals from our clothing value chain as part of our detox strategy.

To ensure our products meet these commitments, we aim to source our textiles from mills that comply with Bluesign®<sup>1</sup> or OEKO-TEX® STANDARD 100<sup>2</sup>. OEKO-TEX® STANDARD 100 or Bluesign® certified mean that the fabric or material used in clothing, bedding, or textiles has undergone rigorous testing for things like toxic chemicals, heavy metals, and other harmful compounds, providing peace of mind that the product is safe to use.

We recognise that these certifications are limited to testing finished fabrics for harmful substances. Therefore, we are considering programmes, such as OEKO-TEX® STeP and ZDHC, that assess the practices of the production facility as a whole.

PERCENTAGE OF PROGRESS BY WOOLWORTHS PRIVATE LABEL  
FBH SUPPLIERS IN ELIMINATING HAZARDOUS CHEMICALS<sup>3</sup>, MA



Suppliers of CRG and Woolworths FBH must comply with the Environmental Code of Practice and Environmental Chemical Policy, respectively. The code and policy are designed to ensure that no dyes or chemicals in garment, fabric, leather or textile production pose health or environmental risks during manufacturing, use or disposal.

<sup>1</sup> Bluesign® is a sustainability standard for the use of healthy and safe chemicals.  
<sup>2</sup> OEKO-TEX® STANDARD 100 is a label for textiles tested for harmful substances.  
<sup>3</sup> These certifications only cover soft materials in fashion and home.



# WATER STEWARDSHIP IN OUR COMMUNITIES

*According to UNICEF, one in five children globally does not have enough water to meet their everyday needs. More than 1.42 billion people, including 450 million children, live in areas of high or extremely high water vulnerability.*

*Although there is progress in making clean water accessible, there are opportunities to ensure that access to clean water and sanitation does not keep children out of school.*

## WOOLIES WATER FUND

The Woolies Water Fund partners with Urban Harvest to mitigate the impact of water shortages at schools in drought-affected regions, especially in the Eastern Cape and Western Cape Garden Route.

Limited access to clean water impacts school hygiene, sanitation, and learning environments. The partnership aims to provide sustainable water solutions that ensure operational continuity during water shortages.

### WOOLIES WATER FUND ACTIONS



Installing rainwater harvesting infrastructure and tanks with filtration systems



Installing handwashing stations



Installing water access points to ensure uninterrupted learning and hygiene

### KEY ACTIVITIES DURING THE YEAR

20

**new schools equipped with water storage tanks**

200

**handwashing stations installed**

20 000

**litres of water storage capacity created**

Climatologists forecast a significant decline in rainfall across the Western Cape and Eastern Cape over the next few years. We will implement proactive measures to enhance water resilience and ensure continued access to water for schools in need.

The Making the Difference platform provides guidelines on water use that can be applied at home, at school and within communities.

## CASE STUDY

### NEW WATER SYSTEMS AT LIVING SOILS COMMUNITY LEARNING FARM

In June 2025, the Woolies Water Fund installed two water systems at the Living Soils Community Learning Farm.

The first system was installed in the administration block. It includes guttering, two elevated water tanks, a pump with a controller, a filtration system, and a municipal water top-up with a float valve. The system feeds a stainless steel sink with a tap and facilities for handwashing and fresh produce rinsing. It also connects to the farm's hydroponics tunnel via 200 metres of trenching and piping to support sustainable farming practices.




The second system was installed next to a shade structure. It includes guttering, a pump with a controller, a filtration system and a stainless steel sink with a tap. This system is powered by solar panels and batteries for UV sterilisation of water. The pump, batteries and filtration components will be housed in a secure unit to protect the system and ensure safe access to clean water.

These systems serve as practical demonstrations of sustainable water management, providing equitable access to clean water for all community members.







# ENERGY & CLIMATE CHANGE

**WHY IS THIS FOCUS AREA IMPORTANT?**

We aim to mitigate the risk of climate change to our business, direct operations, and value chain. We seek to achieve this by reducing our carbon footprint, working with suppliers to do the same, and driving greater energy efficiency.

We are committed to contributing to the efforts to limit global temperature increases to 1.5 °C above pre-industrial levels. While climate change poses a risk to our business, it also allows us to innovate as we adapt to a changing environment.

*In this focus area*

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# OVERVIEW

## PERFORMANCE SUMMARY

### VISION 2025+ GOAL

ACHIEVE NET ZERO CARBON IMPACT BY 2040

Achieve net zero carbon Scope 1 and 2 emissions by 2040, with a 50% reduction by 2030. Work with our top suppliers, representing 25% of total procurement spend in rand, to set their own reduction targets.

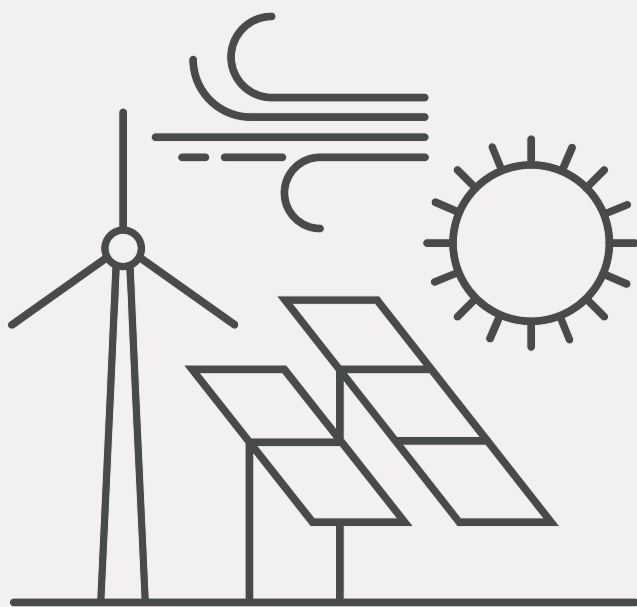
Reduction in Scope 1 and 2 emissions:<sup>1</sup>

BASELINE	Scope 1 and 2 emissions: 536 562 tCO <sub>2</sub> e (2019)
2023	20% 3 Woolworths Food suppliers have committed to setting their science-based targets
2024	30% 23 Woolworths Food suppliers have committed to setting their science-based targets
2025	<b>34%</b> <b>39 Woolworths Food suppliers have committed to setting their science-based targets</b>
PROGRESS	<div><div></div><div></div><div></div><div></div></div>

### VISION 2025+ GOAL

SOURCE 100% OF OUR ENERGY FROM RENEWABLE SOURCES BY 2030

2023	6%
2024	3%
2025	<b>3%</b>
PROGRESS	<div><div></div><div></div><div></div><div></div></div>



<sup>1</sup> Reduction is calculated against the baseline

## HIGHLIGHTS

- Country Road received its first Green Star certification in South Africa [Page 104]
- Woolworths introduced 11 more AxlePower refrigeration trucks [Page 106]
- Country Road announced four new recipients for its Climate Fund [Page 108]

## LOWLIGHTS

- Complexity and time delays related to supply authority approval processes for large-scale renewable energy systems [Page 104]

## LOOKING AHEAD

- We aim to introduce more fully electric vehicles to our fleet
- We will continue engaging with landlords to source renewable energy
- We will maximise self-generation of electricity wherever we own properties or control roof space
- CRG will participate in the UN Global Compact’s Climate Ambition Accelerator programme

### PROGRESS KEY



NEEDS FOCUS:  
limited progress requiring support



PROGRESSING:  
some progress made, but not at the expected pace



ON TRACK:  
progress aligned with expectations



ACHIEVED:  
target fully met or exceeded



# ENERGY EFFICIENCY

*Electricity is the largest component of energy consumption across the Group.*

*We strive to improve our energy efficiency, mainly relating to electricity usage, in all direct operations.  
We have focused our efforts on our stores and distribution centres, which contribute the most to our energy footprint.*

*We are switching to low-carbon technology where possible. This includes increasing the sourcing of renewable energy as part of our energy mix.*

Accurate data measurement and tracking are integral to understanding our overall footprint and identifying areas of improvement. We actively monitor electricity usage across our facilities using online electricity meters in most facilities.

In Australia, small-market electricity meters are not equipped with automatic online metering. This means we still rely on municipal billing data. To improve the accuracy of our data, we have begun installing our own meters in stores and aim to expand retrofits across our portfolio.

We retrofit older facilities with energy-efficient equipment where possible and ensure all new facilities have energy-efficient systems as standard. This enhances energy productivity, lowers maintenance costs and saves overall energy.

The new format of our Food stores introduces advanced refrigeration and cooking equipment. These upgrades enhance the customer experience and operational capabilities but impact our energy intensity metrics.

Energy intensity usage for Woolworths stores

252.19 kWh/m<sup>2,MA</sup>

2024: 232.19 kWh/m<sup>2</sup> | 2023: 241 kWh/m<sup>2</sup>

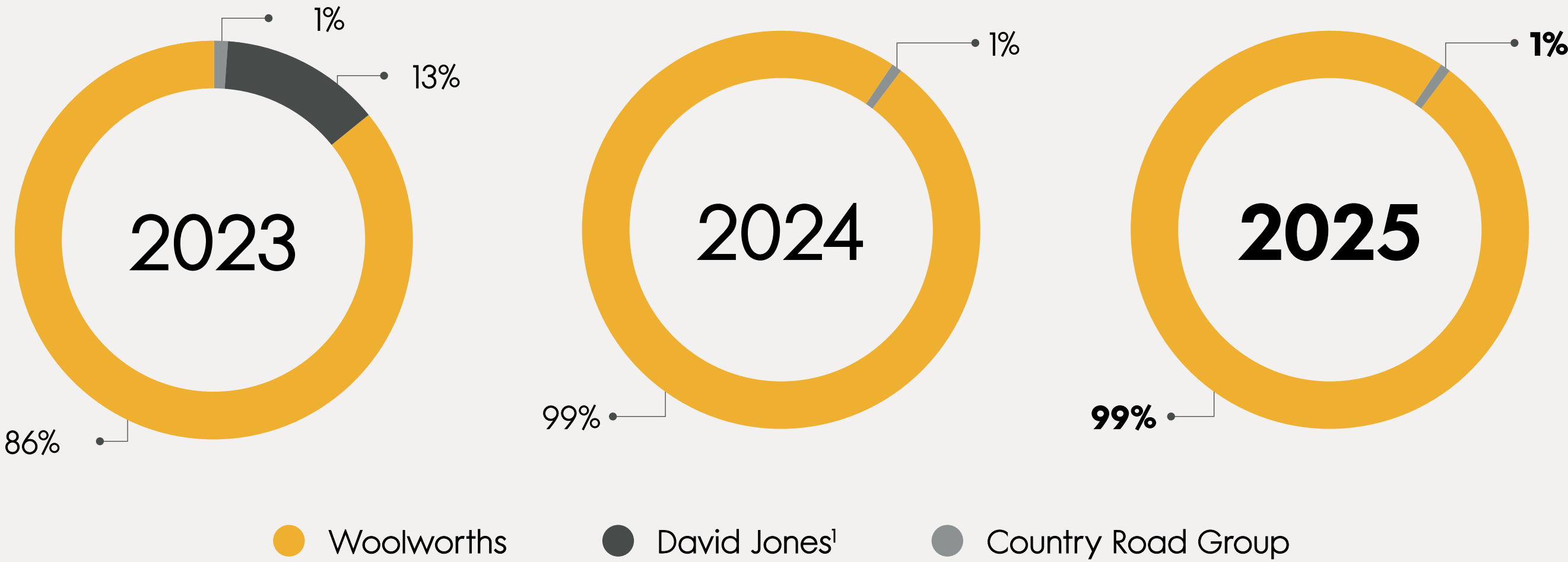
PERCENTAGE OF DIRECT OPERATIONS WITH REAL-TIME ONLINE METERING	2023	2024	2025
WOOLWORTHS	95%	95%	89%
COUNTRY ROAD GROUP	26 sites	33 sites	33 sites

WHL’s general letting area (GLA) for the year was 1 519 599 m<sup>2</sup> (2024: 1 502 494 m<sup>2</sup>, 2023: 2 101 051 m<sup>2</sup>). Total grid electricity consumption across the business was 328 939 668 kWh (2024: 326 542 585 kWh, 2023: 358 977 107 kWh). This represents an absolute increase of 1% from the previous year (2024: 9% decrease, 2023: 9% decrease).

The Group’s relative grid electricity intensity per square metre of GLA was 216 kWh/m<sup>2</sup> (2024: 217 kWh/m<sup>2</sup>, 2023: 171 kWh/m<sup>2</sup>). Our aim is to reduce electricity usage per square metre, even as the Group’s total electricity consumption grows due to expansion.



BREAKDOWN OF ELECTRICITY CONSUMPTION ACROSS THE GROUP



<sup>1</sup> The divestment of David Jones was finalized at the end of March 2023.



REFRIGERATION AND LIGHTING IN STORES

Refrigeration and lighting account for large portions of our energy use, particularly in stores.

INITIATIVES TO ENHANCE ENERGY EFFICIENCY IN STORES



Closed-door refrigeration in Woolworths Food stores. This saves an average of 20% of energy in-store



Installing natural gas refrigeration systems<sup>1</sup> across Woolworths Food stores



LED lighting in stores and distribution centres across the Group



Number of new or refurbished Woolworths stores that have been fitted with natural gas refrigeration

18

(90% of new or refurbished stores)



Number of Woolworths stores with LED Lighting (% of stores)

391 (83%)

2024: 264 (52%) | 2023: 214 (44%)



Woolworths cumulative spend to date installing/upgrading to LED lighting

R183.93 million

2024: R134.2 MILLION | 2023: R109 MILLION



CASE STUDY

LED LIGHTING UPGRADE AT WOOLWORTHS GREENACRES

Woolworths installed energy-efficient LED lighting at our Greenacres store. This included the trading floor, food market, and back-of-house areas.

The upgrade has reduced the store’s lighting energy load by approximately 12%, saving an average of 12 401 kWh per month. Combined with our rooftop solar installation, the upgrade enables more sustainable energy use and less dependence on the municipal grid. It has also elevated the store’s ambience and functionality, creating a brighter and more welcoming shopping environment.

Most Woolworths stores have been upgraded to LED lighting, with only a few smaller or remote locations remaining. LED lighting is standard for new stores, ensuring that energy efficiency is embedded in our design from the outset.

<sup>1</sup> We are unable to isolate the energy savings associated with natural gas refrigeration installations in our stores. However, we know they benefit the earth’s protective ozone layer, as they reduce the release of ozone-depleting R22 gas into the atmosphere. Unlike synthetic refrigeration gases, natural gas has almost no impact on the ozone layer, low global warming potential and less effect on climate change. The use of natural gas for refrigeration has also contributed to the gradual decrease in our absolute Scope 1 and 2 emissions over the years.



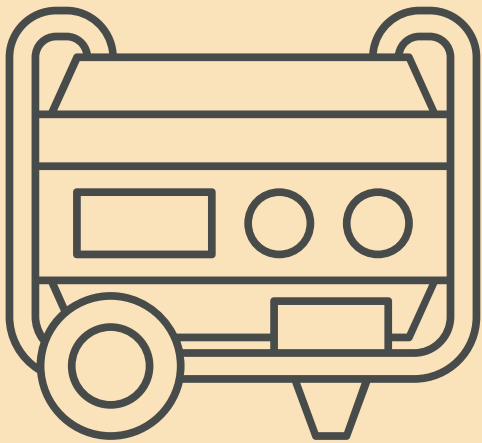
COSTS AND SAVINGS FROM ENERGY EFFICIENCY INITIATIVES

Our investment in energy efficiency initiatives has led to reductions in energy consumption and measurable long-term financial gains.

WOOLWORTHS SOUTH AFRICA	2023	2024	2025
Section 12L tax rebate	R1.8 million	R1.75 million	<b>R1.06 million</b>
Total electricity savings (head office and stores)	R368 million	R449.3 million	<b>R516.88 million</b>
Recoveries from incorrect billings and tariff optimisation (stores)	R4.9 million	R1.3 million	<b>R4.84 million</b>
Energy saved due to energy efficiency initiatives <sup>1</sup>	10 510 856 kWh	3 715 861.75 kWh	<b>3 062 871 kWh</b>
Spend on renewable energy installations	R2 million	R8.2 million	<b>R0<sup>2</sup></b>



BACKUP ENERGY SOLUTIONS



LOADSHEDDING

There was minimal electricity loadshedding this year. However, we continue to install prime-rated generators in stores to mitigate future impacts should loadshedding resume. Routine maintenance and repair of generators is ongoing.

We signed an agreement to join the landlord’s backup energy system at Nonesi Mall in Queenstown. This will eliminate the need to run our generator during power outages. We also piloted a backup inverter solution at our FBH store in the Maluti Crescent shopping centre in Phuthaditjhaba.

Our efforts to install backup inverter solutions at our WEdit and small-format FBH stores are ongoing.

*Number of sites with backup inverter solutions: 16*

1 Savings at like-for-like stores. These are stores where there have been no format changes, no changes larger than 10% in GLA, no known metering problems, and at least 80% of electricity data was measured through the online metering system.  
2 There were no new investments in renewable energy installation projects in the reporting period. Delays in external approval processes, together with the limited availability of suitable sites under our control, have slowed the pace of advancing these projects.



# WHL CARBON FOOTPRINT

## METHODOLOGY AND VERIFICATION

We calculate our annual carbon footprint for all three scopes within our operational boundary using the Greenhouse Gas (GHG) Protocol Standards: A Corporate Accounting and Reporting Standard and Scope 2 Guidance, as well as the Scope 3 Standard. We have received third-party limited assurance on our carbon footprint and intensity metrics, independently verified by the Global Carbon Exchange (GCX) for the year ending June 2025. The verification was carried out using ISO 14064-3 Greenhouse gases – Part 3 (2019), ‘Specification with guidance for the verification and validation of greenhouse gas statements’.

Annually, we publish our climate report in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In 2024, Australia introduced mandatory climate-related financial reporting under the Australian Accounting Standards Board’s (AASB) S2 standard. CRG will publish a separate report in 2026 and has begun work to ensure readiness in accordance with AASB S2 requirements. Whilst CRG data has been included in Group calculations, there may be differences in methodology that impact final full scope emissions figures disclosed in this report and those that CRG will disclose through AASB S2 reporting.

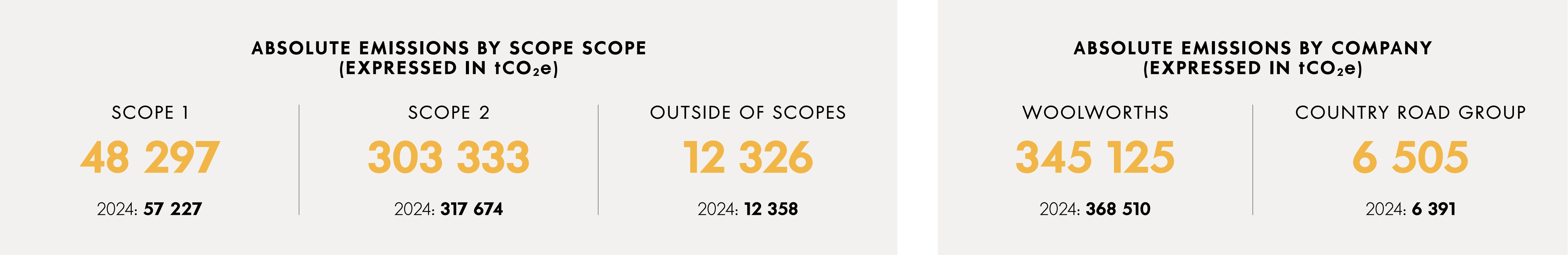
## CARBON TAX

Carbon tax of R68 564 (2023: R45 633, 2022: R49 727) was payable by Woolworths for the 2024 calendar year.

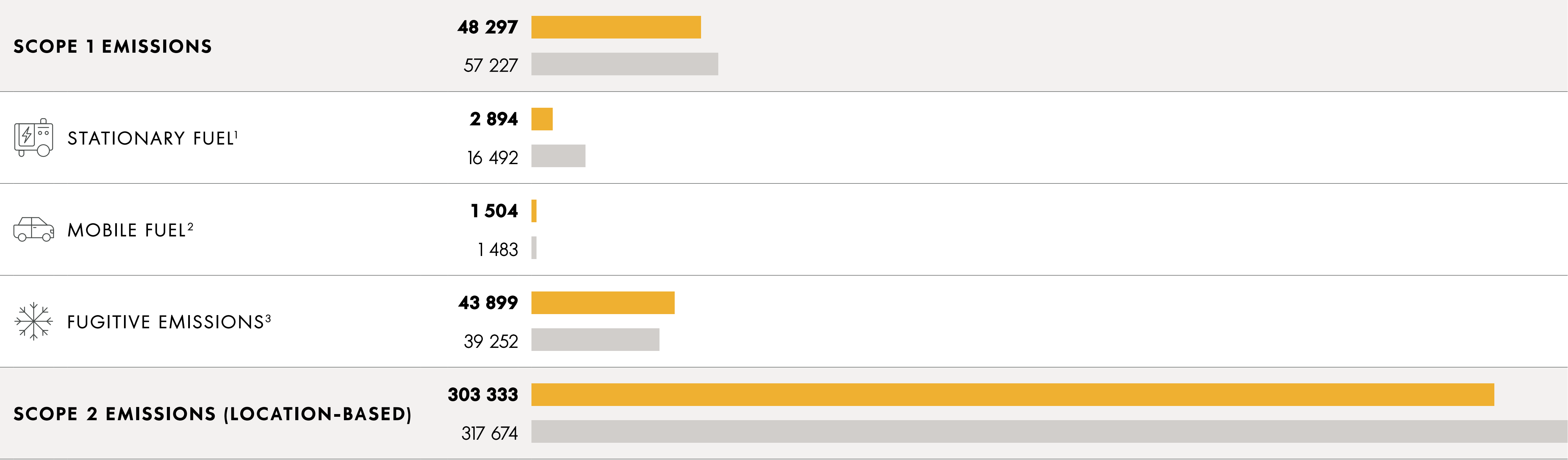
## CARBON OFFSETS

The Group has not purchased any carbon offsets.

## OVERVIEW OF SCOPE 1 AND 2 EMISSIONS (LOCATION-BASED)



## BREAKDOWN OF WHL’S SCOPE 1 AND 2 EMISSIONS (EXPRESSED IN tCO<sub>2</sub>e)



● 2025    ● 2024



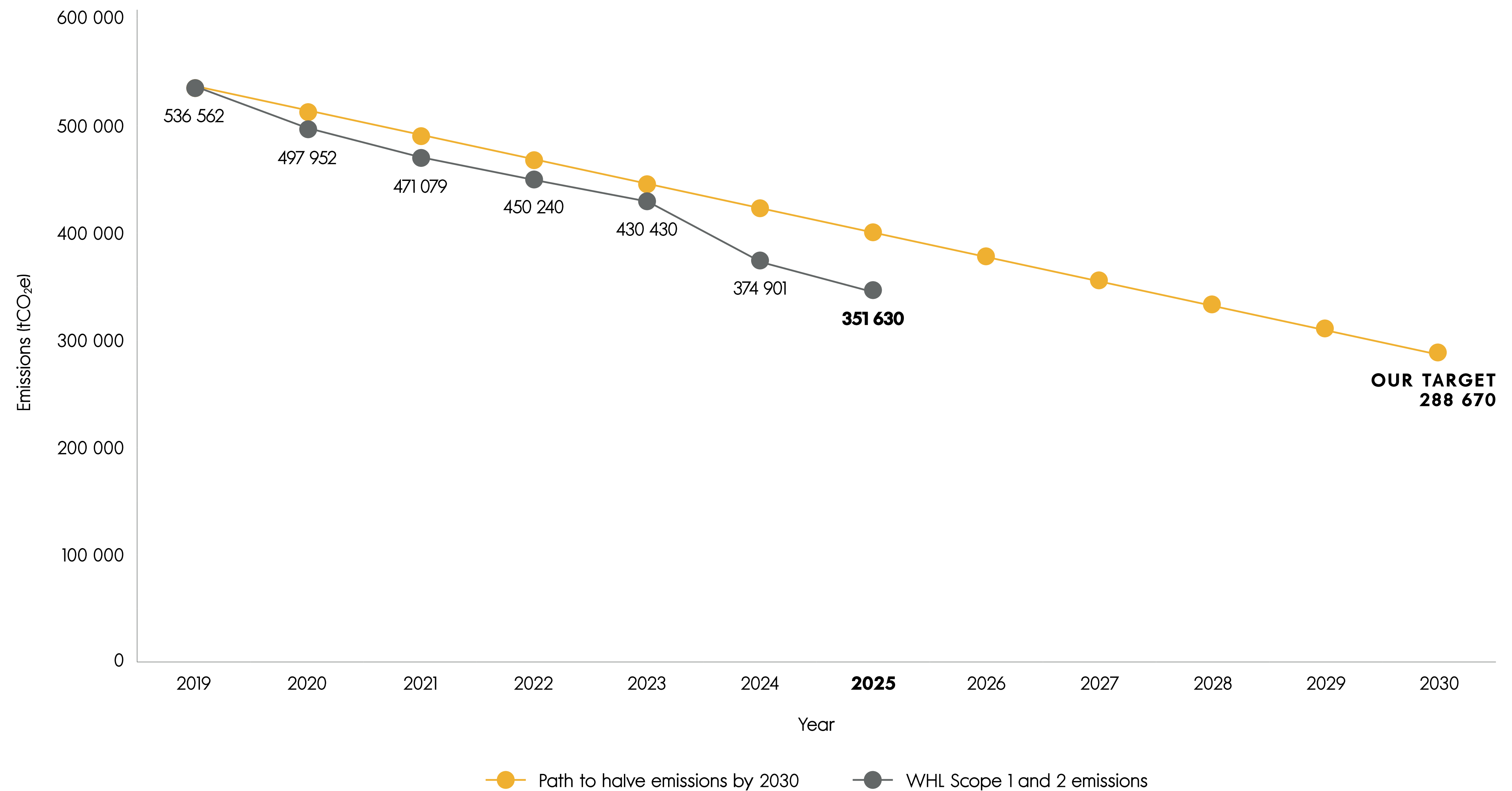
1 Diesel for generators, liquified petrol gas (LPG), natural gas for energy.  
2 Company-owned vehicles.  
3 Air-conditioning and refrigerant gases.



## TRACKING WHL SCOPE 1 AND 2 CARBON EMISSIONS AGAINST THE SBTI TRAJECTORY

WHL's targets to reduce absolute Scope 1 and 2 greenhouse gas emissions by 50% by 2030 were approved by the Science Based Targets initiative (SBTi) in 2020. Our 2025 Scope 1 and 2 emissions were 34% below the 2019 baseline, ahead of our SBTi forecasted trajectory of 25% below the baseline. The divestment of David Jones also influences this reduction.

We expect the annual rate of reduction in our Scope 1 and 2 carbon emissions to vary year by year depending on various factors, such as loadshedding in South Africa and the energy market regime in areas where we operate.





OVERVIEW OF SCOPE 3 EMISSIONS

We have expanded our Scope 3 reporting boundary to include all relevant, but previously unreported and underreported categories, making this our most comprehensive disclosure to date. The biggest change was to category 1 – Purchased Goods and Services, following the inclusion of emissions associated with purchased merchandise for sale. This has resulted in a significant increase in our overall reported emissions.

Due to the complexities and significant volumes of data required to calculate these emissions, and to ensure the accuracy and completeness of this disclosure, our Scope 3 emissions this year are reported a year in arrears using 2024 data. We have accordingly also restated our 2023 Scope 3 comparative data to reflect the expanded reporting boundaries.











As part of our net zero SBTi target, for our Scope 3 value chain, we engage with our top suppliers, representing 25% of total procurement spend (in rand), to set their own reduction targets. So far, 39 Woolworths Food suppliers have committed to setting science-based targets.



1 Scope 3 emissions are from the 2024 financial year. Total differs slightly due to rounding.  
2 Paper, packaging, till rolls, municipal water consumption, purchased goods.  
3 Purchased long-term assets (e.g. PPE)  
4 Upstream fuel and electricity emissions including transmission and distribution (T&D) losses.  
5 Sea-, air-, and road freight.  
6 Waste sent to landfill, recycled waste.  
7 Air travel, car hire, accommodation, travel claims.  
8 Appliances sold.  
9 Waste disposal and treatment of products sold.  
10 Emissions from VFS



BREAKDOWN OF WHL’S SCOPE 3 EMISSIONS (EXPRESSED IN tCO<sub>2</sub>e)

SCOPE 3 <sup>1</sup>	4 611 335	
	4 367 980	
 PURCHASED GOODS AND SERVICES <sup>2</sup>	4 034 010	
	3 813 514	
 CAPITAL GOODS <sup>3</sup>	119 060	
	79 015	
 FUEL- AND ENERGY-RELATED ACTIVITIES (T&D LOSSES) <sup>4</sup>	88 649	
	91 091	
 UPSTREAM TRANSPORT AND DISTRIBUTION <sup>5</sup>	115 149	
	110 958	
 WASTE GENERATED IN OPERATIONS <sup>6</sup>	2 422	
	3 299	
 BUSINESS TRAVEL <sup>7</sup>	7 652	
	8 086	
 EMPLOYEE COMMUTING	25 204	
	24 379	
 USE OF SOLD PRODUCTS <sup>8</sup>	9 105	
	15 285	
 END-OF-LIFE TREATMENT OF SOLD PRODUCTS <sup>9</sup>	209 431	
	221 668	
 INVESTMENTS <sup>10</sup>	653	
	685	





# LOW-CARBON TRANSITION

*Woolworths supports a carbon transition pathway that ensures we become a resilient business as we achieve our net zero ambition. To us, resilience means:*

1

We proactively identify the risks and opportunities that climate change poses for our business

2

Our climate mitigation and adaptation strategy is agile enough to withstand unforeseen shocks

3

We reduce our reliance on fossil fuels as we transition towards a low-carbon business

Reducing our overall carbon emissions is a strategic priority in this transition. We actively monitor developments in this space, focusing on emerging and affordable technologies as they become available.

### RENEWABLE ENERGY

Renewable energy is crucial for strengthening our resilience to climate change and the increasing costs associated with fossil fuels. There has been a phased increase in the percentage of the Group’s energy sourced from renewables over the years. We have installed solar PV systems at Woolworths’ head office campus and selected Woolworths and CRG distribution centres.

CRG sources most of its stores’ electricity via GreenPower in Australia and the New Zealand Energy Certificate System in New Zealand. For sites where we do not have direct control, we engage landlords to promote the use of renewable electricity. We are seeking partners to help procure renewable energy certificates for sites outside CRG’s meter control.

#### CASE STUDY

### GREENACRES ROOFTOP SOLAR INSTALLATION

Woolworths installed a rooftop solar energy system at its Greenacres store in Gqeberha. This advances our renewable energy goals and diversifies our energy sources.

The 300.6 kWp grid-tied solar PV system spans 1 400 m² of roof space and features 532 solar panels. It is engineered to generate approximately 360 084 kWh annually. This will meet 29% of the store’s electricity needs during daylight hours. This cuts costs and enhances grid stability amid ongoing energy constraints.

(EXPRESSED IN KWH)	2023	2024	2025
RENEWABLE ENERGY GENERATED AND CONSUMED – WHL	1 497 833	2 024 123	2 443 669
Woolworths	1 286 869	1 938 588	2 154 958
Country Road Group	210 964	85 535	288 711 <sup>1</sup>
RENEWABLE ENERGY PURCHASED – WHL	20 264 290	7 261 132	7 455 298
Woolworths	12 908 149	471 110 <sup>2</sup>	483 132
Country Road Group <sup>3</sup>	7 356 141	6 790 021	6 972 166
PERCENTAGE OF ELECTRICITY SOURCED FROM RENEWABLE SOURCES – WHL	6% <sup>4</sup>	3%	3%
Woolworths	4%	1%	1%
Country Road Group	2%	2%	2%
NUMBER OF SOLAR PV ENERGY INSTALLATIONS – WHL	7	8	9
Woolworths	6	7	8
Country Road Group	1	1	1

1 The Omni Fulfillment Centre generated 342 735 kWh, of which 54 025 kWh was exported to the grid.  
2 Through Eskom’s renewable energy tariff programme, there were six Woolworths sites, including a distribution centre, that were powered by wind energy. In 2023 review Eskom discontinued the project. There are therefore no Woolworths benefiting from this programme.  
3 CRG purchases GreenPower, an Australian government-managed electricity retail product that supports renewable energy generation. The electricity retailer surrenders equivalent energy attribute certificates to GreenPower on CRG’s behalf.  
4 Includes contribution of David Jones’ renewable energy.



The Group faces challenges in expanding its use of renewable energy:

- Installing solar PV in stores where we are tenants depends on landlords’ willingness to permit our installations or share access to their existing systems
- Limited infrastructure and a small number of energy wheeling service providers in South Africa constrain our ability to scale this solution across our operations
- Grid capacity constraints and regulatory approval processes with electricity supply authorities limit our ability to expand solar PV at our distribution centres

Nonetheless, we aim to maximise self-generation where we own properties:

- We are investigating the necessary structural upgrades to roofs for future solar PV installations.
- We are nearing completion of solar PV extensions at our head office campus.
- Engagements to extend the solar PV installations at our Midrand distribution centre are ongoing. To improve the chances of approval for further expansion, we have submitted revised applications with smaller system capacities.
- We signed our first wheeling agreement with a service provider and are expecting the first tranche of this energy in the next year.

GREEN BUILDINGS

The Group obtains third-party certification for our green stores and distribution centres through the Australian and South African Green Building Councils’ ‘Green Star’ ratings.

Woolworths has an internal green stores model that places stores in three categories – platinum, gold and silver – according to their green design features. This ensures we future-proof stores with energy-efficient technology.

COUNTRY ROAD GROUP’S GREEN STAR GOALS

Target 5-star Green Star rating for new Country Road and Trenery stores stores in Australia

Develop a formal strategy for Mimco, Politix and Witchery stores in Australia to achieve Green Star certification by 2026

CASE STUDY

FIRST COUNTRY ROAD GREEN STAR RATING IN SOUTH AFRICA

Since 2022, CRG has achieved 22 Green Star ratings from the Green Building Council of Australia.

In 2023, we extended this strategy to include Country Road stores in South Africa. This year, CRG received a 5-Star Green Star rating from Green Building Council South Africa for Country Road: V&A Waterfront.

A building must score at least 60 points to achieve 5-Star certification. Points are awarded based on factors such as energy efficiency and off-site renewables, waste reduction, improving indoor environments, and driving innovation in the retail industry.

The design of Country Road: V&A Waterfront takes inspiration from Cape Town’s scenery. It emphasises responsible sourcing by using locally manufactured tiles, low-emission plywood, and wall coverings containing a high percentage of post-consumer recycled materials.

CRG is targeting Green Star certification for its Trenery V&A Waterfront store.



*This year, Trenery received its first 5-Star rating for the Trenery Brighton store*

CRG will engage the Green Building Council of Australia as they finalise their Green Star Fitouts rating tool. We participated in the advisory panel to review and give feedback on the standard for evaluating store fitouts.<sup>1</sup>

The tool will be piloted with stores from Country Road, Trenery and Witchery. The results will be used to develop brand-specific Green Star scorecards. These scorecards will incorporate carbon emission calculations and a de-fit. This will enhance our capacity to reuse materials and fixtures for more sustainable outcomes throughout the fitout lifecycle.

<sup>1</sup> A fitout is the process of designing, building and furnishing an interior retail space.






ONGOING ACTIVITIES



We provide training in sustainable building to all Country Road and Trenery shopfitting teams before any work commences.



In-store teams are briefed on the sustainability attributes of all new Green Star stores before store opening.



We provide an information user guide on all the features of our Green Star stores. Training on this guide forms part of staff induction.

*“Country Road is the first Australian fashion retailer to commit to Green Star certification at scale. It has the largest retail footprint of Green Star-certified projects in the nation. Woven into this achievement is Country Road’s commitment to environmental innovation, a willingness to embrace responsible and recycled materials, and respected relationships with local suppliers.”*

– DAVINA ROONEY, CEO,  
GREEN BUILDING COUNCIL OF AUSTRALIA

GREEN STAR RATINGS	2022	2023	2024	2025
WOOLWORTHS	–	–	Head office building ★★★★★	–
COUNTRY ROAD GROUP	Canberra ★★★★★★	Doncaster ★★★★★★	Ballarat ★★★★★★	Marion ★★★★★★
	Kotara ★★★★★★	Charlestown ★★★★★★	Highpoint ★★★★★★	V&A Waterfront ★★★★★★
	Southland ★★★★★★	Carindale ★★★★★★	Brighton ★★★★★★	Trenery Brighton ★★★★★★
	Chadstone ★★★★★★	Booragoon ★★★★★★	St Ives ★★★★★★	
		Frankston ★★★★★★	Penrith ★★★★★★	
		Erina ★★★★★★	Newmarket ★★★★★★	
			Camberwell ★★★★★★	
			Townsville ★★★★★★	
			Karrinyup ★★★★★★	
			Castle Hill ★★★★★★	





## ENERGY-EFFICIENT LOGISTICS

We collaborate with our logistics partners to continually enhance the efficiency of our logistics operations. Woolworths focuses on optimised usage of delivery vehicles. We collect stock directly from suppliers using the same vehicles that service our stores. This minimises empty return trips. Our reverse logistics operations supplement this approach.

We deploy 42 electric vehicles across South Africa within our standard delivery channel. We continually assess opportunities to enhance the efficiency of this fleet. 45% of our fleet comprises internal combustion vehicles, as certain routes remain unsuitable for electric alternatives.

As demand for standard delivery declines in favour of our DASH service, we are optimising this channel to address lower order density and increased inter-stop distances. To reduce our 'distance-to-serve,' we evaluate all delivery footprints using a geospatial toolset. This enables us to determine which fulfilment stores should serve which customers. These optimisations lower our cost to serve, reduce fuel consumption, and shorten delivery times for customers.

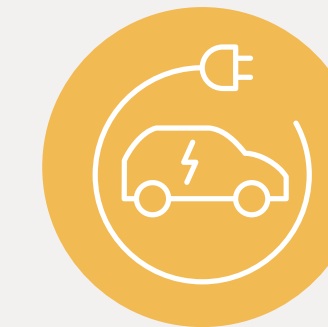
We are collecting DASH emissions data to establish a benchmark for future tracking and reporting. We are exploring opportunities to add electric motorcycles in the DASH fleet.

We added 11 more AxlePower<sup>1</sup> refrigeration trailers to our fleet. We are also exploring the introduction of fully electric delivery vehicles into our broader fleet. We piloted the use of an electric truck to determine the viability of this alternative.

### TRANSPORT OPTIMISATION INITIATIVE

Woolworths' distribution centres are working to increase operational efficiency and optimise delivery routes. We are now co-loading our Food and Fashion, Beauty and Home products within our supply chain, where previously separate deliveries were made. This reduces the number of vehicles on the road, enhances efficiency and lowers our environmental impact.

We trialled the initiative last year and have since rolled it out nationwide.



42 electric vehicles in our standard delivery channel



12 AxlePower refrigeration trailers in our fleet



We optimise efficiency of our logistics through:

- Reverse logistics
- Collecting stock directly from suppliers using the same vehicles that service our stores
- Co-loading Food and FBH products
- Using a geospatial toolset to determine which fulfilment stores should serve which customers

<sup>1</sup> AxlePower is an advanced system that transforms road transport trailers into a source of clean and efficient electricity. A specially adapted axle converts kinetic energy into electricity for powering the refrigeration unit. This provides tractor-independent, 100% electric cooling for trailers. It uses free power and results in zero trailer carbon emissions.





# SUPPLIER ENGAGEMENT

## FACTORY FOR THE FUTURE

We support suppliers on their sustainability journeys through our Factory for the Future Programme. The programme enables continuous improvement by providing risk or gap analyses, data reporting, and development of action plans. Factory for the Future, Farming for the Future and Fishing for the Future are our three main supplier initiatives in Woolworths Food.

Our suppliers complete a holistic assessment every year on sustainability management, water, energy, waste, human rights, employee wellbeing, lean manufacturing, transformation, and responsible sourcing. Based on the results, they identify areas of improvement and set appropriate sustainability targets.

### SUPPLIERS ASSESSED

63

2023

90

2024

102

2025

We aim to have all our Factory for the Future suppliers onboarded to participate in sustainability initiatives by June 2027.

Woolworths FBH did not assess any of its suppliers this year. However, we are investigating suitable programmes to enhance our environment management approach with tier 1 and tier 2 suppliers.

CRG updated its Sourcing Code of Conduct to allow for a more comprehensive approach to assessing supplier environmental performance and strategic management approach. The code outlines clear expectations on how our suppliers should manage the environment, nature, energy and emissions.





# INDUSTRY COLLABORATION

*The transition to a low-carbon future requires collective effort. Therefore, we are committed to partnering with organisations that share our vision, where feasible.*

## COUNTRY ROAD CLIMATE FUND

Country Road launched its Climate Fund in 2022, committing grant funding over three years for projects that mitigate climate change. To date, the fund has supported seven projects aimed at building climate resilience across four pillars:


- 1

**BIODIVERSITY**  
Protecting and restoring nature
- 2

**FIRST NATION**  
Supporting Aboriginal and Torres Strait Islander-led projects and partnerships
- 3

**INNOVATION**  
Driving industry change
- 4

**CIRCULARITY**  
Reimagining the textile lifecycle



The fund provides cash grants to recipients, as opposed to making equity investments. Recipients range from entrepreneurs working on proof-of-concept for their products to established climate solutions that are looking to scale.

The incubator stream offers grants of up to A\$30 000 to for-profit and not-for-profit entities that are developing seed-level projects. To be eligible, businesses must have fewer than 15 employees, less than A\$250 000 in total assets, and less than A\$250 000 in annual sales.

More mature projects can apply for the accelerator scheme. The scheme offers grants of up to A\$200 000 to not-for-profits, co-operatives and social enterprises.



### CLIMATE FUND PROJECT MILESTONES

- 2022

Country Road launches the Climate Fund
- 2023













We announced our first three grant recipients: Landcare Australia, Trust for Nature, and Full Circle Fibres. We committed A\$547 000 to these projects.  
*Status update: Projects completed in 2025.*
- 2024

We nominated four new recipients and granted A\$421 100 to support their work across biodiversity, circularity, First Nations-led initiatives, and innovation:
  - **Greening Australia:** Improving biodiversity on Tasmanian wool farms
  - **Mimal Women Rangers:** Connecting First Nations rangers to the creative arts industry
  - **RediRobots:** Sorting and transforming used textiles into a valuable resource
  - **A.BCH:** Connecting fashion designers with quality surplus material*Status update: Projects are underway.*
- 2025

Applications for our year 3 grants close at the end of 2025.



The table below summarises the progress to date of our 2023 recipients.

PROGRESS ON 2023 PROJECTS		
TRUST FOR NATURE	MUD TO MARLE (FULL CIRCLE FIBRES)	LANDCARE AUSTRALIA
<div><div></div><div>OBJECTIVES</div><div>To play a role in grazing the land in a manner that supports the habitat of the plains-wanderer, a critically endangered bird</div></div> <div><div></div><div>OUTCOMES</div><div>76 hectares of native grassland covenanted at the Bear family farm</div></div> <div><div></div><div>IMPACT</div><div><ul style="list-style-type: none"><li>• New farming methods enable habitat creation, benefitting business and the environment</li><li>• Funding has unlocked further philanthropic and government funding to expand the programme</li></ul></div></div> <div><div></div><div>NEXT STEPS</div><div>Learnings from the project will enable other farmers and organisations to learn, adopt and adapt the findings</div></div>	<div><div></div><div>OBJECTIVES</div><div><ul style="list-style-type: none"><li>• Test end-to-end textile manufacturing capabilities in Australia, focusing on low-impact production methods</li><li>• Transform low-value Australian wool into high-value yarn and fabric for use in the textile and fashion industry</li><li>• Achieve Marle yarn in which only wool fibres are dyed, not cotton</li></ul></div></div> <div><div></div><div>OUTCOMES</div><div><ul style="list-style-type: none"><li>• Pilot production run of high-value yarn from low-grade wool and Australian cotton blend</li><li>• Production of knitted and woven garment samples in the form of jumpers, t-shirts, skirts and pants</li><li>• Completion of a trial for fibre dyeing, spinning, and fabric milling</li></ul></div></div> <div><div></div><div>IMPACT</div><div><ul style="list-style-type: none"><li>• Local industry development following the identified need for onshore commercial spinning facilities and skilled technicians</li><li>• A\$300 000 in additional funding unlocked</li></ul></div></div> <div><div></div><div>NEXT STEPS</div><div>Deakin University has committed to employing a master spinner</div></div>	<div><div></div><div>OBJECTIVES</div><div>To build a toolkit to enable eligible local farmers to engage in the emerging green economy. The toolkit aims to address barriers to farmer participation in carbon farming by bridging knowledge gaps, assisting decision-making, and offering support to landholders to understand their opportunities in environmental markets</div></div> <div><div></div><div>OUTCOMES</div><div>Completion of the environmental plantings toolkit</div></div> <div><div></div><div>IMPACT</div><div>The toolkit will help eligible cotton and wool growers to access climate and biodiversity markets</div></div> <div><div></div><div>NEXT STEPS</div><div><ul style="list-style-type: none"><li>• Launch the environmental plantings toolkit and call for expressions of interest from eligible landholders in the Australian cotton and wool industry</li><li>• Aim to have two demonstration sites registered under the Australian Carbon Credit Unit Scheme</li></ul></div></div>





## ALLIANCE FOR CLIMATE ACTION SOUTH AFRICA

Woolworths is a signatory to the Alliance for Climate Action South Africa. This is a network of organisations working with local and national government and research institutions to achieve a net carbon-neutral economy in South Africa by 2050.

Members are expected to:

- Produce plans showing how net zero emissions will be achieved by 2050
- Translate the plans into actions and embed these within their organisation, or collaborate with others on mutually beneficial climate actions
- Influence and champion an economy-wide transition to net zero carbon by 2050
- Encourage other organisations to join the alliance

## CDP SUPPLIER ENGAGEMENT ASSESSMENT

The Group continues to be transparent through voluntary disclosure to organisations such as the CDP. We were included in the CDP's Supplier Engagement Assessment A-List. This assessment is based on companies' performance on governance, targets, Scope 3 emissions, and value chain engagement.

## SOUTH AFRICAN ENERGY POLICY

Woolworths participated in the South African Energy Policy Recommendation initiative led by the National Business Initiative and the Climate Group's RE100 campaign. This is the first comprehensive effort to address the issues around adopting and expanding renewable energy in South Africa. The resulting document offers practical recommendations to the government and other policymakers.

## CLIMATE AMBITION ACCELERATOR PROGRAMME

CRG will participate in the UN Global Compact's Climate Ambition Accelerator programme in 2025. The six-month programme provides businesses with knowledge and skills to develop greenhouse gas management strategies and targets.

## TRAINING AND AWARENESS

CRG facilitated training for executive leaders and senior managers on identifying and assessing climate-related risks and opportunities. Sessions on broader climate regulation awareness were held with senior leaders across various teams.





