

WOOLWORTHS HOLDINGS LIMITED

# INTEGRATED ANNUAL REPORT

2025

START

# INTRODUCING OUR INTEGRATED ANNUAL REPORT

*Woolworths Holdings Limited (WHL or the Group) is pleased to present its Integrated Annual Report for the financial year ended 29 June 2025 (FY2025 or the year). The report aims to provide a balanced and accurate reflection of our value-creating business model, strategy, risks and opportunities, approach to governance, and performance.*

Woolworths is an iconic and trusted brand, renowned for delivering consistent high-quality products and excellent customer service. Through our purpose of ‘adding quality to life’, we deliver value to our stakeholders as a responsible corporate citizen.



**OUR PURPOSE**  
**ADDING QUALITY TO LIFE**  
 Adding exceptional quality in every product we sell and every experience we deliver, to our customers and our people.



**OUR VISION**  
**TO BE ONE OF THE WORLD’S MOST RESPONSIBLE RETAILERS**  
 Reflects our passionate commitment to doing good business, for our customers, our people, and our planet.



**OUR VALUES**  
 Our values inform how we behave. They support how we live our purpose and move towards our vision. From values-based leadership to passionate brand advocacy, they underpin the way we interact and operate in all our businesses.

## OUR COMMITMENT TO SUSTAINABILITY

Our Good Business Journey (GBJ) is our commitment to caring for our environment, people and communities.

### OUR GBJ PILLARS



**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.

RELATED UN SDGs\*



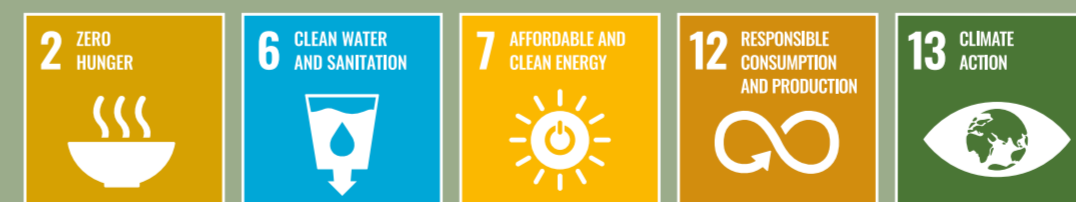
**ETHICAL AND FAIR**  
 We care how our products are made, and are committed to a fully transparent, traceable, and ethical supply chain.

RELATED UN SDGs\*



**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.

RELATED UN SDGs\*



\*Our GBJ prioritises eleven of the 17 United Nations (UN) Sustainable Development Goals (SDGs).



**CUSTOMER OBSESSED**  
 means that, in our world, the customer always comes first



**INSPIRATIONAL**  
 says we are always looking ahead and taking the lead



**BEING RESPONSIBLE**  
 is about doing the right thing – always value with values
























**COLLABORATIVE**  
 means we are one team working together



**QUALITY**  
 is the heart of our business. We are committed to quality in whatever we do, wherever we do it

# 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  |   |
|---|---|--|--|---|
| <br>THIS REPORT  | <ul style="list-style-type: none"> <li>2025 Integrated Annual Report (IAR)</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>Integrated Reporting Framework</li> <li>Companies Act, No 71 of 2008, as amended (Companies Act)</li> <li>JSE Listings and Debt and Specialist Securities Listings Requirements</li> <li>King IV™ Report on Corporate Governance for South Africa, 2016 (King IV™)*</li> <li>UN SDGs</li> </ul> | <br><br><br>  |
| <br>GOVERNANCE REPORT<br>Incorporating the Social and Ethics and Remuneration Reports      | <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 Listings Requirements</li> <li>Other applicable laws, regulations, and best-practice principles</li> </ul>  | <br><br>   |
| <br>SUSTAINABILITY REPORT   | <ul style="list-style-type: none"> <li>2025 Good Business Journey 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 (NGOs), environmental, social and governance (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</li> <li>Climate-related Disclosures</li> <li>UN SDGs</li> <li>King IV™</li> </ul>  | <br><br><br><br> |
| <br>FINANCIAL REPORTS  | <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 Listings Requirements</li> </ul>   | <br>  |
| <br>NOTICE OF ANNUAL NOTICE OF ANNUAL GENERAL MEETING (AGM) AND SUMMARISED GROUP RESULTS | <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 Listings Requirements</li> <li>Companies Act</li> <li>King IV™</li> </ul>   | <br>  |

## REPORT ASSURANCES

IAR: 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 APPROACH TO INTEGRATED REPORTING

*Integrated thinking guides how we preserve and create value, ensuring we fulfil our purpose of adding quality to life in an evolving world.*

The IAR and reporting suite are prepared by senior leaders from Group Strategy, Investor Relations, Governance, Risk and Compliance, Human Resources, Good Business Journey, and Finance. They draw on detailed management and Board reports, management interviews, and stakeholder engagements.

We apply the concept of materiality to determine the scope and content of the IAR. The concept focuses our attention on matters that are critical to the sustainable performance of the Group and its ability to create and sustain value. This ensures stakeholders receive concise and relevant content for making informed assessments and decisions.

We identify material matters through stakeholder engagement (pages 36 to 42), input from our businesses, and analysis of risks and opportunities within our operating environments. The material matters inform our strategy (pages 50 to 51).

## OUR INTEGRATED ANNUAL REPORT

### SCOPE AND BOUNDARY

The IAR covers the 52 weeks ended 29 June 2025.

It incorporates the integrated financial and non-financial performance of Woolworths Holdings Limited; its wholly-owned subsidiaries; its joint venture, Woolworths Financial Services (WFS), which is equity-accounted; and its operations throughout South Africa, the rest of Africa, Australia, and New Zealand.

Operations throughout South Africa and the rest of Africa are reported within Woolworths South Africa (Woolworths or WSA). Operations in Australia and New Zealand are reported under Country Road Group (CRG). CRG includes its operations in South Africa.

The IAR boundary is influenced by our broader macroeconomic environments, identified material matters, risks and opportunities, approach to governance and the needs of our stakeholders. All of these can significantly impact our ability to create value over the short, medium, and long term.

### REPORTING FRAMEWORK

We are committed to integrated reporting and have adopted the Integrated Reporting Framework. The report aligns with the requirements of King IV™. We considered information from previous reports, internal management and Board reports. We considered legislative reporting

requirements, including the Companies Act and the JSE Listings and Debt and Specialist Securities Listings Requirements. And we applied other reporting frameworks, including the GRI Standards and IFRS Accounting Standards, to our sustainability and financial reporting, where relevant.

### COMPARABILITY

The Group's financial results for 2024 were prepared on a 53-week basis. This occurs roughly every six years to align the trading and reporting calendars. Therefore, the Group's results for the current 52-week period are not directly comparable to those of the prior financial year.

To facilitate comparison with the year, most commentary in this report relates to a pro forma 52-week prior period. Furthermore, the Group's results for the prior year include the Absolute Pets business within the Woolworths Food segment (acquisition effective 1 April 2024).

### FORWARD-LOOKING STATEMENTS

Certain statements in the IAR may constitute forward-looking statements. Such statements involve risk and uncertainty by their nature, as they relate to future events and circumstances that may be beyond the Group's control. Therefore, the directors advise readers to use caution in interpreting these types of statements in the report.

*The 2025 IAR was approved by the Board on 29 September 2025.*



**C. Thomson**  
Chairman; Independent  
Non-executive Director



**R. Bagattini**  
Executive Director  
and Group CEO



**Z. Manjra**  
Executive Director and  
Group Finance Director



**N. Moholi**  
Lead Independent Director;  
Independent Non-executive Director



**L. Bam**  
Independent  
Non-executive Director



**C. Colfer**  
Independent  
Non-executive Director



**R. Collins**  
Independent  
Non-executive Director



**B. Earl**  
Independent  
Non-executive Director



**N. Gwagwa**  
Independent  
Non-executive Director



**I. Kgaboesele**  
Independent  
Non-executive Director



**S. Ngumeni**  
Executive Director and Chief  
Executive Officer: Food



**T. Skweyiya**  
Independent  
Non-executive Director

### BOARD APPROVAL

The Board acknowledges its responsibility for ensuring the integrity of the IAR. The content of this report is consistent with the indicators used for internal management and Board reports. The Board considered our operating context, stakeholder engagement, material matters, strategy, and value-creating business model, and is confident that the report provides an accurate, fair, and balanced view of the Group and its prospects over the short, medium, and long term.

The Notice of AGM will be available online and sent to all shareholders by no later than 30 September 2025.

The Notice, along with our reporting suite, and other supporting documents and compliance information not included in the reports, is available at [www.woolworthsholdings.co.za](http://www.woolworthsholdings.co.za).

# NAVIGATING OUR REPORT

## NAVIGATING OUR REPORT

As part of our commitment to our Good Business Journey, this report is available in a digital-only format. It is interactive and can be easily navigated using the tools illustrated below.



BACK TO CONTENTS PAGE



USEFUL LINKS FOR MORE DETAIL



MORE INFORMATION ON THE WEB

CLICK TO DOWNLOAD OR UPDATE

## OUR CAPITALS OF VALUE CREATION

In line with the Integrated Reporting Framework, we recognise six interconnected forms of capital that influence value creation or diminution within our business.

The report outlines how we use, impact and manage these capitals across our operations to deliver long-term value for our stakeholders. We highlight the interdependencies between them and the trade-offs considered in our decision-making (pages 30 to 35). Their definitions, their relevance to our business, and their icons for reference in this report, are as follows:

- F FINANCIAL CAPITAL**  
 Funding received from providers of capital and debt and the financial resources available to the Group

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- M MANUFACTURED CAPITAL**  
 The infrastructure that enables us to provide differentiated, omnichannel customer journeys. This includes physical stores, distribution centres, and digital platforms in Southern Africa, Australia, and New Zealand

---

- I INTELLECTUAL CAPITAL**  
 The skills, knowledge, enabling systems, processes, intellectual property, and brands that give us a competitive advantage

---

- H HUMAN CAPITAL**  
 Our employees' skills, capabilities, experience, training, and development which allow us to execute our strategy and meet our customers' wants and needs

---

- S SOCIAL AND RELATIONSHIP CAPITAL**  
 The relationships we have with our customers, suppliers, business partners, communities, and other stakeholders

---

- N NATURAL CAPITAL**  
 The natural resources we actively manage in our direct operations, and our influence on the responsible use of these resources within our supply chains

## STRATEGIC FOCUS AREAS

We have seven strategic objectives for the Group. These were informed by feedback from stakeholder engagement, the material matters we identified, and the associated risks and opportunities. We believe our strategies will continue to build future-fit businesses and enable long-term profit growth and sustainable value creation for all stakeholders. We are determined to execute these strategies successfully. Our strategies are discussed in detail on pages 59 to 65 and referenced throughout this report using the following icons:



LEADING AND ICONIC FOOD BUSINESS – OUR HOLY GRAIL



SUSTAINABLE AND PROFITABLE GROWTH IN FASHION | BEAUTY | HOME



FUTURE-FIT COUNTRY ROAD GROUP OPERATING MODEL ENABLING "HOUSE OF BRANDS" ASPIRATION



CUSTOMERS AT THE CENTRE OF EVERYTHING WE DO



COST EFFICIENCY AND OPERATIONAL EXCELLENCE



BEST-IN-CLASS AND ENGAGED TEAMS AND PEOPLE



*Fulfil our vision of being one of the world's most responsible retailers*

# CONTENTS



# '25



# GROUP OVERVIEW

*Woolworths Holdings Limited (WHL or the Group) is a major retail group with a presence in South Africa, Australia, New Zealand, and 10 sub-Saharan African countries.*

Its businesses provide trusted, high-quality, mainly private label brands that leverage intellectual property and innovation capabilities. WHL is listed in the retail sector of the main board of the Johannesburg Stock Exchange (JSE) and has a secondary listing on the South African A2X.

## WHL



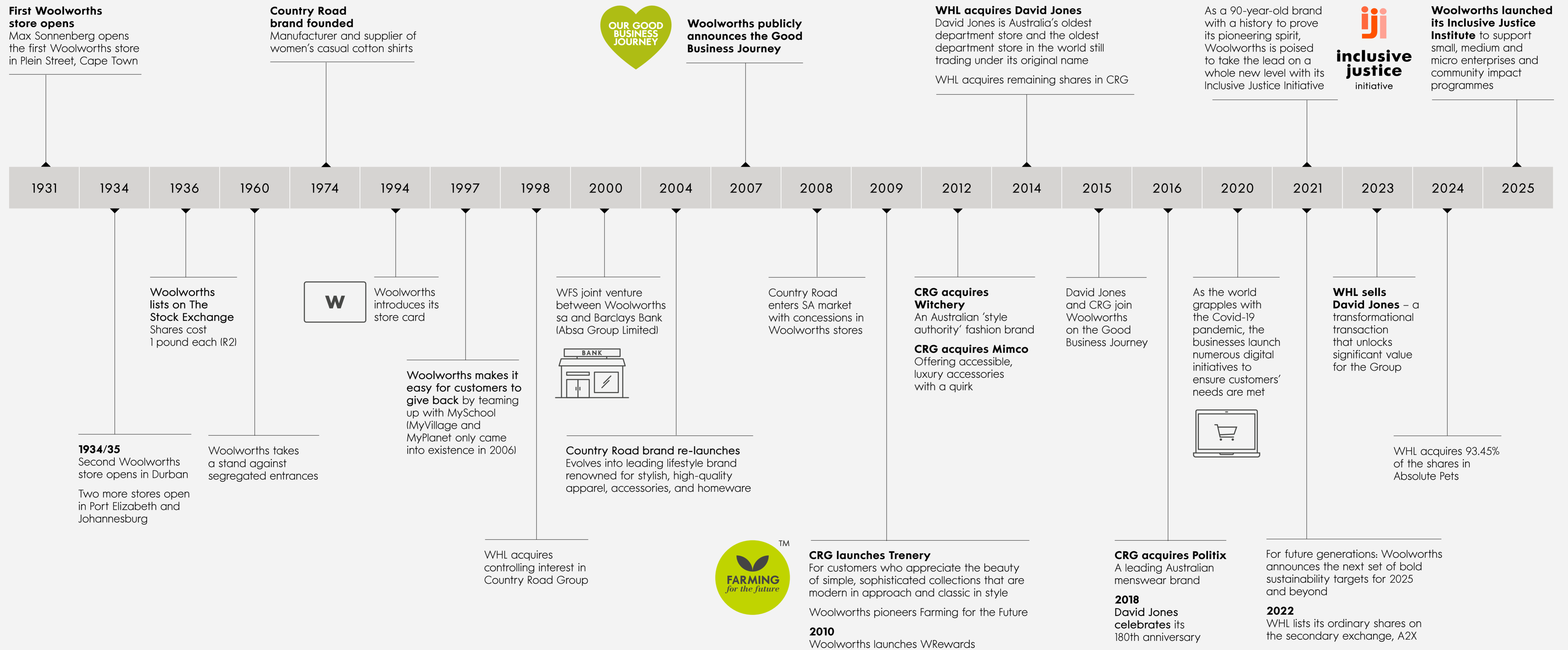
*Our Good Business Journey is embedded in everything we do and is a key differentiator for our Group.*

### ADJUSTED EARNINGS BEFORE INTEREST AND TAX (EBIT) BY CATEGORY












# OUR HISTORY

*Our Group has a proud history spanning over 90 years, built on a legacy of trusted, high-quality brands.*



# GOOD BUSINESS JOURNEY

*Our vision is to be one of the world's most responsible retailers. We strive to make meaningful, positive impacts on our employees, the communities where we operate, and the planet as a whole.*

|  |   |  |  |
|--|---|--|--|
|  <p><b>2007</b><br/><i>GBJ programme officially launches</i></p>  | <p><b>2008</b></p> <p>Beauty Without Cruelty approves the entire Woolworths private label range of cosmetics and toiletries. In 2019, the WBeauty range becomes vegan</p>  | <p><b>2009</b></p> <p>Woolworths Farming for the Future and Fishing for the Future programmes launch</p>                                  | <p><b>2010</b></p> <p>Woolworths becomes the first South African company to become a member of the Roundtable on Sustainable Palm Oil</p>   |
| <p><b>2011</b></p> <p>WHL is named as one of the 16 Sustainability Champions in the Developing World by the World Economic Forum</p>          | <p><b>2012</b></p> <p>Partnership between Woolworths and the World Wide Fund for Nature South Africa (WWF-SA) launches, the first initiative of its kind for African retail</p>   | <p><b>2013</b></p> <p>Woolworths joins SEDEX, a unique, innovative, not-for-profit web-based platform that helps companies to manage ethical supply chain risk. Country Road Group and David Jones subsequently join too</p> | <p><b>2014</b></p> <p>Woolworths joins the Better Cotton Initiative, followed by Country Road Group in 2016</p>    |
| <p><b>2015</b></p> <p>WHL joins Canopy and the Leather Working Group, and Woolworths joins the Round Table on Responsible Soy</p>           | <p><b>2016</b></p> <p><i>GBJ strategy is rolled out to Country Road Group and David Jones, and for the first time, Group-wide goals to 2020 are announced</i></p>   | <p><b>2017</b></p> <p>WHL becomes the first retailer to sign up to the EPI00 initiative to double energy productivity by 2020, a target which we significantly outperformed</p>  | <p><b>2018</b></p> <p>WHL launches new packaging commitments to phase out single-use plastic shopping bags, and to ensure that all our packaging is reusable or recyclable</p>  |
| <p><b>2019</b></p> <p>WHL becomes the first African retailer to have an approved science-based target, and the first African company to sign up to the Ellen MacArthur Foundation's New Plastics Economy Global Commitment</p> | <p><b>2020</b></p> <p><b>R3.5bn</b></p> <p>WHL exceeds its five-year goal to contribute to our communities across Africa, Australia, and New Zealand</p>  | <p><b>2021</b></p> <p><i>WHL launches refreshed Group GBJ strategy, Vision 2025+, with Group-wide goals to 2025 and beyond</i></p>   | <p><b>2022</b></p> <p>WHL becomes the first South African retailer to sign up to the UN Women's Empowerment Principles</p>    |
| <p><b>2023</b></p> <p><b>KANTAR</b></p> <p>Woolworths maintains its status of being the leading brand for sustainability in South Africa and is listed in Kantar BrandZ's top 10 most valuable brands in South Africa</p>      | <p><b>2024</b></p> <p>Woolworths receives a special recognition award from Compassion In World Farming for 20 years of leadership in championing cage-free systems for laying hens</p>  | <p><b>2025</b></p> <p>Woolworths graduates from foundation stage member to full member of the Ethical Trading Initiative, testament to our commitment to workers' rights</p>   |  |

# OUR GROUP

*The Group consists of two omnichannel 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

# OUR GOVERNANCE



CLICK ON BOX TO GO TO THAT SECTION

# OUR CHAIRMAN'S REPORT

*It is a privilege to present my first Chairman's report for the Group, reflecting on a year marked by both challenges and significant progress on our key strategic objectives.*



Notwithstanding a disappointing overall financial outcome, the Group remained focused on its priorities to create value through continued investment in enhancing the strength and momentum of our world-class Food business, the transformation of our apparel businesses, and ongoing growth within Woolworths Ventures (WVentures).

With over 90 years of rich history, the Woolworths brand in South Africa is recognised for its enduring commitment to quality, trust and integrity. Known for its premium quality products and service, as well as for ethical sourcing, sustainability credentials and corporate responsibility, the brand remains a key differentiator in an increasingly competitive retail landscape.

Leading through innovation, the Woolworths business continues to set itself apart. The new store formats, known as our Next Generation Store, have ushered in a new gold standard for premium retail in South Africa and provide an exciting, unique customer experience that is truly a cut above the rest. The new Woolworths loyalty programme reaffirms our laser-sharp focus on our customers and our mission to put them at the centre of everything we do. MyDifference is a world-class loyalty programme designed to drive growth and customer connection.

Importantly, this year, Woolworths took another industry-leading step on its social justice journey, putting its people first by providing thousands of employees with access to private health insurance benefits for the very first time.





## TAKING STOCK OF THE YEAR

Geopolitical uncertainty and economic volatility, compounded by escalating trade tensions and rising tariffs, are contributing to a more complex global landscape. In South Africa, while inflation and interest rates continue to ease, consumer sentiment and discretionary spending remain under pressure.

Within this context, our Food business, the Group's largest and strongest performer, delivered market-leading growth in a competitive environment. The strength of the brand, and the trust placed in it by customers, drove sector-leading organic growth. Product availability for our Food business improved again this year, despite climate-related disruptions to our supply chain, including shifting weather patterns and water scarcity.

In FBH, the business experienced some setbacks with stock flow to stores in the second quarter, impacting trade over the peak season. This resulted from certain challenges in the implementation of our distribution centre transformation project that were resolved in the second half. Progress made with our broader Value Chain Transformation strategy will further enhance product availability, which our customers will experience first-hand, facilitating sustainable growth for this business.

In Australia, persistently high interest rates and rising living costs continued to weigh on consumer confidence, resulting in lower footfall and more cautious spending. The challenging retail environment has meant subdued sector top-line growth and heightened competition. Following the sale of David Jones, we successfully established CRG as a standalone business, which required fundamental changes to its operating model.

These changes were executed ahead of schedule, completing a significant restructure to reconfigure and reset CRG's structural economics. The short-term disruption due to this transformation, set against the challenging macro backdrop and Australian currency weakness, placed additional margin pressure on the business. However, CRG is now well positioned for an expected turnaround in performance and long-term growth as the economy improves.

## PROTECTING OUR DIGITAL FUTURE

A number of global retailers faced cyber-security issues this year, highlighting the potential for cyber-attacks to disrupt operations, compromise customer data, and erode brand trust. As digital and online services become more central to the retail experience, robust cyber-resilience is fundamental to business continuity and stakeholder confidence.

The Group will continue to invest in cyber-security capabilities and data protection, and leverage artificial intelligence and machine learning, to proactively identify threats, improve incident response, and safeguard our digital infrastructure. Technology, used wisely, offers us not only protection but also a strategic advantage in enabling safer, more efficient, and more personalised customer experiences.

## OUR GOOD BUSINESS JOURNEY

The integral role our GBJ plays as part of the Group's competitive advantage makes it fundamental to our business. It is not only a strategic imperative for us; it is central to our long-term competitiveness.

Our Inclusive Justice Initiative is underpinned by the ethos of inspiring opportunity, development and growth for all our people. We remain committed to shaping an inclusive society where everyone feels they belong. As part of this commitment, a highlight for Woolworths was the launch of its Inclusive Justice Institute, which is designed to support micro, small and medium enterprises (MSME) and community impact programmes, further enabling Woolworths' social justice ambitions.

These social justice commitments start with our people. Building on our Just Wage initiative, the business launched private health insurance for all permanent frontline employees. This will provide over 24 000 store and supply chain employees with access to health insurance for the first time.

Woolworths is the first retailer to provide employees with bespoke benefits of this nature, and the initiative forms part of the broader commitment to a Just Wage, reflecting the belief that investing in the wellbeing of our people is not only a moral imperative, but a strategic one. By setting a new benchmark, we hope to encourage broader industry progress in enhancing employee wellbeing, recognising that shared prosperity is essential to sustainable growth.

Our GBJ, established in 2007, provides a robust and consistent framework for managing environmental and social priorities across the Group. It is deeply embedded within our business model and continues to set us apart in the marketplace.

## BOARD LEADERSHIP AND RENEWAL

During the year, we said farewell to Hubert Brody, who concluded an exemplary term of 10 years on the Board, including five years as Chairman. In addition, David Kneale, who played an important role on a number of our committees, retired from the Board on 30 September 2024. We extend a special note of gratitude to them both for their contributions during their tenures.

Our Lead Independent Director, Pinky Moholi, will conclude her 11-year term at the AGM in November 2025, having elected to retire from the Board after the AGM. Pinky's continued presence has been a significant support during a period of leadership transition and the onboarding of new directors. She provided invaluable support to me personally as I assumed the role of Chairman. We are grateful to Pinky for her generosity of spirit, wise counsel and valuable contributions over the years.

We were pleased to welcome Itumeleng Kgaboesele and Nolulamo Gwagwa to the Board as independent non-executive directors during this financial year. Both are highly qualified and bring a broad range of expertise to the Board that is already adding value.

Looking ahead, Board succession planning remains a key priority for the Nominations Committee. Its focus will be on ensuring that the Board's collective skills continue to align with the Group's strategic agenda, while also progressing toward our board diversity targets.

The Board will also deepen its understanding of innovation trends, with particular emphasis on technological innovation and the use of artificial intelligence in the retail sector. We will continue to enhance our insights into sustainability, climate change and the setting of appropriate targets for the business. Importantly, we aim to strike a deliberate balance between structured Board engagement and more informal, contextual exploration to ensure we remain agile and forward-thinking in our governance.

## APPRECIATION

I extend my sincere appreciation to all our people across the Group. Their collective efforts underpin our progress and position us for continued success. I also wish to thank the Board, Roy, and the executive leadership team for their ongoing support over the past year. It has been a privilege to assume the chairmanship of this iconic company and enduring brand.

Finally, and importantly, I express my gratitude to our shareholders, suppliers, partners, and customers for their continued trust and contribution to the prosperity of our business.

## LOOKING AHEAD

Stakeholder value creation across our Group is more important than ever as we endeavour to make the most of the potential available to us across our businesses. The next year calls on us to identify and leverage unrealised opportunities, drive efficiency, and enhance profitability and returns through disciplined capital allocation and execution of our strategy to ultimately deliver value-enhancing growth.

Together, we will continue to build on the solid foundation we have established, guided by our values and driven by a shared ambition to create long-term, sustainable value for our stakeholders.

***We are confident in our strategy, the strength of our leadership, and the calibre of our people.***

# LEADING WITH PURPOSE

*The Board is committed to ensuring that the Group delivers exceptional performance and creates lasting value. Good corporate governance and ethical leadership principles are embedded in our corporate culture and guide us in fulfilling our purpose.*

As we progress to the *Optimise, Invest, and Grow* phase of our strategic journey, the Board ensures we maintain a balance between operational excellence and stakeholder value creation. This requires informed resource allocation that considers the implications of our actions across a range of stakeholder interests. The aim is to minimise potential negative impacts while amplifying our positive contributions to society and the environment.

We realise our vision through a diverse and highly skilled Board, a robust governance framework and a forward-looking approach to sustainability. Board composition is intentionally structured to support the Group's strategic objectives and reflect our commitment to diversity, equity, and inclusion. The Board benefits from a wealth of perspectives, with representation across ages, genders, racial backgrounds, and geographic origins. Professional expertise across key disciplines enables the Board to navigate complex market dynamics and drive sustainable value creation.

The Board's composition during the year is on the next page. Insights into our governance framework are in the next section, and our sustainability leadership credentials are on page 12 and in the Good Business Journey Report available at [woolworthsholdings.co.za](https://www.woolworthsholdings.co.za).

# OUR BOARD



● **Clive Thomson**  
(59) South African

Chairman and Independent Non-executive Director  
Chairman of the Nominations and Remuneration and Talent Management Committees  
Joined the Board in 2019



● **Nombulelo (Pinky) Moholi**  
(65) South African

Lead Independent Director and Independent Non-executive Director  
Joined the Board in 2014  
Retiring by rotation at the 2025 AGM, and is not available for re-election



● **Roy Bagattini**  
(62) South African

Executive Director and Group Chief Executive Officer, Chairman of WSA and CRG and Group Exco  
Joined the Board in 2020



● **Lwazi Bam**  
(53) South African

Independent Non-executive Director  
Chairman of the Audit and Treasury Committees  
Joined the Board in 2023



● **Thembisa Skweyiya**  
(52) South African

Independent Non-executive Director  
Chairman of the Social and Ethics Committee  
Joined the Board in 2019  
Standing for re-election at the 2025 AGM



● **Belinda Earl**  
(63) British

Independent Non-executive Director  
Chairman of the Sustainability Committee  
Joined the Board in 2019  
Standing for re-election at the 2025 AGM



● **Rob Collins**  
(55) British

Independent Non-executive Director  
Chairman of the Risk, Information and Technology Committee  
Joined the Board in 2022



● **Christopher Colfer**  
(56) Canadian

Independent Non-executive Director  
Joined the Board in 2019  
Standing for re-election at the 2025 AGM



● **Nolulamo (Lulu) Gwagwa**  
(66) South African

Independent Non-executive Director  
Joined the Board in 2024



● **Itumeleng Kgaboesele**  
(54) South African

Independent Non-executive Director  
Joined the Board in 2024



● **Zaid Manjra**  
(60) South African

Executive Director and Group Finance Director  
Joined the Board in 2023



● **Sam Ngumeni**  
(57) South African

Executive Director and Chief Executive Officer: Food  
Joined the Board in 2014



● **Chantel Reddiar**  
(49) South African

Group Company Secretary and Director: Group Governance, Risk and Compliance, Legal, Communications and Stakeholder Management  
Appointed in 2016

## DIRECTORS WHO RETIRED DURING THE YEAR

● **Hubert Brody**

Chairman of the Board and Independent Non-executive Director  
Retired after the AGM on 25 November 2024

● **David Kneale**

Independent Non-executive Director  
Retired on 30 September 2024

Board meeting attendance for the financial year:  
● 100% ● 95%





# BOARD COMPOSITION

As at 30 June 2025

9

*independent non-executive directors*

3

*executive directors*

## INDEPENDENT MAJORITY

### GOVERNANCE PRINCIPLES

Board appointments follow a structured process aligned with our Director Appointment and Board Diversity Policies

The Board maintains a majority of independent non-executive directors to ensure objective oversight

We conduct annual assessments of non-executive director independence using King IV™ criteria and our Memorandum of Incorporation (MOI) standards

### VALUE CREATION IMPACT

With 75% independent directors and annual independence assessments, our Board maintains the objective oversight needed to challenge management and drive long-term performance.

## DIVERSITY

### GOVERNANCE PRINCIPLES

Our Board effectiveness stems from the diverse attributes, integrity, and independence of our Board members

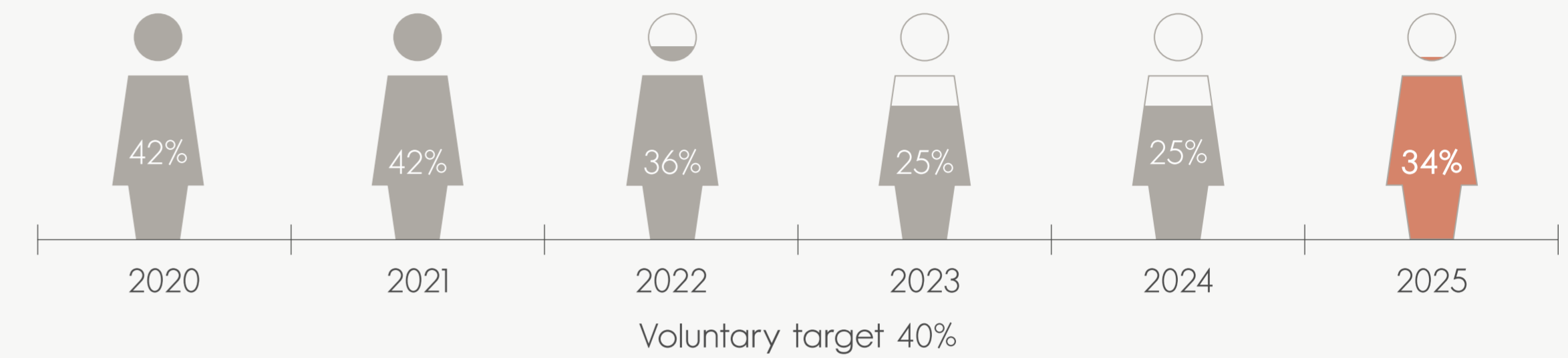
The Board maintains voluntary targets of 40% each for female and black member representation, with an aspirational goal to achieve 50% each as circumstances allow

Our voluntary targets and aspirational goals are embedded in the Board's succession planning

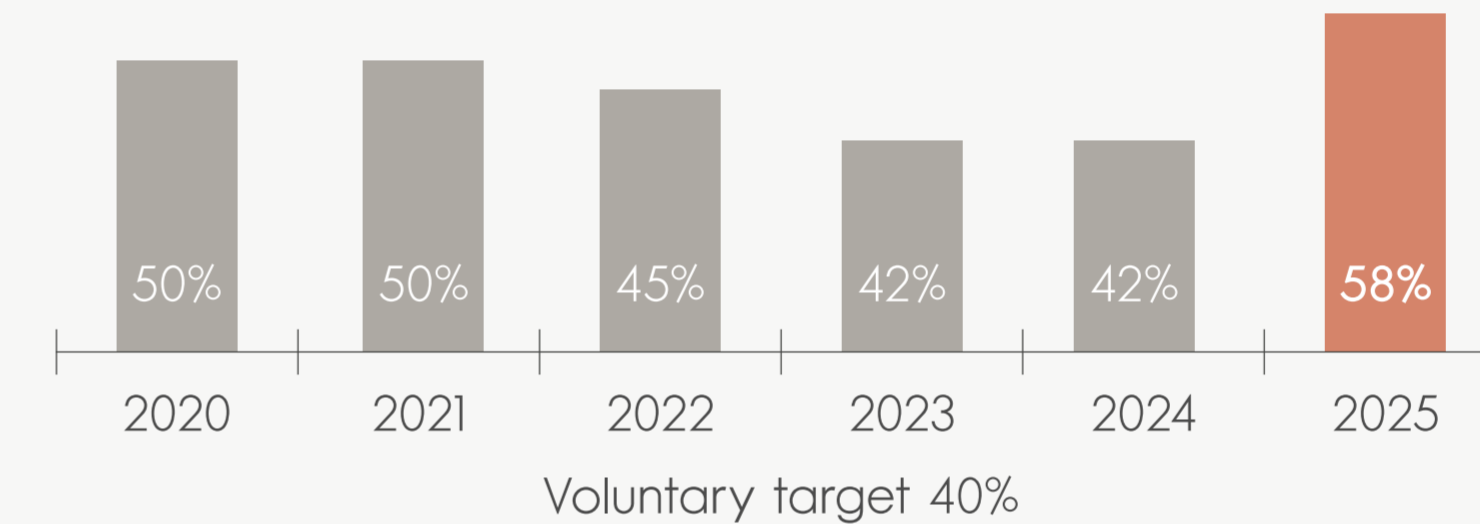
### VALUE CREATION IMPACT

Board diversity is not regarded simply as good governance – we recognise its strategic advantage. Our race and gender diversity, coupled with skills and geographic diversity, create competitive advantage. They ensure that our decision-making reflects the markets we serve and anticipates market risks and opportunities as these emerge.

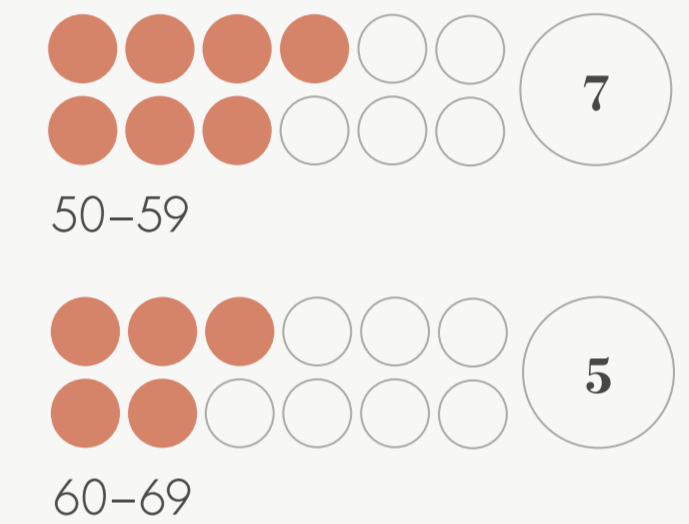
### Number of female directors



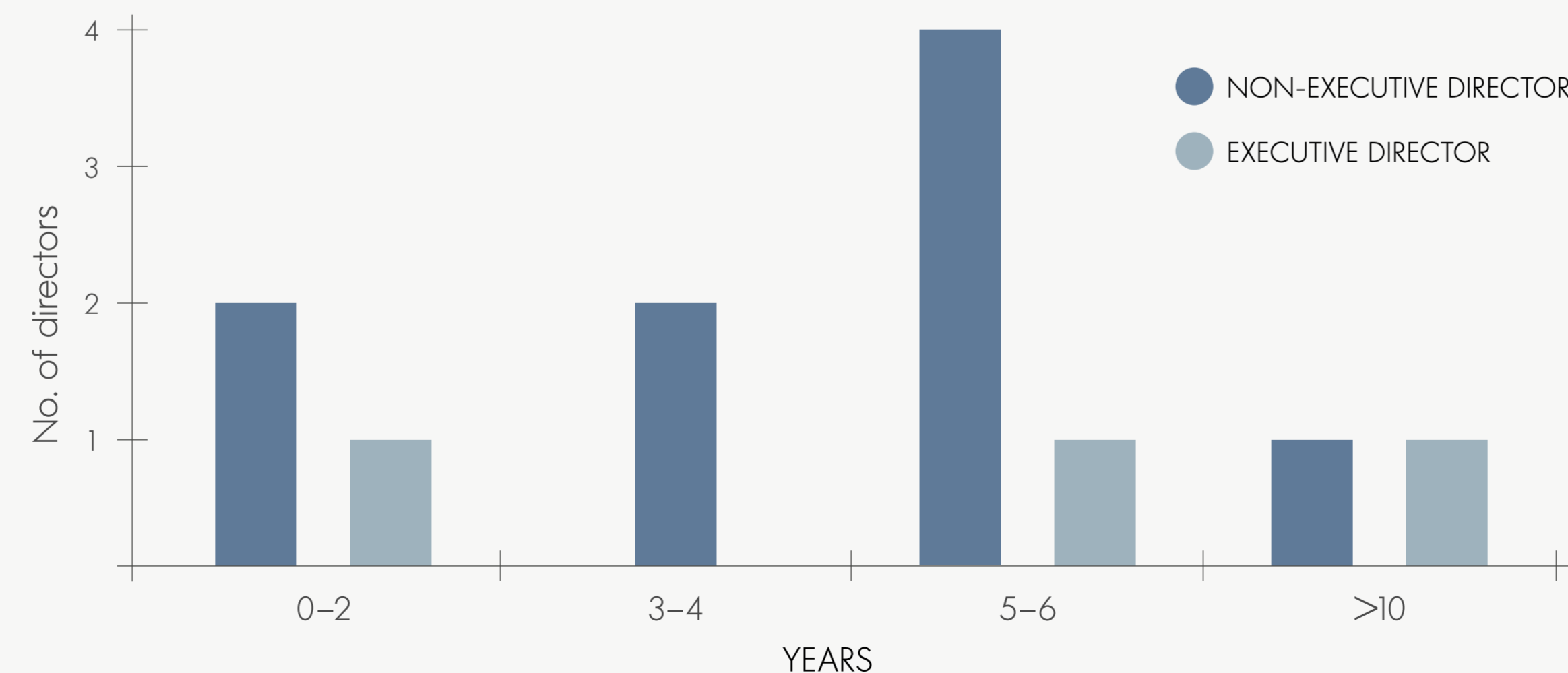
### Number of black directors



### Board age profile



## TENURE



### GOVERNANCE PRINCIPLES

Non-executive directors serve up to nine years, with potential extensions in exceptional circumstances following independence assessments in accordance with the MOI

Executive directors retire at 63, with early retirement optional from 55, ensuring leadership renewal

All directors face rotation every three years and, subject to continued eligibility in terms of the MOI and Board policy, may be re-elected

### VALUE CREATION IMPACT

The combination of our balanced tenure limits and three-year re-election cycle ensures continuous refreshment, preserves institutional knowledge, and optimises the Board's capacity to navigate market dynamics.

# EFFECTIVE LEADERSHIP

*The Board maintained rigorous oversight throughout the year. It consistently supported, challenged, and engaged with executive leadership on strategy execution, governance, risk management, and financial accountability.*

The Board met quarterly and held Board calls every six weeks during interim periods. It held two additional meetings to review and approve the FY2024 annual financial results and FY2025 interim financial results. This provided dedicated time for analysing and evaluating the Group's financial performance.

Each quarterly Board week follows a systematic approach. On the day preceding scheduled meetings, store/supplier visits are normally arranged and an informal closed session between non-executive directors and the Group CEO takes place. The meeting schedule starts with comprehensive performance and strategy briefings by the Group CEO and updates from each Exco member. This is followed by Board committee meetings and the strategy and integrated business plan review (in May) or strategy updates/deep dives (in November). The week concludes with the Board meeting and post-meeting reflections. These consider the quality of deliberations and the Board's performance during the week. Meeting agendas and papers are designed to give the Board clear visibility of the Group's operational performance, strategy execution, and financial position.

The Group CEO and Exco members provide high-level operational and financial updates. These updates summarise the key challenges and actions taken during the quarter and outline the priorities for the next quarter. They consider headwinds, macroeconomic events, key risks, and opportunities.

Financial oversight is enabled through detailed presentations by the Group Finance Director covering financial results, forecasts, and treasury reports. The finance reports include comprehensive evaluations of balance sheet optimisation, gearing ratios, debt covenant compliance, liquidity management, refinancing and hedging strategies.

Board members maintained an exemplary meeting attendance record during the year, dedicating the necessary time to perform their Board and committee duties effectively. Details are set out in the Board's meeting attendance on the next page.

Key Board discussions and approvals, and their relation to our strategic objectives, are set out in the following pages. Details of key matters considered and approved by the committees are covered in the committee chair reports on pages 21 to 27.



# BOARD ATTENDANCE FOR 2025

**AC** – Audit Committee

**NomCo** – Nominations Committee

**R&IT** – Risk, Information and Technology Committee

**R&TMC** – Remuneration and Talent Management Committee

**SEC** – Social and Ethics Committee

**SC** – Sustainability Committee

**TC** – Treasury Committee

| Name of Director                  | Date of Appointment | Designation                            | Overall attendance | BOARD | AC  | NOMCO | R&TMC | R&IT | SEC | SC  | TC  | Director standing for re-election |
|-----------------------------------|---------------------|--|--------------------|-------|-----|-------|-------|------|-----|-----|-----|-----------------------------------|
| Clive Thomson <sup>1</sup>        | 19/08/2019          | Chairman and Independent Non-executive | 100%               | 4/4   | 1/1 | 3/3   | 4/4   | 4/4  | 2/2 | 1/1 | 4/4 |                                   |
| Lwazi Bam                         | 01/05/2023          | Independent Non-executive              | 100%               | 4/4   | 3/3 |       |       | 4/4  |     |     | 4/4 |                                   |
| Roy Bagattini                     | 17/02/2020          | Executive                              | 100%               | 4/4   |     |       |       | 4/4  | 2/2 | 2/2 | 4/4 |                                   |
| Hubert Brody <sup>2</sup>         | 01/07/2014          | Chairman and Independent Non-executive | 100%               | 2/2   |     | 1/1   | 2/2   | 2/2  | 1/1 | 1/1 | 2/2 |                                   |
| Christopher Colfer                | 01/07/2019          | Independent Non-executive              | 100%               | 4/4   | 3/3 | 3/3   | 4/4   | 4/4  |     |     |     | Re-election                       |
| Rob Collins                       | 01/10/2022          | Independent Non-executive              | 100%               | 4/4   |     |       |       | 4/4  |     | 2/2 |     |                                   |
| Belinda Earl                      | 01/07/2019          | Independent Non-executive              | 100%               | 4/4   |     | 3/3   |       | 4/4  |     | 2/2 |     | Re-election                       |
| Nolulamo Gwagwa <sup>3</sup>      | 01/11/2024          | Independent Non-executive              | 100%               | 3/3   |     |       | 3/3   | 3/3  |     |     |     |                                   |
| Itumeleng Kgaboesele <sup>4</sup> | 05/09/2024          | Independent Non-executive              | 100%               | 3/3   | 1/1 |       | 2/2   | 3/3  |     |     |     |                                   |
| David Kneale <sup>5</sup>         | 11/03/2019          | Independent Non-executive              | 100%               | 1/1   |     | 1/1   | 1/1   | 1/1  |     |     |     |                                   |
| Zaid Manjra                       | 01/12/2023          | Executive                              | 100%               | 4/4   |     |       |       | 4/4  |     |     | 4/4 |                                   |
| Nombulelo Moholi                  | 01/07/2014          | Lead Independent Non-executive         | 95%                | 4/4   |     | 3/3   | 3/4   | 4/4  | 2/2 | 2/2 |     |                                   |
| Sam Ngumeni                       | 12/02/2014          | Executive                              | 100%               | 4/4   |     |       |       | 4/4  | 2/2 | 2/2 |     |                                   |
| Thembisa Skweyiya                 | 11/03/2019          | Independent Non-executive              | 100%               | 4/4   | 3/3 |       |       | 4/4  | 2/2 | 2/2 | 4/4 | Re-election                       |

<sup>1</sup> Appointed as Board Chairman and as member of the Sustainability Committee with effect from 26 November 2024

<sup>2</sup> Retired from the Board and as a member of the Board Committees with effect from 25 November 2024

<sup>3</sup> Appointed to the Board and as a member of the Risk, Information and Technology; and Remuneration and Talent Management Committees on 1 November 2024; and of the Social and Ethics Committee on 5 March 2025

<sup>4</sup> Appointed to the Board and as a member of the Risk, Information and Technology Committee on 5 September 2024; the Remuneration and Talent Management Committee on 26 November 2025; and the Audit Committee on 5 March 2025

<sup>5</sup> Stepped down from the Board and as member of the Board Committees with effect from 30 September 2024

# KEY BOARD FOCUS AREAS AND MATTERS APPROVED IN 2025

## OVERSEEING OUR STRATEGIC REALIGNMENT

The Board oversaw progress as we transitioned from the *Fix, Strengthen, and Reposition* to the *Optimise, Invest, and Grow* strategic phases. This involved the following activities:

- Assessed the Group CEO’s quarterly updates on business performance relative to strategic initiatives
- Engaged with management and key business owners at the biannual strategy sessions (November and May). Assessed strategy execution and the impacts of macroeconomic volatility (both key material matters and strategic risks) on our strategic goals
- Monitored progress on the separation of CRG from David Jones and the associated internal impacts. Received updates on the operating model reconfiguration and development of a common platform of capabilities across brands to enable CRG to pursue its house of brands ambition as a standalone business
- Monitored progress on the Value Chain Transformation project to improve, among other things, product availability in FBH. Received a detailed analysis of the causes of poor availability over the peak trade period and the remedial plan to stabilise the Distribution Centre Transformation phase and address inventory flow issues
- Received updates on the refresh of our loyalty programme, MyDifference
- Oversaw the capital allocation plan. Approved capital expenditure in digital transformation, data analytics, IT infrastructure, and supply chain optimisation for the Food and FBH divisions
- Received updates and information on the changing consumer landscape, spending, and behaviour (a material matter). This included the growing purchasing power of Generation Z, the trend toward high-quality, pre-owned goods among sustainability-conscious consumers, and the shift to value brands among price-sensitive consumers
- Assessed the commercial landscape and competitor environment across the operating regions, focusing on macroeconomic conditions
- Approved the sale of the Bourke Street property in Melbourne, unlocking capital from a non-core asset to reinvest in growth
- Reflected on strengthening relationships with existing customers through product innovation, improving core offering availability, tactical category management, developing and rolling out ‘store of the future’ formats, and refreshing the food services strategy to align with consumer preferences
- Approved material contracts such as, the renewal of the logistics contract between WSA and its key delivery partner to ensure continuity and efficiency in supply chain operations
- Approved the Group’s Integrated Business Plan and strategic initiatives for 2026

More detail is in the strategy report on page 57.



## RISK MANAGEMENT

The Board discharges its risk governance responsibilities through the Risk, Information and Technology Committee (RITC), which comprises all Board members. This inclusive yet separate structure ensures that:

- The entire Board maintains active oversight of the Group’s risk management processes
- Risk, information, and technology governance is approached in a holistic manner
- Timely and effective decision-making is enabled on critical risk-related issues
- Risk management strategies are closely aligned with the Group’s strategic objectives
- Digital and data risks and opportunities are overseen and managed holistically to ensure appropriate proactive responses

The RITC meets quarterly to evaluate emerging risks, assess the adequacy of mitigation strategies, and monitor the relevance of the enterprise risk management framework.

The committee reviewed the Group’s risk landscape to ensure the risk profile is aligned with our current *Optimise, Invest, and Grow* strategic phase. This alignment supports informed decision-making, enhances strategic agility, and reinforces the Group’s ability to navigate uncertainty while pursuing long-term value creation. More detail is in the risk report on page 43. An overview of the RITC’s activities is on page 25.



## FINANCIAL OVERSIGHT

- Approved the FY2024 annual and FY2025 interim financial results, including the solvency and liquidity tests and going concern assessments, following reviews by the Audit Committee
- Declared FY2024 final and FY2025 interim dividends, maintaining a 70% payout ratio to balance shareholder returns with financial prudence
- Reviewed, discussed, and approved the Group FY2025 budget and Integrated Business Plan refresh, considering the deteriorating macro conditions of the preceding months and the updated macro assumptions
- Monitored the Group’s financial performance and capital management, focusing on KPIs across business units
- Received feedback from management on the potential for impairment testing of the assets of underperforming brands within CRG. Following the impairment assessment after year-end, the carrying value of the assets of the select brands were impaired by a non-cash charge of R917 million (A\$77.9 million)
- Approved the renewal of banking facilities for Woolworths and CRG

More detail is in our results on page 72.



## GOVERNANCE

- Approved the 2025 IAR, Good Business Journey Report, and Notice of AGM, ensuring comprehensive disclosure and transparency
- Reviewed and approved minor updates to the Board Charter, Group delegations of authority matrix, and committees’ Terms of Reference
- Reviewed and approved amendments to our Supplier Code of Business Principles and various policies to align them with updates to corporate governance best practices and regulatory requirements. These included our policies on director appointments, Board diversity, conflicts of interest, anti-bribery and corruption, whistle-blowing, sponsorship, insider trading, and price-sensitive information
- Reviewed the eligibility of directors proposed for election or re-election, and non-executive directors proposed for election to the Audit Committee at the 2025 AGM
- Reviewed and approved changes to the composition of Board committees and major subsidiary boards to ensure an appropriate balance of skills and experience and optimise oversight
- Conducted a comprehensive review of Board and committee performance, confirming fulfilment of obligations under the Board Charter and committees’ Terms of Reference
- Monitored progress on Board focus areas resulting from the 2024 internal evaluation, and agreed that all key objectives had been met
- Reviewed and discussed the 2025 independent Board evaluation outcomes and agreed on recommendations for enhancing performance
- Held the Group’s hybrid AGM on 25 November 2024. This was well attended, with active engagement by all stakeholders
- Received regular updates on developments relating to the Companies Amendment Acts, JSE Listings Requirements and draft King V Report and assessed their implications for the Group



## PEOPLE, TALENT AND SUCCESSION

The Board recognises that our people are integral to the Group’s success and the execution of our strategic objectives. In an increasingly competitive talent market and an evolving retail and digital landscape, attracting, developing, and retaining key talent is one of our top material matters and a strategic risk. This includes attracting and retaining designated employment equity talent, to drive inclusion in line with our Inclusive Justice Initiative. We are committed to fostering a diverse workplace where all employees feel valued and empowered.

As part of our ongoing commitment to fair and progressive employment practices, we are pleased to have launched the next phase of our Just Wage initiative. This phase provides for medical insurance cover for all Woolworths store and supply chain employees with at least one year of service. The medical cover will be fully funded through adjustments to existing risk benefits, marking a significant step in enhancing employee well-being.

The Board receives regular updates on talent strategies, including efforts to place the right people in the right roles and initiatives to enrich the employee experience and cultivate inspirational leadership. The annual Talent Review Workshop, hosted by the Remuneration and Talent Management Committee and attended by all Board members, provided valuable insights into the Group’s talent landscape and succession pipeline.

More detail is in the Remuneration Report on page 83 and the people chapter of the Good Business Journey Report.



## SUSTAINABILITY

The Board, through its oversight of the Social and Ethics and Sustainability Committees, ensures that sustainability is embedded in the Group’s strategic agenda. This is central to long-term value creation, risk mitigation, and stakeholder trust. The Board:

- Received feedback from these committees on performance against our Vision 2025+ sustainability goals and the upcoming focus on benchmarking performance to ensure the Group remains competitive and aligns with stakeholder expectations in a shifting ESG landscape
- Monitored progress on key metrics to enhance transparency and the integrity and comparability of disclosures and comply with evolving international standards. This includes CRG’s adherence to financial and sustainability reporting standards in Australia
- Discussed climate-related risks, particularly their impact on product availability and pricing in Food, where droughts and flooding have disrupted supply. Proactive risk awareness supports supply chain resilience, pricing strategies, and long-term food security planning
- Received insights on global sustainability trends to enable early detection of regulatory shifts and proactive responses to maintain our leadership in responsible retailing. These included takeaways from the 2024 Conference of the Parties and the implications of geopolitical developments such as the United States of America’s (USA) withdrawal from the Paris Agreement

More detail is in the Good Business Journey Report.

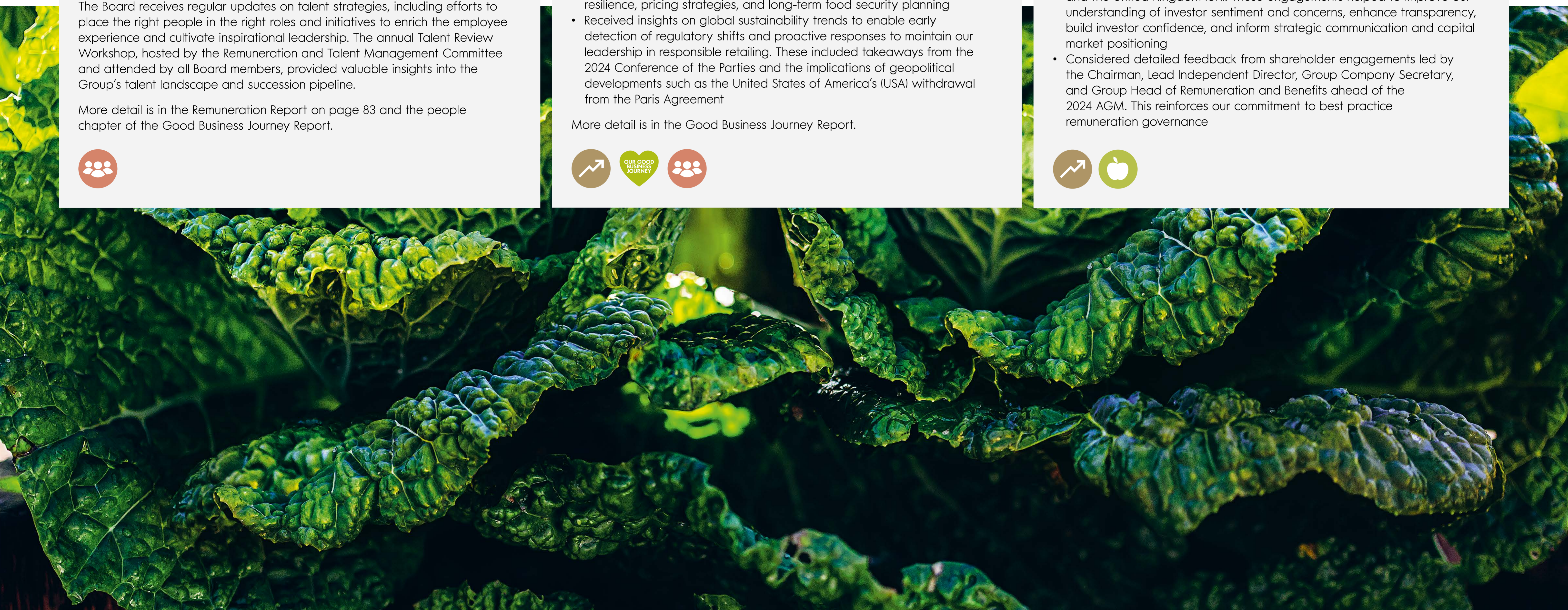


## REPUTATION MANAGEMENT

We strive to maintain proactive and transparent relationships with all our stakeholders, build trust in our brands, enhance corporate reputation, and align strategic priorities with stakeholder expectations. We foster relationships grounded in a shared zero-tolerance stance on corruption. We expect all stakeholders, including suppliers, customers, and employees, to uphold the highest standards of ethical conduct and integrity.

In addition to the stakeholder engagement activities detailed on pages 36 to 42 and in the Good Business Journey Report, the Board:

- Reviewed feedback from the Social and Ethics Committee on the Group’s stakeholder engagement programme and the reorganisation of internal resources to strengthen stakeholder relationships and enhance the Group’s social licence to operate
- Received updates on investor engagements following the release of our year-end results, including roadshows conducted in South Africa, the USA and the United Kingdom (UK). These engagements helped to improve our understanding of investor sentiment and concerns, enhance transparency, build investor confidence, and inform strategic communication and capital market positioning
- Considered detailed feedback from shareholder engagements led by the Chairman, Lead Independent Director, Group Company Secretary, and Group Head of Remuneration and Benefits ahead of the 2024 AGM. This reinforces our commitment to best practice remuneration governance



# BOARD GOVERNANCE APPROACH

The Board adopts leading governance practices and ensures that robust risk frameworks, based on the principles and practices outlined in King IV™, are in place. This positions us to proactively respond to volatile operating conditions and to maintain momentum in executing our responsible retailing mission (a material matter).

## BOARD RENEWAL AND LEADERSHIP TRANSITION

The Nominations Committee maintains a strategic focus on Board succession planning to ensure optimal Board composition and effectiveness across all Board committees. The committee ensures that succession planning aligns with the Group's strategy and value creation ambitions and facilitates achievement of the Board's voluntary race and gender targets.

This year's succession priorities focused on refreshing and supplementing the composition of the Audit and Remuneration and Talent Management Committees and preparing for the significant leadership changes after the AGM on 25 November 2024.

The following Board changes took place during the year:

- David Kneale retired from the Board and as Chairman of the Risk, Information and Technology and Remuneration and Talent Management Committees on 30 September 2024
- Itumeleng Kgaboesele was appointed to the Board in September 2024
- Nolulamo (Lulu) Gwagwa joined the Board in November 2024
- Hubert Brody concluded his 10-year tenure on the Board, stepping down after the AGM on 25 November 2024 and shareholders appointed Clive Thomson as the new Board Chairman.

Lead Independent Director Pinky Moholi reaches her 11-year term at the 2025 AGM and has decided to retire from the Board after the AGM. Pinky's continued tenure has enabled a smooth leadership transition between the respective Chairmen, and the Board thanks her for her wise counsel and valuable contributions.

## NON-EXECUTIVE DIRECTOR SELECTION AND INDUCTION

Board appointments follow a structured approach in accordance with our Director Appointment and Board Diversity Policies. The Director Appointment Policy ensures balanced power distribution and authority at Board level, fostering collaborative decision-making and preventing individual director dominance. The policy framework includes criteria for evaluating candidate independence

and managing conflicts of interest, and requirements to ensure that candidates have sufficient time and capacity to dedicate to their Board and committee duties.

Our director induction programme ensures that new directors understand the Group's strategic priorities and can effectively fulfil their statutory responsibilities. It includes structured interactions with executive and management teams across all business operations, tours of stores, distribution centres and support offices in South Africa, and one-on-one sessions with senior management. We provide similar orientation programmes in Australia for newly appointed non-executive directors.

The Director Appointment and Board Diversity Policies are available at [woolworthsholdings.co.za](http://woolworthsholdings.co.za).

## CONTINUOUS BOARD DEVELOPMENT AND BUSINESS IMMERSIONS

The Board identified three development opportunities for 2025 which are detailed below, together with the activities to address them (certain activities provided context across multiple areas):

### Activities that facilitated direct interaction with the business and leveraged diverse perspectives

- Visits to flagship, full line and WBeauty, WCellar and Absolute Pets standalone stores. This facilitated interaction between the Board and 'on the ground' management and allowed management to leverage the experience of non-executive directors
- Immersion into the Food team's innovation and product development, including a walk-through of the 'next generation store' and products developed for this format
- Deep-dive review of the CRG strategy and brand positioning, including operating model reconfiguration and culture reset following the separation of CRG from David Jones
- Continued interactions and informal engagements with management and emerging leaders
- Non-executive insight sessions leveraging experience in relevant markets

### Insights into sustainability trends with emphasis on climate change

- Biannual updates by internal experts on sustainability topics affecting the Group and the retail industry in general, as well as global trends

### Activities providing deeper perspectives on retail and technology advancements, especially AI in retail

- Presentations by global experts including a retail futurist, beauty innovation expert, and AI, research and data specialist
- Review of the IT strategy highlighting ongoing projects in data and analytics, digital innovation, and generative AI
- Cyber-security briefing and review of the Group's cyber resilience strategy following data breaches experienced by top retailers in the UK
- Deep-dive review of the Loyalty reset and rollout of the new Loyalty Programme in 2025

### Activities that provided broader strategic context across multiple priorities

- Presentations by external analysts on the South African and Australian macroeconomic and social environments
- Deep-dive risk review of the potential impacts of the new USA administration on our business as well as our major trading geographies

A dedicated Reading Room has been established on the Board's digital platform (Diligent) with curated, up-to-date content offering perspectives on macroeconomic trends and issues relevant to the Group's strategic agenda.

## 2026 BOARD IMMERSION FOCUS AREAS

- Continued leveraging of non-executive director insights by the Board and business leaders
- Ongoing insights into sustainability trends and climate change
- Ongoing focus on retail and technology advancements, particularly the use of AI in the retail sector

*Through proactive succession planning and continuous Board development, we maintain operational continuity while driving long-term growth.*

## 2025 BOARD AND COMMITTEES' EFFECTIVENESS EVALUATION

The Board's policy is to alternate between independent evaluations and internal evaluations, as it believes that annual evaluations provide the opportunity to reflect on the Board's ways of working and identify areas where it can improve. This aligns with King IV™.

The 2025 Board and committee effectiveness evaluation was externally facilitated by The Board Practice, who also undertook the independent review in 2023, providing continuity. The evaluation was robust, and the ensuing report was presented at the Nominations Committee and Board meetings in May 2025. The overall finding was that the Board was highly professional and well-functioning. The Board committees, without exception, were described as best-in-class, highly effective, and well structured with engaged members. Board members were satisfied with the Chairperson's performance, the CEO's performance, and the Board's relationship with management. The performance of the Company Secretarial function was regarded as best-in-class.

The Board identified the following actions to further optimise performance in FY2026:

- Reflecting on the Board commitments at the start of each Board meeting. These are a set of principles that shape our Board dynamic
- Continuing Board reflection sessions at the end of each Board week. This provides an opportunity to assess the robustness of deliberations during the week and whether the Board is living up to its commitments
- Opportunities will be explored to expose Board members to global technology trends, particularly the use of AI in retail
- The Board will continue to focus on value unlock and growth opportunities for the Group
- Continued engagement with key talent in the Group
- Continued ongoing focus on Group CEO and Exco succession
- Ongoing engagement with business units, including those outside of core functions and in other geographies, to better understand business challenges and contribute to potential solutions
- The Board immersions will continue, and exposure to CRG and the Australian market will be arranged for new non-executive directors

## CONFLICT OF INTEREST

Directors are expected to act in good faith and prioritise the Group's best interests. Our Board Conflict of Interest Policy is available at [woolworthsholdings.co.za](http://woolworthsholdings.co.za). It is applicable to the WHL Board and the boards of Woolworths and CRG, and establishes clear protocols for directors to declare interests and manage potential conflicts. Non-executive directors and the Group CEO are required to consult with the Board Chairman before accepting commitments that might conflict with their duties. Executive directors must similarly engage with the Group CEO regarding potential conflicts.

Directors and Group executives are not permitted to leverage their position or access inside information for personal benefit or to advantage related third parties, whether financially or otherwise. Directors must disclose any financial or other interests held by themselves or related third parties upon Board appointment and before each Board meeting. They must report

any changes likely to create or result in potential conflicts of interest. In addition, they must declare any actual or potential conflict of interest with matters to be considered at Board or committee meetings prior to discussion on the matter.

Comprehensive directors' interests' registers are maintained and regularly updated. This includes the WHL Directors' Register of Interests, which is available at [woolworthsholdings.co.za](http://woolworthsholdings.co.za).

## GROUP COMPANY SECRETARY

Chantel Reddiar continues to serve as Group Company Secretary and Board and committee advisor on governance matters. In this capacity, she collaborates with the Board and committee chairs and ensures adherence to Board and committee governance practices and relevant legislative and regulatory requirements.

The Board assessed Chantel's competence, qualifications, and expertise for her role, and confirms her capability to perform the required duties on behalf of a public company. The Board considers her appropriately independent in accordance with King IV™. It confirms that an arm's-length relationship exists between the Board and the Group Company Secretary.

In addition to the company secretarial functions, Chantel is responsible for the Group's governance, risk, compliance, and legal functions, as well as communications and corporate affairs. She is supported by suitably qualified and experienced teams.

## COMPLIANCE

The Board is ultimately accountable for compliance risk, and for ensuring the adequacy of Group systems of governance, risk, and compliance control that are implemented to comply with regulatory requirements. The Board has delegated responsibility for the function to the Social and Ethics Committee, which ensures that:

- The Group has an independent and effective compliance function
- The necessary controls are in place to comply with regulatory requirements

The committee receives reports on the level of compliance risk and on compliance findings and their resolution. The reports include overviews of the regulatory environment, appropriate responses to changes and developments, emerging trends, and detailed engagements and relationships with regulators.

The compliance function assesses compliance obligations, prioritises them based on compliance risk assessments, and develops control measures to ensure compliance obligations are met. It creates and nurtures a compliance management culture by providing regulatory advisory services, training and awareness campaigns, and complaints management.

Our risk, audit, and compliance functions collaborate closely, creating an integrated approach to risk management. This aligns with our combined assurance model and ensures comprehensive oversight and resilience across the Group.

# ANNUAL COMPLIANCE CERTIFICATE AND KING IV™ COMPLIANCE

The Board endorses a holistic approach to corporate governance and the purposeful application of the governance principles of King IV™. These principles are incorporated into the Group's governance framework and related policies.

The Board is of the opinion that the Group complies with the governance principles contained in King IV™ and with the requirements of our MOI, the Companies Act, and the JSE Listings and Debt and Specialist Securities Listings Requirements. Details on the Group's application of the King IV™ governance principles are provided in our King IV™ Application Register, which is available at [woolworthsholdings.co.za](http://woolworthsholdings.co.za).

The annual compliance certificate confirming the Group's compliance with the JSE Listings and Debt and Specialist Securities Listings Requirements for the year was submitted to the JSE on 30 September 2025.



# GOVERNANCE FRAMEWORK

Our governance framework promotes collaborative decision-making across the appropriate levels, and enables proactive co-operation between the Board, its committees, Group Exco, and senior management.

As the ultimate custodian of good corporate governance and strategic leadership, the Board oversees the Group's conduct and operations to ensure long-term value creation for all our stakeholders.

To enhance its effectiveness, the Board delegates specific responsibility to Board committees, each operating under formal Terms of Reference that are reviewed annually. Board committees report in detail on key discussions and activities at each quarterly Board meeting, and minutes of committee meetings are made available to all Board members.

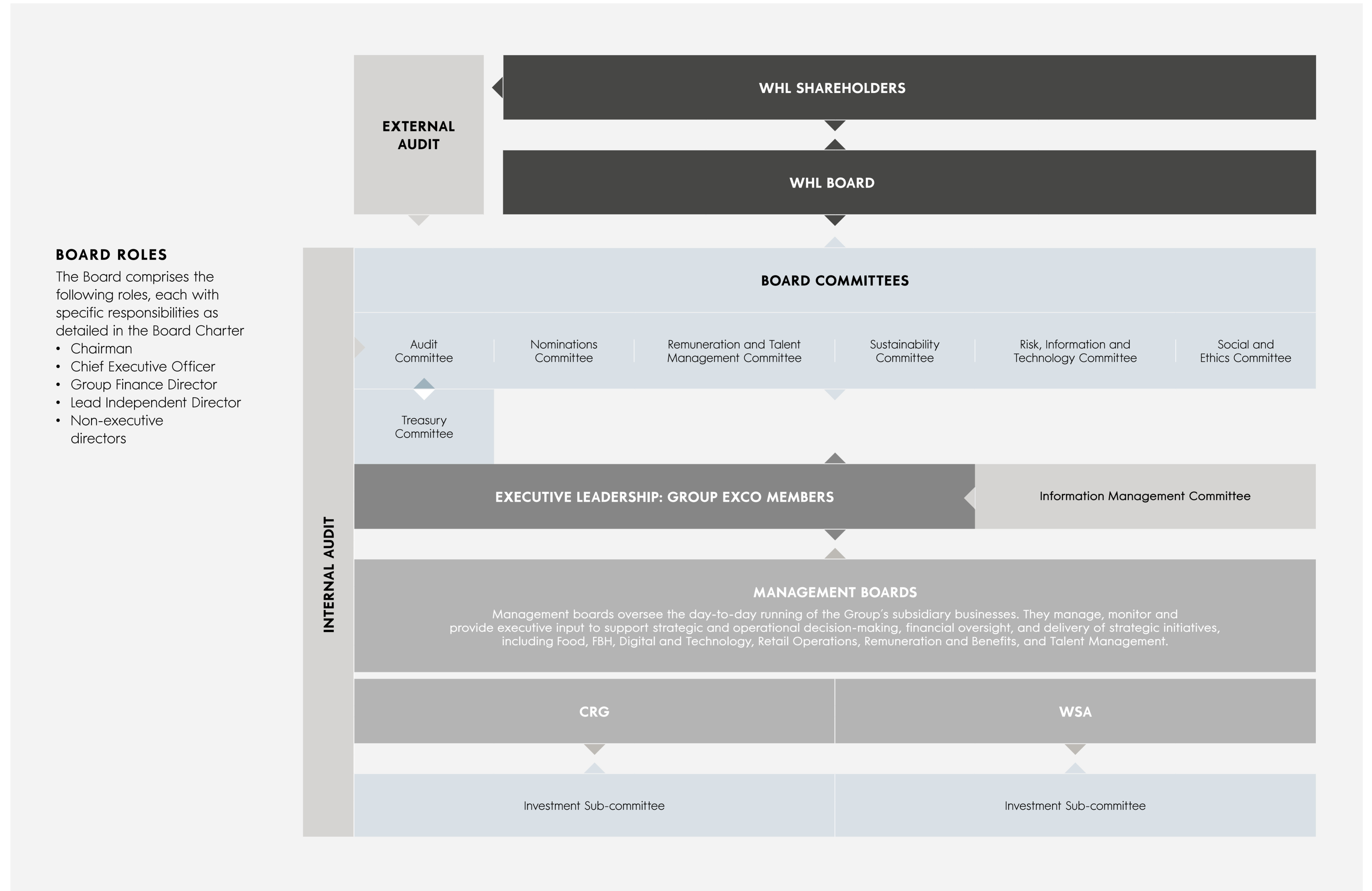
The Board delegates specific authority to the Group CEO and the subsidiary management boards in formal documented delegations of authority and management board charters, which are reviewed annually.

Details on the governance framework and supporting processes and policies are available at [woolworthsholdings.co.za](http://woolworthsholdings.co.za). These include the Board Charter and committee Terms of Reference. The committees' activities during the year, including the specific strategic objectives they support, are summarised on the pages that follow.

## BOARD ROLES

The Board comprises the following roles, each with specific responsibilities as detailed in the Board Charter

- Chairman
- Chief Executive Officer
- Group Finance Director
- Lead Independent Director
- Non-executive directors



*Our governance framework drives collaborative decision-making and strategic excellence throughout the Group.*

## NOMINATIONS COMMITTEE



### COMPOSITION AND MEETING ATTENDANCE

The committee comprises only independent non-executive directors appointed by the Board. The Group CEO is invited to committee meetings, and the Group Company Secretary attends meetings to provide advice and support.



#### MEMBERS

**Members:** Clive Thomson (Chairman), Christopher Colfer, Belinda Earl, and Nombulelo Moholi

**Member changes:** Hubert Brody retired after the AGM on 25 November 2024. David Kneale stepped down with effect from 30 September 2024.



### KEY MATTERS CONSIDERED AND APPROVED CONTINUED ...

- Reviewed Group CEO succession options and agreed to include succession planning as a standing agenda item to ensure readiness for leadership transitions
- Assessed the independence and performance of non-executive directors. This included a review of the Lead Independent Director's tenure and confirming her independence for the remainder of her tenure until the 2025 AGM
- Reviewed the composition of the Audit Committee and to ensure continuity and effectiveness of financial oversight, nominated the current members for election to the committee at the 2025 AGM
- Reviewed the directors retiring by rotation and nominated directors for re-election at the 2025 AGM
- Reviewed and updated governance policies, including policies on director appointments, diversity, and conflicts of interest, to ensure alignment with best practices and regulatory requirements

### MANDATE

To ensure the Board's effectiveness and governance oversight. This includes overseeing Board member performance, the annual effectiveness evaluations, and ensuring an optimal Board composition to meet the Group's strategic ambitions and potential risks. The committee manages the Group CEO's performance, setting goals aligned with strategy and monitoring progress against them. It also oversees succession planning for the Group CEO, Group Exco and key leadership roles.

### KEY MATTERS CONSIDERED AND APPROVED

- Considered shareholder feedback from pre-AGM engagements in preparation for the 2024 AGM
- Approved the Group CEO's contract renewal. Set 2025 performance goals and evaluated FY2024 performance, confirming 100% KPI achievement with a level 3 individual performance management rating
- Recruited two new non-executive directors with diverse experience and assigned them to Board committees in anticipation of upcoming Board changes
- Reviewed and updated committee compositions and chairmanships. Appointed Lwazi Bam to the WHL Share Incentive Trust following his appointment as Chairman of the Audit Committee
- Approved the engagement of The Board Practice for the 2025 external Board evaluation and reviewed their feedback. Approved proposals to enhance Board effectiveness in 2026

***Strengthening governance and future-proofing leadership through proactive succession planning, strategic Board renewal, and a commitment to diverse representation.***

### 2026 FOCUS AREAS

- Proactively manage Board succession to maintain leadership continuity, Board effectiveness and strategic oversight
- Oversee Group CEO succession and monitor Exco succession planning to build long-term leadership capacity and mitigate succession risk
- Monitor implementation of the 2025 Board effectiveness proposals and manage the 2026 internal Board and committee evaluations to drive governance optimisation and strategic alignment



## REMUNERATION AND TALENT MANAGEMENT COMMITTEE



### COMPOSITION AND MEETING ATTENDANCE

The committee comprises only independent non-executive directors appointed by the Board. The Group CEO, Group People Director, and Head of Remuneration and Benefits are invited to committee meetings. The Group Company Secretary attends meetings to provide advice and support.



#### MEMBERS

**Members:** Clive Thomson (Chairman), Christopher Colfer, Nolulamo Gwagwa, Itumeleng Kgaboesele, and Nombulelo Moholi

**Member changes:** Hubert Brody retired after the AGM on 25 November 2024. David Kneale stepped down with effect from 30 September 2024. Nolulamo Gwagwa and Itumeleng Kgaboesele were appointed with effect from 1 November and 26 November 2024, respectively.



### KEY MATTERS CONSIDERED AND APPROVED CONTINUED ...

- Finalised the transition to the next phase of the Just Wage initiative. This provides fully funded medical insurance cover to all Woolworths store and supply chain employees with at least one year of service
- Workshopped the Companies Amendment Act requirements on remuneration governance and reporting (wage gap disclosures), along with global reward trends. These included a shift toward skills-based pay, customised rewards based on preferences, and updated LTI benchmarks, reflecting a move toward data-driven practices
- Approved the overall remuneration budget for all employees and the remuneration paid to the Group CEO and Group and subsidiary Exco members
- Reviewed material skills retention risks and management's mitigation plans
- Reviewed the succession planning for senior management and the bench strength for the top 40 roles in the Group
- Reviewed the talent landscape and progress on talent initiatives during the year. This includes the annual talent workshop which is attended by all Board members and focuses on top talent across the Group

*Advancing fair, market-aligned pay and sustainable value creation through our talent strategies, People Value Proposition, and the expansion of the Just Wage initiative.*

### MANDATE

To ensure the Group's remuneration is appropriately designed, fair, and market-related to attract, retain, and motivate talent. The committee aims to create a remuneration framework that supports the Group's strategic objectives and promotes sustainable value creation. It oversees succession planning for senior roles and high-potential employees and ensures that appropriate development and retention strategies are in place.

### KEY MATTERS CONSIDERED AND APPROVED

- Followed a more proactive shareholder engagement approach in considering feedback from engagements in 2024 and post the 2024 AGM
- Reviewed an analysis of the long-term incentive (LTI) performance conditions used by retailers in South Africa, Australia and the UK
- Considered shareholder views on the LTI target and performance conditions. The weightings, measurements and targets of the performance conditions were comprehensively assessed
- Finalised the ESG metrics for the 2024 LTI allocation, agreeing to use the supplier development score as the baseline measure
- Reviewed the People Value Proposition initiatives and progress on the rollout of Our Leadership Way across store leadership

### 2026 FOCUS AREAS

- Engage with shareholders to ensure the continued relevance of the Remuneration Policy and stay abreast of remuneration trends
- Continue to assess the Remuneration Policy and outcomes to ensure the policy remains fit for purpose and supports achievement of the Group strategic objectives
- Monitor the effectiveness of talent management and development strategies, with particular reference to the Group leadership competency framework
- Monitor the implementation of amended Companies Act requirements and ensure compliance with reporting requirements



## AUDIT COMMITTEE



### COMPOSITION AND MEETING ATTENDANCE

The committee comprises only independent non-executive directors appointed by the Board. The Group CEO and Group Finance Director are invited to committee meetings, along with the Heads of Risk and Compliance, Internal Audit, and Treasury and Tax, and the external auditors. The Group Company Secretary attends meetings to provide advice and support.



#### MEMBERS

**Members:** Lwazi Bam (Chairman), Christopher Colfer, Itumeleng Kgaboesele, and Thembisa Skweyiya

**Member changes:** Clive Thomson stepped down after the AGM on 25 November 2024 as he was appointed as Chairman of the Board. Itumeleng Kgaboesele was appointed with effect from 5 March 2025.



### MANDATE

The committee provides independent oversight of the effectiveness of internal financial controls, and the system of internal controls, to ensure the integrity of the Group's AFS and related external reports. It monitors the effectiveness of the Group's external and internal assurance functions to ensure the integrity of the Group's financial and integrated reporting. It is responsible for the appointment, compensation, and oversight of the external auditors, and assesses their independence and effectiveness.

### KEY MATTERS CONSIDERED AND APPROVED

- Reviewed the Group Finance Director's quarterly reports relating to the Group's financial performance, forecasts, budget, integrated business plan and capital expenditure
- Considered and approved the impairment testing of goodwill, brands, and stores in CRG at year-end, amounting to an impairment of R917 million
- Reviewed reports from the Group Treasury Committee in regard to Treasury Policy compliance and Group funding matters. This included the Group's debt facilities, refinancing and the ongoing renewal thereof, issuing of Notes under the Domestic Medium Term Note Programme (DMTN), and debt covenant compliance, among others

### KEY MATTERS CONSIDERED AND APPROVED CONTINUED ...

- Received quarterly reports on the Group's tax position and status of tax compliance
- Reviewed proposed refinancing of debt facilities across the Group and the required financial assistance resolutions. Recommended same to the Board for approval
- Continued to consider reporting and legislative developments in respect of sustainability reporting standards
- Reviewed the interim reports and preliminary results announcements and recommended these to the Board for approval
- Assessed and confirmed the appropriateness of the going concern assumption used in the Group AFS
- Recommended interim and final dividend proposals to the Board
- Reviewed the basis for determining materiality for external reporting
- Reviewed the material impacts of the JSE's Report Back on Pro-Active Monitoring of Financial Statements and the Group's response ensured that our processes adequately address impacts
- Reported to the Board on matters concerning the Group's accounting policies, financial controls, records and reporting
- Considered the financial reporting procedures of the Group. Concluded that the procedures are appropriate for the Group
- Reviewed the qualifications and experience of the Group Finance Director and finance management team. Found them to be appropriate to fulfil their roles and to facilitate the preparation of reliable financial information
- Reviewed the Group's policies on price sensitive information, insider trading, the external auditor and accounting and audit matters complaints to ensure continued alignment with good governance practice and regulations and recommended changes to the Board for approval
- Monitored the effectiveness of the internal control framework on financial reporting to support the Group CEO's and Group Finance Director's annual attestation
- Considered the appointment of the Group Head of Internal Audit
- Accepted responsibility for the role of Audit Committee of the South African subsidiaries

### 2026 FOCUS AREAS

- Monitor the impact of macroeconomic volatility on the Group's financial position and strategic direction to ensure resilience
- Monitor the Group's exposure to interest rate movements and responsive measures, including hedging strategies
- Continue to monitor capital allocation decisions in line with the capital allocation framework, ensuring an appropriate balance between capex investments and the return of capital to shareholders
- Continue to ensure that financing decisions are aligned so as to maintain a strong balance sheet and achieve targeted gearing levels per business entity
- Monitor evolving sustainability reporting regulations and ensure appropriate disclosure of financial information and assurance requirements in the Group's financial reporting



## TREASURY COMMITTEE



### COMPOSITION AND MEETING ATTENDANCE

The committee comprises three independent non-executive directors and three executive directors appointed by the Board. The Group Company Secretary attends meetings to provide advice and support.



#### MEMBERS

**Members:** Lwazi Bam (Chairman), Roy Bagattini, Zaid Manjra, Thembisa Skweyiya, Clive Thomson and Ian Thompson

**Member changes:** Hubert Brody retired and Clive Thomson stepped down as Chairman after the AGM on 25 November 2024 after being appointed as Chairman of the Board.



### KEY MATTERS CONSIDERED AND APPROVED CONTINUED ...

- Reviewed interest rate and foreign exchange risks. Adjusted hedging strategies and cover levels to mitigate volatility
- Monitored the continued integration of sustainability into financial strategy
- Reviewed the Group Treasury Policy and counterparty exposure limits. Recommended proposed amendments to the Audit Committee for approval

### MANDATE

To oversee the Group's treasury management functions and policies. To proactively manage the Group's treasury risks and exposures within acceptable limits in line with the Treasury Policy guidelines.

### KEY MATTERS CONSIDERED AND APPROVED

- Monitored liquidity, gearing, and debt covenant compliance across the Australian and South African operations. Benchmarked these against forecasts amid economic volatility to maintain financial resilience
- Reviewed the dividend policy. Recommended interim and final dividends that balance shareholder returns with financial prudence to support sustainable returns
- Evaluated the merits of share repurchases in light of WHL's share price outlook and market volatility. Concluded that conditions were not optimal for a repurchase programme
- Monitored the refinancing of debt facilities across the Group, including the issuance of additional listed notes under the DMTN Programme, due to favourable bond pricing. Noted that while this had resulted in a reduced level of ESG-linked bank funding, the committee will continue to monitor debt pricing and remain open to ESG-linked bank funding opportunities, subject to commercial viability

*Safeguarding financial resilience through prudent liquidity management, responsive risk mitigation, and the integration of sustainability into our treasury strategy.*

### 2026 FOCUS AREAS

- Monitor the capital structure, liquidity and balance sheet risks, including stress testing and treasury exposures, to enhance financial stability and resilience in line with the Group Treasury Policy
- Oversee capital allocation and associated risks to ensure alignment with approved principles for resource deployment
- Monitor interest rate exposure and responsive hedging strategies amid rate volatility



## RISK, INFORMATION AND TECHNOLOGY COMMITTEE



### COMPOSITION AND MEETING ATTENDANCE

The committee comprises all nine independent non-executive directors and all three executive directors of the Board. The Heads of Risk and Compliance, Internal Audit, and Treasury and Tax, and the external auditors, are invited to committee meetings. The Group Company Secretary attends meetings to provide advice and support.



#### MEMBERS

**Members:** Rob Collins (Chairman), Roy Bagattini, Lwazi Bam, Christopher Colfer, Belinda Earl, Nolulamo Gwagwa, Itumeleng Kgaboesele, Zaid Manjra, Nombulelo Moholi, Sam Ngumeni, Thembisa Skweyiya, and Clive Thomson

**Member changes:** Hubert Brody retired after the AGM on 25 November 2024. David Kneale stepped down with effect from 30 September 2024. Nolulamo Gwagwa and Itumeleng Kgaboesele were appointed with effect from 1 November and 5 September 2024, respectively.



### KEY MATTERS CONSIDERED AND APPROVED CONTINUED ...

- Reviewed the IT strategic roadmap, including the integration of generative AI, to ensure alignment with business priorities and drive operational efficiency, innovation and digital transformation
- Monitored IT operational risk reporting and assessed the adequacy of risk management processes to minimise IT-related incidents
- Oversaw the effectiveness of information security governance, systems, and controls to uphold cyber resilience and maintain the integrity of digital assets
- Reviewed the Information Management Committee's activities, including data governance frameworks and security policies
- Reviewed the operational and financial impact and implications of electricity supply constraints, including loadshedding trends in South Africa
- Monitored progress on the reconfiguration of CRG's operating model to enable the execution of the Group's 'house of brands' strategy. Assessed potential impacts on business performance and risk mitigations in place to support the success of the strategy
- Assessed water infrastructure risks (notably in Gauteng, South Africa) and preparedness across stores
- Evaluated safety protocols across stores and distribution centres to mitigate incident risk
- Reviewed food safety risks to ensure the protection of consumer health and brand reputation, and maintain regulatory compliance
- Assessed risks associated with AI, including data leakage and ethical usage. Reviewed employee education on AI to ensure secure, responsible and ethical AI deployment across the business
- Assessed anti-fraud systems and controls. Confirmed that no material fraud was detected during the year
- Reviewed the Group's insurance programmes to ensure adequate coverage of key insurable risks
- Recommended updates to the Group's Enterprise Risk Management and Compliance Policies for Board approval to ensure alignment with evolving governance standards
- Reviewed and approved the Group's combined assurance model
- Received feedback on the Women in Tech initiative. The initiative connects female students with our IT, data and cyber-security professionals to support talent development and social impact
- Conducted a deep-dive analysis of competitive threats from international online retailers. Reviewed mitigation strategies to support the development of differentiated value propositions

### MANDATE

To assist the Board in the governance of risk, ensuring that risks are identified, assessed, managed, reported, and mitigated across the Group's enterprise risk management framework. The committee oversees and holds management accountable for the implementation of effective risk management, including risk impacts on the achievement of the Group's strategic objectives. It also ensures that the information and technology roadmap and investments support the Group's strategic objectives.

### KEY MATTERS CONSIDERED AND APPROVED

- Monitored the Group's key risks and emerging trends amid economic volatility and geopolitical instability. Analysed the potential impacts of the new USA administration on our two main trading geographies to enable proactive risk mitigation
- Reviewed and adjusted key risk mitigation controls to ensure responsiveness and resilience
- Finalised the strategic risk profile during the annual strategic risk workshop, ensuring alignment with the Group's long-term objectives and facilitating risk-based decision-making
- Evaluated the effectiveness of risk management processes and the Group's Business Continuity Programme to ensure crisis preparedness

### 2026 FOCUS AREAS

- Scan the risk horizon for emerging risks and opportunities, as well as factors that could influence the Group's longer-term risk profile
- Monitor the effectiveness of the risk management framework and measures to protect the Group against future disruptions
- Monitor cyber-security measures to increase resilience against cyber-threats and potential data breaches
- Monitor the management of risks associated with accelerated digital transformation to ensure smooth transitions and minimal operational disruptions
- Monitor data governance frameworks and controls to ensure appropriate protection and use of personal data



## SOCIAL AND ETHICS COMMITTEE



### COMPOSITION AND MEETING ATTENDANCE

The committee comprises four independent non-executive directors and two executive directors appointed by the Board. The chief executives of Food, FBH and CRG, the Group People Director, Director Corporate Social Justice, and the Heads of Strategy, and Risk and Compliance are invited to meetings. The Group Company Secretary attends meetings to provide advice and support.



#### MEMBERS

**Members:** Thembisa Skweyiya (Chairman), Roy Bagattini, Nolulamo Gwagwa, Nombulelo Moholi, Sam Ngumeni, and Clive Thomson

**Member changes:** Hubert Brody retired after the AGM on 25 November 2024. Nolulamo Gwagwa was appointed on 5 March 2025.



### KEY MATTERS CONSIDERED AND APPROVED CONTINUED ...

- Received reports on the geopolitical landscape following elections in the southern Africa region. This included the formation of a Government of National Unity in South Africa and the civil unrest in Mozambique
- Noted the positive stakeholder engagements in Botswana and ongoing collaboration with the Kenyan Bureau of Standards regarding product testing
- Reviewed the results of the stakeholder perception survey. All scores exceeded the global 75% benchmark, reflecting stakeholder confidence
- Received an overview of the talent landscape. This included progress on employment equity plans and skills development initiatives, as well as the positioning of the Skills Development Plan as a strategic enabler for talent development, succession planning, and retention
- Supported efforts to diversify employee development offerings to enhance career mobility and build a pipeline of future-ready leaders
- Reviewed the Group’s Anti-Bribery and Corruption, Whistleblower and Sponsorship Policies, and the Supplier Code of Business Principles. Reviewed the ongoing training and awareness campaigns to strengthen ethical conduct and regulatory alignment
- Noted that our ambition to reach “Achiever” status in the UN Women Empowerment Principles Gender Gap Analysis was achieved in 2025. With this we are well positioned in our trajectory toward “Leader” status
- Considered the Group Human Rights Declaration, affirming our commitment to ethical labour practices and legal compliance
- Monitored regulations and compliance frameworks to ensure proactive adaptation to any changes
- Approved the annual compliance monitoring plans and reviewed the compliance monitoring reports to mitigate compliance risk
- Accepted responsibility for the role of Social and Ethics Committee of subsidiary companies to ensure consistent ethical standards across the Group
- Collaborated with the Sustainability Committee to ensure alignment on areas of shared accountability and the Vision 2025+ goals

### MANDATE

To assist the Board in cultivating an ethical culture and maintaining responsible corporate citizenship. The committee performs its statutory duties according to the Companies Act. It oversees the Group’s compliance programme, covering compliance risk management, health and safety. It also monitors performance in relation to the Inclusive Justice pillar of Vision 2025+, focusing on people, social development, and health and wellness.

### KEY MATTERS CONSIDERED AND APPROVED

- Reviewed B-BBEE scorecard targets and progress to reinforce transformation and inclusivity. Noted the positive effects of inclusive justice programmes on performance
- Monitored employee engagement trends across South Africa and Australia, which are used to inform retention strategies
- Monitored inclusive justice initiatives and progress regarding equity, cultural sensitivity, and employee wellbeing across regions
- Reviewed the Competition Commission’s final report on the fresh produce market enquiry. Noted that certain remedial actions, such as changes to pricing display, are required from food retailers, including Woolworths, which the business is attending to
- Assessed the implications of the amendments to the Companies Act regarding wage gap disclosures and actions to develop an appropriate reporting methodology

### 2026 FOCUS AREAS

- Monitor progress against the inclusive justice goals outlined in the refreshed GBJ, focusing on people, social development, and health and wellness. Ensure these initiatives deliver meaningful and measurable impact
- Oversee the implementation of the enhanced Stakeholder Management Programme. Evaluate the quality and effectiveness of engagements to strengthen brand reputation and support long-term, sustainable business growth
- Oversee the compliance framework’s effectiveness and responsiveness to regulatory changes to reinforce operational integrity and ethical governance



## SUSTAINABILITY COMMITTEE



### COMPOSITION AND MEETING ATTENDANCE

The committee comprises four independent non-executive directors and two executive directors appointed by the Board. The Group Finance Director, Group People Director and Chief Sustainability Officer, along with the chief executives of Food, FBH and CRG, and the Heads of Strategy, Customer and Risk and Compliance are invited to meetings. The Group Company Secretary attends meetings to provide advice and support.



#### MEMBERS

**Members:** Belinda Earl (Chairman), Roy Bagattini, Rob Collins, Nombulelo Moholi, Sam Ngumeni, Thembisa Skweyiya, Simon Susman and Clive Thomson

**Member changes:** Hubert Brody retired and Clive Thomson was appointed after the AGM on 25 November 2024.



### KEY MATTERS CONSIDERED AND APPROVED CONTINUED ...

- Received external assurance reports, noting an unqualified audit outcome for FY2024
- Recommended the 2024 GBJ Report to the Board for approval
- Received updates on evolving global sustainability reporting standards. This included updates on CRG's preparation for mandatory climate-related disclosures in Australia in FY2026
- Considered the results of the biannual corporate reputation survey, which included environmental and social dimensions. Considered shareholder feedback from the 2024 AGM which highlighted investor recognition of the Group's sustainability leadership and increased shareholder interest in Scope 3 emissions targets
- Noted the launch of a research project between CRG and RMIT University to accelerate circular product design
- Reviewed a pioneering CRG collaboration with Vert Design to address the environmental impact of soft plastics. The collaboration resulted in the development of a first-to-market product using co-mingled plastic encapsulated in fabric. The product honours First Nations artists, with curatorial support from the National Gallery of Victoria, and will be launched at Paris Design Week 2025/26
- Noted the Group's achievement of full membership of the Ethical Trade Initiative
- Received feedback on the responsible sourcing initiatives. Acknowledged the successful achievement of our goal to ensure that 100% of Food private label products include at least one sustainability attribute
- Collaborated with the Social and Ethics Committee to ensure an integrated approach to corporate responsibility and the Vision 2025+ goals
- Received updates on local and global sustainability trends, legislation, and best practices to proactively adapt our strategies

### MANDATE

To ensure that the Group remains a leader in responsible retailing in the markets in which it trades, with sustainability embedded operationally and environmental stewardship at the core.

### KEY MATTERS CONSIDERED AND APPROVED

- Reviewed climate change impacts on the value chain to ensure strategic alignment, risk mitigation, and identification of sustainability opportunities
- Discussed energy initiatives, including ongoing initiatives to increase solar installations at our buildings. Acknowledged management's efforts to promote alternative energy sources with our landlords
- Received updates on the Group's performance against internal sustainability targets under Vision 2025+
- Reviewed key sustainability risks to ensure integration with broader risk management
- Reviewed and approved the sustainability materiality determination process and identified material matters
- Monitored the effectiveness of the combined assurance model to enhance the reliability of sustainability data
- Approved the scope of the limited assurance engagement and readiness review for the 2025 GBJ Report

### 2026 FOCUS AREAS

- Continue to monitor progress against Vision 2025+ goals and oversee development of the refreshed GBJ sustainability goals for the next five years
- Ensure that sustainability continues to be integrated into core operations and decision-making
- Continue to promote innovation in sustainability practices
- Ensure the Group operates in an environmentally and socially responsible way, with an emphasis on promoting responsible consumption, production systems, and behaviours
- Monitor reporting standards and metrics to ensure ongoing compliance with evolving international financial and sustainability reporting standards





## EMBEDDING ETHICS INTO OUR CULTURE

The Group is committed to upholding the highest standards of governance, integrity, and accountability. These principles are embedded in our culture and operational practices and guide us in our journey to become one of the world's most responsible and trusted retailers.

Ethical conduct starts with the Board, which shapes and sustains our values-driven culture. The Board has adopted a comprehensive suite of ethics and governance policies that align with the Companies Act, King IV™, the United Nations Global Compact, and Organisation for Economic Co-operation and Development (OECD) principles. Oversight of these policies is delegated to relevant Board committees, and implementation is managed by executive leadership. We review the policies annually to ensure they are current and effective.

The following principles guide our conduct:

### LEGAL COMPLIANCE

We comply fully with all the laws and regulations that apply in the regions where we operate. Our established compliance framework and related processes ensure we uphold this commitment.

### ANTI-CORRUPTION

We have zero tolerance for any corrupt behaviour. This includes gifts, favours, and facilitation payments, whether offered to or accepted by employees. Our Anti-bribery and Corruption and Gifts and Entertainment Policies establish our position in this regard. The Anti-bribery and Corruption Policy prohibits any attempt to influence business, labour or governmental decision-making. Our Sponsorship Policy prohibits any direct or indirect contribution to any political party, committee or candidate for public office.

### CONFLICT MANAGEMENT

We avoid direct, perceived or potential conflicts of interest. Our Conflict of Interest Policy and regular governance conversations guide us to do the right thing when we face ethical dilemmas. Board member conflicts of interest are managed in accordance with the process outlined on page 19.

### COMPETITIVE INTEGRITY

We are committed to fair market competition and strictly avoid anti-competitive practices or behaviours.

### DATA PRIVACY AND PROTECTION

We have robust data governance policies and frameworks and cybersecurity measures in place to protect the integrity of our data. This includes the personal information of our customers, employees, suppliers, business partners and other stakeholders.

### HUMAN RIGHTS

Respect for human rights and dignity is embedded in our culture. We do not tolerate any form of discrimination or inequality. Our commitment to human rights is entrenched in our internal policies and practices and the Inclusive Justice Initiative. This is reinforced by our alignment with the UN Women's Empowerment Principles and the United Nations Global Compact, to which we are signatories.

### RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE

We are committed to responsible and transparent use of AI. Our approach to digital transformation and evolving technologies ensures that we develop and utilise AI applications in ways that are ethical, fair, and free from bias. This is embedded in our Generative AI Governance and Usage Policy. We are building employee awareness through engagements on the ethical implications of AI and its potential for data leakage, particularly regarding personal information and intellectual property.

### SUPPLY CHAIN STANDARDS

Our suppliers and other business partners are held to the same standards as we are. They are required to respect human rights and dignity, uphold fair labour and safety standards, and exercise due care in their use of environmental resources and animal husbandry practices. They must adhere to our zero tolerance for bribery, corruption, child labour, and modern slavery. Our Supplier Code of Business Principles, policy statements, and ethical sourcing guides provide clear guidance in this regard.

### TRADING RESTRICTIONS

We do not use price-sensitive or other insider information to gain advantage. Our Insider Trading and Price Sensitive Information Policies prohibit trade in the Company's shares during closed or prohibited periods. Prior clearance to trade in the Company's shares during open periods must be obtained by all directors. This includes subsidiary board directors, the Group Company Secretary, members of Group Exco, and investment managers dealing on their behalf.

### WHISTLEBLOWING

We provide secure, anonymous, and confidential channels for employees and third parties to report unethical conduct without fear of retaliation. The channels are managed by an independent service provider and governed by our Whistleblower and Accounting and Audit Matters Complaint Policies. We investigate all reports thoroughly and take appropriate action to uphold our ethical standards.

### AWARENESS, TRAINING AND ENGAGEMENT

Our Governance Academy promotes ethical awareness across the Group. Through our Governance Week Conversations and monthly ethics topics, we encourage employees to engage with practical scenarios on:

- Ethical decision-making and conflict of interest management
- Anti-bribery and corruption prevention
- Whistle-blower protections and reporting mechanisms
- Cyber-security and data privacy
- Intellectual property and anti-competitive conduct
- Responsible and ethical use of AI

We support these sessions with videos, podcasts, and policy summaries that are accessible to employees across South Africa, the rest of Africa, and Australia.



# OUR APPROACH



CLICK ON BOX TO GO TO THAT SECTION

# OUR VALUE-CREATING BUSINESS MODEL

*Our business model outlines how we create, preserve, and grow sustainable value. It is underpinned by our purpose of adding quality to life, and governance oversight that meets the highest standards of governance, ethics, and integrity. It reflects the way we transform capital inputs through our business activities to deliver high-quality products and services and positive outcomes for our stakeholders.*

## CAPITAL INPUTS



F

### FINANCIAL CAPITAL

- R10.7bn (FY2024: R10.9bn) shareholders' funds
- R12.6bn (FY2024: R12.9bn) net gearing, including lease liabilities

M

### MANUFACTURED CAPITAL

- 1 591 (FY2024: 1 592) store locations and online platforms
- Six distribution centres, three cross-dock facilities, one outsourced FBH online fulfilment centre, and one Food dark store in South Africa; and one national omnichannel fulfilment centre in Australia
- Ongoing investment in supply chain, stores, and online platforms to ensure reliable deliveries and a superior omnichannel customer experience
- Continued incorporation of environmentally friendly features and efficient technology such as LED lights in stores
- Nine renewable energy installations and 23 Green Star-rated buildings across the Group

I

### INTELLECTUAL CAPITAL

- Strong, trusted private label brands across Food, Fashion, Beauty, and Home
- Loyalty programme with customer data and insights used to inform decision-making
- Dedicated product development and technology teams to provide high-quality, innovative and responsibly sourced merchandise
- Sophisticated merchandise, distribution and account management systems, processes, policies, procedures, and manuals

H

### HUMAN CAPITAL

- Diverse and talented workforce of 40 168 (FY2024: 38 623) employees
- Investment in employee training and development of R149m (FY2024: R210m) across the Group
- Group-wide Inclusive Justice Initiative (IJI) aimed at inspiring inclusive growth for all our people
- Values-driven corporate culture underpinned by strong compliance and governance culture

S

### SOCIAL AND RELATIONSHIP CAPITAL

- Strong customer relationships across the Group, enabled by compelling loyalty programmes and increasingly personalised communication
- Strong relationships with more than 500 FBH direct suppliers and more than 450 Food direct suppliers across the Group
- Responsible credit provided to Woolworths customers by WFS
- Strong relationships in our communities, including contributions through our corporate social investment (CSI) programmes
- GBJ embedded across our Group to guide our interactions with our stakeholders

N

### NATURAL CAPITAL

- Market-leading sustainability credentials
- Active management of natural resource use under the GBJ within our direct operations, and through our influence on responsible resource use in the supply chain
- 328 940 MWh (FY2024: 326 543 MWh) grid electricity used in Woolworths direct operations
- 679 078 kl (FY2024: 642 436 kl) of water used in Woolworths direct operations



## ENABLING OUR VALUE-CREATING BUSINESS ACTIVITIES



### 1. CUSTOMER INSIGHTS

**Customer insights and data drive and inform our business decisions.**

**H I F S**

Our loyalty programmes are a strategic asset across our businesses, supported by extensive customer databases. They enable us to harness advanced analytics and behavioural insights to improve our decision-making and refine our customer value propositions. By leveraging these insights, we strengthen customer acquisition, retention, frequency, and share of wallet. In return, our customers benefit from meaningful rewards, personalised experiences, and relevant communication that deepens engagement and brand affinity.



We actively engage with customers on aspects of our GBJ and our product sustainability attributes. This is a key differentiator and adds value to our offerings.



### 2. PRODUCT DEVELOPMENT AND DESIGN

**We provide our customers with differentiated, high-quality, innovative, responsibly sourced and appealing products.**

**H I F**

Quality, sustainability and innovation are cornerstones of our product offering across the Group. Our apparel businesses combine customer insights and segmentation, trend analysis, and interpretation to design appealing products. In our Food business, product development and food technology teams interpret trends and work with exclusive suppliers to develop new and improved ranges. While CRG offers exclusively private label products, Woolworths offers private label and selected premium third-party brands to complement our offering. This allows customers to complete their shop in our stores.



Sustainability principles are embedded in product development and design. We aim to ensure that all products are responsibly sourced, have at least one sustainability attribute, and are sold in either recyclable or reusable packaging.

### 3. SOURCING

**Our supplier relationships are a key competitive advantage, and we collaborate and integrate closely with them.**

**I F S H**

Almost half of our FBH products sold in South Africa are sourced from suppliers based in the southern Africa region. Our Food business benefits from exclusive regional supplier relationships, particularly for key strategic categories. Most of the products we sell in Australia are sourced from Asia.

Our GBJ ensures we source our products from suppliers who meet our environmental, social, and ethical requirements. GBJ-related ethical sourcing programmes aim to increase our local sourcing.



### 6. IN-STORE AND ONLINE RETAILING

**We offer our customers inspiring, engaging, and relevant omnichannel journeys. We help employees deliver a consistent, brand-aligned customer experience.**

**H I F S M N**

Our products are merchandised through several store formats and digital platforms. Whichever channel customers choose, we deliver a seamless, convenient, and inspiring shopping journey. We enhance our digital offering through advanced systems, strategic partnerships, and continued investment in IT capabilities. Our real estate strategy balances physical store growth with online demand to optimise trading densities and profitability. Data insights and daily customer interactions inform our decisions.

GBJ-related energy, water efficiency and waste management initiatives are in place in our stores. We aim to use more sustainable materials in our store design and visual merchandising. We encourage customers to bring their own reusable bags when shopping, and many of our deliveries are made in reusable and recyclable bags or boxes.

### 5. CENTRALISED DISTRIBUTION AND REPLENISHMENT

**Centralised distribution systems in our operating regions provide reliable and accurate online fulfilment and deliveries to our stores.**

**H I F S M N**

FBH products are regularly replenished to ensure availability and newness throughout the season. Optimised daily delivery schedules and strict cold chain disciplines ensure we maintain superior food quality and availability. Online orders are fulfilled from selected stores and a dedicated dark store in South Africa. In Australia, CRG merchandise is fulfilled from the purpose-built omnichannel fulfilment centre.

GBJ-related energy, water efficiency and waste management initiatives are in place throughout our distribution centres, transport and logistic operations to reduce our environmental impact.

### 4. MERCHANDISE AND PLANNING

**Our business planning skills and expertise are supported by merchandise processes and systems.**

**H I M**

Our integrated systems incorporate customer insights, product information and store data to enable appropriate in-store catalogues. Our products are available on our online platforms.

Our merchandise processes support our business planning to ensure we deliver the right amount of product to the right place at the right time. This minimises waste in line with our GBJ. We work to donate surplus food and clothing to charity.

**PRODUCING POSITIVE OUTCOMES**

| CAPITAL                             | ACTIONS   | GBJ FOCUS AREA  | OUTCOMES   |
|-------------------------------------|---|---|--|
| <b>F</b><br>FINANCIAL               | Actively manage capital to ensure continued investor and financial market confidence and access to financial capital                                  | <ul style="list-style-type: none"> <li>Ethical sourcing</li> <li>Energy and climate change</li> </ul>   | <ul style="list-style-type: none"> <li>Turnover growth of 6.1% to R81.0bn</li> <li>Group adjusted EBIT of R5.2bn</li> <li>Total dividend of 188.0 cents per share (cps) declared</li> <li>Return on capital employed (ROCE) of 16.4% (FY2024: 18.7%)</li> <li>Strong cash conversion at 83% (FY2024: 95%)</li> </ul>   |
| <b>M</b><br>MANUFACTURED            | Invest in stores, distribution centres, and technology to promote sustainable growth  | <ul style="list-style-type: none"> <li>Energy and climate change</li> <li>Water</li> <li>Packaging and waste</li> </ul>                       | <ul style="list-style-type: none"> <li>Launched MyDifference loyalty programme to forge deeper customer connections</li> <li>Ongoing turnaround of Fashion business with improved availability through investment in Value Chain Transformation initiatives</li> <li>Securing future growth of Food business through Midrand distribution centre expansion</li> <li>Ongoing investment in digital platforms to increase penetration, with online sales contribution of 9.6% to Group total turnover and concession sales (FY2024: 9.2% penetration)</li> <li>Invested financial capital and inevitably eroded natural capital to optimise space across the Group</li> <li>Ongoing testing and trialling of new products, visual merchandising solutions, and store formats and footprints</li> </ul> |
| <b>I</b><br>INTELLECTUAL            | Develop and improve brands by focusing on quality, sustainability and innovation and investing in future-fit processes                                | <ul style="list-style-type: none"> <li>Sustainable farming</li> <li>Packaging and waste</li> <li>Water</li> <li>Ethical sourcing</li> </ul>   | <ul style="list-style-type: none"> <li>Increased investment and focus on quality and sustainability in all aspects of our business</li> <li>Careful management of costs and inventory to mitigate supply chain disruptions</li> <li>Reconfigured systems and processes to support FBH's Distribution Centre Transformation and improve product availability</li> <li>Developed new operating model for CRG</li> <li>Further streamlined business processes and ways of working</li> </ul>  |
| <b>H</b><br>HUMAN                   | Create employment, develop employees through training, and promote diversity and inclusion in the workplace   | <ul style="list-style-type: none"> <li>People</li> <li>Health and wellness</li> </ul>   | <ul style="list-style-type: none"> <li>R148m invested in training and development across the Group, eroding financial capital to develop our people</li> <li>Ongoing implementation of strong governance structures</li> <li>Continued to roll out the IJI and launched the Inclusive Justice Institute</li> </ul>   |
| <b>S</b><br>SOCIAL AND RELATIONSHIP | Help address the social and economic needs and expectations of the communities in which we operate and strengthen relationships with our stakeholders | <ul style="list-style-type: none"> <li>Social development</li> <li>Sustainable farming</li> <li>Ethical sourcing</li> <li>People</li> </ul>   | <ul style="list-style-type: none"> <li>Continued to grow personalised customer relations, with 87% and 73% of revenue tracked on loyalty cards in Woolworths and CRG, respectively</li> <li>Ongoing strengthening of supplier partnerships</li> <li>Engagement and collaboration with government, regulators, industry bodies, academic institutions, and the media</li> <li>R981m in community CSI contributions</li> </ul>   |
| <b>N</b><br>NATURAL                 | Actively manage our responsible use of environmental resources and reduction of environmental impacts through the GBJ                                 | <ul style="list-style-type: none"> <li>Sustainable farming</li> <li>Water</li> <li>Energy and climate</li> <li>Packaging and waste</li> </ul> | <ul style="list-style-type: none"> <li>R558m saved by Woolworths through our GBJ in FY2025</li> <li>34% reduction in Scope 1 and 2 carbon emissions (against 2019 baseline)</li> <li>Scope 3 reporting boundary expanded in FY2025 (refer to our GBJ report for more information)</li> <li>Continued to implement sustainable fishing and farming programmes, responsible sourcing of commodities, phasing out of single-use plastic, and energy and water efficiency programmes</li> </ul>  |

For more information on how our GBJ creates value, refer to our GBJ Report.

All information is presented for a comparable 52-week period.

# TRADE OFFS

*We manage and balance the use of our capitals to enable ongoing investment in our people, supplier partnerships, and operations. This ensures we meet our customers' evolving needs while upholding strong governance practices.*

We manage trade-offs by carefully considering short-, medium- and longer-term implications for sustained value creation and sustainability of all our capitals.

**F**

We manage financial capital through cost-efficiency, operational excellence and our capital allocation framework (refer to page 57). This ensures we deploy resources effectively to support our strategies and growth ambitions and meet our gearing targets and shareholder commitments.

**M**

We invested financial capital into manufactured capital to enable a seamless, omnichannel customer experience. This included the launch of a refreshed loyalty programme, investment in digital platforms and our 'store of the future' format, and optimisation of our physical store footprint to drive growth and productivity.

**I**

We trade off financial capital to ensure future-fit businesses. We do this mainly through investment in improving our value chain innovation, systems and processes. By building our intellectual capital, we enhance our human and social and relationship capitals.

**H**

Our employees are critical to the execution of our strategies and the long-term sustainability of our businesses. We continue to trade off financial capital through our Just Wage initiative, and have launched health insurance for supply chain and store-based employees. This builds social and relationship capital, improves our employees' livelihoods and our ability to meet customers' needs, and positively impacts our communities.

**S**

We are committed to nurturing and strengthening our social and relationship capital. Through our GBJ initiatives, we reduce financial capital in the short-term to deliver longer-term benefits for the environment and the communities in which we operate.

**N**

We use and trade off natural capital responsibly to increase financial capital and, indirectly, enhance all other capitals of value creation. We manage this through our well-embedded GBJ, as detailed throughout this report.

*We use and trade off natural capital responsibly to increase financial capital and, indirectly, enhance all other capitals of value creation.*



## MANAGING TRADE-OFFS TO DELIVER LONG-TERM VALUE

The following examples demonstrate the capital trade-offs we are undertaking as a Group

### CAPITAL INVESTMENT IMPACTS SHORT-TERM PROFITABILITY BUT ENABLES LONG-TERM GROWTH

In FY2024 we embarked on a three-year period of heavier capital and operating expenditure on growth-enabling investments to:

1. secure the future growth of the Food business by expanding the Midrand distribution centre; and
2. enable the turnaround of the FBH business through Value Chain Transformation initiatives.

Whilst these investments impact earnings in the short to medium term, these core-enabling investments for future growth will drive improved efficiency and operational excellence, enhancing profitability and earnings growth in the long term.

#### CAPITALS DEPLETED (SHORT TO MEDIUM TERM)

- F** Increased capital and operating expenditure
- F** Earnings reduction

#### CAPITALS INCREASED (MEDIUM TO LONG TERM)

- F** Improved profitability through investments in growth
- M** Expansion of Midrand distribution centre
- I** Sophisticated systems and processes
- H** Access to new systems, tools and improved ways of working

### INVESTMENT IN WVENTURES TO UNLOCK GROWTH IN ADJACENT CATEGORIES AND FORMATS

In FY2023 we launched Woolworths Ventures (WVentures), focused exclusively on accelerating the growth potential of certain areas of the business, enabling them to benefit from more agile and entrepreneurial ways of working. Whilst we have a number of initiatives that protect and grow our core businesses, we continue to see significant growth opportunities in adjacent categories and formats including pet care (Absolute Pets and WPet), Food Services (Woolworths Café, coffee offerings, and NowNow restaurants), liquor (WCellar), and smaller convenience clothing stores (WEdit), all of which are housed under the WVentures banner.

#### CAPITALS DEPLETED (SHORT TO MEDIUM TERM)

- F** Increased capital and operating expenditure required to set up WVentures

#### CAPITALS INCREASED (MEDIUM TO LONG TERM)

- F** Improved profitability through accelerated growth
- M** Adjacent categories and formats
- I** New systems and processes
- H** Enhanced capabilities and ways of working

### STRATEGIC REORGANISATION TO DELIVER LONG-TERM BENEFITS OF CRG 'HOUSE OF BRANDS' STRATEGY

In recent years, significant progress has been made to reposition the Group, including the disposal of David Jones (DJ) in Australia. Following its successful separation from DJ, CRG required a significant reconfiguration of its operating model, to optimise its structures, processes, and ways of working as a standalone business. This also required investment in new capabilities for the benefit of all the brands within the portfolio. This transformation was undertaken in an accelerated timeframe, and amidst a particularly challenging macro-economic backdrop, causing short-term business disruption and exacerbating the level of negative operational leverage during FY2025.

#### CAPITALS DEPLETED (SHORT TO MEDIUM TERM)


- F** Capital investment in new capabilities
- F** Negative operating leverage due to business disruption causing earnings reduction
- H** Streamlining and rationalisation of roles

#### CAPITALS INCREASED (MEDIUM TO LONG TERM)

- F** Improved efficiency, cost savings and enhanced profitability (fit-for-purpose operating model as standalone business)
- I** New systems and capabilities
- H** New roles and talent, enhanced capabilities and ways of working

# HOW THE GBJ ADDS VALUE

*Our strategies are anchored in our GBJ, which supports our vision to be one of the world’s most responsible retailers. The GBJ Vision 2025+ strategy is embedded in our business activities. In implementing this strategy, we focus on eight key areas to ensure optimal use of our capitals to create value for the Group and its stakeholders. Each key area relates to one or more of the UN’s Sustainable Development Goals and six capitals.*


 **PEOPLE** H

**CONTEXT**

Our people are the face of our business and central to executing our strategy. A happy, engaged workforce enables a connected customer experience. This is why we invest in people who embody our purpose, values, and vision for a future-fit business.

**HOW VALUE IS CREATED**

We create employment opportunities and invest in our people’s wellbeing, training, and development. We recognise their contributions and foster a culture of diversity and inclusion.


 **SOCIAL DEVELOPMENT** S H

**CONTEXT**

Growing and sustaining long-term profit requires a socially inclusive and equitable economy. This in turn requires skilled, educated, and thriving communities.

**HOW VALUE IS CREATED**

We support the communities we serve through inclusive justice and social development programmes. These focus on education, food security, and community resilience.


 **HEALTH AND WELLNESS** S H

**CONTEXT**

Health and wellness are vital to our customers and our people. Physical, mental, and emotional wellbeing influence quality of life, productivity, and long-term engagement.

**HOW VALUE IS CREATED**

Our occupational health and wellness model promotes safe and healthy working environments. Our nutritious food range empowers our customers to make healthier lifestyle choices.

 **ETHICAL SOURCING** I N S

**CONTEXT**

The supply chains that produce our products are diverse and complex. They can have significant human rights and environmental risks and impacts.

**HOW VALUE IS CREATED**


Our ethical sourcing programmes mitigate risks and positively influence conditions for workers in our supply chains. They help reduce biodiversity loss, carbon emissions, water use, and wastewater pollution.

Related UN SDGs:



Related UN SDGs:



 **SUSTAINABLE FARMING** I N S

**CONTEXT**


Biodiversity loss poses a risk to our business, our people’s wellbeing, and society. Climate change, extreme weather, soil degradation, and declining water quality are increasingly disrupting global food systems.

**HOW VALUE IS CREATED**

We contribute to a more sustainable food ecosystem through responsible farming practices, improved animal welfare and dignity, environmental stewardship, and better conditions for farm workers in our supply chain.

Related UN SDGs:



 **PACKAGING AND WASTE** I N

**CONTEXT**

A large portion of products and packaging ends up in landfills, is incinerated, or pollutes the environment. This wastes natural resources and degrades the environment.

**HOW VALUE IS CREATED**

We use recycled materials in our operations, packaging, and products. We also encourage reuse, repair, and repurposing. This reduces landfill waste and minimises use of non-renewable resources.

Related UN SDGs:



 **WATER** I N M S

**CONTEXT**

Water is essential for manufacturing and agriculture, for the health and hygiene of our employees and communities, and for the operation of our facilities.

**HOW VALUE IS CREATED**

We have implemented systematic management of water across our operations and the communities where we operate. We reduce consumption and promote water stewardship throughout our value chain, often in collaboration with suppliers and other stakeholders.

Related UN SDGs:



 **ENERGY AND CLIMATE CHANGE** I N M

**CONTEXT**

Climate change is one of the most pressing challenges of our time. Scientists agree on the urgent need to limit global warming to 1.5 °C above pre-industrial levels to minimise climate impacts.

**HOW VALUE IS CREATED**

We take part in the collective action against climate change and have an approved, science-based emissions reduction target. We aim to achieve net zero carbon impact by 2040 by procuring renewable energy, improving our energy efficiency, and adopting eco-friendly technologies.

Related UN SDGs:



# THE ROLE OF STAKEHOLDER ENGAGEMENT

*We honour our commitment to stakeholders by listening deeply, acting with purpose, and creating lasting, shared value.*

## OUR APPROACH

We believe that quality, trust-based stakeholder relationships are essential to create long-term value. We engage our stakeholders with openness, curiosity, and a commitment to inclusion. Our GBJ plays an important role in our approach.

Through ongoing dialogue, we surface what matters most to our stakeholders, gain critical perspectives, and respond in ways which build confidence and create shared value. This engagement enables us to determine our material matters and grounds our decisions in the lived realities of those we impact. We recognise that stakeholder interests and influence vary across geographies, business areas, and contexts and our engagement approach is tailored accordingly.

## THE ROLE OF STAKEHOLDER ENGAGEMENT

Our interactions with stakeholders are an essential enabler of how we navigate complexity, uphold our commitments, and build long-term resilience. It enables us to anticipate emerging issues, respond to stakeholder needs, and integrate their expectations into how we manage risk and make informed decisions.

The Board is committed to ethical, transparent stakeholder engagement, and entrusts management with maintaining strong relationships across the Group. Management is responsible for identifying and addressing stakeholder needs and related material matters, risks, and opportunities, and provides the Board with regular feedback from these engagements. The Social and Ethics Committee oversees an annual review of the effectiveness of our engagement approach.

## MEASURING STAKEHOLDER PERCEPTIONS

We measure stakeholder perceptions through several independently conducted surveys including, customer surveys, an annual employee survey and a biennial corporate reputation survey. These surveys measure various metrics across our three core roles, as a retailer, an employer and as a corporate citizen. The results of our latest surveys reflect that our stakeholders continue to place their trust in us across these core roles.

*Understanding our stakeholder perceptions, provides us with meaningful insights that enable more informed decisions.*



## OUR CUSTOMERS

*Our customers are at the centre of everything we do.*

### WHAT THEY NEED AND EXPECT FROM US

- High-quality products at trusted value
- Seamless, convenient, and personalised service and experience
- Visible contributions to society
- Reduced packaging and plastic usage
- Ethical sourcing and transparent supply chains
- Responsible and efficient use of natural resources
- Commitment to customer health, safety, and wellbeing
- Protection of personal data and privacy

### HOW WE RESPONDED

- Appointed a Chief Customer Officer with a new customer team structure to enhance our strategy of placing the customer at the centre of everything we do
- Ensured products are appealing, responsibly sourced and available through seamless service and supply chain excellence
- Enhanced affordability and convenience without compromising on quality
- Built relationships through rewarding loyalty programmes. Loyalty sales made up 87% and 73% of total sales in Woolworths and CRG, respectively
- Enabled customers to support schools and other charities through our MySchool MyVillage MyPlanet programmes. More than 8 400 causes were supported by 1.3 million customers in South Africa
- Our newly launched loyalty programme combines Rewards and MySchool MyVillage MyPlanet into one seamless programme called MyDifference

### HOW WE ENGAGED

We interact daily with our customers in our physical stores, digital platforms including loyalty programmes, and social media channels. We gather insights through mystery shopper programmes and regular focus groups. We conduct surveys to assess customer satisfaction, product perception, evolving needs, and expectations. These touch points enable us to continually improve our offerings, enhance the customer experience, and strengthen brand loyalty.

### BOARD COMMITMENT

The Board ensures the Group is responsive to evolving customer needs. The Group CEO updates the Board regularly based on direct customer interactions and reports from business units on customer issues. These inputs, combined with market insights and survey feedback, give a comprehensive view of customer expectations. The Board also reviews reports that track the Group's progress in delivering against its customer-related objectives.

### RELEVANT MATERIAL MATTERS

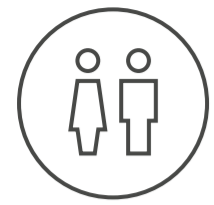
- Challenging economic environment
- Consumer spending and behaviour
- Digital world and cyber

### HOW WE ADDRESS THIS IN OUR STRATEGY

- Customers at the centre of everything we do
- Leading and iconic Food business – our holy grail
- Sustainable and profitable growth in FBH
- Future-fit CRG operating model enabling 'house of brands' aspiration
- Cost-efficiency and operational excellence
- Best-in-class and engaged teams and people
- Our GBJ, specifically our social development, health and wellness, sustainable farming, and ethical sourcing focus areas

*The surveys we conduct support the Group in continually improving our offerings, enhancing the customer experience, and strengthening brand loyalty.*





# OUR PEOPLE

*Our employees enable us to meet our customers' wants and needs. Their passion, commitment, talent, and knowledge are key enablers of our strategies.*



### WHAT THEY NEED AND EXPECT FROM US

- Meaningful employment and job security
- Fair and competitive remuneration
- An inclusive, diverse, and equitable workplace
- Opportunities for growth, training, and career development
- Involvement in purpose-driven community impact initiatives
- A safe, healthy, and supportive working environment

### HOW WE RESPONDED

- Introduced health insurance to all permanent employees in our stores and supply chain
- Paid our employees a Just Wage. Store staff earned c.20% above the retail sector minimum rate and more than 55% above the national minimum wage
- Invested R149 million (FY2024: R210 million) in training and development
- Promoted diversity, inclusion, social justice, and equality, enabled by our Inclusive Justice Initiative
- Provided opportunities for workplace giving and volunteering
- Graduated to full membership of the Ethical Trading Initiative, reaffirming our commitment to workers' rights

### HOW WE ENGAGED

Employee engagement is embedded in our everyday operations and supported by informal and structured channels. We engage informally through daily team interactions and ongoing collaboration. Formal mechanisms include one-on-one meetings and team sessions at operational and strategic level. Our annual performance and development process includes biannual one-on-one discussions around performance, career progression, and personal development. We keep employees informed about our business direction and priorities through strategy updates, leadership roadshows, focus groups, special purpose forums, and internal digital platforms. These channels support open dialogue and ensure alignment with our values and objectives.

We continued to cascade Our People Way through the organisation in FY2025. Within this, Our Leadership Way aims to foster a consistent, best-in-class leadership culture anchored in our values and a high-performance mindset.

### BOARD COMMITMENT

The Board is committed to fostering an inclusive, high-performing workplace that attracts and retains top talent. To this end, the Board continued to monitor execution of our people strategy (Our People Way). Regular updates from the Remuneration and Talent Management and Social and Ethics Committees enable the Board to stay abreast of progress in this regard, as well as on people-related trends and employees concerns.

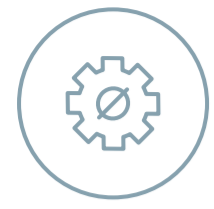
### RELEVANT MATERIAL MATTERS

- People, talent management and change
- Effective strategic execution

### HOW WE ADDRESS THIS IN OUR STRATEGY

- Best-in-class and engaged teams and people
- Our GBJ, specifically our people, social development, and health and wellness focus areas

*We strive to have a consistent, best-in-class leadership culture anchored in our values and a high-performance mindset.*



## OUR SUPPLIERS

*The relationships we have with our suppliers are a key competitive advantage and an integral part of our business. Their exceptional and often exclusive products enable us to meet the wants and needs of our customers.*

### WHAT THEY NEED AND EXPECT FROM US

- Fair and ethical sourcing practices that promote transparency and respect
- Timely payment and fair, mutually agreeable contract terms
- Enterprise and supplier development support
- Respect for intellectual property and confidentiality
- Opportunities for long-term business relationships

### HOW WE RESPONDED

- Mutual growth and close collaboration and integration with suppliers
- Supported smaller local suppliers as part of our Supplier Development Programme
- Established our Enterprise Inclusive Justice Institute for the development of MSMEs
- Helped suppliers make positive social and environmental contributions through our sustainable fishing and farming programmes and responsible sourcing of key commodities

### HOW WE ENGAGED

Our suppliers are our strategic partners. We identify supplier interests and concerns through engagement in the normal course of business and at our supplier conferences.

During the year, we hosted supplier conferences for our Food and FBH businesses, where we shared updates on strategic progress and sourcing initiatives. These sessions enabled us

to listen to our suppliers’ needs, expectations, and challenges. The mutual trust and transparency we have established enable us to hold each other to the highest standards. This strengthens our collaborative advantage and supports long-term growth across our value chain.

### BOARD COMMITMENT

The Board oversees supply chain resilience to ensure continuity of operations. It also monitors how management and the broader business engage with suppliers to manage ethical supply chain risks and uphold the Group’s zero tolerance stance on human rights abuses, bribery, and corruption. Management and the Audit and Social and Ethics Committees provide regular feedback on supplier performance, audit findings, and actions to address any identified risks or breaches.

### RELEVANT MATERIAL MATTERS

- Responsible retailing
- Effective strategic execution

### HOW WE ADDRESS THIS IN OUR STRATEGY

- Leading and iconic Food business – our holy grail
- Sustainable and profitable growth in FBH
- Future-fit CRG operating model enabling ‘house of brands’ aspiration
- Cost-efficiency and operational excellence
- Our GBJ, specifically our people, sustainable farming, ethical sourcing, and energy and climate change focus areas

*We believe in mutual trust and transparency and holding each other to the highest standards, with the ultimate aim of supporting long-term growth across our value chain.*



## OUR INVESTMENT COMMUNITY

*Our shareholders and debt funders provide us with sources of capital. They support the business's growth, financial stability, and long-term value creation.*

### WHAT THEY NEED AND EXPECT FROM US

- Clear strategic direction and execution capability
- Disciplined capital allocation and financial prudence
- Transparent and comprehensive reporting
- Consistent returns on their investment
- Strong corporate governance
- Management of economic, social, and environmental risks

### HOW WE RESPONDED

- Communicated an attractive and sustainable growth strategy
- Regular, open and timely communication
- Responsibly invested capital for long-term value creation and sustainability, in line with our capital allocation framework (page 57)
- Embedded our Good Business Journey in everything we do to manage sustainability risks

### HOW WE ENGAGED

We engage regularly and transparently with analysts, shareholders and debt funders through trading updates, announcements and presentations. We interact with and receive feedback from investors through broker-hosted conferences, Group-led roadshows, in-person and other forms of direct communication. We interact with shareholders before and during the AGM. In recent years, we have hosted GBJ investor sessions to provide insight into our sustainability commitments and reinforce the GBJ as a business differentiator.

### BOARD COMMITMENT

The Board strives to understand and respond to investor expectations. It receives regular updates on shareholder sentiment and market perceptions. These include feedback from shareholder engagements conducted by the Group CEO, Group Finance Director, and Strategy and Investor Relations Executive. This ensures the Board is well informed and considers investor perspectives in its oversight and decision-making.

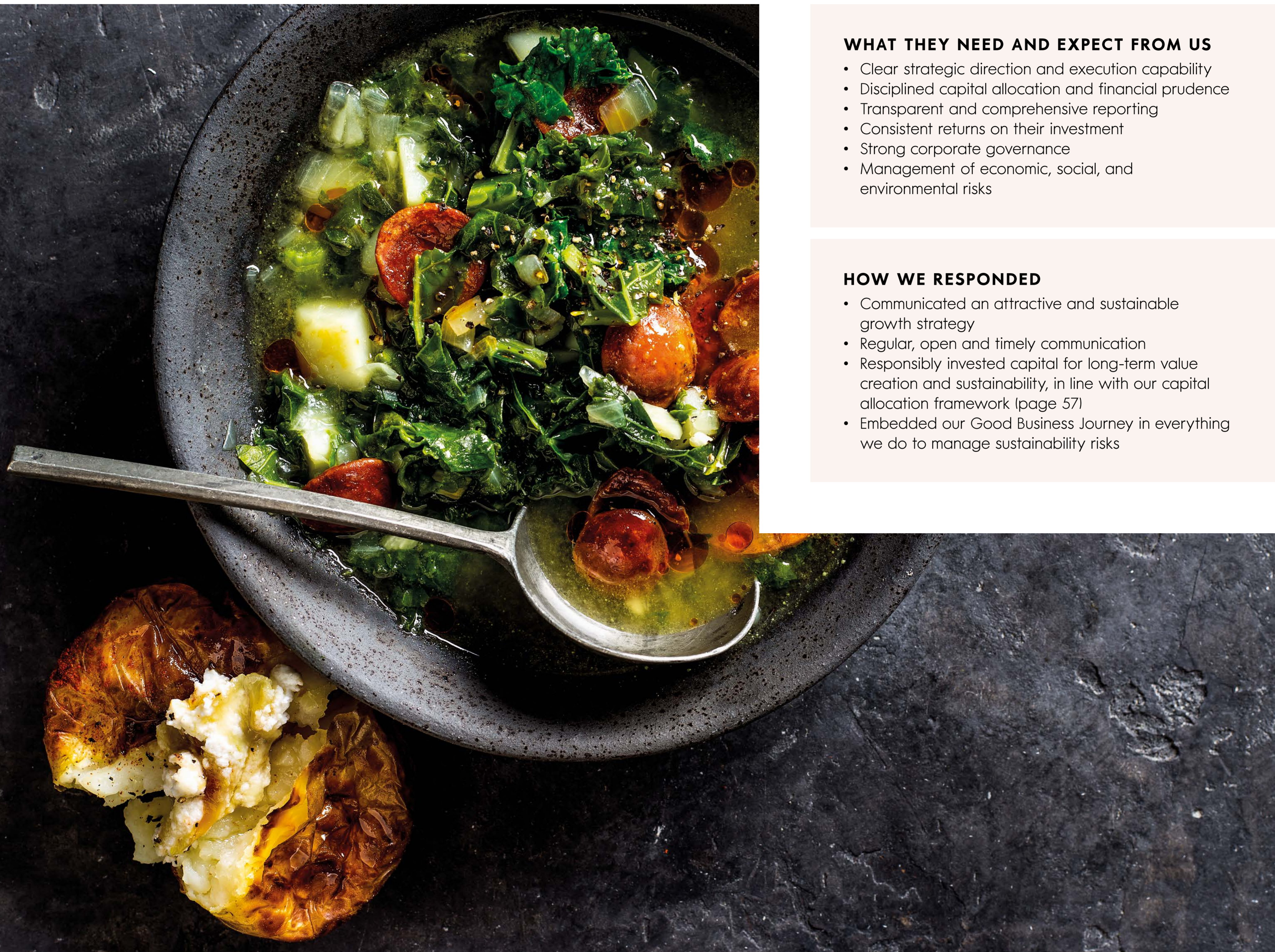
### RELEVANT MATERIAL MATTERS

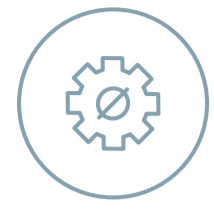
- Effective strategic execution
- Responsible retailing

### HOW WE ADDRESS THIS IN OUR STRATEGY

- Customers at the centre of everything we do
- Leading and iconic Food business – our holy grail
- Sustainable and profitable growth in FBH
- Future-fit CRG operating model enabling 'house of brands' aspiration
- Cost-efficiency and operational excellence
- Best-in-class and engaged teams and people
- Our GBJ

*Our GBJ investor sessions provide insight into our sustainability commitments and reinforce the GBJ as a business differentiator.*





# GOVERNMENT, REGULATORS, AND LAWMAKERS

*Our relationships with governments in South Africa and other markets where we operate enable us to navigate complex regulatory landscapes. They help us play our part as active corporate citizens in contributing to national and global sustainable development goals.*

## WHAT THEY NEED AND EXPECT FROM US

- Compliance with legislation and regulations
- Support for national priorities such as inclusive economic growth, transformation, and poverty reduction
- Contribution to job creation, skills development, education, enterprise development and local procurement

## HOW WE RESPONDED

- Actively engaged with government and industry on policy and industry matters
- Acted on our commitment to transformation
- Used our core competencies to help solve social problems such as food insecurity

## HOW WE ENGAGED

During the year, we took part in high-level engagements that allowed us to share insights, listen to emerging priorities, and reaffirm our commitment to contributing to national development goals. While our engagements were selective, they laid the foundation for a more structured and

co-ordinated approach to government relations going forward.

## BOARD COMMITMENT

The Board actively oversees the quality of management’s engagement with government and regulatory bodies. It ensures that emerging public policy and regulatory issues are considered in its deliberations and that material matters are appropriately addressed. Regulatory compliance is embedded in our business processes, and the Group is in good standing with authorities across all regions of operation. The Audit Committee receives regular updates from internal audit, and the Social and Ethics Committee oversees broader compliance, governance, and monitoring matters. These committees, along with management, provide the Board with ongoing feedback on regulatory compliance.

## RELEVANT MATERIAL MATTERS

- Challenging economic environment
- Responsible retailing
- People, talent management and change

## HOW WE ADDRESS THIS IN OUR STRATEGY

- Our GBJ



*We engage constructively with governments across our markets to foster mutual understanding and policy alignment.*

# CIVIL SOCIETY

*Strong relationships with civil society support our social licence to operate. Meaningful partnerships with civil society organisations foster environmental stewardship and positive social impact in the markets where we operate.*



### WHAT THEY NEED AND EXPECT FROM US

- Community involvement and contribution
- Contribution to economic growth and social development
- A clear stance from leadership on inequality and other social issues

### HOW WE RESPONDED

- Helped drive economic growth through capital investment of R2.7bn, mainly in South Africa
- Maintained our Level 4 B-BBEE compliance
- Reduced our environmental impact through various sustainability initiatives. These included phasing out single-use plastic (specifically barrier bags), and energy and water efficiency programmes
- Launched our Community Inclusive Justice Institute to drive social impact programmes

### HOW WE ENGAGED

Our social development work is aligned with the global #zerohunger goal and national development priorities. It is also based on the principle of partnership as the best means of achieving long-term impact. Through the Woolworths Trust and long-standing partnerships with social organisations, we help to build food-secure, empowered, and resilient communities. We meet quarterly with our partners to review progress, share expertise, and explore opportunities to enhance delivery.

In 2025, Woolworths launched the Inclusive Justice Institute, aimed at scaling our work in food security, education, and MSME development. It comprises two non-profit entities, the Enterprise Inclusive Justice Institute and the Community Inclusive Justice Institute. With R300 million in committed funding, including external funding support, and the ability to attract outside investment, the institute is set to be an engine room for sustainable impact and inclusive growth.

### BOARD COMMITMENT

The Group Sustainability and Social and Ethics Committees oversee ESG matters across our value chain and routinely update the Board on stakeholder concerns in this regard. For detail, refer to the committee focus areas on pages 21 to 27, and to the Good Business Journey Report on our website.

### RELEVANT MATERIAL MATTERS

- Responsible retailing

### HOW WE ADDRESS THIS IN OUR STRATEGY

- Our GBJ

*In collaboration with stakeholders, we aim to help build food-secure, empowered, and resilient communities.*

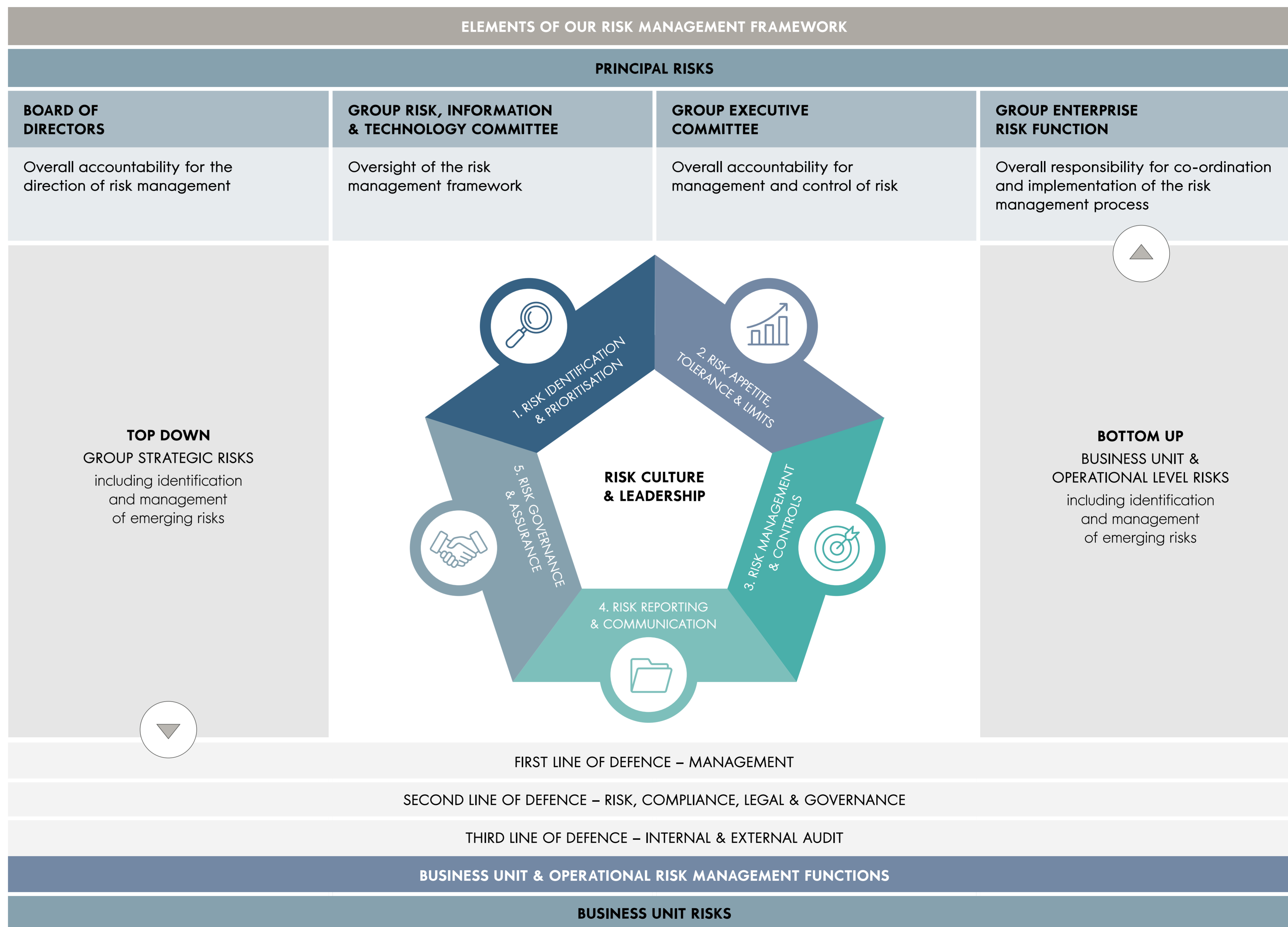
# STRUCTURED APPROACH TO RISK MANAGEMENT

Effective risk and opportunity management enhances strategic resilience and supports long-term value creation. To this end, we maintain a strong risk culture and apply a dual approach to risk management. This approach involves the Board, management, and employees, and is embedded in our strategy-setting process.

The dual process includes an annual bottom-up review during which risks are identified, assessed, and managed at all levels of the Group. The top-down process entails quarterly reviews to ensure risk completeness, and effective mitigation aligned with business needs. This ensures that we appropriately identify and manage risks across the Group, and proactively identify and anticipate emerging risks across a range of areas.

This integrated approach is based on four pillars:

- **Assurance and oversight to the Board:** Executed through the Board reporting process and 'three lines of defence' model.
- **Process improvement and optimisation:** Executed as part of the business unit/project risk review process and control improvement.
- **Value add:** Providing management with risk insights as inputs for decision-making.
- **Business resilience:** Executed through operational resilience, which includes business continuity management and the insurance programme.



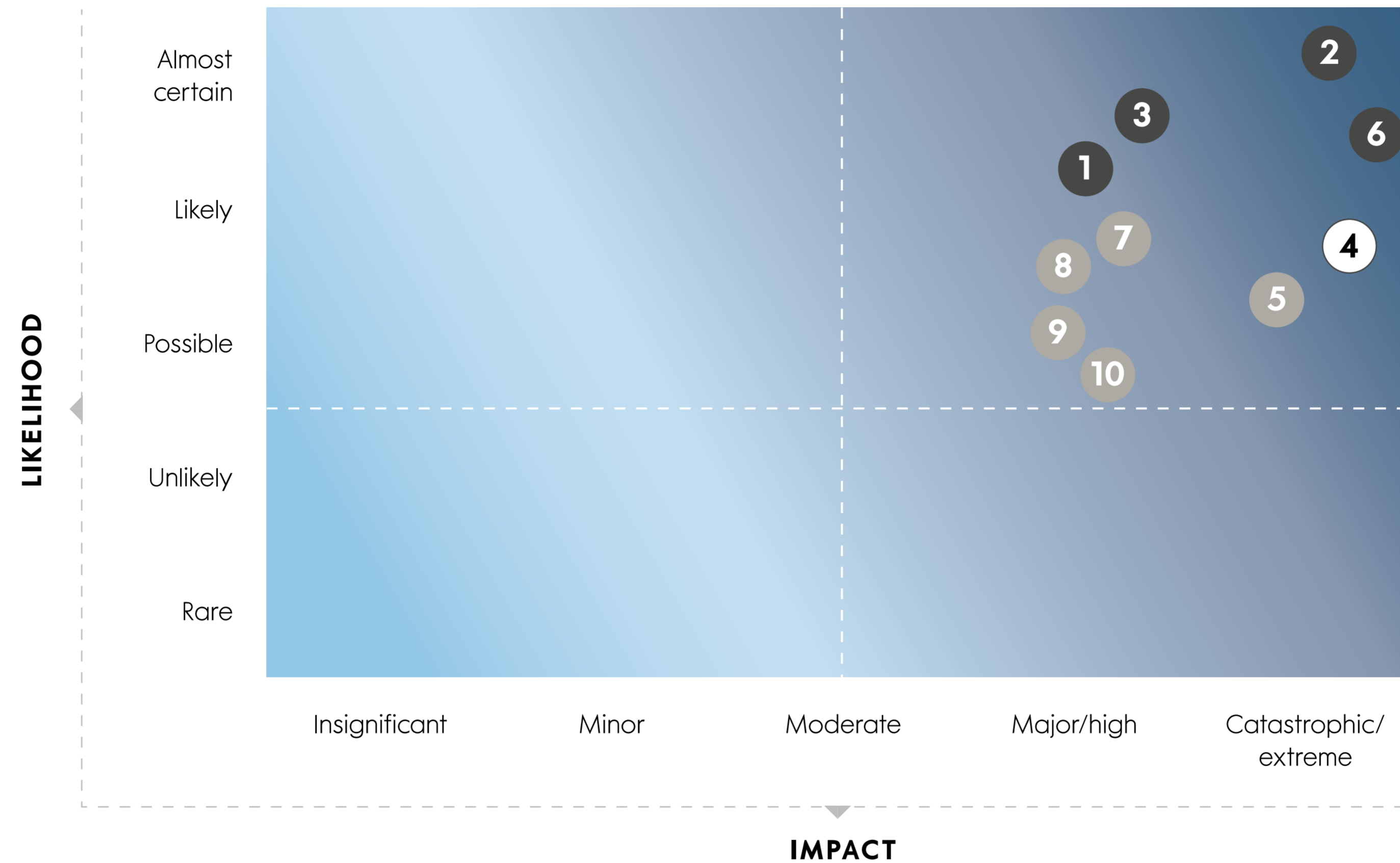
# OUR PRINCIPAL RISKS AND OPPORTUNITIES

*The heat map illustrates the Group’s main residual risk themes for FY2025 and the magnitude of their potential effect. The residual risk rating is the exposure that remains after all mitigating measures have been implemented.*

## CHANGES TO THE RISK PROFILE FOR FY2026

- Given the growing prevalence of cyber-attacks and the cyber landscape, we have lifted cyber risk to position 4
- We have dropped the Food risk to position 5, reflecting the business’s strong and sustained performance
- Sourcing and supply chain risk has been lifted to position 8 due to raw material availability challenges, supply chain disruptions, and related costs
- Failure to embrace evolving digital, data and AI opportunities has been lifted to position 10, given rapid advances in technologies reshaping customer expectations and competitive dynamics
- The operating model and iconic brands risks have been removed from the top 10 risks, given the reduced relative risk profile

The Group Risk, Information and Technology Committee assessed the relevance and completeness of the main strategic risks facing the Group. This ensures that the risk profile remains aligned with the achievement of strategic objectives. The FY2026 risk profile is outlined below.



1. Inability to respond to negative macroeconomic, socio-political, and critical infrastructure conditions
2. Failure to sustainably shift the trajectory of CRG’s business performance
3. Inability to sustainably improve the Fashion business’s performance
4. Inability to sustain the Food business’s market-leading performance
5. Material cyber incidents
6. Inability to deliver results in line with or ahead of our communicated strategic and financial ambitions
7. Failure to attract, develop and retain the right talent for future ways of working and strategic demands
8. Inability to evolve our operating model in a timely manner
9. Failure to deliver a differentiated omnichannel customer experience
10. Inability to sustain and grow the stature of our iconic brands

### VELOCITY

Velocity is the measure of the time period that the risk, if materialised, may influence revenue generation. It has been depicted based on colour-coding of the time period of influence from:

- >12 months (Gradual)
- between 6 and 12 months (Swift)
- 0-6 months (Rapid)

### FY2026 RISK PROFILE

**1** Respond to macroeconomic, socio-political, and critical infrastructure conditions

**2** Shift the trajectory of CRG’s business performance

**3** Sustain and improve the Fashion business’s performance

**4** Material cyber incidents

**5** Sustain the Food business’s market-leading performance

**6** Deliver on strategic and financial ambitions

**7** Attract, develop and retain the right talent

**8** Strengthen sourcing and supply chain resilience

**9** Deliver a differentiated omnichannel customer experience

**10** Embrace evolving digital, data and AI opportunities

### KEY INITIATIVES


We continually evolve our risk management approach to drive value for the Group. We conducted the following initiatives during the year to strengthen our management and mitigation of risks and opportunities:

- **Bow-tie analysis workshops:** Conducted with leadership teams to identify root causes and consequences of principal risks, ensuring targeted risk mitigation and effective controls.
- **Enhanced Enterprise Risk Management (ERM) reporting on principal risks:** Quarterly reports were streamlined to better align with business strategy and value creation drivers.
- **Strengthened combined assurance:** Improved co-ordination and coverage through quarterly forums involving all three lines of defence.
- We also **updated our risk universe and refreshed our assurance mapping** to ensure our principal risks are appropriately addressed.


**1 INABILITY TO RESPOND EFFECTIVELY TO NEGATIVE MACROECONOMIC, SOCIO-POLITICAL, AND CRITICAL INFRASTRUCTURE CONDITIONS**

|  |  |   |  |   |
|--|--|---|--|---|
| <p><b>IMPACTED STRATEGIC OBJECTIVES</b></p>   | <p><b>LINK TO CAPITALS</b></p> <p>F S M I H</p>  | <p><b>RELATED RISKS</b></p> <p>2 3 4 6</p>  | <p><b>LINK TO MATERIAL MATTERS</b></p> <p>1 3</p>  | <p><b>OVERSIGHT</b></p> <p>WHL Risk, Information and Technology Committee, WHL Audit Committee, WSA and CRG Boards and Executive Committees</p> |
| <p><b>RISK CONTEXT</b></p> <ul style="list-style-type: none"> <li>In South Africa, loadshedding improved and inflation and interest rates eased during the year. However, consumer and business confidence were adversely impacted by the prospect of higher VAT (subsequently scrapped), rising diplomatic tensions with the USA, and the uncertain future of the Government of National Unity</li> <li>In Australia, macroeconomic conditions remained challenging. A highly promotional retail sector and weaker AUS\$ put pressure on costs of goods sold</li> <li>Unrest in Mozambique impacted our African operations, disrupting supply chains and business activities in the region</li> <li>Geopolitical tensions and shifting global trade dynamics</li> </ul> | <p><b>RISK MITIGATIONS</b></p> <ul style="list-style-type: none"> <li>Reviewed and updated Group strategies, plans and initiatives</li> <li>Diversified portfolio of businesses allowed the Group to offset impacts and leverage opportunities</li> <li>Continued to manage intake, inventory levels and markdown risk in apparel businesses</li> <li>Implemented cost optimisation programmes to ensure our costs are fit for purpose and our businesses are run efficiently</li> <li>Reprioritised initiatives and capex based on affordability and impact on the business</li> <li>Hedged against exchange rate fluctuations and actively managed liquidity, solvency and covenant metrics</li> <li>Ongoing initiatives to minimise knock-on impacts and strengthen our longer-term resilience to infrastructure challenges</li> <li>Group Insurance Programme in place to cover potential insurable risks</li> </ul> | <p><b>OPPORTUNITIES TO CREATE VALUE</b></p> <ul style="list-style-type: none"> <li>Increased focus on scenario analysis, desktop simulations, crisis response capability, and use of technology to proactively monitor risk trends</li> <li>Strengthening our sourcing and supply chain resilience</li> <li>Use our reinvented loyalty programme to accelerate customer growth</li> <li>Price investments</li> <li>Leveraging our diversified portfolio of businesses</li> <li>Increased our coverage of key insurance classes</li> </ul> | <p><b>OUTLOOK</b></p> <p>The ongoing emphasis on strategic investment and resilience-building initiatives is expected to bolster the Group's ability to capitalise on emerging opportunities and mitigate risks.</p> |   |


**2 FAILURE TO SUSTAINABLY SHIFT THE TRAJECTORY OF CRG'S BUSINESS PERFORMANCE**

|   |  |   |  |  |
|---|--|---|--|--|
| <p><b>IMPACTED STRATEGIC OBJECTIVES</b></p>    | <p><b>LINK TO CAPITALS</b></p> <p>F S M I H N</p>  | <p><b>RELATED RISKS</b></p> <p>1 6 7 8</p>  | <p><b>LINK TO MATERIAL MATTERS</b></p> <p>1 2 3 5 6</p>  | <p><b>OVERSIGHT</b></p> <p>WHL Risk, Information and Technology Committee, CRG Board and Executive Committee</p> |
| <p><b>RISK CONTEXT</b></p> <ul style="list-style-type: none"> <li>The sustained effect of high interest rates and elevated living costs weighed on consumer behaviour and discretionary spend</li> <li>Both physical store visits and online traffic decreased</li> <li>The high level of promotions in the sector impacted CRG's sales and gross profit margins</li> </ul> | <p><b>RISK MITIGATIONS</b></p> <ul style="list-style-type: none"> <li>Continued to execute brand turnaround/repositioning strategies Regularly assessed the lessons learned and acted on improvement opportunities</li> <li>Conducted an end-to-end enterprise transformation review to optimise CRG's operating model and reset its cost base</li> <li>Successfully sold the Bourke Street property</li> <li>Appointed key leaders within brands</li> </ul> | <p><b>OPPORTUNITIES TO CREATE VALUE</b></p> <ul style="list-style-type: none"> <li>Continue with the successful implementation of the CRG operating model</li> <li>Reposition and improve the relative performance of CRG brands</li> </ul> | <p><b>OUTLOOK</b></p> <p>CRG will continue to reposition its brands and make strategic investments and operational improvements. Monitoring and adapting to market conditions will be crucial for maintaining momentum and achieving strategic objectives.</p> |  |

### 3 INABILITY TO SUSTAINABLY IMPROVE THE FASHION BUSINESS'S PERFORMANCE ▲

| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>   | <b>LINK TO CAPITALS</b><br><span style="display: inline-block; border: 1px solid black; padding: 2px;">F</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">S</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">M</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">I</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">H</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">N</span>  | <b>RELATED RISKS</b><br><span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">1</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">6</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">7</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">8</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">9</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">10</span> | <b>LINK TO MATERIAL MATTERS</b><br><span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">1</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">2</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">3</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">5</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">6</span> | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WSA Board and Executive Committee |
|---|---|--|---|---|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>Product availability challenges and increased competition (especially from online discount retailers) continued to impact Woolworths FBH</li> <li>Increasing global supply chain uncertainty coupled with product execution challenges in key business segments</li> </ul> | <b>RISK MITIGATIONS</b> <ul style="list-style-type: none"> <li>Product availability plan in place to address challenges across all store formats</li> <li>Value Chain Transformation initiatives underway</li> <li>Resetting range science principles across Fashion, focusing on must-win categories, market insights, customer data against range, and consistent application of the quality reset programme</li> <li>Reviewed the sourcing strategy, including lead times, to ensure timely delivery of stock</li> <li>Optimised WEdit with a bespoke strategy and appointed a dedicated general manager to embed the operating model</li> </ul> | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Improve product availability and execute Value Chain Transformation initiatives</li> <li>Leverage customer and market insights to maintain customer-centric focus and increase customer share of wallet</li> <li>Attract more customers through pricing investment</li> <li>Rolled out new store formats, including the 'store of the future'</li> </ul>   | <b>OUTLOOK</b> <p>Recovery is expected as the Group strengthens product planning and product availability, coupled with better overall execution of a clearly defined product strategy.</p>   |   |

### 4 INABILITY TO SUSTAIN THE FOOD BUSINESS'S MARKET-LEADING PERFORMANCE ◀▶

| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>  | <b>LINK TO CAPITALS</b><br><span style="display: inline-block; border: 1px solid black; padding: 2px;">F</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">S</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">M</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">I</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">H</span> <span style="display: inline-block; border: 1px solid black; padding: 2px;">N</span>   | <b>RELATED RISKS</b><br><span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">1</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">6</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">7</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">8</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">9</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">10</span> | <b>LINK TO MATERIAL MATTERS</b><br><span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">1</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">2</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">3</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">5</span> <span style="display: inline-block; border: 1px solid black; border-radius: 50%; padding: 2px;">6</span> | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WSA Board and Executive Committee |
|--|--|--|---|---|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>Raw material availability was impacted by environmental, geopolitical and socio-economic factors</li> <li>Evolving competitor dynamics and competitor investments in channels threaten brand loyalty</li> <li>Shifting customer perceptions of value</li> </ul> | <b>RISK MITIGATIONS</b> <ul style="list-style-type: none"> <li>Executive engagements with exclusive suppliers for alignment on growth aspirations and exclusivity</li> <li>Continued focus on new product development and innovation opportunities</li> <li>Embedding category management, including category resets, new formats and adjacencies for implementation in the 'store of the future' format</li> <li>Continued focus on driving key priorities across all Food categories and resetting product, service and experience in selected categories</li> <li>Delivered price investments through value delivery opportunities and initiatives. Insights from the quality reset programme are being reviewed and considered for the next phase of the programme</li> <li>Ongoing management of availability through the demand forecasting system, which supports more accurate forecasts and supplier orders</li> <li>Ongoing review of the online economic model, considering the impacts of growth in the channel</li> </ul> | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Invest in new store formats (e.g. 'store of the future') and product adjacencies</li> <li>Continue to implement our third-party risk management framework to assess key risk exposures in third-party relationships</li> <li>Deliver price investments and strengthen customer value perceptions</li> </ul>  | <b>OUTLOOK</b> <p>As the Food business builds momentum, it is critical that we strike the right balance between reinvesting to sustain our market-leading customer proposition, on the one hand, and maintaining our sector-leading financial metrics, on the other.</p>  |   |

**5 MATERIAL CYBER INCIDENTS**



| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>   | <b>LINK TO CAPITALS</b><br><span style="background-color: #d4edda; padding: 2px;">M</span> <span style="background-color: #d1ecf1; padding: 2px;">I</span> <span style="background-color: #d4edda; padding: 2px;">H</span>  | <b>RELATED RISKS</b><br><span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">9</span> | <b>LINK TO MATERIAL MATTERS</b><br><span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">4</span>   | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WSA and CRG Boards, WHL Information Management Committee and Executive Committees  |
|--|---|---|--|--|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>The risk of cyber-attacks and data breaches is rising across all sectors. It is driven by limited law enforcement, social engineering, and growing sophistication of attacks</li> </ul> | <b>RISK MITIGATIONS</b> <ul style="list-style-type: none"> <li>Teams and systems in place to identify, detect, prevent and respond to cyber threats</li> <li>Controls in place to secure network activity relating to systems, applications and people</li> <li>Continued focus on controlling access to enterprise digital assets, including employee and customer accounts</li> <li>Data security controls in place to detect and protect digital information</li> <li>Ongoing training of employees on cyber threats and awareness</li> <li>Group Cyber Insurance Policy in place</li> </ul> |   | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Conduct cyber simulation exercises to build resilience</li> <li>Invest in cyber-security tools and in-house expertise</li> </ul> | <b>OUTLOOK</b> <p>Cyber vigilance remains a priority. Mitigating cyber-security risks from organisational changes will be crucial for maintaining our security posture and achieving long-term objectives.</p> |


**6 INABILITY TO DELIVER RESULTS IN LINE WITH OR AHEAD OF OUR COMMUNICATED STRATEGIC AND FINANCIAL AMBITIONS**



| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>  | <b>LINK TO CAPITALS</b><br><span style="background-color: #d4edda; padding: 2px;">F</span> <span style="background-color: #d4edda; padding: 2px;">M</span> <span style="background-color: #d1ecf1; padding: 2px;">S</span> <span style="background-color: #d4edda; padding: 2px;">I</span>   | <b>RELATED RISKS</b><br><span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">1</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">2</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">3</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">7</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">8</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">9</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">10</span> | <b>LINK TO MATERIAL MATTERS</b><br><span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">1</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">2</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">3</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px 8px;">5</span>                          | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WSA Board and Executive Committee   |
|---|--|--|---|---|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>Lower contributions from CRG and Woolworths FBH impacted the overall Group result</li> <li>Intensified capex investment programme</li> </ul> | <b>RISK MITIGATIONS</b> <ul style="list-style-type: none"> <li>Focused on improving availability, inventory management and supply chain efficiency. This included managing the markdown risk in FBH</li> <li>Reviewed capabilities, skills and tools and prioritised initiatives to drive growth, transform customer experiences, support trade, and improve productivity</li> <li>Cost management and optimisation initiatives in place, with emphasis on optimising trading spaces and reducing costs. Tracked and monitored cost reduction targets</li> <li>Reviewed operating models and reset the cost base. Implemented the new operating model in CRG and optimised the profit model in FBH and Food</li> <li>Integrated strategy and planning processes in place for updating strategies, medium-term plans and targets used to set Board expectations and communicate to investors</li> </ul> |  | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Increase focus on execution and accountability to improve the Group's earnings trajectory</li> <li>Manage costs across the Group to help mitigate lower sales and margins</li> <li>Adapt our structural economics and cost structures, and ensure more agile, efficient and streamlined operating models and ways of working</li> </ul> | <b>OUTLOOK</b> <p>We need to ensure that our allocation of capital balances long-term investment opportunities with appropriate cost structures and cost-optimisation initiatives. At the same time, we need to manage the market's expectations.</p> |


**7 FAILURE TO ATTRACT, DEVELOP AND RETAIN THE RIGHT TALENT FOR FUTURE WAYS OF WORKING AND STRATEGIC DEMANDS**



| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>   | <b>LINK TO CAPITALS</b><br><div style="display: flex; gap: 5px;"> <div style="background-color: #d9e1f2; padding: 2px 5px;">I</div> <div style="background-color: #e1d9d9; padding: 2px 5px;">H</div> </div>  | <b>RELATED RISKS</b><br><div style="display: flex; gap: 5px;"> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">1</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">2</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">3</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">4</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">5</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">8</div> </div> | <b>LINK TO MATERIAL MATTERS</b><br><div style="display: flex; gap: 5px;"> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">5</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">6</div> </div>  | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WHL Remuneration Committee, WSA and CRG Boards and Executive Committees  |
|---|---|---|---|--|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>Sourcing the right talent for achieving strategic priorities, including succession planning, remains a challenge</li> <li>Retaining key talent remains a challenge</li> <li>The talent environment demands continual investment in employee development and future-fit skills</li> </ul> | <b>RISK MITIGATIONS</b> <p><b>Woolworths</b></p> <ul style="list-style-type: none"> <li>Our People Value Proposition is in place, with a framework and plans to monitor and deliver on our strategic objectives</li> <li>Revised variable pay schemes approved by the Group Remuneration Committee and implemented</li> <li>Continued to cascade Our Leadership Way through the Group to create an inspiring environment and consistent leadership experience that attracts and retains talent</li> <li>Conducted talent engagements and developed action plans to address challenges identified in capacity and capability assessments. Adjusted leadership KPIs to ensure plans and actions to upskill and develop talent within the Group</li> <li>Established a cross-functional senior leadership team to address employment equity talent challenges. Related targets included in leadership KPIs</li> </ul> <p><b>Country Road Group</b></p> <ul style="list-style-type: none"> <li>Reviewing remuneration and gender pay equity within job grades remains a priority. We are progressing it through operating model changes</li> <li>Continued development of leaders</li> <li>Continued focus on talent reviews, with high-potential talent identified</li> <li>Aggressive recruitment to fill vacant roles</li> </ul> |   | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Continue to invest in Our Leadership Way</li> <li>Ongoing workforce diversity and inclusion initiatives</li> <li>Business unit academies in place to upskill and develop talent</li> <li>Continue our focus on protecting and promoting the health, safety, and wellbeing of employees</li> </ul> | <b>OUTLOOK</b><br>Attracting and retaining top talent is a key focus in the context of various transformation initiatives across the Group. We need to develop future-fit skills across all levels to be able to navigate digital disruption and structural change in the retail industry. |


**8 INABILITY TO EVOLVE OUR OPERATING MODEL IN A TIMELY MANNER**



| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>   | <b>LINK TO CAPITALS</b><br><div style="display: flex; gap: 5px;"> <div style="background-color: #d9e1f2; padding: 2px 5px;">I</div> <div style="background-color: #e1d9d9; padding: 2px 5px;">H</div> </div>   | <b>RELATED RISKS</b><br><div style="display: flex; gap: 5px;"> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">2</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">3</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">4</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">6</div> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">7</div> </div> | <b>LINK TO MATERIAL MATTERS</b><br><div style="display: flex; gap: 5px;"> <div style="background-color: #444; color: white; border-radius: 50%; padding: 2px 5px;">5</div> </div>   | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WHL Remuneration Committee, WSA and CRG Boards and Executive Committees  |
|---|--|--|---|--|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>Alignment and capability of the operating model to effectively support strategy execution remain priorities</li> </ul> | <b>RISK MITIGATIONS</b> <ul style="list-style-type: none"> <li>A Group target operating model is in place</li> <li>Woolworths' Fashion and Food operating models and associated cost structures are being assessed</li> <li>In CRG, extensive work resulted in the development of a future target operating model and ways of working to support the 'house of brands' strategy</li> <li>Prescribed goals that articulate expectations from people, Group and leadership perspectives are included in the goals for our top 300 leaders</li> </ul> |  | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Review the operating models to guide the necessary structures, processes, skills and technologies needed to implement our strategies</li> </ul> | <b>OUTLOOK</b><br>For the Group's initiatives and cost base to succeed, we need to review the organisational design. Our aim should be to establish a streamlined operating model that ensures speed and agility while maintaining high employee engagement. |



**9 FAILURE TO DELIVER A DIFFERENTIATED OMNICHANNEL CUSTOMER EXPERIENCE**



| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>  | <b>LINK TO CAPITALS</b><br><span style="background-color: #d4edda; padding: 2px;">M</span> <span style="background-color: #fff3cd; padding: 2px;">F</span> <span style="background-color: #d1ecf1; padding: 2px;">I</span> <span style="background-color: #d1ecf1; padding: 2px;">S</span>  | <b>RELATED RISKS</b><br><span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">2</span> <span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">3</span> <span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">4</span> <span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">5</span> <span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">6</span> | <b>LINK TO MATERIAL MATTERS</b><br><span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">3</span> <span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">4</span>  | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WSA Board, WHL Digital and Data Analytics Steering Committee and Executive Committees  |
|--|---|---|---|--|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>Online platform stability and speed remain priorities</li> <li>The entry of online discount retailers has disrupted the market, shifting the competitive dynamics</li> <li>Our focus remains on delivering a seamless and consistent customer experience across all channels and formats</li> </ul> | <b>RISK MITIGATIONS</b> <p><b>Woolworths</b></p> <ul style="list-style-type: none"> <li>Tactical remediation of incidents related to platform instability</li> <li>Online leadership team roles adjusted to ensure dedicated focus on quality and delivery. Portfolios per role adjusted to de-risk areas</li> <li>Conducted ways of working engagements to optimise the operating model</li> </ul> <p><b>Country Road Group</b></p> <ul style="list-style-type: none"> <li>Regular review and prioritisation of key projects and strategic priorities, including operating model review</li> <li>Appointed a Chief Information Officer who will play a key role in shaping the future state roadmap</li> </ul> |   | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Appointed a Chief Customer Officer</li> <li>Display promotional fees online and monitor price perceptions to drive profitability</li> <li>Use our reinvented loyalty programme to accelerate customer growth</li> </ul> | <b>OUTLOOK</b> <p>Improving on current performance hinges on substantial investment, a well-defined future strategy, and agile execution of initiatives. We will focus on enhancing customers' online experience, streamlining the supply chain, and improving product fulfilment.</p> |

**10 INABILITY TO SUSTAIN AND GROW THE STATURE OF OUR ICONIC BRANDS**



| <b>IMPACTED STRATEGIC OBJECTIVES</b><br>   | <b>LINK TO CAPITALS</b><br><span style="background-color: #fff3cd; padding: 2px;">F</span> <span style="background-color: #f8d7da; padding: 2px;">H</span> <span style="background-color: #d1ecf1; padding: 2px;">I</span> <span style="background-color: #d1ecf1; padding: 2px;">S</span>  | <b>RELATED RISKS</b><br><span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">3</span> <span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">4</span> | <b>LINK TO MATERIAL MATTERS</b><br><span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">2</span> <span style="background-color: black; color: white; border-radius: 50%; padding: 2px 6px;">3</span>  | <b>OVERSIGHT</b><br>WHL Risk, Information and Technology Committee, WSA Board and Executive Committee                            |
|--|---|---|---|--|
| <b>RISK CONTEXT</b> <ul style="list-style-type: none"> <li>Competitor pressure and customer value perceptions are hampering customer acquisition</li> <li>Erosion of brand equity due to insufficient investment in protecting and enhancing the key differentiators that underlie Woolworths' competitive advantage</li> <li>It is critical to improve perceived value, range and product availability</li> </ul> | <b>RISK MITIGATIONS</b> <ul style="list-style-type: none"> <li>Re-launched the loyalty programme to create a more personalised engagement</li> <li>Launched the brand reset initiative</li> <li>Reviewed the marketing budget and operating model in the context of brand building</li> <li>Proactively managed and remediated customer issues impacting brand reputation</li> <li>Establishing an internal digital centre of excellence team to enable more effective targeting of customers and use of personalisation tools for product recommendations</li> <li>Refined our marketing strategy to enable effective channel and messaging mix</li> </ul> |   | <b>OPPORTUNITIES TO CREATE VALUE</b> <ul style="list-style-type: none"> <li>Appointed a Chief Customer Officer</li> <li>Use our reinvented loyalty programme to accelerate customer growth</li> <li>We are establishing a marketing academy to develop skills in data insights and new marketing techniques for the changing landscape</li> </ul> | <b>OUTLOOK</b> <p>From a customer retention perspective we will leverage our newly launched loyalty programme, MyDifference.</p> |

# MATERIAL MATTERS

*Material matters are those with the potential to significantly impact the performance and sustainability of the Group.*

## DETERMINATION PROCESS

### IDENTIFICATION

The Group evaluates its material matters annually during the fourth quarter of the financial year. We assess various internal and external factors, risks, and opportunities. We draw on engagements with stakeholders who are most likely to influence our ability to create value. We consider research, analysis, and updates, and consult with experts on macro- and microeconomic conditions. We make sure we are well informed about our competitor landscapes, the effect of technological changes, societal issues, shifting customer behaviours, environmental challenges, legislative and regulatory developments, and matters identified through the risk management process.



### PRIORITISATION

During the evaluation process, we assess material matters from a qualitative and quantitative perspective. The potential impact of each matter on the Group's strategy is considered. This includes the financial, operational, strategic, reputational, and regulatory impact. Refer to stakeholder engagement (pages 36 to 42) and enterprise risk management (pages 43 to 49) for details on how these functions inform our material matters. The material matters are agreed on by the Board as being those matters that can materially impact the creation of stakeholder value in the short, medium, and long term.



### STRATEGIC INTEGRATION

We embed the material matters into our strategy, governance, and risk management frameworks. By doing so, we ensure that the Group's decision-making processes are aligned with the matters most critical to long-term value creation. This enhances our ability to respond proactively to risks and opportunities, thereby supporting sustainable performance and stakeholder trust.

Our material matters, our strategic responses to them, and the principal risks and opportunities are outlined in what follows.

## 1. CHALLENGING ECONOMIC ENVIRONMENT

Our operating context is challenging in both South Africa and Australia. It is marked by persistent inflationary pressures, constrained consumer spending, and fluctuating interest and exchange rates. In the short term, this impacts consumer demand and input costs. Over the medium term, it may influence investment decisions and growth trajectories. Long-term implications include potential shifts in market dynamics and supply chain resilience, and structural changes in the retail landscape.

In South Africa, high levels of unemployment (c.33%), income inequality, fiscal constraints, and other structural headwinds persist. Loadshedding has eased, but consumer confidence remains well below the average Consumer Confidence Index reading of -1 since 1994. This indicates that consumers are relatively pessimistic about the outlook for the economy and their household finances over the next 12 months. While Australia has low unemployment levels (c.4%), consumers are highly indebted. The macro environment is marked by the most severe cost-of-living crisis in over three decades and seven consecutive quarters of GDP per capita decline. The retail sector faces declining foot traffic, heightened promotional intensity, and a shift in consumer spend toward value-oriented brands.

### OUR STRATEGIC RESPONSE

We are a diversified Group and are positioned to navigate economic headwinds through strong brands and clear strategies. Our businesses are poised to capitalise on any economic recovery. We remain focused on controlling costs across the Group and seizing opportunities to enhance operational efficiency and drive growth. Our loyalty programmes offer consumers trusted value through promotions and personalised offers. In South Africa, we recognise our responsibility to contribute to inclusive economic growth and thriving communities. We fulfil this through job creation, our Just Wage initiative, continued capital investment, and our GBJ.

### STRATEGIC OBJECTIVES



### PRINCIPAL RISKS AND OPPORTUNITIES



## 2. EFFECTIVE STRATEGIC EXECUTION

This material matter directly influences our ability to remain competitive in a dynamic environment and create long-term value. In the short term, effective strategy execution delivers quick wins, improves operational efficiency, enhances customer experience, and drives early momentum on key initiatives. In the medium term, it embeds new ways of working, unlocks operational benefits and begins shifting performance trajectories. Longer term, it enables sustained value creation, resilience, and delivery on strategic ambitions.

Failure to execute effectively can undermine trust with stakeholders, erode brand equity and market position, and result in poor performance and return metrics.

### OUR STRATEGIC RESPONSE

We have strengthened the Group's fundamentals in recent years. A strict capital allocation framework (see page 57), clear strategies and best-in-class and engaged teams lay the foundation for effective strategic execution. Each business has a clear strategy aligned to the Group strategic framework and built on core competitive advantages.

To help drive execution, we are improving levels of engagement and accountability through Our Leadership Way and Our People Way programmes.

We are intentional about unlocking the ability of our people to execute our strategies. WVentures provides an example of this. Setting up a dedicated WVentures team, and simplifying processes to focus on several growth initiatives, have enabled us to execute in a more agile, entrepreneurial way.

### STRATEGIC OBJECTIVES



### PRINCIPAL RISKS AND OPPORTUNITIES



**3. CONSUMER SPENDING AND BEHAVIOUR**

Consumers quickly adopted new behaviours during Covid-19, and some of these have endured. The retail landscape has been reshaped by a proliferation of choice, demand for convenience, and the ongoing shift to online shopping. Consumers are redefining what value means to them. Discount and wholesale channels continue to attract consumers as do online retailers with aggressive pricing strategies. Demand for a seamless omnichannel experience remains strong, but customers are also seeking inspiring in-store experiences and engaging customer service.

In the short term, shifts in demand and price sensitivity can impact sales, margins, and inventory levels. Over the medium term, evolving preferences and channel choices can influence product mix, customer loyalty, and investment priorities. In the long term, sustained behavioural trends and rising demand for convenience, personalisation, and values-driven consumption can reshape business models, brand relevance, and competitiveness.

**OUR STRATEGIC RESPONSE**

We continue to leverage our strengths in innovation and convenience to respond to shifting consumer behaviour, increased value-seeking, and digital competition. We prioritise investment in digital platforms and enabling technologies. At the same time, we are enhancing our physical stores to deliver personalised, immersive experiences that differentiate our offering and translate seamlessly across all channels.

STRATEGIC OBJECTIVES



PRINCIPAL RISKS AND OPPORTUNITIES



**4. DIGITAL WORLD AND CYBER**

The growing digitisation of retail is transforming how customers engage with brands. This ranges from researching and transacting to sharing feedback, particularly through mobile and social platforms. Retailers hold vast amounts of internal and external customer data. This presents opportunities to generate insights and deliver personalised experiences. It also heightens the importance of data privacy and security amid rising threats of cyber-attacks and infrastructure vulnerabilities.

The rapid integration of artificial intelligence (AI) introduces new opportunities and risks. AI has the potential to enhance customer experience, operational efficiency, and decision-making. But it requires careful governance to ensure ethical use, data integrity, and cyber-security. Our focus has evolved beyond cyber protection to include the responsible and secure deployment of AI, supported by strong digital governance frameworks across the Group.

In the short term, data breaches, system failures, or non-compliance with privacy regulations can lead to financial loss, operational disruption, and reputational damage. Over the medium term, effective use of data and AI can enhance personalisation, customer experience, and operational efficiency, but requires investment in digital infrastructure and cybersecurity. In the long term, responsible and ethical digital practices will be essential for sustaining stakeholder trust, regulatory compliance, and competitive advantage in a data-driven, AI-enabled retail environment.

**OUR STRATEGIC RESPONSE**

We aim to unlock the full value of our customer data by turning insights into informed, customer-led business decisions across the Group. To support this, we are investing in AI, future-fit systems and processes that will enhance agility and productivity, strengthen risk management, reduce costs, and drive greater operational efficiency.

STRATEGIC OBJECTIVES



PRINCIPAL RISKS AND OPPORTUNITIES



**5. PEOPLE, TALENT MANAGEMENT, AND CHANGE**

Attracting, developing and retaining talent is critical to achieving our strategic objectives. This can be challenging amid heightened competition for skills, particularly in the digital, data, and technology domains. We need to embed a high-performance culture by evolving our ways of working, building capacity, and fostering the exchange of knowledge and expertise. We also recognise the importance of creating inclusive, purpose-led workplaces that reflect the communities we serve.

In the short term, talent shortages, particularly in digital and data capabilities, can limit our ability to deliver on strategic initiatives and affect day-to-day operational performance. Over the medium term, failure to develop and retain high-performing, diverse teams can impact innovation, productivity, and leadership continuity. In the long term, failure to build an inclusive, future-fit organisational culture can erode our competitiveness, weaken our employer brand, and hinder our ability to attract the next generation of talent for sustainable growth.

**OUR STRATEGIC RESPONSE**

We are enhancing our Group-wide People Value Proposition to strengthen our ability to attract and retain top talent. This includes promoting a culture of high performance, learning, and accountability, and creating opportunities for growth and development. We are also investing in future-fit capabilities and leadership, underpinned by inclusivity, employee wellbeing, and modernised work practices.

STRATEGIC OBJECTIVES



PRINCIPAL RISKS AND OPPORTUNITIES



**6. RESPONSIBLE RETAILING**

Responsible retailing is central to maintaining trust and meeting the expectations of customers, employees, investors, regulators, communities and other stakeholders. As awareness of ESG issues grows, stakeholders are increasingly scrutinising whether businesses act ethically, create long-term shared value, and demonstrate progress on societal and environmental challenges.

We recognise the demand for measurable impact, particularly in inclusive economic participation, community upliftment, climate resilience, and environmental stewardship. Responsible retailing enhances business resilience by mitigating climate-related risks, supporting supply chain continuity, and protecting long-term value creation.

Neglecting our ESG responsibilities can have serious consequences. In the short term, it can lead to reputational damage, stakeholder disengagement, and increased scrutiny from regulators and the public. Over the medium term, it can erode customer trust, reduce employee morale and retention, and weaken relationships with communities and partners. In the long term, it can expose the business to climate-related risks, supply chain disruptions, regulatory penalties, and a loss of competitive relevance.

**OUR STRATEGIC RESPONSE**

Our industry-leading GBJ provides a foundation for realising our vision of being one of the world's most responsible retailers. We continue to embed our GBJ to ensure we implement it through our business activities. We are also up-weighting the focus on our Inclusive Justice Initiative across the Group. This involves collaborating with stakeholders to make positive, meaningful contributions to our communities and the environment.

We have eight key sustainability focus areas that promote the optimal use of our capitals to create value for the Group and its stakeholders by anchoring our strategies in our GBJ.

STRATEGIC OBJECTIVES



PRINCIPAL RISKS AND OPPORTUNITIES





# OUR STRATEGY



CLICK ON BOX TO GO TO THAT SECTION

# OUR GROUP CEO'S REPORT

*The challenges of the past year have served not only to strengthen our resolve, but to demonstrate the resilience of our businesses and our teams. With robust strategies and solid foundations now firmly entrenched, I have every confidence that FY2026 will mark a permanent shift in our Group's performance trajectory.*



## OVERVIEW OF FY2025 PERFORMANCE

The 2025 financial year proved particularly challenging, with our teams having to navigate a myriad of both external and internal factors, particularly in the first half. Macroeconomic conditions remained constrained across both geographies, with cost-of-living pressures continuing to impact consumer confidence and spend (most notably in the discretionary retail sector), and business confidence further impacted by geopolitical uncertainty.

Against this backdrop, while Group sales grew by nearly 7%, underpinned by the strength of our South African operations, adjusted EBIT and adjusted diluted HEPS declined by 10.9% and 19.2%, respectively. This reflects the deliberate and necessary restructuring of our Australian apparel business, as well as temporary disruptions in our Fashion, Beauty and Home (FBH) supply chain in the first half.

From a divisional perspective, Woolworths Food once again delivered a standout performance, with consistent month-on-month market share gains and strong underlying volume growth resulting in leading comparable sales growth. Increased customer footfall and basket size are testament to the enduring trust in our brand, quality, and value. Importantly, our return on capital remains the highest in the sector, even as we invest significantly in growth and growth-enabling initiatives.

Our FBH business experienced a 'tale of two halves'. Temporary operational challenges in the first half – primarily related to the transformation of our distribution centre and late supplier deliveries – constrained product availability, particularly during the peak trading period. While this impacted FBH's performance for the full year, I am pleased with the recovery the team delivered in the second half. Improved availability and stronger sell-through rates supported accelerating trading momentum, with FBH achieving the strongest like-for-like sales growth in the market, and a much-improved profit performance.

Woolworths Financial Services produced another robust result, delivering significant growth in after-tax profits and maintaining the healthiest impairment ratio in the industry.

Last but by no means least, Woolworths Ventures, our 'strategic growth accelerator', delivered a very pleasing maiden result, with double-digit top and bottom-line growth supported by the continued rollout of our various Food Services propositions and our newer format WEdit and WCellar standalone stores. In addition, Absolute Pets continues to trade ahead of expectations and is already delivering synergies across our Food ecosystem – evidence of our ability to make value-enhancing acquisitions.

Country Road Group (CRG), however, faced the most challenging year in its history. The reconfiguration of its operating model as a standalone entity (following the successful sale and separation of David Jones) was undertaken in an accelerated timeframe and against a particularly uncondusive macro backdrop. Whilst this restructuring negatively impacted short-term earnings, it was a critical step in resetting CRG's structural economics and positioning the business for longer-term growth.

A milestone for us this past year was the successful sale of the Bourke Street property in Melbourne, Australia, which we retained post the sale of David Jones, albeit as a non-strategic asset. This disposal saw us realise R2.6 billion in proceeds, with these funds repatriated to South Africa in a phased approach, to both reduce debt and support investment in value-accretive opportunities in line with our broader capital allocation framework.



## AN UPDATE ON OUR STRATEGIC JOURNEY

Over the past few years, we have taken deliberate steps to *fix, strengthen and reposition* our Group. This fundamental phase in establishing the requisite capabilities and foundations for long-term success is now largely complete. FY2026 will therefore mark a decisive shift, as we move into the next chapter of our journey: *to optimise, invest, and grow*. While our overarching strategies remain intact, and we continue to improve and strengthen our foundations, our businesses are now increasingly focused on driving sustainable growth and enhanced execution.

In our Food business, our primary objective remains that of preserving and enhancing our 'holy grail', optimising the balance between offering customers the most compelling proposition in the market and delivering shareholders the highest return on capital in the sector. In addition to further improving our on-shelf availability and amplifying our trusted value proposition, we also continue to strengthen our marketplace presence across all channels.

This past year alone marked the opening of our 100th forecourt, the launch of 'Woolies After Dark' in partnership with Uber Eats, and the ongoing strong growth of our on-demand offering, Woolies Dash. We also made significant investments for future growth, most notably the R1.7 billion expansion of our Midrand distribution centre, which will provide the capacity and efficiency to support long-term scale.

In FBH, we completed the second and final phase of our multi-year turnaround. Having fundamentally repositioned this business, we are now firmly focused on growth. The transformation of our value chain has been a game-changer, with enhanced planning systems, expanded distribution capacity, and the full rollout of RFID technology improving availability to levels never seen before in our business. This translated into double-digit growth in our winter ranges in the final quarter, with market share gains supporting positive underlying volume growth in Fashion.

Alongside these operational improvements, we continue to sharpen our focus on providing the most-wanted, best-in-class, quality essentials and stylish go-to pieces for everyday living. In addition to targeted price investment, we are also investing in our quality reset programme.

This embraces all aspects of quality throughout our value chain and our customers' experience – from fabric and fit to in-store execution and service – positioning us as the undisputed end-to-end quality authority in the market.

Our Beauty business has almost trebled over the past few years. In the process, it has become an increasingly important driver of customer cross-shop, loyalty, and spend, supported by private label innovation in our WBeauty range and the extension of leading international brands. A key component of this growth is our expansion in existing markets in Africa, where we have an established and strongly growing Fashion presence. Similarly, our Home division, which is delivering double-digit growth, is steadily establishing Woolworths as an inspiring lifestyle destination.

In September 2025, we will undertake a leadership transition in FBH, with the appointment of Nuholt Huisamen as CEO of this business following Manie Maritz's early retirement. Nuholt brings a wealth of global retail experience to our Group, and a strong track record of delivering performance across diverse markets and channels. His deep appreciation of customers and brands, and strong focus on execution, will be invaluable as we shift our focus increasingly towards growth.

Beyond our core Food and FBH businesses, we are also investing in a number of complementary categories and formats housed within Woolworths Ventures. This construct was specifically designed to accelerate and scale high-potential, strategic growth initiatives, backed by a dedicated team and simplified processes. Not only is Woolworths Ventures delivering excellent growth with greater speed and agility, it is also playing a pivotal role in bringing new customers into our much-loved Woolworths brand.

In FY2025, we placed a deliberate emphasis on further strengthening our customer proposition and reimagining the role of our stores. Earlier this year, we welcomed back Spencer Sonn as Chief Customer Officer, consolidating all customer touchpoints across channels under his leadership to drive a truly world-class omnichannel experience.

Our commitment to being a customer-led business is demonstrated by the significant investment in our digital and loyalty capabilities, including our new loyalty programme, as well as the rollout of our 'Next Generation' stores, which showcase the very best of

Woolworths across premium food, fashion, beauty, and home. These new formats are already delivering meaningful uplifts across key categories, while simultaneously enhancing our customers' overall journey.

Our recently opened Food Emporium in Durbanville, and the newly refurbished full-line Tygervalley store, stand as flagship examples of what the future of Woolworths looks like: stores that embody quality without compromise, innovation with purpose, premium service, and leading sustainability credentials.

As mentioned, CRG underwent the most significant transformation in its history this past year to establish itself as a truly standalone business. This restructuring was complex and comprehensive, impacting more than 80% of non-store roles and affecting structures, processes, and accountabilities across the business. While disruptive in the short term, CRG now has a fit-for-purpose operating model and structural economics that will drive the efficiency, flexibility, and agility needed to support a true 'House of Brands' strategy.

That said, a 'House of Brands' is only as strong as the brands themselves. To this end, we have repositioned several of the brands, driving greater clarity and differentiation within the portfolio, and ensuring each now holds its own distinct market position, unique style aesthetic, and clear strategic direction. We are already seeing encouraging momentum, with Trenergy's repositioning yielding positive results and Witchery now delivering double-digit growth.

The appointment of Steven Cook as the new CEO of CRG from July 2025 marks an exciting new chapter for the company. Steven is a highly respected retail executive with deep expertise and a results-driven, people-focused leadership style. CRG is a great business, deeply engrained in Australian retail and society, and I have every confidence it will return to the stature and financial outcomes expected from it.



## LEADING THE WAY IN SUSTAINABILITY AND INCLUSIVE JUSTICE

Sustainability remains central to our strategy and is embedded in every aspect of how we operate. Through our Good Business Journey, we continue to drive measurable impact across environmental stewardship, social inclusion, and responsible sourcing. Far from being a separate initiative, sustainability is the way we run our business – influencing how we innovate, how we invest, and how we build resilience for the future.

This past year, we advanced several transformative initiatives that reflect our belief that doing good and doing well, are inseparable. We introduced private medical insurance for more than 24 000 of our employees, the majority of whom work in our stores and supply chain. This initiative is a first within South African retail and a powerful demonstration of our Inclusive Justice commitments, ensuring that our people have access to essential healthcare and improved quality of life.

At the same time, we launched the Inclusive Justice Institute, an innovative platform designed to deliver systemic impact at scale. The Institute houses two dedicated non-profit entities: one focused on addressing food security and supporting basic education, the other focused on enterprise development to ensure that small businesses receive the mentorship, funding, and market access needed to thrive as part of our supplier base. With over R300 million in funding already secured, the Institute is poised to become an engine for meaningful change across South Africa.

Beyond these flagship initiatives, our commitment to shared value creation is evident in the scale of our contributions. Our procurement spend on MSME grew by over 40%, while revenues generated for black- and black women-owned suppliers exceeded R7 billion. We donated nearly R820 million worth of surplus food to under-resourced communities, extending the Woolworths difference well beyond our stores.

Our Youth Makers competition, now in its second year, continued to inspire and support small business owners, providing mentorship, funding, and retail space to help build the next generation of South African entrepreneurs. Each of these actions reinforces our belief that our success is intrinsically linked to the prosperity of the communities we serve.

We are proud that our efforts have been recognised both internally and externally, through customer trust, employee loyalty, and industry awards that reflect our leadership in purpose-led retail. That said, what matters most is that these initiatives reflect who we are: a Group committed to quality, innovation, inclusivity, and sustainability. These principles are not optional add-ons; they are at the heart of how we do business and how we create value for all our stakeholders.

## FINAL THOUGHTS: LOOKING BACK

While the overall financial outcomes of the past year fell short of both expectations and our potential, it was also a year in which we completed much of the heavy lifting in laying the groundwork for years to come. To this end, I firmly believe FY2025 will prove a watershed year for our Group.

The restructuring of CRG, the final phase of the FBH turnaround, and the significant investments we have made in foundational capabilities across our businesses have placed us on a stronger footing than at any point in recent years. These actions were deliberate, and although they came with short-term disruption, they were essential to ensuring our Group's fundamental wherewithal to deliver on our longer-term strategic and financial aspirations.

## APPRECIATION

Most importantly, our progress is made possible by the extraordinary commitment and passion of our people. Their energy, resilience, and belief in our purpose inspire me daily. I would like to extend my heartfelt thanks to all our colleagues across geographies, as well as to our Board, shareholders, suppliers, partners, and customers, for their loyalty and trust.

## LOOKING AHEAD

Looking to FY2026, I have every confidence that we are poised for sustained improvement across the Group as we leverage our revitalised brands, the launch of our new Woolworths loyalty programme, enhanced front- and back-end capabilities and optimised operations, and our new WHL executive team. The challenges of the past year have served not only to strengthen our resolve, but to demonstrate the resilience of our businesses and our teams.

With robust strategies and solid foundations now firmly entrenched, I have every confidence that FY2026 will mark a permanent shift in our Group's performance trajectory.

***We have a world-class differentiated Food business that will remain the engine room of our value creation, supported by two reconfigured apparel businesses that present significant opportunities for us to unlock greater value as a Group. Sustainability and Inclusive Justice will remain at the heart of our value proposition, reinforcing our brand and stakeholder trust.***

# EXCO COMPOSITION AT 29 JUNE 2025



**Roy Bagattini**

Executive Director and Group Chief Executive Officer



**Zaid Manjra**

Executive Director and Group Finance Director



**Sam Ngumeni**

Executive Director and Chief Executive Officer: Food



**Chantel Reddiar**

Group Company Secretary and Director: Group Governance, Risk and Compliance, Legal, Communications and Stakeholder Management



**Manie Maritz**

Chief Executive Officer: Woolworths Fashion, Beauty and Home



**Raju Vuppalapati**

Chief Executive Officer: The Country Road Group



**Spencer Sonn**

Chief Customer Officer



**Melanie Naidu**

Group People Director



**Jeanine Womersley**

Group Head: Strategy, Investor Relations and Woolworths Ventures



**Bradley Nitsckie**

Chief Supply Chain Officer



**Christie Koorts**

Chief Information and Technology Officer

## Total EXCO

**11**

MEMBERS

**7**

BLACK MEMBERS  
(2 FEMALES AND 5 MALES)



**3**

FEMALE MEMBERS  
(2 BLACK AND 1 WHITE)



**8**

1-5 YEARS

**2**

5-10 YEARS

**1**

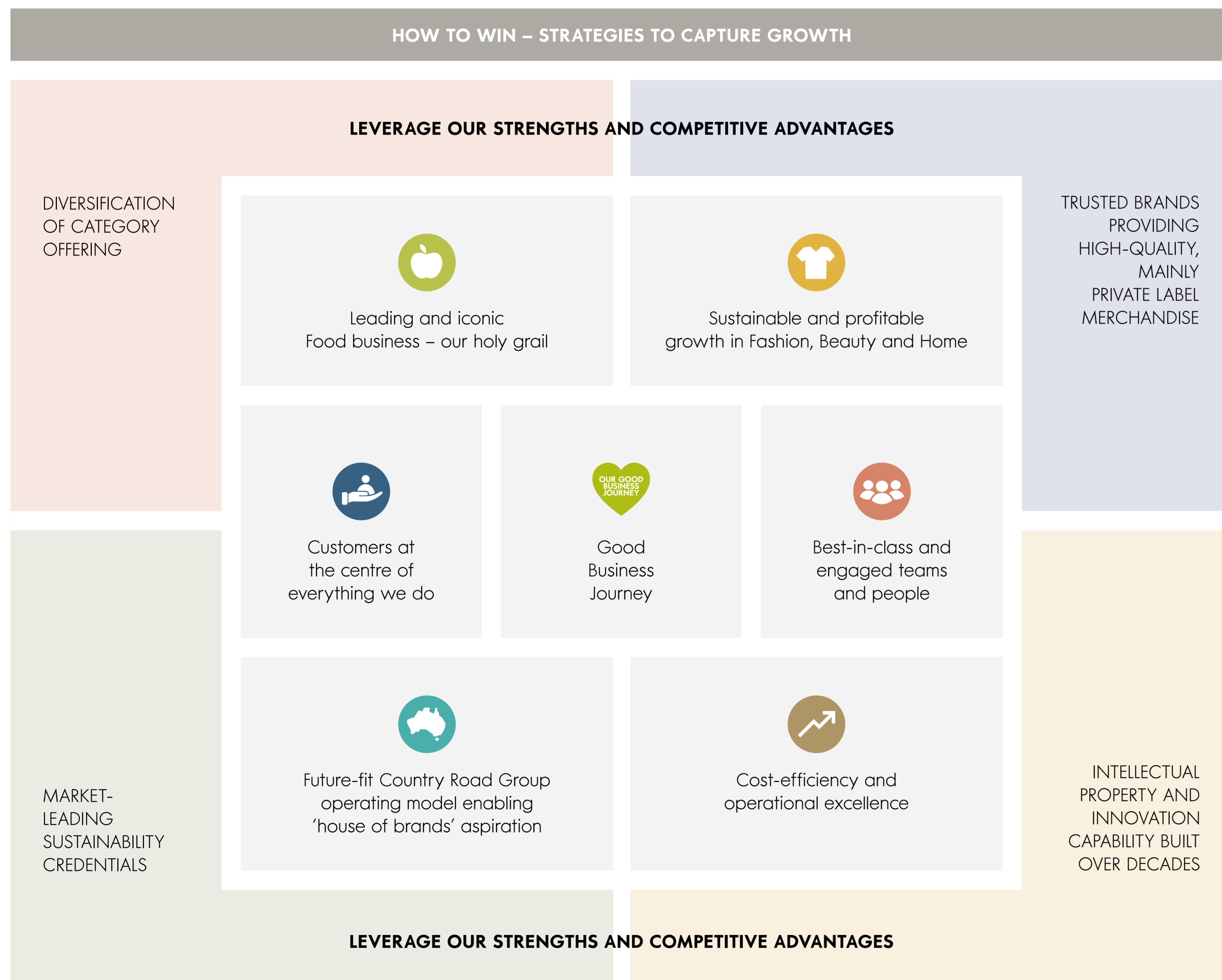
MORE THAN 10 YEARS

## Tenure



# OUR STRATEGIC FRAMEWORK

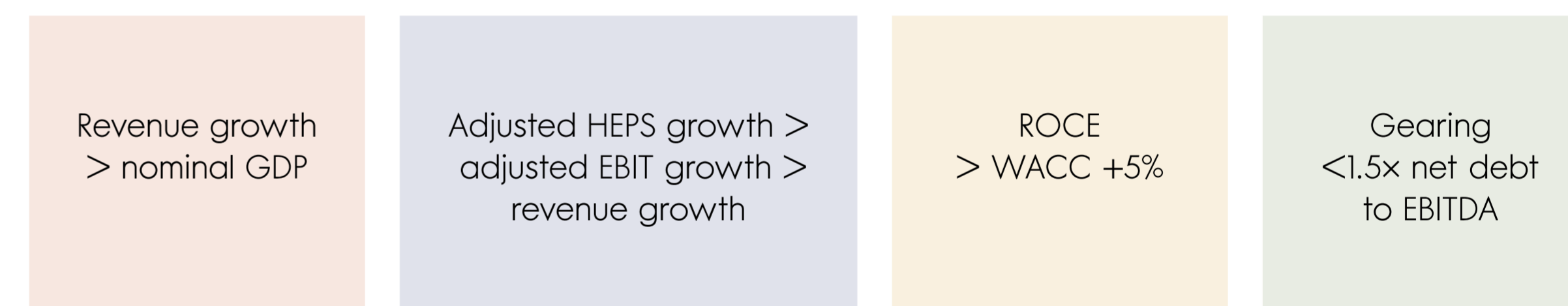
*The WHL strategic framework ensures alignment across divisional and functional strategies, driving focused execution to achieve the Group's growth ambitions. This shared clarity enables us to prioritise effectively and maximise the impact of our collective efforts.*



Our strategic objectives outlined in detail on pages 59 to 65, leverage our differentiated strengths and competitive advantages to unlock and create value for all our stakeholders. These include diversification through a broad category offering, a portfolio of trusted, high-quality, mainly private label brands, and intellectual property and innovation capabilities built over decades – all anchored in our market-leading sustainability credentials through our GBJ.

The Group has a well-articulated capital allocation framework, ensuring that we deploy capital to support our growth ambitions, whilst also meeting our targeted gearing structure and shareholder aspirations.

**CAPITAL ALLOCATION IS ALIGNED TO THE GROUP STRATEGIC PRIORITIES WE ASPIRE TO DELIVER:**



**ALLOCATION OF CASH SEEKS TO BALANCE:**



## OUR STRATEGIC JOURNEY

*We have made significant progress with our multi-phase strategic journey and remain focused on executing our strategic objectives to drive sustainable growth and long-term value*

Our operating environments are shaped by many factors beyond our control. We mitigate external risks where possible and focus on actively managing what we can through our business model and strategies. Refer to page 30 for our value-creating business model.

### WITHIN OUR CONTROL

- Our quality product and service offering
- Operational efficiencies and synergies
- Cost management
- Ability to attract and retain talent
- Stakeholder relationships
- Responsible use of natural capital, governed by our GBJ

### BEYOND OUR CONTROL

- International market stability
- Exchange rate volatility
- Global supply chain disruptions
- Local macroeconomic factors
- Climate and weather patterns

We have continued to focus on what lies within our control and made good progress against our various strategic objectives, including strengthening our brands and competitive differentiators; enhancing both front and back-end capabilities; further optimising processes and ways of working; and investing in future sources and avenues of growth, both organic and inorganic. Our strategic objectives are centred around our ability to 'protect and grow', 'expand for more' and 'lead in customer experience'.

- **Protect and grow** our core businesses, that consistently deliver innovative, high-quality, and sustainable products that customers love and trust
- **Expand for more** through adjacent categories, growing new formats, exploring new strategic opportunities, and leveraging our strategic growth accelerator, Woolworths Ventures (WVentures)
- **Lead in customer experience**, across our channels, through our new loyalty programme and 'Next Generation' stores, and by providing exceptional customer service

We measure the success of our strategic execution against clearly-defined performance indicators. Our strategic objectives and key performance indicators are detailed on pages 59 to 65 and pages 66 to 70 respectively.

*The progress made both strategically and operationally in FY2025 means we are entering FY2026 with the necessary structures, processes, and economics to deliver on our strategies and remain well positioned to benefit from any recovery in macro-economic conditions.*



# OUR STRATEGIC OBJECTIVES



## LEADING AND ICONIC FOOD BUSINESS – OUR HOLY GRAIL

### STRATEGIC OBJECTIVE

Continue to strengthen our 'holy grail' while simultaneously growing our core business and pursuing new avenues of growth



### FY2025 PERFORMANCE OVERVIEW

Our Food business remains the stand-out performer in a highly competitive environment. Its strength and resilience, and the trust that customers place in our brand, were again evident in our performance. We delivered the strongest organic growth in the sector, driven by new customers, increased transactions, and bigger basket values. Although heavier capital investment impacted returns in the short term, we continued to strengthen our holy grail – providing customers with the best overall proposition in the market, and our shareholders the highest return on capital in the sector.

### STRATEGIC INITIATIVES

- Continue to grow our Food business by providing customers with the best overall proposition in the market, and shareholders with the highest return on capital in the sector
- Grow our core business sales and profit by focusing on destination must-win categories, category resets, market disruptor categories, sustainability and innovation
- Pursue strategic growth opportunities across our channels, formats, and rest of Africa markets. This includes partnering with WVentures (Food Services, Absolute Pets and WCellar)
- Transform and optimise the value chain and invest in required support capabilities
- Invest in critical enablers to support longer-term growth. This includes the recent investment in our Midrand distribution centre
- Maintain 'trusted value' by providing customers with the Woolworths difference – of quality, freshness, convenience, innovation, and sustainability credentials
- Invest in our existing differentiated skills and expertise, further strengthening our talent pipeline

### STRATEGIC CONTEXT

We are clear about what we stand for. Our principles guide our strategy, inform our decisions, and ensure we remain a brand that South Africans are proud to choose. These principles include being a trusted, differentiated, and aspirational food brand that cares. We are rooted in South Africa and committed to adding quality to life for all. We embed sustainable and ethical practices across our operations. We are uncompromising in our pursuit of quality, and we innovate boldly to meet evolving consumer needs and inspire a love of food.

Our Food strategy focuses on protecting and optimising our core retail business while simultaneously expanding into new growth areas through innovative formats, concepts, and solutions. A key growth enabler is the expansion of our Midrand distribution centre. While this sizeable investment places some pressure on near-term profitability metrics, it is vital to supporting our future growth and scale. We will also enable growth by leveraging our differentiated back-end capabilities. These include a best-in-class cold chain, and exceptionally strong product development, food science and technology capabilities – all underpinned by leading sustainability credentials.

In recent years, we focused on improving on-shelf availability, amplifying our differentiated value proposition, and increasing our market presence. By adopting a more sophisticated approach to category management, we gave customers on-shelf availability they could trust. By being more deliberate in how we position our unique offering, we enabled customers to better understand the value we offer. We have invested significantly in price over the past few years and we continue to provide our customers with the unbeatable Woolworths difference – that of quality, freshness, convenience, innovation, and exceptional sustainability credentials. By opening new stores and expanding existing ones in a targeted way, we continued to grow our market presence. This includes our growth in adjacent categories such as Pet (which includes our acquisition of Absolute Pets in April 2024), WCellar, NowNow, and our WCafés and coffee carts, as well as the launch of "Woolies After Dark", which is now live in over 70 Foodstops, offering our customers the best of our curated Woolies assortment, conveniently delivered until midnight.

Looking ahead, we will focus on our 'must win' categories, category resets such as our bakery and elevated pantry offering, and unlocking value through initiatives such as value delivery. We will continue to invest in immersive customer experiences through our 'Next Generation' format, and in our omnichannel capabilities, thereby creating an integrated customer experience across digital and physical channels (see page 62).

We will also leverage the opportunities we have identified in the rest of Africa. The strong relationships, direct farmer supply, and local talent we have developed in our existing markets over decades, will continue to drive growth opportunities for Food.



## SUSTAINABLE AND PROFITABLE GROWTH IN FASHION, BEAUTY AND HOME

### STRATEGIC OBJECTIVE

Drive sustainable and profitable growth in Fashion, Beauty and Home

### FY2025 PERFORMANCE OVERVIEW

FBH improved sales growth in the second half of FY2025 and delivered several strategic initiatives. However, poor availability in the first half resulted in lower-than-expected sales growth for the full year, higher levels of necessary stock clearance, and increased supply chain costs, impacting profitability. The first-half setback was due to temporary delays in product flow due to process and system changes in our distribution centre, which were quickly resolved in the second half.

### STRATEGIC INITIATIVES

Provide customers with the most wanted, best-in-class quality essentials and stylish go-to pieces for everyday living

- Support offering with sustainability and innovation credentials implemented through our quality reset programme
- Amplify our focus on our “must win” categories through our value delivery programme and range development
- Continue to improve availability, supported by the investment in our value chain transformation
- Embed our ‘sourcing centre of excellence’ strategy by leveraging scale to unlock efficiencies and rationalising our supplier base
- Position Beauty as the destination in South Africa that customers and Beauty brands choose first
- Provide a comprehensive Home offering by expanding our range and space allocation, targeting “must win” categories
- Deliver a consistent brand experience across channels with up-weighted customer service through a service-model reset
- Roll out our curated smaller-format WEdit stores (part of WVentures) to extend our presence within the convenience sector
- Pursue strategic growth opportunities across our existing African markets



### STRATEGIC CONTEXT

Achieving sustainable and profitable growth in Fashion while profitably growing Beauty and Home is a significant value driver for the Group. In recent years, we have repositioned our Fashion business by streamlining unproductive space, sharpening our product focus around revised ‘must win’ categories, and improving full-price sales metrics, as part of the first phase of our turnaround.

We have now also largely completed the second phase of our turnaround, which centred on improving product availability and inventory efficiency, through our value chain transformation. We are well-progressed in our R1 billion investment aimed at enhancing our systems, processes and logistics capabilities. Through this transformation, we are:

- Consolidating inventory into a single facility, reducing stockroom holdings, and delivering more frequently to stores
- Enhancing visibility of on-floor availability through radio frequency identification technology (RFID), which has now been rolled out to all our stores
- Enabling a centralised inventory approach, advanced planning capabilities, and a more flexible supply chain. This will allow us to further improve the customer experience across all channels
- Increasing sourcing from southern African suppliers to at least 60% from 55% at the end of FY2025 (FY2024: 50%). This will increase flexibility, reduce lead times, and benefit our local communities and economies

To support these objectives, we optimised our buying, sourcing, and planning functions for clearer accountability and better execution. Together, these initiatives will transform inventory management across the business, presenting a significant commercial opportunity for FBH.

To rationalise unproductive fashion space, we have reduced space by approximately 15% since FY2020. To complement this, we are unlocking pockets of targeted space growth by increasing the number of WEdit convenience stores.

We launched our first standalone Beauty store this year. Our strategy of store expansion, online growth, and a broader branded as well as private-label offering, continues to deliver double-digit turnover growth in Beauty. In Home, we aim to lead in key categories across all channels through quality and innovation. Online personalisation and service excellence remain key differentiators for both Beauty and Home.

We continue to optimise operations across our footprint of ten African countries. We will continue to drive measured expansion, adapting our strategies to suit local markets.

Looking ahead, we will continue to place customers at the heart of our growth strategy. We will deliver categories that surprise and delight customers and further improve our service and offer to enhance the customer experience. This starts with a customer service model reset following the launch of our first full-line Food and FBH ‘Next Generation’ store in August 2025.



## FUTURE-FIT COUNTRY ROAD GROUP OPERATING MODEL ENABLING 'HOUSE OF BRANDS' ASPIRATION

### STRATEGIC OBJECTIVE

Embed the new 'house of brands' operating model, and drive profitable growth in all brands, while leveraging our centralised functions

### FY2025 PERFORMANCE OVERVIEW

Having successfully concluded the sale of David Jones (DJ), and the operational separation of CRG from DJ, CRG has been reconfigured as a standalone business. This restructuring was complex and comprehensive, as it effectively reshaped CRG's end-to-end operating model, optimising structures, processes, and ways of working to drive the efficiency, flexibility, and scale needed, to support a true 'house of brands' strategy. This transformation was executed in an accelerated timeframe and amid a particularly uncondusive macro backdrop in Australia, amplifying the degree of negative operational leverage, particularly in the second half. While this impacted CRG's short-term financial performance for the full year, the business has entered FY2026 with a fit-for-purpose operating model and structural economics that will now enable it to realise its full potential.

### STRATEGIC INITIATIVES

- Embed the 'house of brands' operating model to support execution of the strategy. This includes realising efficiencies by operating as a 'house of brands', and leveraging our real estate footprint, customer data, centralised sourcing, supply chain, and e-commerce capabilities to unlock scalable value
- Accelerate the sourcing and supply chain strategy to de-risk market exposure and leverage economies of scale
- Deepen customer understanding and drive omnichannel performance, enabled by clear brand identities and data-driven insights
- Continually strengthen and evolve our product ranges and strategically focus on growth categories to drive topline growth
- Invest in people and culture, ensuring the right leadership and capabilities to enable our 'house of brands' strategy
- Grow our wholesale presence in Australia and New Zealand
- Leverage our unique market position in South Africa

### STRATEGIC CONTEXT

Following the sale of David Jones in FY2023, the focus shifted to successfully separating shared back-end capabilities – a significant undertaking given the scale and complexity of both businesses. By the end of FY2024, CRG was operating as a standalone entity, but with a business model not yet fit for purpose.

In FY2025, we completely restructured the business, reconfiguring the operating model to enable the effective execution of a 'house of brands' strategy.

This involved:

- Optimising structures, processes and ways of working to improve efficiency, flexibility, and economies of scale
- Investing in new capabilities to be leveraged for the benefit of all brands
- Implementing a cultural shift and embedding new ways of working to drive greater collaboration, agility, and accountability

The 'house of brands' operating model underpins CRG's strategy to build authentic customer connections, through data, loyalty and omnichannel experiences; drive product excellence with distinctive handwriting, improved mix and margin; strengthen our fundamentals through disciplined planning, inventory

management and execution; leverage scale through shared sourcing, supply chain and our real estate footprint, whilst delivering on our GBJ commitments and embedding a winning culture that enables transformation and performance.

In South Africa, the CRG brands elevate our overall FBH proposition. Positioned as a premium lifestyle offering, they complement our Woolworths ranges and differentiate our fashion credentials in the market. Their strong brand equity, design-led ranges, and aspirational appeal attract a customer segment that overlaps with Food. This creates cross-shopping opportunities within our ecosystem. By integrating CRG products in standalone and co-located formats within Woolworths stores, we will deepen customer engagement, increase basket size, and enhance brand loyalty across categories.

***In FY2025, we completely restructured the business, reconfiguring the operating model to enable the effective execution of a 'house of brands' strategy.***





**CUSTOMERS AT THE CENTRE OF EVERYTHING WE DO**



Woolworths, Autumn, 2025

**STRATEGIC OBJECTIVE**

Place the customer at the centre of everything we do through digital and data-led transformation and decision-making, prioritising investment to deliver seamless, differentiated, and high-quality customer experiences across all channels

**FY2025 PERFORMANCE OVERVIEW**

Woolworths launched its reinvented loyalty programme, MyDifference. This offering leverages Woolworths Financial Services and is unique to the South African retail landscape. Our customer loyalty programmes continued to be a key differentiator. By year-end, Woolworths and Country Road Group had 3.5 million and 2.3 million active loyalty members, respectively. Online sales continued to grow, contributing approximately 6.6% to total sales in South Africa and close to 28.6% of total sales in Australia. We continued to embed advanced data analytics and AI to drive personalised customer engagement and recommendations. These innovations enhance the relevance of our customer interactions, leading to higher engagement and increased spend. While we accelerate our digital capabilities, we remain focused on elevating the in-store experience. Our 'Next Generation' stores reimagine physical retail. Through their rollout, we are creating inspiring, intuitive spaces that deliver the ultimate customer service and experience.

**STRATEGIC INITIATIVES**

- Leverage our data assets and loyalty programmes to drive personalisation and differentiation, and better anticipate customer needs
- Improve online profitability through greater scale, smarter channel mix, and enhanced operational efficiency
- Differentiate our offering by delivering more personalised, relevant, and seamless customer interactions
- Enhance digital capacity and capability by investing in modern systems and skilled talent, and embedding a 'customers at the centre of everything we do' culture
- Delight customers by rolling out our 'Next Generation' stores. This format combines innovation, convenience and design to deepen engagement and provide the ultimate in-store experience
- Leverage our diversification to provide scope for increased investments and accelerated learnings to improve the customer experience

**STRATEGIC CONTEXT**

We continually strive to retain existing customers, attract new ones, and convert occasional shoppers into loyalty members. We protect customer data through investment in cyber-security and fraud prevention. Our robust data and analytics and rich customer database enable us to improve personalisation, engagement, loyalty, and spend.

We will extend this capability through our refreshed loyalty programme, called MyDifference, which combines multiple features through the convenience of the Woolworths App. It uses customer insights and data to deliver personalised rewards while enabling customers to give back to causes close to their heart. It also leverages our partnership with WFS to reach new customer segments and enhance our service offerings.

Customers increasingly expect seamless, personalised omnichannel experiences. To meet this demand, we are investing in agile operating models, scalable digital platforms, and skilled teams to innovate at pace. Woolies Dash is a key driver of Food's online growth. It comprises 130 sites and one dark store covering over 90% of our customer base, supported by 42 electric vehicles. Sales were up over 40% year-on-year. Dash is profitable on a fully-costed basis, with no supplier support, and we will continue to scale it by leveraging our strengths in quality, freshness, and service.

South African online sales remain below global benchmarks. Nonetheless, we aim to grow our share, towards upper single digits in Food and double digits in FBH, while simultaneously improving profitability through scale, channel mix, and efficiency. In Australia, CRG continues to lead with compelling platforms as we approach our target of online penetration above 30%. Across the Group, we remain agile and responsive. We are embedding a 'test, learn, and scale' culture and using our diversified portfolio to accelerate omnichannel and data-led growth.





## COST-EFFICIENCY AND OPERATIONAL EXCELLENCE

### STRATEGIC OBJECTIVE

Increase our focus on cost-efficiency and operational excellence to realise our strategic growth ambitions

### FY2025 PERFORMANCE OVERVIEW

We managed costs well, despite major investments in expanding the Midrand distribution centre and continuing to transform the FBH value chain. These investments will help us improve our operational excellence and realise our strategic growth ambitions. One of our biggest commercial opportunities is to improve on-shelf availability, ensuring we have the right products in the right place at the right time. In Food, we used customer data and advanced analytics to drive hyper-localisation and ensure consistency of catalogue across stores of similar format. For FBH, we adopted a multi-phase approach to improving availability through value chain transformation (see page 60). For CRG, the operating model redesign will improve efficiency and operational excellence through strengthened fundamentals and fit-for-purpose structures.

### STRATEGIC INITIATIVES

- Improve on-shelf and online availability and stock-turn metrics
- Focus on cost discipline across the Group to ensure operational efficiency
- Pursue appropriate and profitable space growth. This will ensure relevance in format and location to meet customer wants and needs
- Maximise the efficiency of existing space through ongoing optimisation and improved utilisation

### STRATEGIC CONTEXT

We are enhancing availability both in-store and online to meet customer demand and optimise trade. Key initiatives in Food include using data insights and improving category management. In FBH, we are introducing a centralised inventory model through our value chain transformation.

Improving space productivity is key to enhancing operational efficiency. We are pursuing targeted space growth, prioritising relevance in format and location. Our real estate ambition is to shape our store network into a platform that delivers profitable, convenient, and sustainable access to our customers. By enabling seamless omnichannel integration, our store network will support evolving consumer needs while reinforcing Woolworths' position as the premium shopping destination of choice. At the same time, we continue to review our cost structures to improve efficiency and enable reinvestment in growth.

Following the separation of CRG from DJ, we rationalised the unallocated or 'stranded' costs and the dis-synergies arising from the separation. We also reconfigured CRG's operating model to optimise its structures, processes, and ways of working as a standalone business. This reorganisation, conducted in an accelerated timeframe during FY2025, has laid the foundation for improved operational efficiency in FY2026 and beyond.



Woolworths, Spring, 2025





## BEST-IN-CLASS AND ENGAGED TEAMS AND PEOPLE

### STRATEGIC OBJECTIVE

Deliver a compelling and differentiated Woolworths People Value Proposition (IPVP), to attract, develop and retain the best talent in the market

### FY2025 PERFORMANCE OVERVIEW

We focused on executing our people strategy (Our People Way), including developing clear succession plans and nurturing talent and leadership. Additionally, adding quality to life for our employees remained a priority and we extended our Just Wage initiative by introducing health insurance to all permanent employees in our stores and supply chain, benefiting 24 000 employees. Given the ongoing transformation of our apparel businesses, we embedded strategic changes in culture, leadership and capability building for FBH, and implemented CRG's new operating model. This included aligning cross-functional ways of working and initiating a cultural reset to reignite growth. A highlight of the year was our recognition as a Top Employer by the Top Employers Institute, which benchmarks organisations against global best practice.

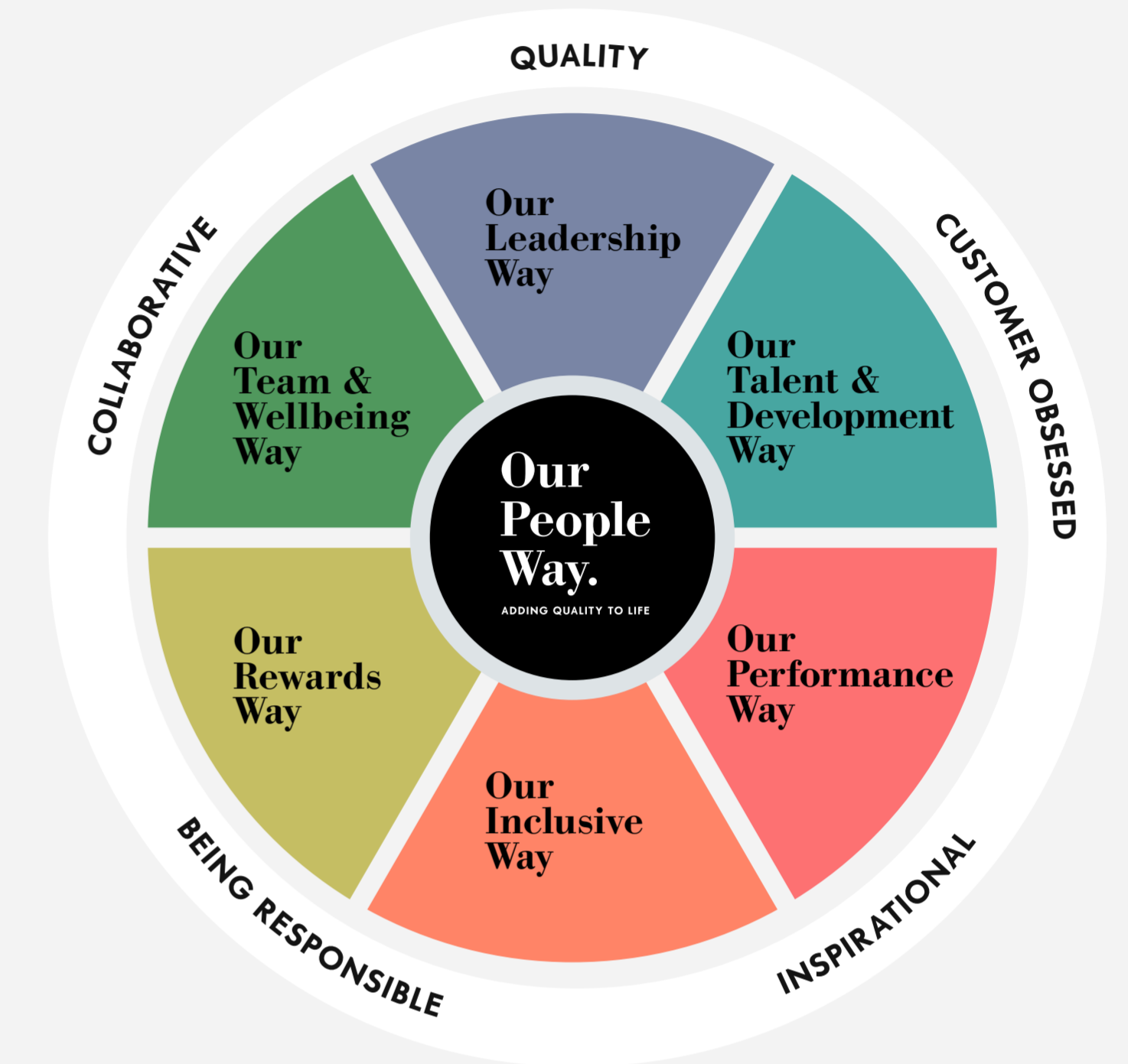
### STRATEGIC OBJECTIVE

- Provide a consistent, best-in-class leadership experience through developing and nurturing leadership that delivers results underpinned by values
- Drive and enable a high-performance culture
- Embed the Inclusive Justice Initiative (IJI) across the Group to drive a culture that embraces diversity and inclusivity
- Attract, develop, and retain the right talent that enables the delivery of our business strategies
- Provide simplified, relevant, and market-competitive reward offerings to enable long-term attraction and retention of key talent
- Increase the quality of life for all employees, with a focus on our total wellbeing offering and effective engagement with our people

### STRATEGIC CONTEXT

As reported in FY2023, our Group People strategy underwent an extensive review. The outcome was a new framework, Our People Way, that is anchored in our values. Our People Way aims at delivery of our strategic initiatives via six focus areas – Our Leadership Way, Our Talent and Development Way, Our Performance Way, Our Inclusive Way, Our Rewards Way, and Our Team and Wellbeing Way. We are currently implementing multi-year initiatives within each focus area. These will drive and embed significant change in our workplace culture.

## OUR PEOPLE STRATEGY



**GOOD BUSINESS JOURNEY**

**STRATEGIC OBJECTIVE**

Fulfil our vision of being one of the world’s most responsible retailers, and our purpose of adding quality to life, by leveraging our GBJ as a competitive differentiator

**FY2025 PERFORMANCE OVERVIEW**

In FY2025, we made progress in realising our sustainability targets, including creating more awareness externally. A highlight was the launch of our Inclusive Justice Institute, which includes two non-profit companies, the Enterprise Inclusive Justice Institute (EIJ) and the Community Inclusive Justice Institute (CIJI). The EIJI will drive our development programme for micro, small and medium enterprises (MSME), ensuring they continue to grow and become sustainable Woolworths suppliers. The CIJI will drive Woolworths’ social impact programmes. These promote community resilience and economic inclusion by addressing food security and contributing to quality basic education. This year, WHL was recognised as a full member of the Ethical Trading Initiative, testament to our efforts to safeguard workers’ rights.

**STRATEGIC OBJECTIVE**

- Focus on the goals under our three strategic sustainability pillars
- Up-weight our GBJ communication to drive meaningful and sustainable impacts
- Intensify our consumer education efforts around sustainability, empowering consumers to make better choices, aligned with their values
- Continue to make a difference to our communities through social contributions, our MyDifference loyalty programme (previously MySchool, MyVillage, MyPlanet), our food and clothing donations, and our commitment to paying our people fairly and providing access to health insurance
- Embed our commitment to our GBJ in how we reward management and make financial decisions

**STRATEGIC CONTEXT**

Our vision, to be one of the world’s most responsible retailers is reflected in our bold sustainability goals through our Vision 2025+. The GBJ is embedded throughout our Group and operations. Since 2008, we have invested capital and expertise and built knowledge, experience and skills that will help us realise our GBJ goals and ensure we continue to lead in this space. Our strategy centres on three pillars: *Thriving and Resilient*, *Ethical and Fair*, and *Inclusive Justice*, with five priority goals guiding our progress and accountability.

Our deeply embedded GBJ approach is a key differentiator, shaping operations, decision-making, and performance management, from linking ESG criteria to our balance sheet to including sustainability in executive incentives. Through initiatives like Just Wage and our recently-launched health insurance, food and clothing donations, and the MyDifference programme, we aim to create real value for communities. As a leader in sustainability, we are also stepping up communication to encourage broader collaboration and lasting impact.



**VISION 2025+ PILLARS AND UNDERLYING GOALS**



**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



**PEOPLE**



**SOCIAL DEVELOPMENT**



**HEALTH AND WELLNESS**



**ETHICAL AND FAIR**

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



**SUSTAINABLE FARMING**



**ETHICAL SOURCING**

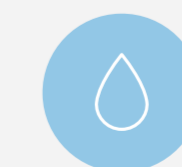


**THRIVING AND RESILIENT**

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



**PACKAGING AND WASTE**



**WATER**



**ENERGY AND CLIMATE CHANGE**



# KEY PERFORMANCE INDICATORS

*We measure the success of our strategic execution against clearly defined performance indicators. These are important measures that correlate directly to our growth blueprint and form part of our performance measures.*

## KEY FINANCIAL METRICS

### TURNOVER AND CONCESSION SALES GROWTH

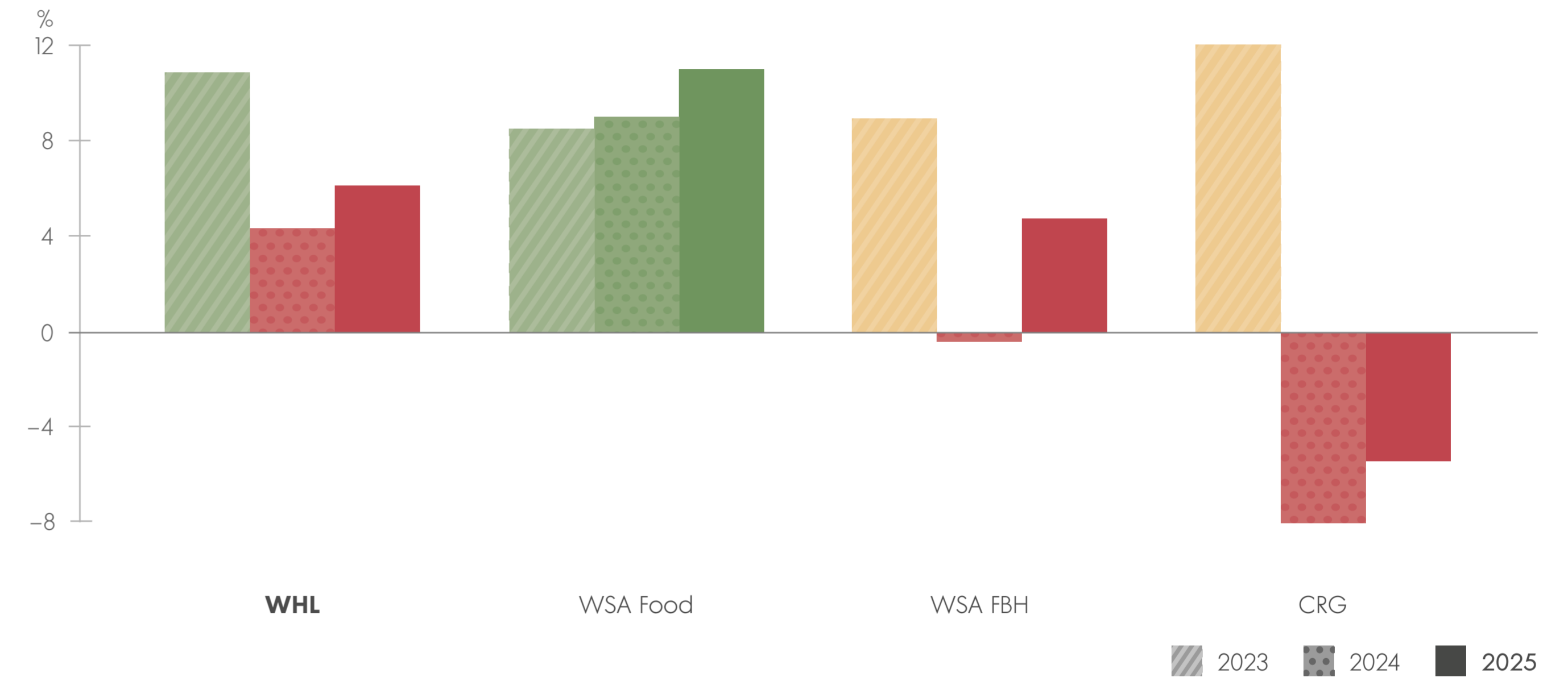
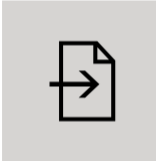
WHL

#### WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects our ability to meet our customers' wants and needs, which creates additional opportunities for our suppliers and employees, and creates value for all stakeholders.

Total turnover and concession sales growth over the past 52-week period, measuring the growth of our business.

#### PERFORMANCE IN 2025



### αEBIT MARGIN %

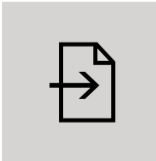
WHL

#### WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Assesses how efficiently we convert sales into profit by managing margins and cost.

Adjusted earnings before interest and tax as a percentage of turnover.

#### PERFORMANCE IN 2025



KEY FINANCIAL METRICS

GROUP **α**EBIT (RBN)

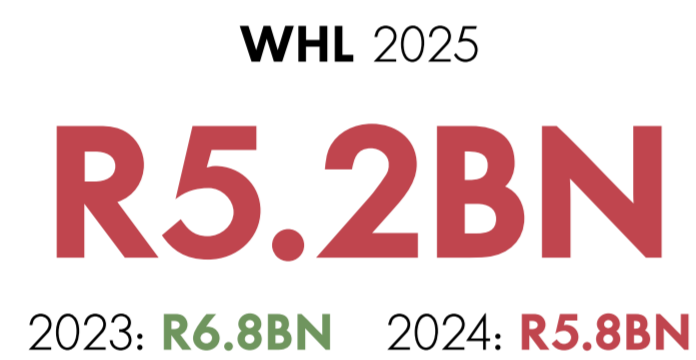
WHL

WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects ongoing profitability of the business – a key measure for all stakeholders to determine business continuity.

Gross profit less expenses adjusted for any non-core trading expenses and capital items.

PERFORMANCE IN 2025



NET DEBT (RBN)

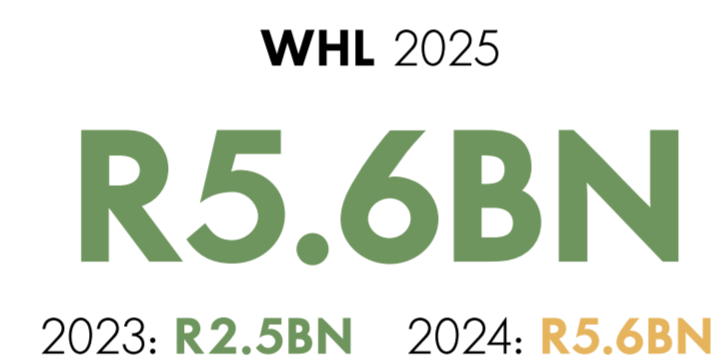
WHL

WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects the net amount owing to lenders at a point in time and used in credit-specific ratios to determine levels of leverage.

Gross debt less cash and cash equivalents (excluding lease liabilities).

PERFORMANCE IN 2025



NET DEBT TO EBITDA

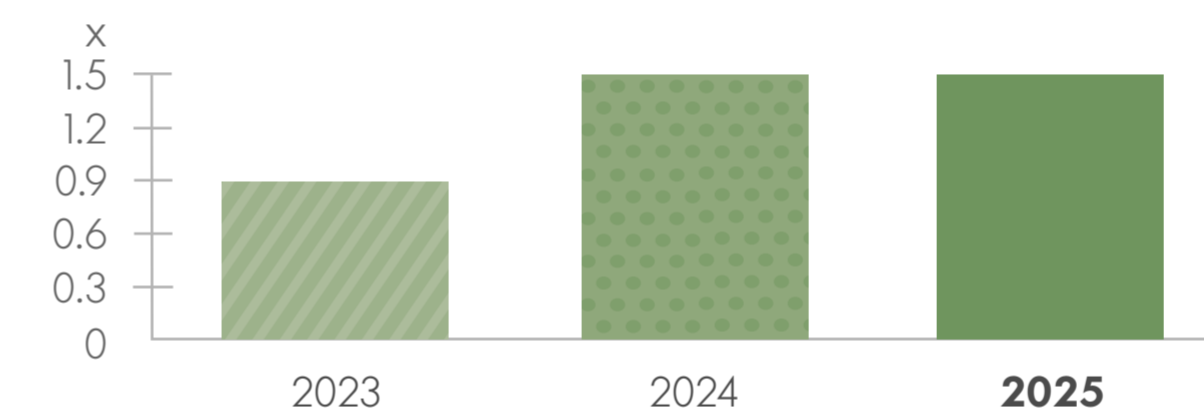
WHL

WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Leverage ratio used to measure our ability to repay debt using cash generated from trading operations and demonstrates how long it would take us to pay off debt at current levels.

Net debt divided by adjusted EBITDA.

PERFORMANCE IN 2025



ADJUSTED DILUTED HEADLINE EARNINGS PER SHARE (CPS)

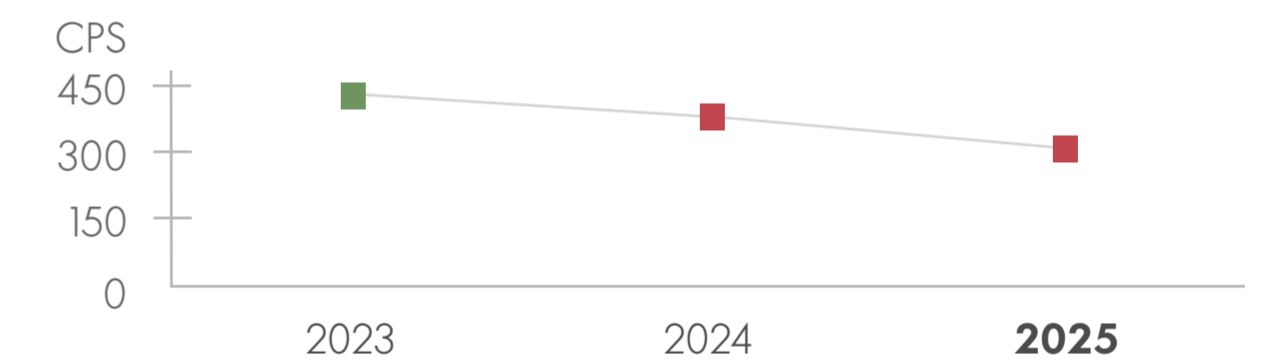
WHL

WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Indicates the quality of earnings by reflecting earnings shareholders can expect in a 'worst case' scenario.

Earnings per share, excluding accounting adjustments, assuming all possible shares are converted and exercised.

PERFORMANCE IN 2025



DIVIDEND PER SHARE

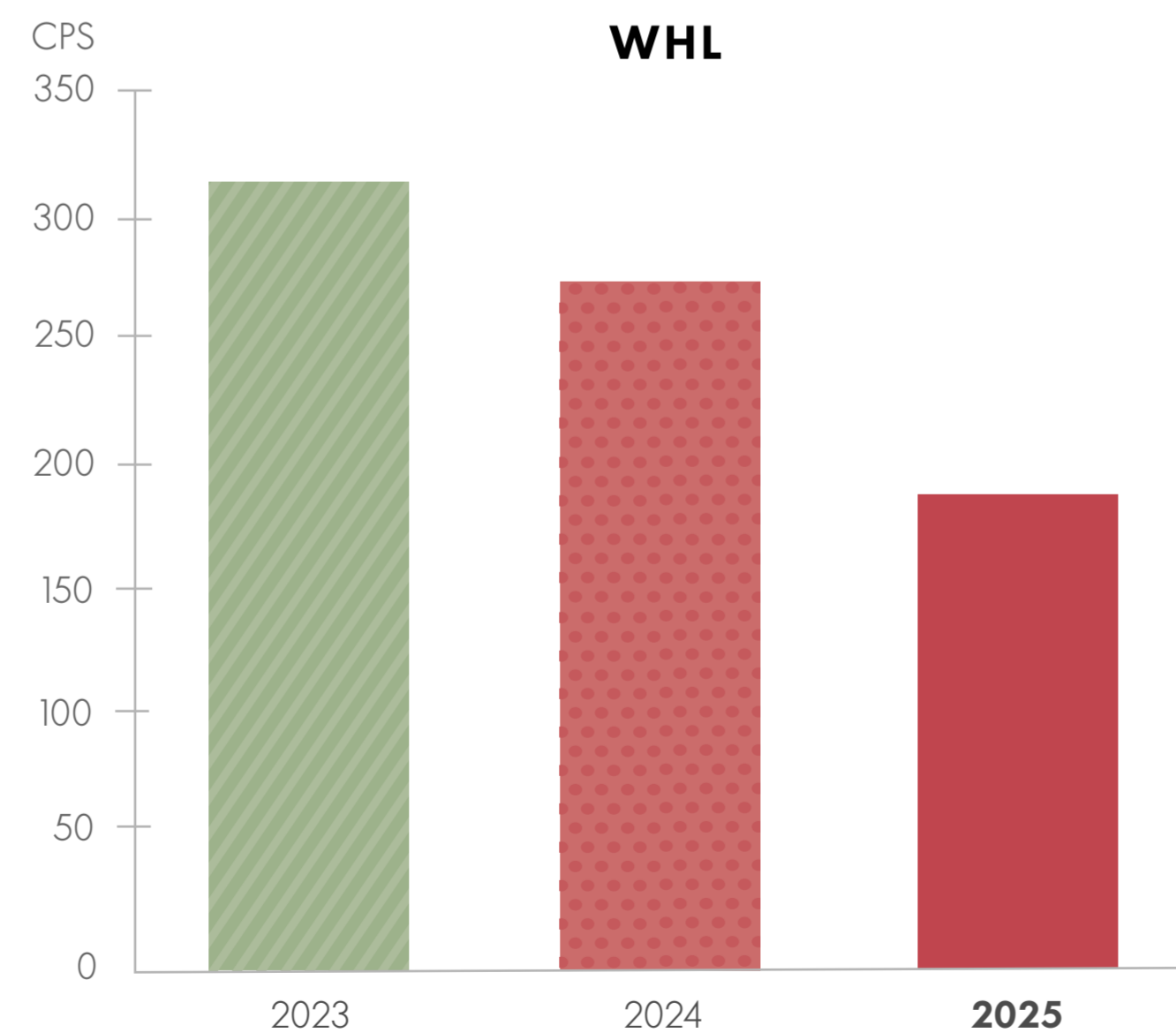
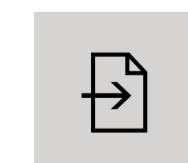
WHL

WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects the value we create for shareholders through the direct income we pay to them.

Total dividend paid in the current year divided by number of shares in issue.

PERFORMANCE IN 2025



RETURN ON CAPITAL EMPLOYED

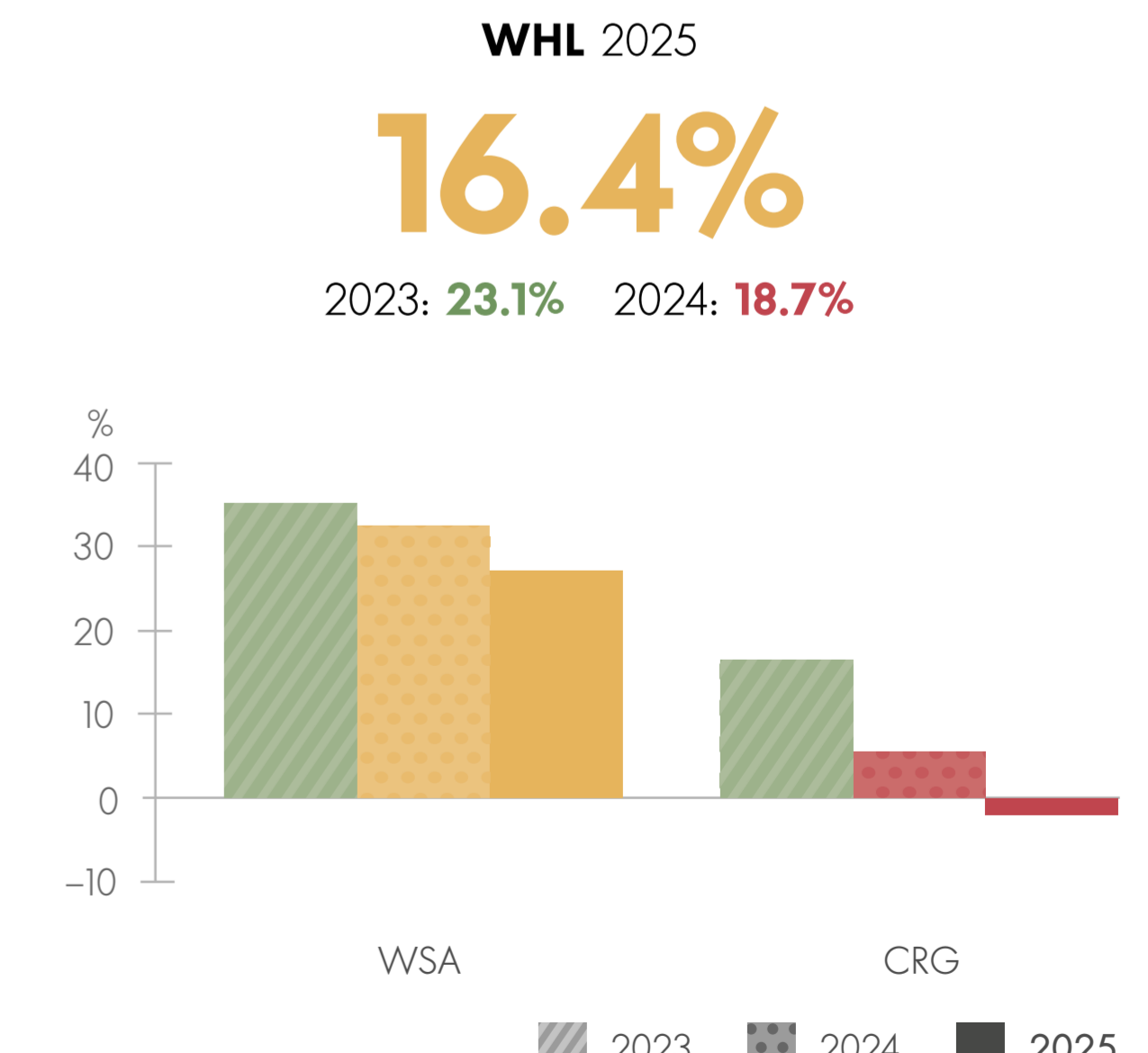
WHL

WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Demonstrates how efficiently we use our capital to generate returns for our shareholders.

Adjusted operating profit after tax comprises Adjusted profit before tax less Investment income and Tax, and add Finance costs. Average capital employed consists of average Net debt and Equity.

PERFORMANCE IN 2025



FUTURE-FIT COUNTRY-ROAD GROUP/SUSTAINABLE AND PROFITABLE GROWTH IN FASHION/LEADING AND ICONIC FOOD BUSINESS

COST EFFICIENCY AND OPERATIONAL EXCELLENCE

MARKET SHARE



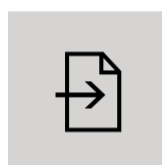
WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects our relative performance against our competitors.

Share of the relative market as per Nielsen for WSA Food, RLC for WSA FBH, and Commbank IQ for CRG respectively.

All market shares are reflected on a 12mma basis.

PERFORMANCE IN 2025



TRADING DENSITY



WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Indicates how efficiently we are using our store space to drive sales.

Annualised sales per square metre.

PERFORMANCE IN THE CURRENT YEAR



SPACE OPTIMISATION

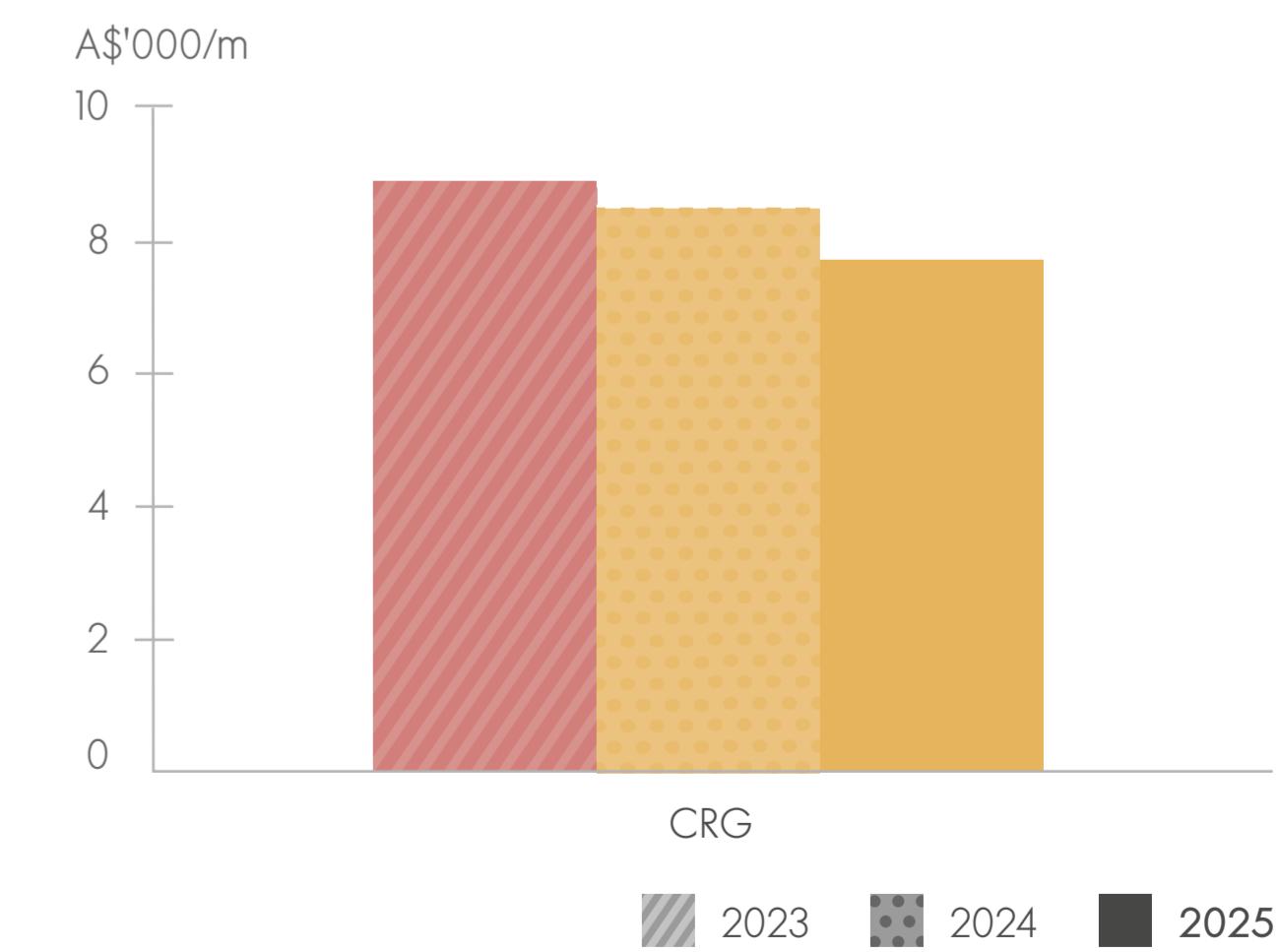
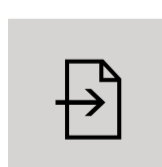


WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects our commitment to optimise space in order to improve trading densities and aEBIT/sqm.

% difference in trading space as at end of the financial year relative to the closing sqm position at the prior financial year end.

PERFORMANCE IN 2025



CUSTOMERS AT THE CENTRE OF EVERYTHING WE DO

**NUMBER OF ACTIVE LOYALTY CUSTOMERS**

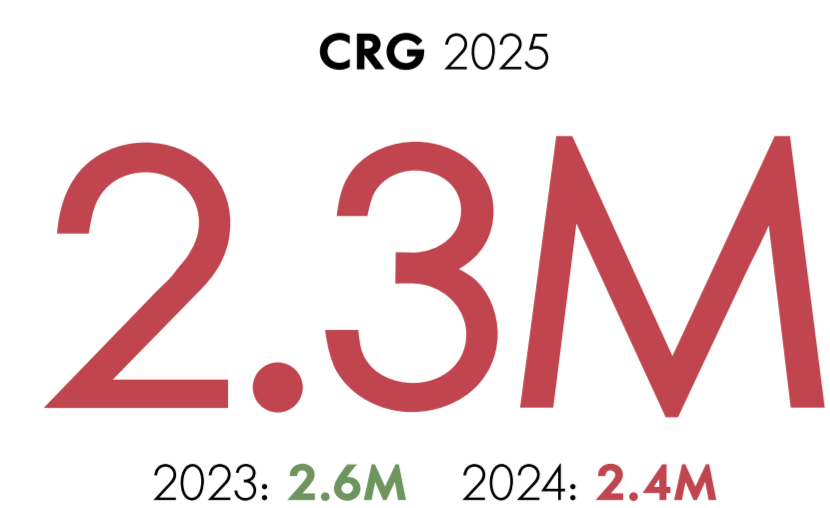
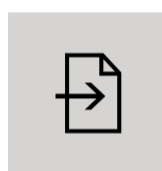


WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Demonstrates our ability to grow our customer base and create value for them through the execution of a customer-led strategy.

The number of loyalty customers who have had at least one transaction with us in the current year and for whom we have contact information.

PERFORMANCE IN 2025



**% REVENUE TRACKED ON LOYALTY CARDS**

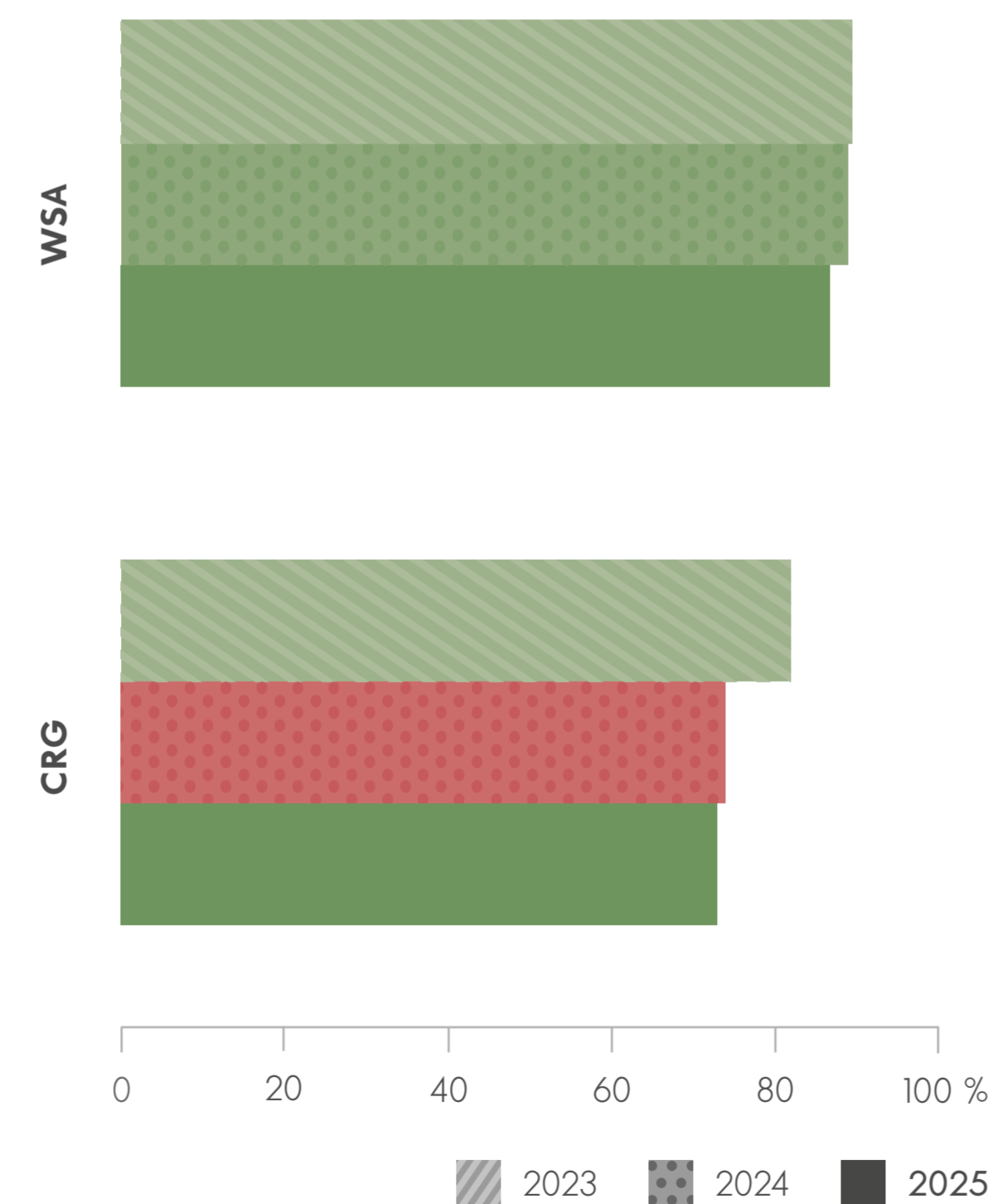


WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects whether we create value for our customers by increasing their loyalty through growing and enhancing our programmes.

% sales transactions where a loyalty card is used.

PERFORMANCE IN 2025



**ONLINE SALES GROWTH**

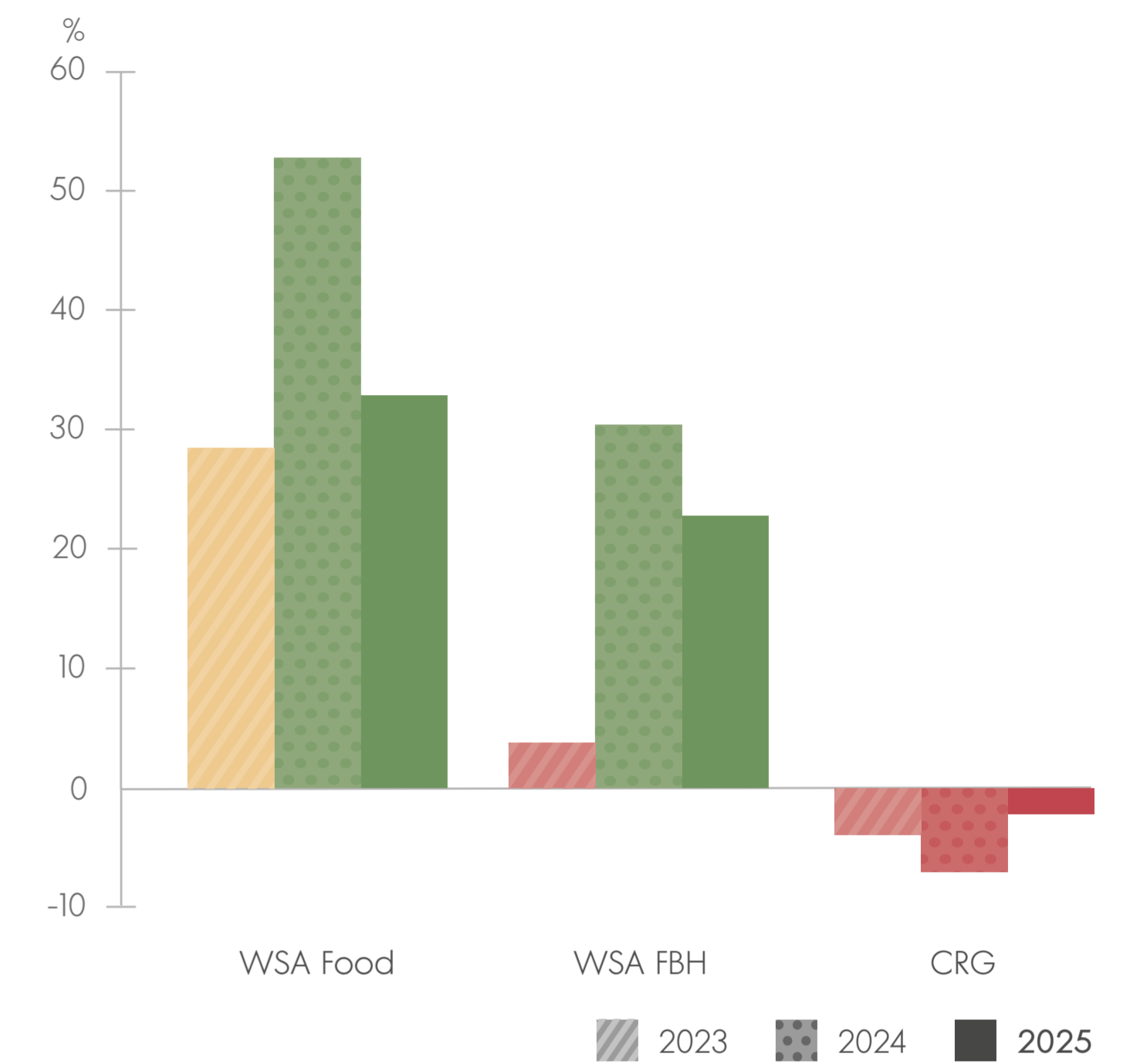


WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Reflects the success of various initiatives and investments to drive sales through our digital channels.

Total online growth over the past 52-week period, measuring the growth of our online platforms.

PERFORMANCE IN 2025



**ONLINE SALES %**



WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Indicates whether we are adapting to changing customer shopping behaviours by driving online sales relative to physical store sales by enhancing the digital experience.

% sales contribution of online sales to total sales.

PERFORMANCE IN 2025



COST EFFICIENCY AND OPERATIONAL EXCELLENCE

GOOD BUSINESS JOURNEY

BEST-IN-CLASS AND ENGAGED TEAMS AND PEOPLE

COST TO OPERATE %

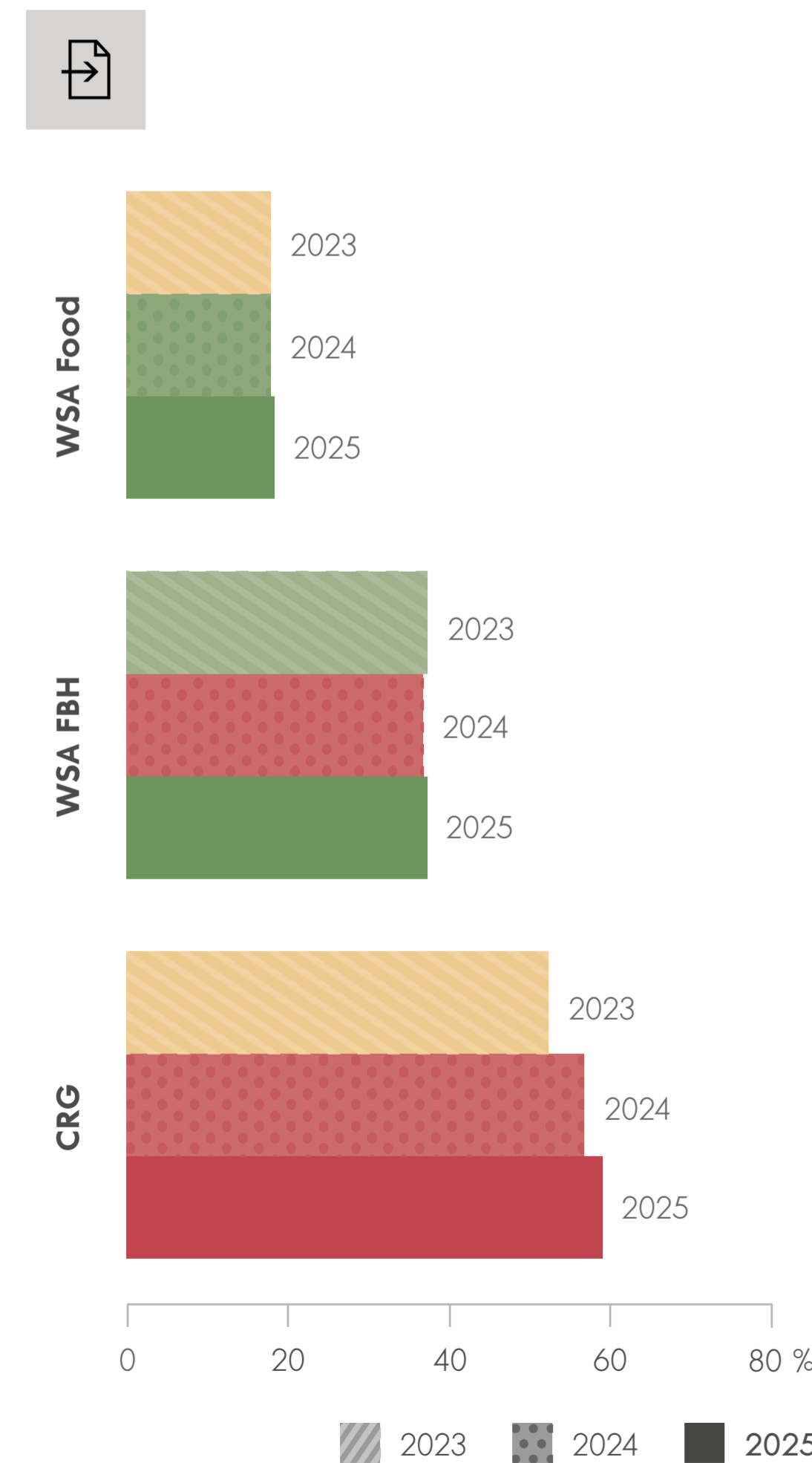


WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Indicates the proportion of revenue which is used in the ongoing expenses incurred from the normal day-to-day of running our business.

Expenses divided by turnover and concession sales.

PERFORMANCE IN 2025



STOCK TURN

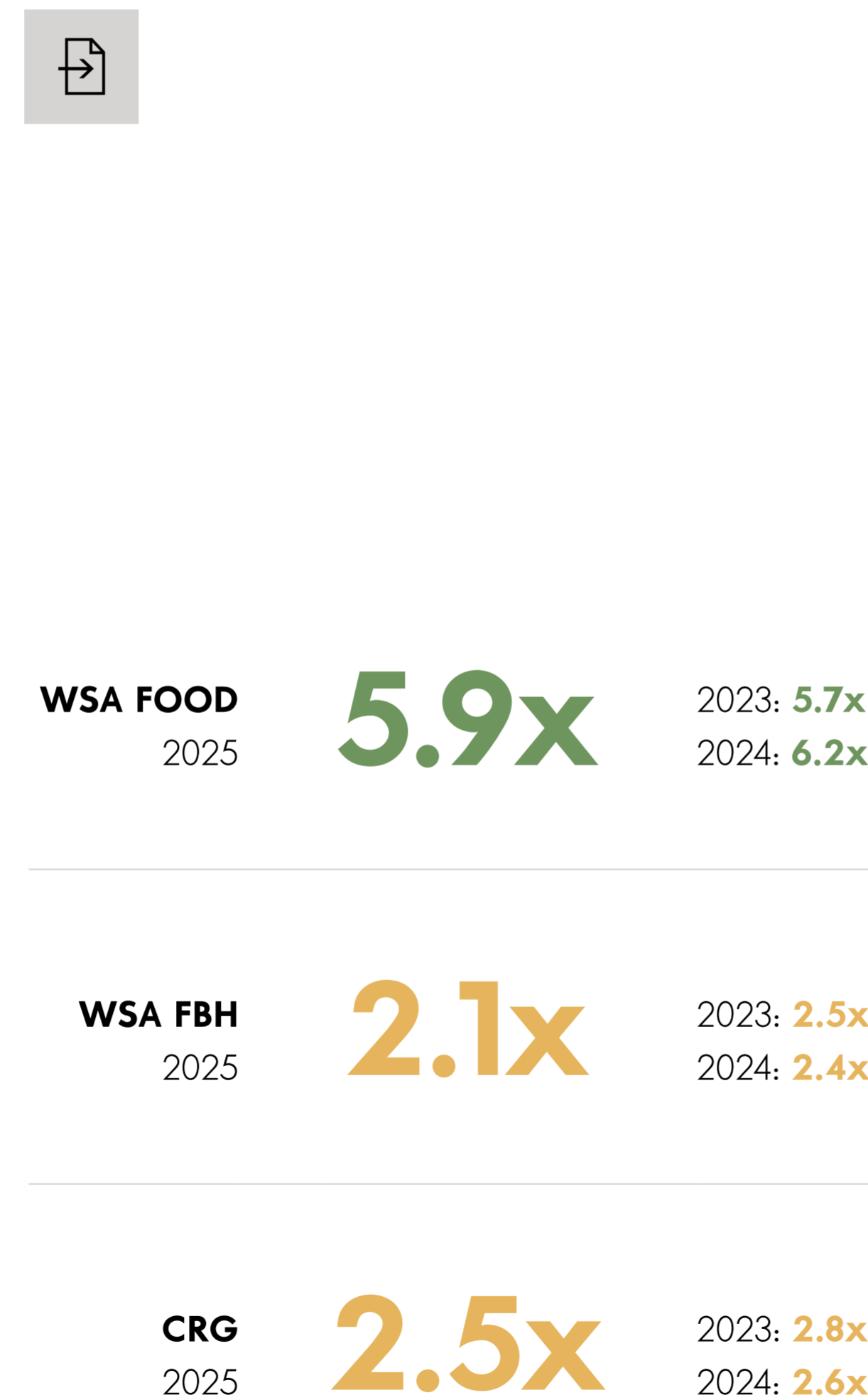


WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Allows us to understand the amount of inventory relative to sales over time and to efficiently manage stock and related working capital.

Sales over average stock holding on a rolling 12-month period.

PERFORMANCE IN 2025



% TARGET ACHIEVED ON SUSTAINABILITY SCORECARD



WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Demonstrates our commitment to sustainability and the effective execution of our Good Business Journey strategy.

The weighted average of all the sustainability targets tracked in each business.

PERFORMANCE IN 2025



PROGRESS ON 'BEYOND JUST WAGE' INITIATIVE

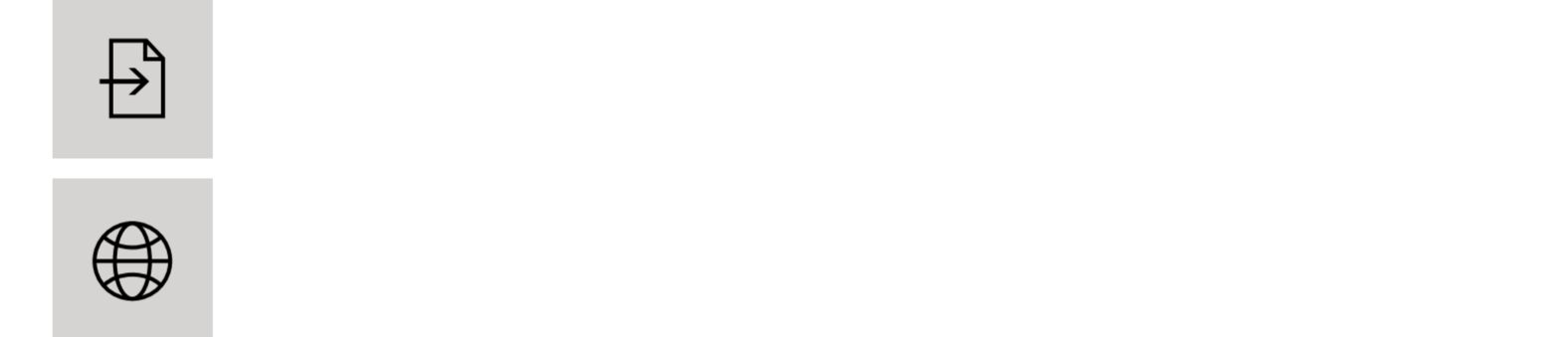


WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

Demonstrates our deliberate intent to reduce the remuneration gap within the South African socio-economic environment.

Hourly wage paid to our employees informed by many data points, including minimum wage rates, market rates, CPI, and our Employee Value Proposition strategy.

PERFORMANCE IN 2025



INCLUSIVE JUSTICE INITIATIVE



WHY IS THIS IMPORTANT AND HOW DO WE MEASURE IT?

We are committed to recognising all forms of diversity by transforming our workforce to be more diverse and fostering a culture that is truly inclusive.

Diversity, a part of our Inclusive Justice Initiative (IJI), is measured based clearly defined targets, including our B-BBEE rating and UN Womens Empowerment Gap Analysis score.

PERFORMANCE IN 2025





# OUR RESULTS



CLICK ON BOX TO GO TO THAT SECTION

# OUR FINANCIAL DIRECTOR'S REPORT

*It was a year of significant investment and change for the Group. Woolworths South Africa delivered a resilient performance in a tough macroeconomic context, while Country Road Group underperformed. Our balance sheet and cash flow remain healthy, positioning us for future growth and value delivery.*



## FINANCIAL SUMMARY FOR THE YEAR

The year was characterised by significant change across the Group. Elevated levels of planned investments, many of which involve multi-year strategic projects, continued through the current cycle. These investments and changes have set the foundation and capabilities for a stronger business and improved performance following a disappointing result for the year. Significant strategic investments over the past two years further impacted near-term profitability and return metrics, despite underlying cost discipline across our business units.

Woolworths South Africa (WSA) performance improved significantly in the second half, resulting in an overall creditable result. Positive trading momentum in the second half yielded strong like-for-like sales growth for Food and FBH:

- Our Food business delivered another outstanding result. Its best-in-class-return metrics were underpinned by consistent market share gains, driven by our leading customer proposition
- Fashion, Beauty and Home (FBH) had a much improved second half, with momentum accelerating once the stock flow and product availability challenges of the first half was addressed. Our investments in foundational capabilities in this business will enable a more consistent performance

The disappointing performance of Country Road Group (CRG) in Australia had a profound negative impact on the Group's result. We undertook significant organisational change in an accelerated timeframe to create a fit-for-purpose operating model with a right-sized cost base. The disruption and distraction this caused were compounded by the tough trading conditions, which resulted in an operating loss and triggered a re-assessment and write-down of the carrying value of the underperforming brands in CRG.

We have completed the restructuring and addressed the stranded and dis-synergy costs post the David Jones separation. Therefore, we believe CRG is well positioned with a stronger foundation going into the new year.

Our balance sheet remains healthy, with net debt held steady year-on-year. Our gearing metrics are well within the targeted levels. The sale of the Bourke Street investment property in Australia for R2.6 billion supported the balance sheet and enabled the continued investment in strategic growth drivers.

Dividends of R2.0 billion were distributed to shareholders during the period. The total dividend per share for the year is 188.0 cps and is based on a 70% payout of headline earnings.

## OPERATING RESULTS FOR THE YEAR

The Group's results for the 52 weeks ended 29 June 2025 are not comparable to those of the 53 weeks ended 30 June 2024 due to an additional week of trade in 2024. Therefore, the trading commentary below is based on a comparable 52-week prior period (the prior comparable period).

The key financial metrics in the table below highlight the health of the balance sheet, strong return on capital and topline sales growth, notwithstanding the disappointing Group profit result for the year.

|   |  |  |   |
|---|--|--|---|
| <p>Turnover and concession sales</p> <p><b>R81.0bn</b></p> <p>+6.1% on last year (LY)</p> | <p>Adjusted EBITDA</p> <p><b>R8.7bn</b></p> <p>-3.8% on LY</p>   | <p>Adjusted EBIT</p> <p><b>R5.2bn</b></p> <p>-10.9% on LY</p>                              | <p>Adjusted diluted HEPS</p> <p><b>303.4cps</b></p> <p>-19.2% on LY</p> |
| <p>Total dividend</p> <p><b>188.0cps</b></p>  | <p>Net borrowings (excluding lease liabilities)</p> <p><b>R5.6bn</b></p> <p>WSA net debt: R7.7bn   Australia net cash: A\$180.0m   R5.6bn LY</p> | <p>Net debt / EBITDA (including lease liabilities)</p> <p><b>1.46x</b></p> <p>1.45x LY</p> | <p>ROCE</p> <p><b>16.4%</b></p> <p>18.7% LY<br/>WACC of 12.4%</p>       |

Group turnover and concession sales increased by 6.1% (6.8% on a constant currency basis), and by 6.4% (7.3% on a constant currency basis) in the comparable second half (H2). This was despite a highly constrained consumer environment across the geographies we trade in.

**WSA** had a vastly improved second half and ended the year ahead of last year:

- Sales of R34.9 billion in the second half were 9.8% up on last year
- Adjusted EBITDA of R3.9 billion was up 10.9%
- Adjusted EBIT grew by 6.2% to R2.8 billion

In **CRG**, gross profit margin was diluted because of inflated import costs and increased discounting. Together with the weaker top line, this amplified the degree of negative operational leverage, impacting the Group's overall result. The investment property in Australia was successfully disposed of for R2.6 billion, recognising a R792 million profit.

Group aEBIT declined by 10.9% to R5.2 billion, while aEBITDA decreased by 3.8% to R8.7 billion. This reflected the impact of the investments in our strategic and growth-enabling initiatives.

The Group ended the year with net borrowings of R5.6 billion, which is in line with the prior period. The Australian subsidiaries ended in a net cash position of A\$180.0 million. Notwithstanding the challenging Group result:

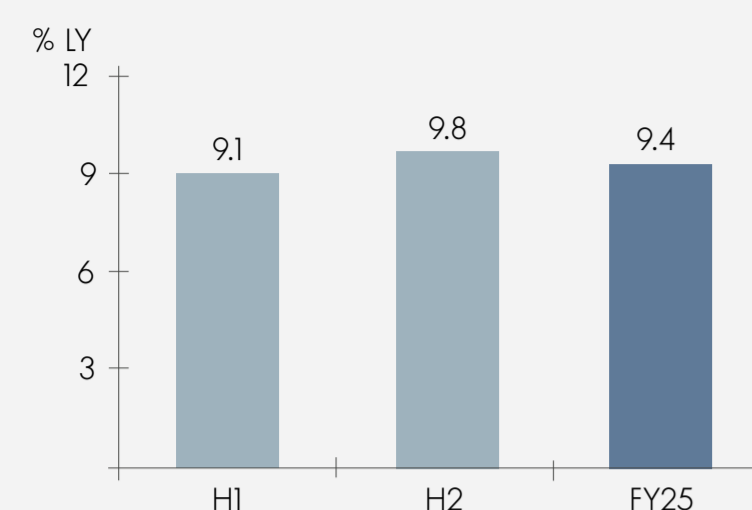
- Net debt to EBITDA of 1.46 times is comfortably within our targeted gearing
- ROCE of 16.4% remains well above the cost of capital

## SUMMARISED INCOME STATEMENT

|                                      | 52 weeks<br>2025<br>Rm | 52 weeks<br>2024<br>Rm | %<br>Change   |
|--------------------------------------|------------------------|------------------------|---------------|
| <b>Turnover and concession sales</b> | <b>80 989</b>          | <b>76 360</b>          | <b>6.1</b>    |
| Concession sales                     | (1 452)                | (1 201)                | 20.9          |
| <b>Turnover</b>                      | <b>79 537</b>          | <b>75 159</b>          | <b>5.8</b>    |
| Cost of sales                        | 52 258                 | 48 132                 | 8.6           |
| <b>Gross profit</b>                  | <b>27 279</b>          | <b>27 027</b>          | <b>0.9</b>    |
| Other revenue                        | 550                    | 632                    | (13.0)        |
| Expenses                             | 22 779                 | 21 846                 | 4.3           |
| <b>Adjusted EBIT</b>                 | <b>5 050</b>           | <b>5 813</b>           | <b>(13.1)</b> |
| Net finance costs                    | 1 615                  | 1 534                  | 5.3           |
| Earnings from joint ventures         | 239                    | 223                    | 7.2           |
| <b>Adjusted profit before tax</b>    | <b>3 674</b>           | <b>4 502</b>           | <b>(18.4)</b> |
| Adjustments                          | (666)                  | (990)                  | (32.7)        |
| <b>Profit before tax</b>             | <b>3 008</b>           | <b>3 512</b>           | <b>(14.4)</b> |
| Tax expense                          | 553                    | 1 019                  | (45.7)        |
| <b>Profit for the period</b>         | <b>2 455</b>           | <b>2 493</b>           | <b>(1.5)</b>  |



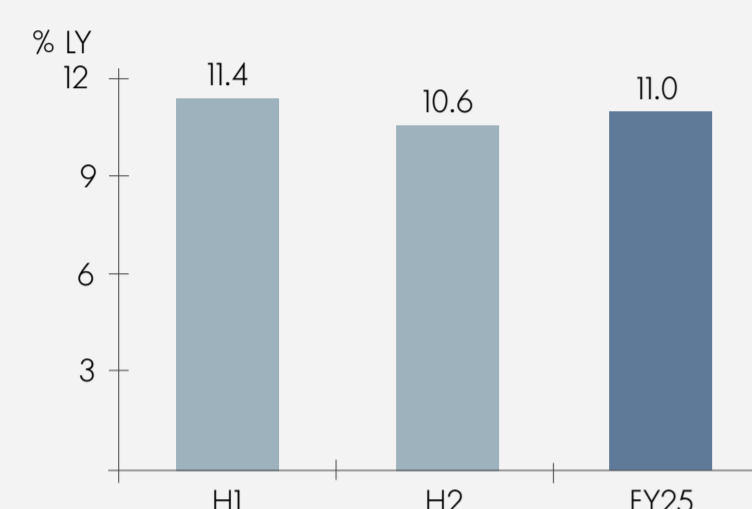
**WOOLWORTHS SA**



**TURNOVER AND CONCESSION SALES**

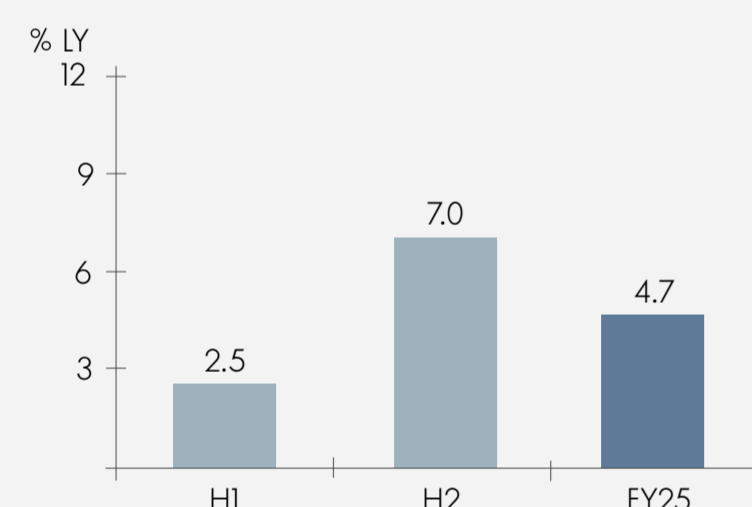
In South Africa, consumer sentiment and discretionary spend remained constrained despite moderating inflation and interest rate cuts. Notwithstanding this, WSA delivered strong turnover and concession sales growth of 9.4% for the period, with H2 growth of 9.8%.

**WOOLWORTHS FOOD**



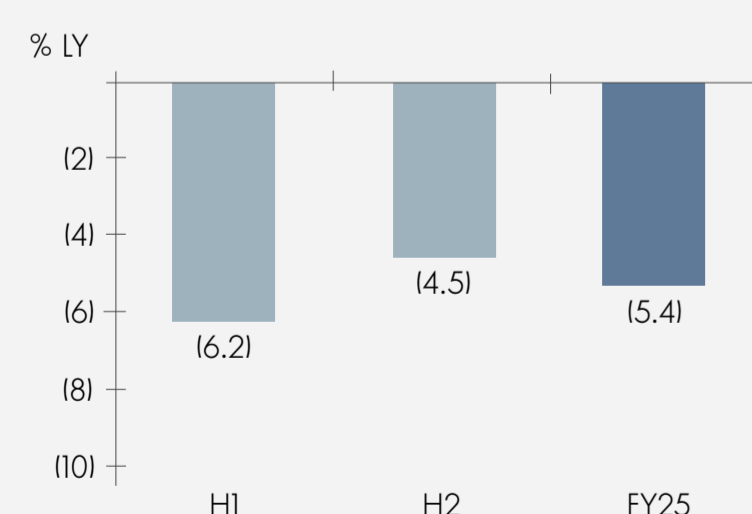
Our Food business continued to outperform, with above-market sales growth of 11.0% (7.7% on a comparable store basis).

**WOOLWORTHS FASHION, BEAUTY AND HOME**

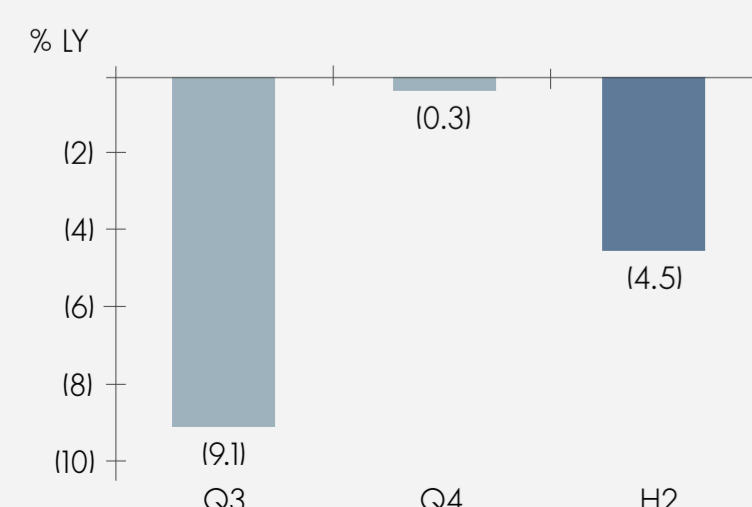


FBH sales increased by 4.7% and by 5.1% on a comparable store basis. Trading momentum improved throughout the period, delivering H2 sales growth of 7.0% through improved availability as the product flow challenges experienced in the first half were resolved.

**COUNTRY ROAD GROUP**



CRG's sales performance was impacted by the short-term disruption of the restructuring, coupled with a challenging macroenvironment. Consequently, sales declined by 5.4% for the period and by 6.8% on a comparable store basis. Trade in the fourth quarter improved, declining by only 0.3%, with sales for H2 declining by 4.5%.



**GROSS PROFIT**

The Group gross profit margin declined by 160bps from 35.9% to 34.3%:

- This was primarily driven by margin compression in CRG due to a weaker Australian dollar and heightened discounting in a highly promotional market
- The decline was further exacerbated by higher supply chain costs in FBH, where the distribution centre transformation and elevated levels of inventory caused a temporary setback in stock flow to stores
- This was partially offset by an improvement in Food gross profit margin through more effective promotional activity and value chain efficiencies

**EXPENSES**

Expenses were effectively managed across the Group, with modest growth of 4.3% to offset the margin dilution. Strong cost discipline was maintained through cost optimisation initiatives and a restructure of the cost base in CRG. This was achieved despite inflationary pressures and increased investments in future growth drivers while absorbing the stranded Group costs post the David Jones separation.

**EARNINGS FROM JOINT VENTURE**

WFS, our joint venture with the Absa Group, increased its book by 0.5% when excluding the sales of R1.6 billion of the legal book. The impairment rate for the year moderated to 6.1%. Underlying profit after tax increased by 26.3% to R216 million, excluding the one-off IFRS 17 transition adjustment of R52 million in the prior period.

**NET FINANCE COSTS**

Net finance costs of R1.6 billion, inclusive of finance costs on leases, were 5.3% higher than last year. This was due to higher net borrowings during the year. Net interest cover remains healthy at 5.3 times coverage.

**ADJUSTMENTS**

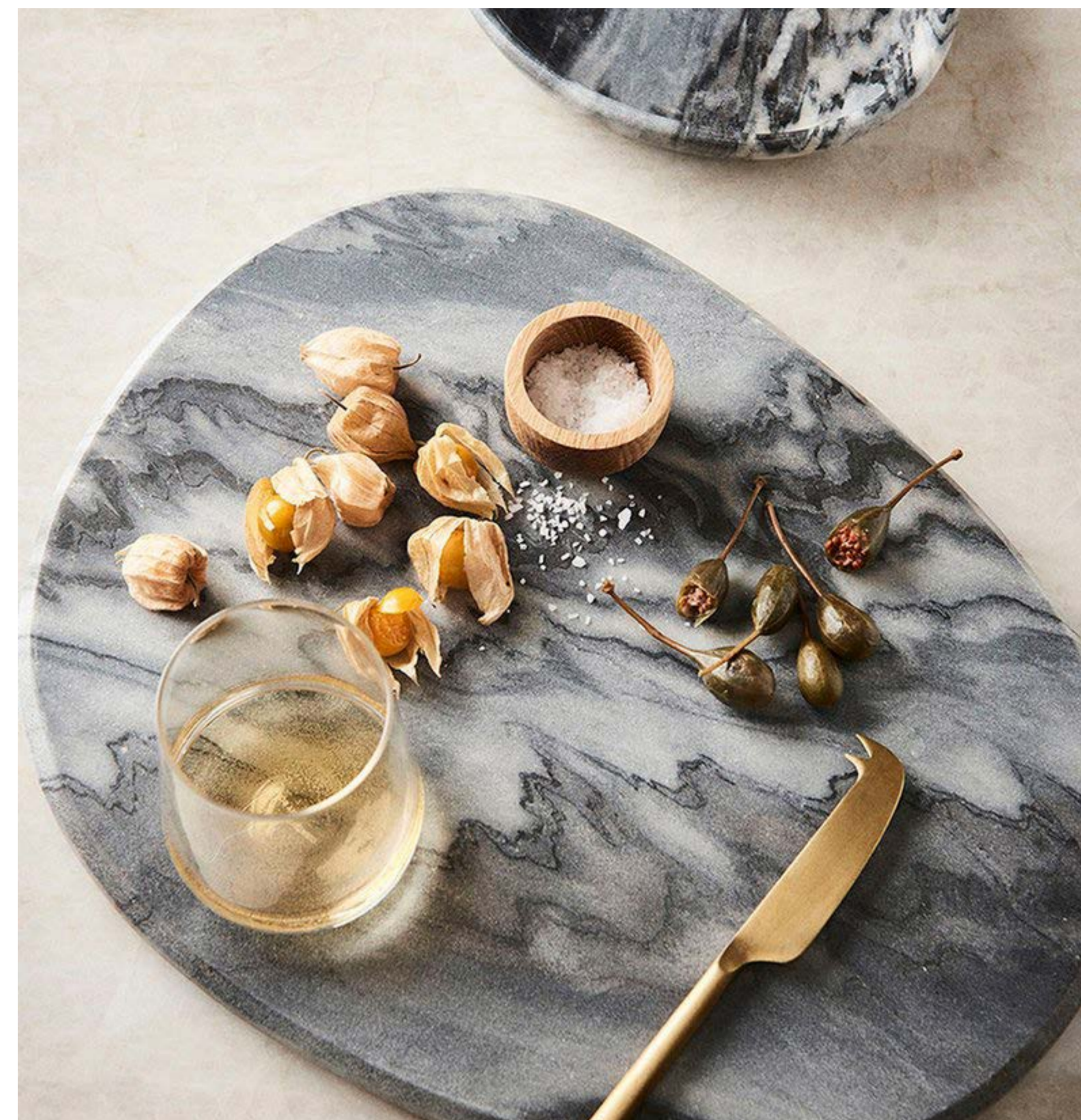
The adjustments made to earnings in 2025 in arriving at headline earnings and adjusted headline earnings include the following material pre-tax adjustments:

- Profit on sale of the Bourke Street property of R792 million
- Impairment of goodwill, brand and assets of R968 million
- Restructuring costs of R479 million
- Separation and transaction costs of R20 million
- Unrealised foreign exchange gains of R9 million

**TAX**

The Group's adjusted effective tax rate is 24.8%. This is 100bps lower than last year's 25.8%, due in part to the lower contribution of CRG earnings to Group profit.

The reported effective tax rate for the year is 18.4% (2024: 29.0%). This is because no capital gains tax was applicable on the profit on disposal of the Bourke Street property due to the utilisation of accumulated tax losses.



**EARNINGS MEASURES**

Earnings per share of 273.4 cps is 1.4% down on last year. This was mainly impacted by the impairment of goodwill and brands in CRG, offset by the profit on the Bourke Street disposal. Headline earnings per share and adjusted diluted HEPS decreased by 23.9% and 19.2%, respectively.

|                               | 52 weeks to<br>29 Jun 2025<br>cents | 52 weeks to<br>23 Jun 2024<br>cents | 53 weeks to<br>30 Jun 2024<br>cents | Change on prior period<br>52 weeks<br>% | 53 weeks<br>% |
|-------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|---------------|
| EPS (cents)                   | 273.4                               | 277.3                               | 289.2                               | (1.4)                                   | (5.5)         |
| HEPS (cents)                  | 268.1                               | 352.3                               | 364.2                               | (23.9)                                  | (26.4)        |
| Adjusted diluted HEPS (cents) | 303.4                               | 375.4                               | 387.2                               | (19.2)                                  | (21.6)        |
| WANOS (millions)              | 893.7                               | 896.5                               | 896.5                               | (0.3)                                   | (0.3)         |



Woolworths, Summer, 2025

## SUMMARISED STATEMENT OF FINANCIAL POSITION

Our balance sheet remains healthy and has supported significant investments in future growth drivers.

|  | 2025<br>Rm    | 2024<br>Rm    | Constant<br>currency<br>% change |
|--|---------------|---------------|----------------------------------|
| <b>Assets</b>  |               |               |                                  |
| Property, plant and equipment, investment property and intangible assets | 15 993        | 17 408        | (7.3)                            |
| Right-of-use assets  | 7 376         | 7 902         | (5.3)                            |
| Investments in joint ventures  | 1 228         | 1 163         | 5.6                              |
| Inventories  | 8 887         | 7 441         | 20.4                             |
| Receivables, derivatives, investments and loans                          | 1 660         | 1 501         | 11.7                             |
| Deferred tax and tax assets  | 1 412         | 978           | 48.0                             |
| Cash and cash equivalents  | 4 291         | 2 309         | 90.3                             |
| <b>Total assets</b>  | <b>40 847</b> | <b>38 702</b> | <b>6.8</b>                       |
| <b>Equity and liabilities</b>  |               |               |                                  |
| Shareholders' funds  | 10 711        | 10 926        | 0.4                              |
| Borrowings and overdrafts  | 9 854         | 7 812         | 26.4                             |
| Lease liabilities  | 9 816         | 10 304        | (3.4)                            |
| Deferred tax and tax liabilities   | 164           | 104           | 57.7                             |
| Payables, derivatives and provisions                                     | 10 302        | 9 556         | 8.5                              |
| <b>Total equity and liabilities</b>                                      | <b>40 847</b> | <b>38 702</b> | <b>6.8</b>                       |
| Net borrowings   | 5 626         | 5 569         |                                  |
| Net gearing including lease liabilities*                                 | 12 621        | 12 902        |                                  |
| Net debt to EBITDA* (times)  | 1.46          | 1.45          |                                  |
| Net debt to Equity* (times)  | 1.18          | 1.18          |                                  |

\* Based on lease liabilities net of deferred tax

***Our capital investments are aligned with our strategies to drive long-term growth and value.***

## CAPITAL EXPENDITURE

The Group made significant strategic investments over the past two years. We invested R3.0 billion in capex in 2025, primarily in multi-year foundational and growth projects. These projects include:

- Enhanced value chain capabilities in FBH
- Increased supply chain capacity in Food
- Added new stores and formats
- Enhanced capacity and capability in customer experiences, data, digital and online
- Reinvented our loyalty programme and platform

Our capital investments are aligned with our strategies to drive long-term growth and value.

Significant movements in the balance sheet are explained below:

**Property, plant and equipment, investment property and intangible assets** movements include capex of R3.0 billion spend on major projects, as detailed above. This was offset by the goodwill, brand and store asset impairments and depreciation charges.

**Right-of-use assets** include new leases and lease renewals. These were offset by amortisation of R1.8 billion and lease modifications.

**Investment in joint ventures** represents the 50% less 1 share of the net assets of WFS of R1 218 million. The investment increased from last year as a result of higher post-tax profits, less the R165 million dividends received. The balance of R10 million represents the 30% share in the Nedglen property.

**Inventories** were higher in FBH and CRG:

- In FBH, this was driven primarily by the stock flow challenges in the first half and investment in improving availability and in key categories
- In CRG, it was due to softer than planned trade

**Shareholders' funds** are broadly in line with last year. This is due to the profit on the sale of the Bourke Street property and the inclusion of the after-tax profit for the year, offset by negative foreign exchange translation impacts, the payment of dividends, and the impairments recognised at year-end.

**Lease liabilities** of R9.8 billion (non-current and current) include new and renewed leases. These were offset by lease exits, modifications and payments.

**Trade and other payables and provisions** increased, driven by higher trade balances and timing of settlements. Included in the non-current liabilities is the post-retirement medical liability of R346 million.

**NET DEBT AND KEY FINANCIAL METRICS**

Net debt was held steady year-on-year, supported by the sale of the investment property in Australia. The net borrowings, together with the unutilised facilities for the businesses within the Group are detailed below.

The Group and South Africa’s debt are within the targeted debt and covenant limits.

|   | 2025         | 2024         |
|---|--------------|--------------|
| <b>WHL Net debt (Rm)</b>                | <b>5 626</b> | <b>5 569</b> |
| Interest-bearing debt                   | 9 349        | 6 686        |
| Net cash and cash equivalents           | (3 723)      | (1 117)      |
| Unutilised committed facilities - Group | 4 511        | 5 142        |
| <b>WSA Net debt (Rm)</b>                | <b>7 734</b> | <b>6 050</b> |
| Interest-bearing debt                   | 8 764        | 6 686        |
| Net cash and cash equivalents           | (1 030)      | (636)        |
| Unutilised committed facilities - SA    | 4 277        | 4 290        |
| <b>Australia Net cash (A\$m)</b>        | <b>(180)</b> | <b>(39)</b>  |
| <b>CRG Net debt/(cash) (A\$m)</b>       | <b>22</b>    | <b>(26)</b>  |
| Interest-bearing debt                   | 50           | -            |
| Net cash and cash equivalents           | (28)         | (26)         |
| Unutilised committed facilities - CRG   | 20           | 70           |
| <b>Osiris Net cash (A\$m)</b>           | <b>(202)</b> | <b>(13)</b>  |
| Borrowing rate*                         | 8.82%        | 9.40%        |

\* Partially hedged all-in rate including amortisation of upfront costs

The return on capital employed for the year was negatively impacted by the lower Group profit and significant long-term capital investments. However, it remains well above the cost of capital. The net debt to EBITDA ratio at 1.46 times remains broadly in line with last year.

|                               | 2025    | 2024    |
|-------------------------------|---------|---------|
| ROCE (%)                      | 16.4    | 18.7    |
| Net debt to EBITDA (times)    | 1.46    | 1.45    |
| Net debt to Equity (times)    | 1.18    | 1.18    |
| Interest cover (times)        | 5.3     | 5.7     |
| Net borrowings                | R5.6bn  | R5.6bn  |
| Net equity (excluding leases) | R12.1bn | R12.4bn |



## SUMMARISED STATEMENT OF CASH FLOWS

The Group generated positive free cash flow of R1.9 billion in the year. The increase in working capital was driven by higher levels of inventory at year-end, partly due to by a deliberate investment in key categories. The Bourke Street property sale funded strategic capex, working capital investment and share scheme purchases.

We generated cash from operating activities of R7.2 billion and achieved this through a cash conversion ratio of 82.5%. We also spent R2.5 billion in expansion capex, paid R2.0 billion of dividends to shareholders in the year, and purchased shares of approximately R550 million off-market for our employee share plans.

|   | 2025<br>Rm   | 2024<br>Rm     |
|---|--------------|----------------|
| <b>Cash inflow from trading</b>   | <b>8 424</b> | <b>9 510</b>   |
| Working capital movements   | (1 267)      | (949)          |
| <b>Cash generated by operating activities</b>   | <b>7 157</b> | <b>8 561</b>   |
| Investment income received  | 160          | 166            |
| Finance costs paid  | (1 740)      | (1 737)        |
| Tax paid  | (891)        | (911)          |
| <b>Cash generated by operations</b>   | <b>4 686</b> | <b>6 079</b>   |
| Dividends received from joint ventures  | 190          | 91             |
| Dividends paid  | (2 034)      | (2 741)        |
| <b>Net cash inflow from operating activities</b>  | <b>2 842</b> | <b>3 429</b>   |
| Net investment in assets  | (3 128)      | (3 351)        |
| Net proceeds on disposal of investment property   | 2 575        | -              |
| Net cash outflow on acquisition of subsidiary   | -            | (581)          |
| Purchase of investments and other loans advanced  | (17)         | -              |
| <b>Net cash outflow from investing activities</b>   | <b>(570)</b> | <b>(3 932)</b> |
| Net acquisition of Treasury shares and settlement of share-based payments through share purchases | (531)        | (637)          |
| Consideration paid to non-controlling interests   | (3)          | -              |
| Lease liabilities repaid  | (1 796)      | (1 854)        |
| Net borrowings raised   | 2 666        | 835            |
| <b>Net cash inflow/(outflow) from financing activities</b>  | <b>336</b>   | <b>(1 656)</b> |
| <b>Net cash inflow/(outflow) for the period</b>   | <b>2 608</b> | <b>(2 159)</b> |



Woolworths, Summer, 2025

## SUMMARISED STATEMENT OF CHANGES IN EQUITY

Shareholders' interest, at R10.7 billion, was broadly in line with last year on a constant currency basis. It was impacted by the lower profit after tax, which includes the CRG goodwill and brand impairment.

Also affecting it were the unfavourable translation of the foreign subsidiaries, the revaluation of the Group's hedged instruments, and R2.0 billion of dividends paid.

|   | 2025<br>Rm    | 2024<br>Rm    |
|---|---------------|---------------|
| <b>Shareholders' interest at the beginning of the period</b>            | <b>10 926</b> | <b>12 021</b> |
| <b>Movements for the period:</b>  |               |               |
| Total comprehensive income for the period                               | 2 285         | 2 205         |
| Profit for the period   | 2 455         | 2 600         |
| Other comprehensive loss  | (170)         | (395)         |
| Share-based payments  | 173           | 219           |
| Net acquisition of Treasury shares and share-based payments settlements | (531)         | (637)         |
| Transfer of Financial Instrument Revaluation Reserve to inventories     | (102)         | (123)         |
| Remeasurement/recognition of put option reserve                         | (6)           | (48)          |
| Recognition of non-controlling interests on acquisition of subsidiary   | -             | 30            |
| Dividends paid  | (2 034)       | (2 741)       |
| <b>Shareholders' interest at the end of the period</b>                  | <b>10 711</b> | <b>10 926</b> |

## OUTLOOK

In terms of an outlook, we expect business and consumer confidence across both geographies in which we operate to remain subdued, notwithstanding easing inflation and interest rate cuts. Discretionary spend is likely to remain constrained, with uncertainty regarding the potential impact of higher US tariffs continuing to present further headwinds to the macroeconomic outlook.

The Group, however, is well oriented to benefit from its various investments in both foundational capabilities, and new avenues of growth. We remain confident in our clear strategies, and expect the current financial year to deliver an improvement in the Group's overall financial performance, as we reap the benefits of our strengthened brands, our distinct competitive advantages, and the investments we have made to support growth.

***We remain confident in our clear strategies, and expect the current financial year to deliver an improvement in the Group's overall financial performance.***

# SEGMENTAL REVIEW

## SEGMENTAL CONTRIBUTION

*WSA aEBIT growth of +1.5% and aEBITDA growth of +6.8%, offset by CRG underperformance | Group aEBITDA -3.8% vs aEBIT -10.9%, reflecting impact of significant capital investments.*

|                                     | 52 weeks<br>2025<br>Rm | 52 weeks<br>2024<br>Rm | % change      | Constant<br>currency<br>% change |
|-------------------------------------|------------------------|------------------------|---------------|----------------------------------|
| Woolworths Food                     | 3 277                  | 3 045                  | 7.6           |                                  |
| Woolworths Fashion, Beauty and Home | 1 240                  | 1 382                  | (10.3)        |                                  |
| Woolworths Financial Services       | 216                    | 223                    | (3.1)         |                                  |
| Country Road Group                  | (490)                  | 359                    | >(100)        | >(100)                           |
| Treasury                            | (569)                  | (507)                  | 12.2          |                                  |
| <b>Adjusted profit before tax</b>   | <b>3 674</b>           | <b>4 502</b>           | <b>(18.4)</b> | <b>(18.9)</b>                    |

A strong performance from Food, offset the slowdown in the apparel businesses, resulting in adjusted profit before tax being 18.4% below last year.



WOOLWORTHS FOOD

*Another outstanding result underpinned by consistent market share gains as we continue to invest in our leading customer proposition.*

|                                   | 52 weeks<br>2025<br>Rm | 52 weeks<br>2024<br>Rm | %<br>change |
|-----------------------------------|------------------------|------------------------|-------------|
| Turnover and concession sales     | 52 389                 | 47 199                 | 11.0        |
| Concession sales                  | (1 161)                | (991)                  | 17.2        |
| Turnover - own buy                | 51 228                 | 46 208                 | 10.9        |
| Cost of sales                     | 38 449                 | 34 807                 | 10.5        |
| Gross profit - own buy            | 12 779                 | 11 401                 | 12.1        |
| Concession and other revenue      | 244                    | 192                    | 27.1        |
| Expenses                          | 9 444                  | 8 250                  | 14.5        |
| Store costs                       | 6 407                  | 5 647                  | 13.5        |
| Other operating costs             | 3 037                  | 2 603                  | 16.7        |
| Earnings from joint venture       | 12                     | -                      | -           |
| <b>Adjusted EBIT</b>              | <b>3 591</b>           | <b>3 343</b>           | <b>7.4</b>  |
| Net finance costs                 | (314)                  | (298)                  | 5.4         |
| <b>Adjusted profit before tax</b> | <b>3 277</b>           | <b>3 045</b>           | <b>7.6</b>  |

Our leading Food business continued to deliver above-market turnover and concession sales growth of 11.0% and 7.7% on a comparable-store basis. Price movement for the period averaged 5.3%, with positive underlying volume growth driven by increased footfall and average basket size, supported by our ongoing innovation and enhanced customer experience. Trading space increased by 2.4% on the prior comparable period.

The on-demand Woolies Dash offering grew by 41.6%, with overall online sales increasing by 32.9% and contributing 6.6% to total SA Food sales.

Sales increased by 9.2% excluding Absolute Pets, which was acquired in the fourth quarter of the prior period. Sales growth in H2 was 10.6% (9.4% excluding Absolute Pets), with price movement of 4.2%.

Gross profit margin increased by 20bps to 24.9%. This was driven by more effective promotions, volume benefits, and supply chain efficiencies, which more than offset the impact of a growing margin-dilutive online channel and ongoing investments in our value proposition.

Investments in growth initiatives led to an increase in operating expenses, resulting in expense growth of 14.5%. Adjusted EBITDA of R4 748 million was 11.6% up for the period, while adjusted EBIT grew by 7.4% to R3 591 million. This resulted in an operating profit margin of 6.9% (H2: 7.0%).



WOOLWORTHS FASHION, BEAUTY AND HOME

*H2 recovery supported by improved availability and benefits of strategic investments.*

|                                   | 52 weeks<br>2025<br>Rm | 52 weeks<br>2024<br>Rm | %<br>change   |
|-----------------------------------|------------------------|------------------------|---------------|
| Turnover and concession sales     | 15 394                 | 14 708                 | 4.7           |
| Concession sales                  | (291)                  | (210)                  | 38.6          |
| Turnover - own buy                | 15 103                 | 14 498                 | 4.2           |
| Cost of sales                     | 7 964                  | 7 473                  | 6.6           |
| Gross profit - own buy            | 7 139                  | 7 025                  | 1.6           |
| Concession and other revenue      | 89                     | 68                     | 30.9          |
| Expenses                          | 5 639                  | 5 333                  | 5.7           |
| Store costs                       | 3 573                  | 3 397                  | 5.2           |
| Other operating costs             | 2 066                  | 1 936                  | 6.7           |
| Earnings from joint venture       | 11                     | -                      | -             |
| <b>Adjusted EBIT</b>              | <b>1 600</b>           | <b>1 760</b>           | <b>(9.1)</b>  |
| Net finance costs                 | (360)                  | (378)                  | (4.8)         |
| <b>Adjusted profit before tax</b> | <b>1 240</b>           | <b>1 382</b>           | <b>(10.3)</b> |

FBH turnover and concession sales increased by 4.7% and by 5.1% on a comparable store basis. The business continued to make steady progress against its strategic priorities.

However, the first half performance was impacted by a temporary setback in product flow arising from the implementation of new processes at our distribution centre. This, coupled with late supplier deliveries, resulted in reduced product availability across our store base during the peak festive season. These issues were quickly resolved, and trading momentum improved in H2, with sales growth of 7.0%.

Price movement averaged 2.2% (H2: 3.1%), incorporating Fashion inflation of 0.4% (H2: 1.4%). Positive underlying volume growth was supported by higher sell-through rates. Our Beauty business continued to gain market share. It delivered growth of 14.7% over the period, reaffirming Woolies as the Beauty shopping destination in South Africa. As part of our strategy to optimise space efficiency, net trading space decreased by 2.3% relative to the prior comparable period. Online sales increased by 22.8% and contributed 6.6% to total SA FBH sales.

Gross profit margin declined by 120bps to 47.3%. This was due to heightened promotional activity during the period, additional supply chain costs associated with the distribution centre transformation and higher levels of inventory, and the margin-dilutive impact of a growing Beauty contribution. Expenses were well managed, with growth at 5.7%, despite the increased costs associated with our strategic initiatives.

Adjusted EBITDA of R2 491 million was 0.4% below last year, while adjusted EBIT declined by 9.1% to R1 600 million. This resulted in an operating margin of 10.4% (H2: 11.0%).



## WOOLWORTHS FINANCIAL SERVICES

*Continued positive underlying performance supported by market-leading impairment rate.*

|   | 2025<br>Rm |            | 2024<br>Rm |            | %<br>change |
|---|------------|------------|------------|------------|-------------|
| Average total financial services assets | 15 240     |            | 15 796     |            | (3.5)       |
|   |            | % to book  |            | % to book  |             |
| Net interest income                     | 1 865      | 12.2       | 1 932      | 12.2       | (3.5)       |
| Impairment charge                       | 937        | 6.1        | 1 103      | 7.0        | (15.0)      |
| Risk-adjusted margin                    | 928        | 6.1        | 829        | 5.2        | 11.9        |
| Non-interest revenue                    | 1 112      | 7.3        | 969        | 6.1        | 14.8        |
| Operating costs                         | 1 446      | 9.5        | 1 323      | 8.4        | 9.3         |
| Profit before tax                       | 594        | 3.9        | 475        | 3.0        | 25.1        |
| Tax                                     | 162        | 1.1        | 133        | 0.8        | 21.8        |
| <b>Profit after tax</b>                 | <b>432</b> | <b>2.8</b> | <b>342</b> | <b>2.2</b> | <b>26.3</b> |
| <b>50% equity accounted</b>             | <b>216</b> |            | <b>171</b> |            |             |
| IFRS 17 transition adjustment           | -          |            | 52         |            |             |
| <b>Profit after IFRS 17 adoption</b>    | <b>216</b> |            | <b>223</b> |            |             |
| Return on equity                        | 18.4%      |            | 20.2%      |            |             |

The WFS book decreased by 2.7% year-on-year to the end of June 2025, and increased by 0.5% when excluding the sale of part of the legal book of R1.6 billion.

Disciplined focus on quality growth resulted in additional credit of R1.9 billion being granted in the second half. This was driven by new accounts and credit limit increases on existing accounts. The impairment rate for 2025 improved to 6.1% compared to 7.0% in the prior period. This remains a sector-leading rate and supported an increase of 26.3% in profit after tax for the year.

## COUNTRY ROAD GROUP

*Sales impacted by challenging retail environment and short-term internal disruption caused by significant organisational restructuring.*

|                                   | 52 weeks<br>2025<br>A\$m | 52 weeks<br>2024<br>A\$m | %<br>change |
|-----------------------------------|--------------------------|--------------------------|-------------|
| Turnover                          | 1 056.6                  | 1 116.8                  | (5.4)       |
| Cost of sales                     | 460.4                    | 443.8                    | 3.7         |
| Gross profit                      | 596.2                    | 673.0                    | (11.4)      |
| Other revenue                     | 9.3                      | 11.4                     | (18.4)      |
| Expenses                          | 623.6                    | 633.1                    | (1.5)       |
| Store costs                       | 403.7                    | 405.4                    | (0.4)       |
| Other operating costs             | 219.9                    | 227.7                    | (3.4)       |
| <b>Adjusted EBIT</b>              | (18.1)                   | 51.3                     | >(100)      |
| Net finance costs                 | (23.5)                   | (21.9)                   | 7.3         |
| <b>Adjusted profit before tax</b> | (41.6)                   | 29.4                     | >(100)      |

Following its successful separation from David Jones, CRG completed a significant restructure. We reconfigured its operating model and reset its structural economics as a standalone business. We achieved this transformation in an accelerated timeframe and against an uncondusive macro backdrop, with sustained high interest rates and living costs impacting consumer footfall and spend.

Given this context, and the short-term business disruption, sales declined by 5.4% for the period and by 6.8% on a comparable store basis.

The Country Road and Trenery brands continued to trade ahead of the other CRG brands. Trading space decreased by 0.8%, while online sales contributed 28.6% of total sales, up from 27.7% in the prior comparable period. Gross profit margin declined by 390bps to 56.4%. This was due to higher promotional activity to manage inventory levels in a heavily discounting environment, and the impact of a weaker Australian dollar on input costs.

Expenses were well controlled, declining by 1.5% from the prior period. However, the impact of the abovementioned factors amplified the degree of negative operational leverage, particularly in H2. As a result, adjusted EBITDA of A\$103.9 million was 41.1% below last year, and we reported an adjusted EBIT loss of A\$18.1 million.





# OUR REMUNERATION REPORT

# MESSAGE FROM THE CHAIRMAN



On behalf of the board, I am pleased to present the Woolworths Holdings FY2025 Remuneration Report. This report includes our remuneration philosophy and policy for executive directors and non-executive directors (INEDs). It also summarises the results of our engagement with shareholders on our remuneration practices and how we have responded to the feedback obtained. It details how our remuneration policies were applied and discloses payments made to executive directors and NEDs during the year.

As the new Chairman of the Committee, I would like to extend my sincere thanks to David Kneale for his leadership and dedication to this committee during his tenure.

In the 2024 Remuneration Report, David emphasised that, in addition to fair pay, the wellbeing and benefits offered to our store based and supply chain employees are equally vital. Substantial work has been undertaken to review, enhance and reposition the benefits available to our South Africa-based store and supply chain employees. This included a comprehensive evaluation of the existing suite of benefits and introducing new benefits specifically aimed at improving our offering to support the wellbeing of our people.

## HEALTH INSURANCE FOR WSA STORE AND SUPPLY CHAIN EMPLOYEES

As a continuation of improving the People Value Proposition, one of our most impactful milestones was introducing health insurance to all permanent employees in our stores and supply chain, benefiting 24 000 employees. To our knowledge Woolworths is the first retailer in South Africa to implement a health coverage initiative of this scale and nature.

This is a meaningful achievement, with no additional cost to qualifying employees. It is another important step in demonstrating our care and support for employees who remain dedicated to serving our customers with excellence. The health insurance came into effect on 1 July 2025 and is supported by a digital solution enabling employees to conveniently select upgrades for additional cover on a range of pre-selected benefits. Feedback from employees is overwhelmingly positive.



I can see clearly now with my new pair of glasses – all thanks to my employer Woolies for thinking of, and always wanting the best for, their employees. I have a pair of glasses because I have Momentum H4M Gold. Thank you so much Woolies for always taking care of your staff; keep shining and keep doing good for us, thank you!

**SMISO MTHEMBU, INTERACTIVE SPECIALIST**

The Momentum Health Insurance has made a significant positive impact on my life. I have been having issues with my eyes, when opportunity came I grabbed with both hands and I went to optometrist and I am waiting for my glasses, all thanks to Momentum H4M.

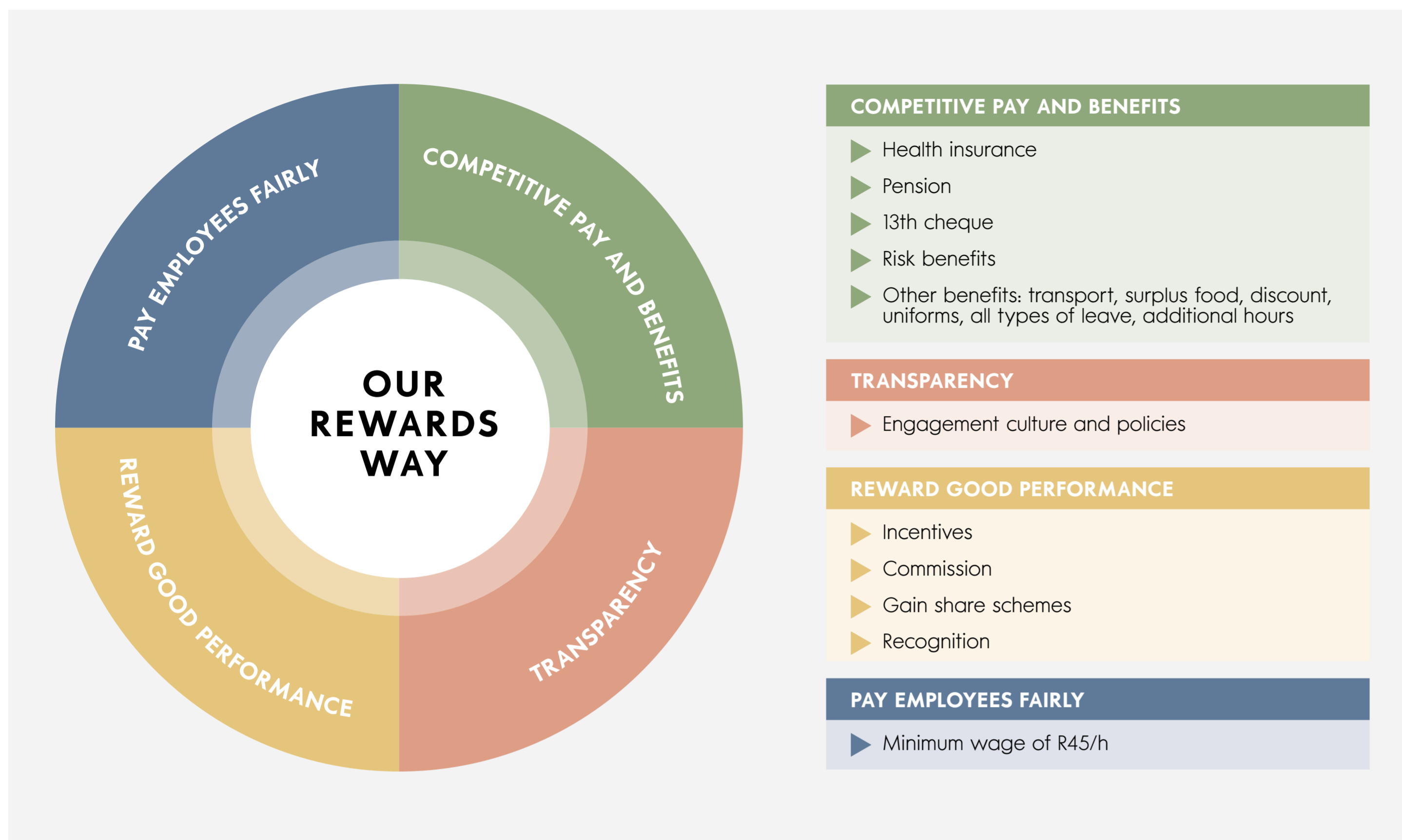
**NONTOKOZO SHEZI, PAY POINT CONTROLLER**

Thank you so much to Momentum H4M for making everything easier and less of a hassle when I was sick. I had flu, and it was mid-month when I had a lot of commitments that month and didn't have funds to pay for the doctor. That's when I used the Hello Doctor function on my app and was able to get medical assistance from them, issuing a script and only paying a small co-payment to get my medication. I am really thrilled to be a part of this great initiative.

**NSIMANGELE CELE, TILL OPERATOR**

Joining Momentum H4M has helped take a load off my shoulders by adding my newborn to the health insurance. I now have peace of mind knowing that me and my child will get the best healthcare, and this allows me to focus on my newborn's health without any financial burden. Having a newborn is tough without being medically covered – it's extremely stressful knowing that newborns can easily become sick at any given moment, the support and coverage that me and my child will get is invaluable. So thank you to Momentum H4M for being part of lives and making it easier.

**ANDILE ZUMA, GALLERIA PAY POINT CONTROLLER**



### THE REWARD PROMISE AND LIVED EXPERIENCE

In FY2019, WSA committed to invest R120 million to review and increase the disposable income of our South African retail employees by introducing our 'Just Wage Initiative'. Now that our 'Just Wage Initiative' has been concluded and shifts back to the annual review of salaries cycle, the more recent addition of health insurance is another major achievement in delivering competitive rewards based on fair and responsible pay principles and flexible benefits for our store and supply chain employees. In addition, these strategic investments are purposeful and deliberate initiatives which will drive long term sustainability focusing on improving employee retention, customer service, lowering cost of hiring, absenteeism, stress at work and many more long term benefits.

Post the implementation of our 'Just Wage initiative', our minimum rate as at 30 June 2025, is R45 per hour. On an annualised basis this translates to a basic annual salary of R93 600 for a store employee working 40 hours a week.

We believe that the People Value Proposition for our store based and supply chain employees achieves the reward promise and lived experiences of Our Rewards Way, illustrated in the graphic above.

### SHAREHOLDER ENGAGEMENT

Post the publication of the FY2024 Remuneration report, and prior to the AGM, the Group Company Secretary and the Group Head of Remuneration and Benefits, as customary, engaged with key shareholders on the Group's Remuneration Policy and the Implementation Report. Although the voting outcomes at the November 2024 AGM did not achieve the 75% level, shareholders expressed their appreciation for the engagements.

At subsequent meetings with shareholders held during the year, the overall feedback was that the setting of weightings and targets for short-term and long-term incentive schemes needed to be appropriately calibrated taking account of where the business is in its life cycle and to ensure adequate focus on financial returns as the business enters a capital expansive phase. The details of shareholder feedback and actions taken for FY2026 are reflected in the Policy at a Glance section on page 87.

In the setting of weightings and incentive targets for FY2026, we also considered peer group analyses, our internal medium-term integrated business plan, the capital investment outlook and the importance of talent attraction and retention.

In respect of the LTI plan, the members of the Committee confirmed that the LTI measures, being adHEPS growth, ROCE and ESG, remain appropriate and aligned with our strategic objectives. However, taking account of shareholder feedback, the weightings were amended as follows:

| MEASURE | WEIGHTING                 |
|---------|---------------------------|
| adHEPS  | Unchanged at 40%          |
| ROCE    | Increased from 40% to 45% |
| ESG     | Decreased from 20% to 15% |

The LTI targets for each of these measures are outlined in the Remuneration Policy section on page 92

### FY2025 PERFORMANCE

Group turnover and concession sales increased by 6.1% and by 6.8% on a constant currency basis, notwithstanding the challenging macroeconomic conditions across both geographies.

In South Africa, consumer sentiment and discretionary spend remains subdued, despite moderating inflation and interest rate cuts. Notwithstanding the constrained macro backdrop, WSA delivered strong turnover and concession sales growth of 9.4% and a creditable performance for the period. Within this, Woolworths Food remained the stand-

out performer in an intensely competitive environment, delivering a consistently strong performance throughout the period. Woolworths FBH continued to make steady progress against several strategic initiatives. Trading momentum improved throughout the second half of the financial year, through improved product availability, as the product flow challenges experienced in the first half were resolved. WFS achieved another strong result and maintains the healthiest impairment ratio in the industry.

In Australia, sustained pressure from high interest rates and living costs continued to impact consumer footfall and spend. Following its successful separation from David Jones, CRG completed a significant restructuring during the period to reconfigure its operating model and reset its structural economics as a standalone business. This transformation was essential to establish an economic structure that enables long-term growth, however has impacted near-term profitability. The challenging macro environment, coupled with a weaker Australian dollar, exacerbated the negative operational leverage for this business, impacting the overall result for the Group.

On a 52-week comparable basis, the Group delivered adjusted EBIT of R5.2bn, declining 10.9% against the prior comparative period, while adjusted EBITDA is down 3.8%, reflecting the impact of increased capital investments during the period. adHEPS declined by 19.2% to 303.4 cents per share. The Group delivered a return on capital of 16.4%, above the weighted average cost of capital of 12.4%.



### CORPORATE SHORT-TERM INCENTIVE SCHEME FY2025 PERFORMANCE

The Corporate STI scheme for all qualifying participants consists of a financial and a strategic component, weighted at 60% and 40% respectively.

In line with the Remuneration Policy, individual business units are entitled to receive STI for the financial component should they achieve performance above the gatekeeper threshold of 90%. The gatekeeper for the strategic component is 80% of budgeted aPBT or aEBIT.

At a Group level, the gatekeeper for both the financial and strategic components was not achieved. CRG financial and strategic components were both below gatekeeper thresholds and consequently no payouts were made to CRG employees for FY2025.

WSA performed above threshold for the financial and strategic component. WSA Food exceeded the gatekeeper for both components while FBH only exceeded the trigger for the strategic component (80%).

### LONG-TERM INCENTIVE SCHEMES – PERFORMANCE FROM JULY 2022 TO JUNE 2025

Performance Share Plan (PSP) awards have performance conditions that are tested over a three-year period. The outcomes of the three-year performance LTI allocations awarded in September 2022 were reviewed to determine whether the performance conditions had been met and whether vesting would take place. The performance measures and results were:

- Adjusted HEPS growth was below the South African CPI threshold target, achieving zero vesting
- Actual ROCE performance was higher than the WACC target, achieving full vesting
- ESG: although significant progress has been made, the transformation targets set in 2022 achieved a 50% vesting. The environmental targets have been achieved

Therefore, the Group achieved zero vesting for adHEPS growth, full vesting for ROCE and partial vesting for ESG, resulting in a 55% vesting overall.

### EXECUTIVE DIRECTORS REMUNERATION

#### CHIEF EXECUTIVE OFFICER

As a result of the Group’s financial performance in FY2025, Roy Bagattini, Group CEO, will not be entitled to any short term incentive (STI) as the financial triggers were not achieved for either the financial or strategic component of the incentive plan.

In respect of the Long Term Incentive (LTI), the CEO will receive 55% of the shares awarded in September 2022 based on the level of vesting achieved when measured against the performance conditions.

The CEO’s remuneration for FY2025 (excluding the 2020 sign-on share allocation described below) amounts to R41.0 million, which is 26.8% down on his comparable FY2024 remuneration as set out on page 99.

The final 50% tranche of the CEO’s 2020 sign-on share allocation, amounting to R38.8 million, vested in the FY2025 year bringing his total single figure remuneration to R79.9 million.

The CEO received a sign-on share allocation as a contractually agreed component of the overall package required to attract an experienced, international business leader, to take over the helm of the Group in January 2020.

These details have been explained and reported to stakeholders as part of our 2020 Remuneration Report. The CEO was based in the USA at the time with a USD denominated remuneration package and multiple share allocations that would vest in the short to medium term. The sign-on share allocation was intended to compensate him for a value of shares that were forfeited upon his resignation from his former employer in addition to securing comprehensive restraints of trade both in South Africa and Australia. Given the Group’s strategic aspirations at the time, certain key strategic non-financial performance measures as mandated by the Board were attached to this allocation and included in his five-year contract.

The vesting of the sign-on share allocation was staggered over five years, with 25%, 25% and 50% of the award vesting in years three, four and five respectively, subject to the achievement of the Board mandated key non-financial performance measures.

#### CEO REMUNERATION MIX

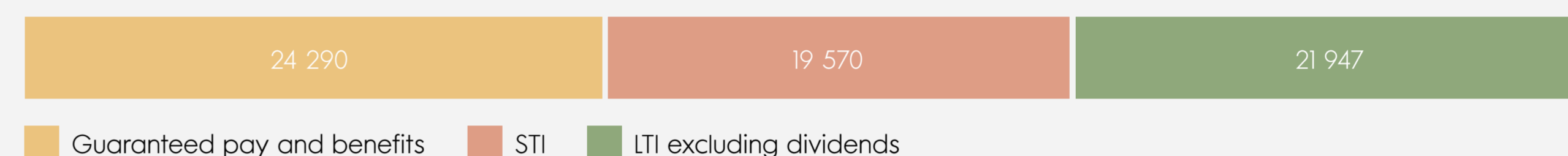
Given the principle of ‘pay for performance’, the CEOs remuneration is weighted more to variable pay, as compared to his fixed total guaranteed pay (TGP). As a result of the Group’s financial performance in FY2025, the CEO will not be entitled to any STI (for both the financial and strategic component). He will receive a 55% vesting of his LTI which was allocated in September 2022.

A comparison of his potential remuneration with his actual remuneration is depicted below. His actual remuneration was R29.5 million lower than his potential remuneration.

Actual, excluding the 2020 sign-on RSP allocation, of which the last 50% vested in FY2025. Values in R000’s.



Potential, excluding the 2020 sign-on RSP allocation. Values in R000’s.



*Potential assumes full vesting of STI and LTI  
LTI assumes a vesting price of R54.26 being the 30-day VWAP as at financial year end*

The Nominations Committee completed its annual assessments of the CEO’s performance in relation to these conditions. The committee was satisfied that they had been delivered and the obligations in terms of his employment contract relating to this once-off allocation was concluded.

Accordingly, in FY2025, the final tranche of his sign-on share allocation vested in February 2025, on the fifth anniversary of his tenure with the Group.

The CEO has pledged these vested shares towards his minimum shareholding requirement (MSR), which is now 430% of his TGP, exceeding the minimum requirement of 200%.

As was reported last year, the CEO’s employment with the Group was extended without a specified end date and subject to specified notice periods. In terms of the provisions of this contract an additional RSP award of

R10 million has been granted in September 2025 and is subject to a number of specified conditions relating to senior leadership development and succession.

#### EXECUTIVE DIRECTORS

The remuneration of Sam Ngumeni, CEO of Food division, is set out on page 101 of this report. Sam received a performance bonus calculated in terms of the STI plan as the Food division met the financial triggers for both the financial and strategic components.

The remuneration of Zaid Manjra, Group FD, is set out on page 100 of this report. The remuneration committee approved a discretionary STI award of R1.0 million, acknowledging achievements on certain non-financial strategic objectives including the work performed with regards to the successful sale of the Bourke Street property in Melbourne, Australia for A\$223.5 million, recognising a R792 million profit on disposal.

***The CEO has pledged these vested shares towards his Minimum Shareholding Requirement (“MSR”), which is now 430% of his TGP, exceeding the minimum requirement of 200%.***



Woolworths, Spring, 2025

## NON-EXECUTIVE DIRECTORS' FEES

The Group performs a benchmarking exercise every two years. PWC conducted the benchmarking during FY2025, which included selected retail peer groups listed on the JSE and London Stock Exchange. It also included a JSE size-based peer group as a secondary benchmark, and a retail peer group listed on the Australian Stock Exchange (ASX). The peer groups are listed on page 94.

Based on the findings of the exercise, it is proposed to apply fee adjustments in line with CPI to the Non executive directors (NED's) as follows:

- South Africa based: 5%
- Australian based: 2.5%
- UK based: 3.5%

For more details on the proposed fees please refer to the AGM notice.

## ACCESS TO INFORMATION AND ADVISORS

The Committee continues to use independent external advisors for remuneration trends using market benchmarks. During the year, the Committee received specific advice from Bowmans on the interpretation of the Companies Amendment Act. It also receives regular advice from Bowmans and Webber Wentzel on local and global remuneration trends. DG Capital provided Executive director and WHL Exco remuneration guidance, PWC provided benchmarking on NED fees and Mercer provided remuneration guidance in respect of our Australian operations.

***The Group's remuneration policies are subject to rigorous annual review and the Committee continues to respond to evolving local and global remuneration best practices. We remain confident that the changes made to the Group's remuneration philosophy and policies are aligned with its strategic objectives, market best practices and the socio-economic conditions of the regions in which we operate.***

***Clive Thomson***  
***Chairman: Remuneration and Talent Management Committee***

## COMPANIES AMENDMENT ACT

The Committee has been kept fully informed on the implications of the Companies Amendment Act as these pertain to the Remuneration Policy and Implementation Report. As at the end of the reporting period, the effective dates for the new pay-gap remuneration disclosure requirements are still to be enacted. The Committee engaged in workshops and consulted with external experts to assess the potential impact for WSA operations, and our remuneration reporting.

The Committee will be ready to implement the new pay-gap disclosure requirements once the effective date is promulgated and will provide both statutory disclosure and a more meaningful disclosure on a comparable basis for its South African operations.

## GOVERNANCE

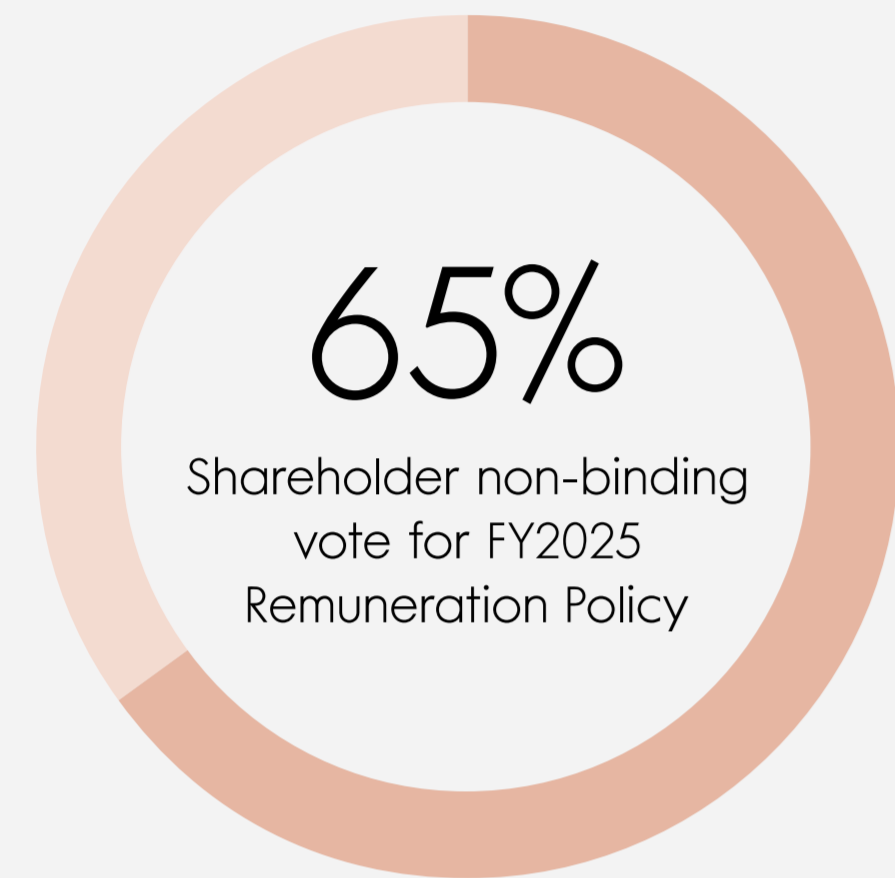
The Remuneration Policy (on pages 89 to 94 and the Implementation Report on pages 95 to 103), will be tabled as non-binding advisory shareholder resolutions at the AGM on 17 November 2025.

We invite any shareholder wishing to engage with the Board on either the Remuneration Policy and/or the Implementation Report to do so via email at [Governance@woolworths.co.za](mailto:Governance@woolworths.co.za).

If 25% or more of the shareholders do not endorse either resolution at the AGM, the Board will invite dissenting shareholders to engage with the committee on their concerns.

# OUR FY2026 REMUNERATION POLICY AT A GLANCE

## SHAREHOLDER ENGAGEMENTS



Shareholders expressed their appreciation for our engagements. Their feedback and action taken are highlighted alongside.

| SHAREHOLDER FEEDBACK OVERARCHING THEME   | SHAREHOLDER FEEDBACK REWARD FRAMEWORK COMPONENTS  | ACTIONS TAKEN FOR FY2026   |
|--|---|--|
| Setting of weightings and targets for STIs and LTIs to be appropriately calibrated taking account of where the business is in its life cycle and to ensure adequate focus on financial returns as the business enters a capital expansive phase. | <b>SHORT-TERM INCENTIVES</b>  |  |
|  | Construct of current Corporate STI scheme is appropriate. Targets to be appropriately calibrated based on performance.  | Corporate STI scheme mechanics unchanged. CRG bonus pool is reduced, reflecting its current performance and timing of recovery.  |
|  | <b>LONG-TERM INCENTIVES</b>   |  |
|  | Increased weighting on ROCE to drive shareholder returns<br><br>ROCE targets to be appropriately calibrated to ensure management accountability as business enters capital intensive phase<br><br>adHEPS targets should represent robust underlying performance taking account of where the business is in its life cycle | Weighting of ROCE performance measure increased from 40% to 45%<br><br>ROCE threshold set at WACC+3% and target at WACC+7%<br>Based on current WACC this implies a target ROCE of 19.4% compared to FY2025 actual ROCE of 16.4%<br><br>adHEPS targets increased to:<br>Threshold: CPI+1% YOY<br>Target: CPI+4% YOY<br>Stretch: CPI+10% YOY |

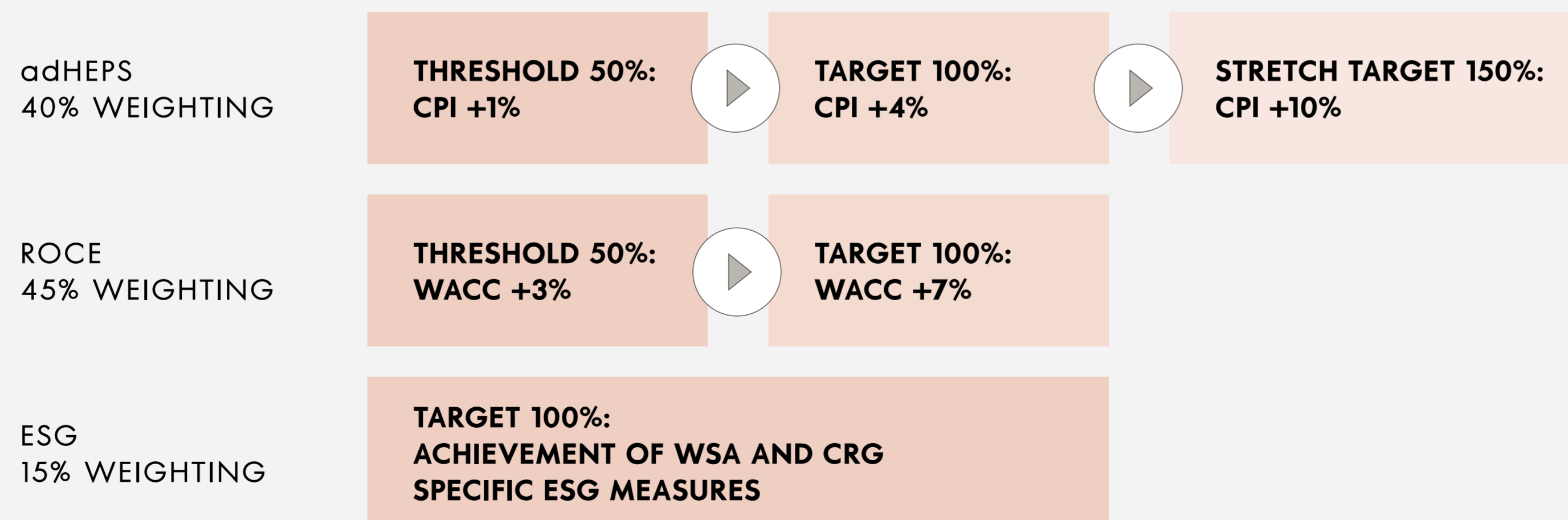
## SHORT- AND LONG-TERM INCENTIVE SCHEMES

### STI

- Store and supply chain employees participate in gain-share or commission schemes
- Executives and management participate in Corporate STI at applicable levels and line-of-sight
- Weighting a combination of Group, WSA differentiated by Food and FBH and CRG targets

### LTI

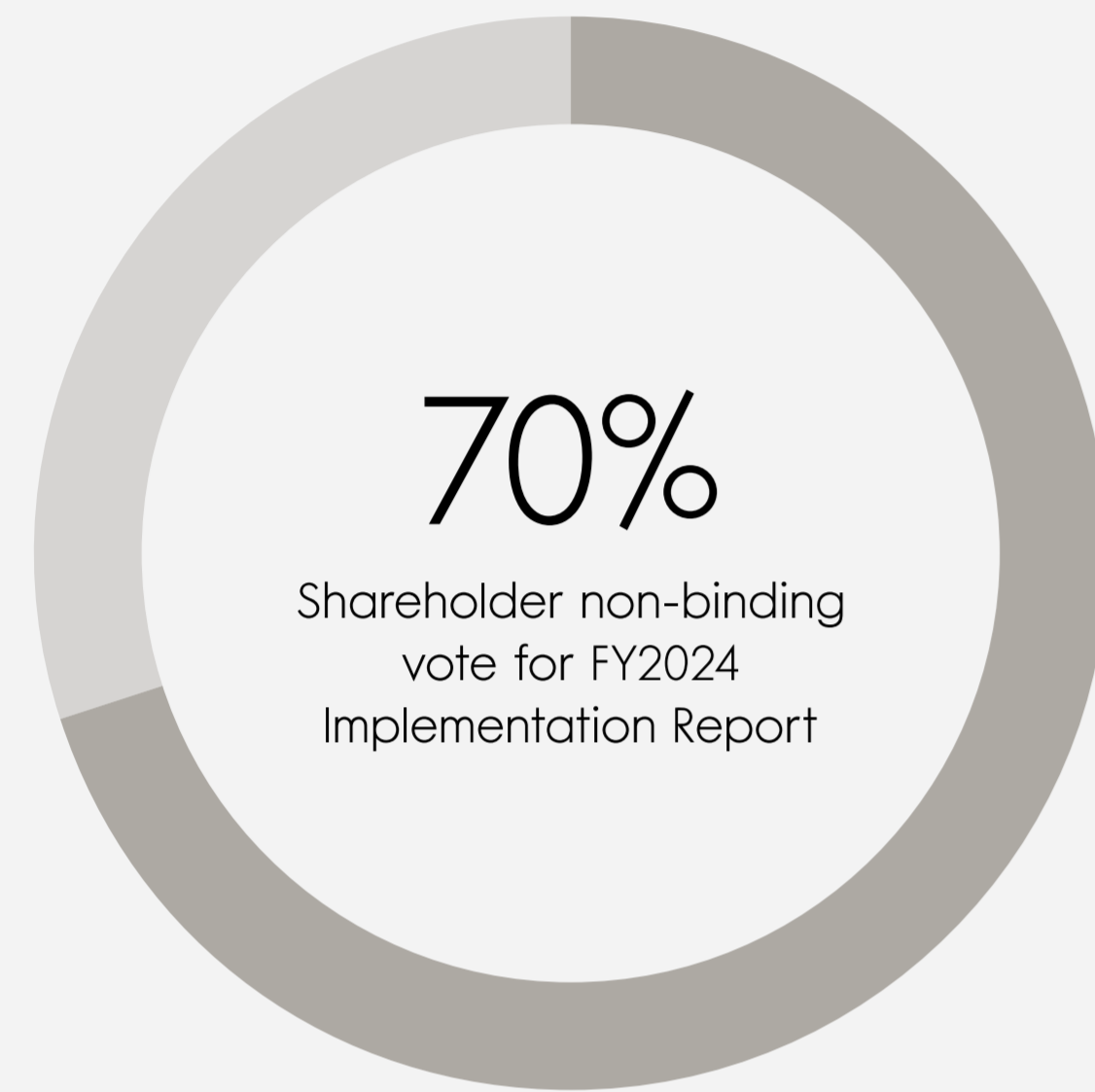
- Available to executives and management
- Three-year performance periods with performance conditions, weightings and targets
- Retention scheme with three-to-five year vesting periods



Woolworths, Winter, 2025

# OUR FY2025 IMPLEMENTATION REPORT AT A GLANCE

## SHAREHOLDER VOTING



## GROUP PERFORMANCE FOR FY2025

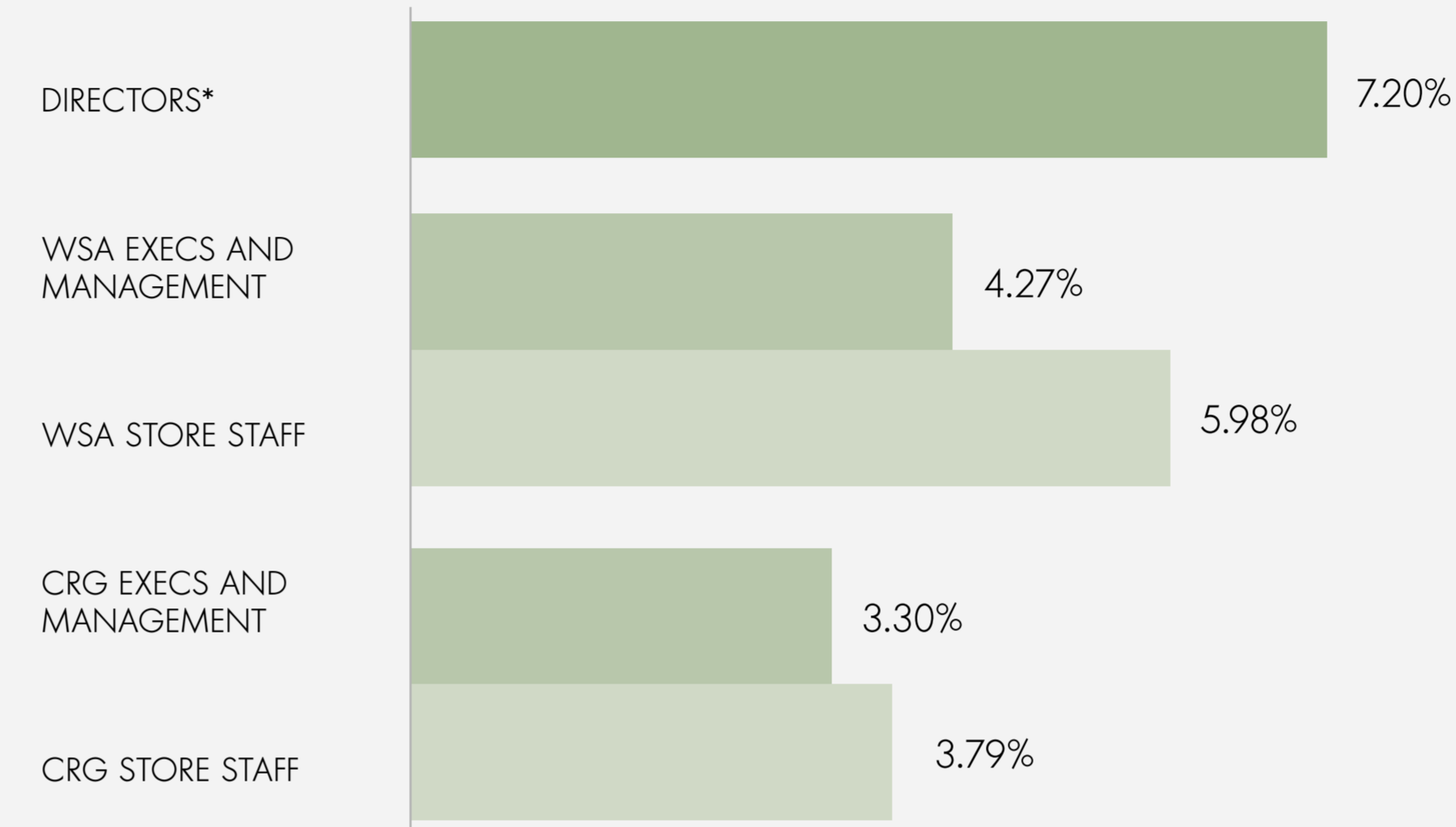
-10.9%  
aEBIT

16.4%  
ROCE

-19.2%  
adHEPS

## GUARANTEED PAY

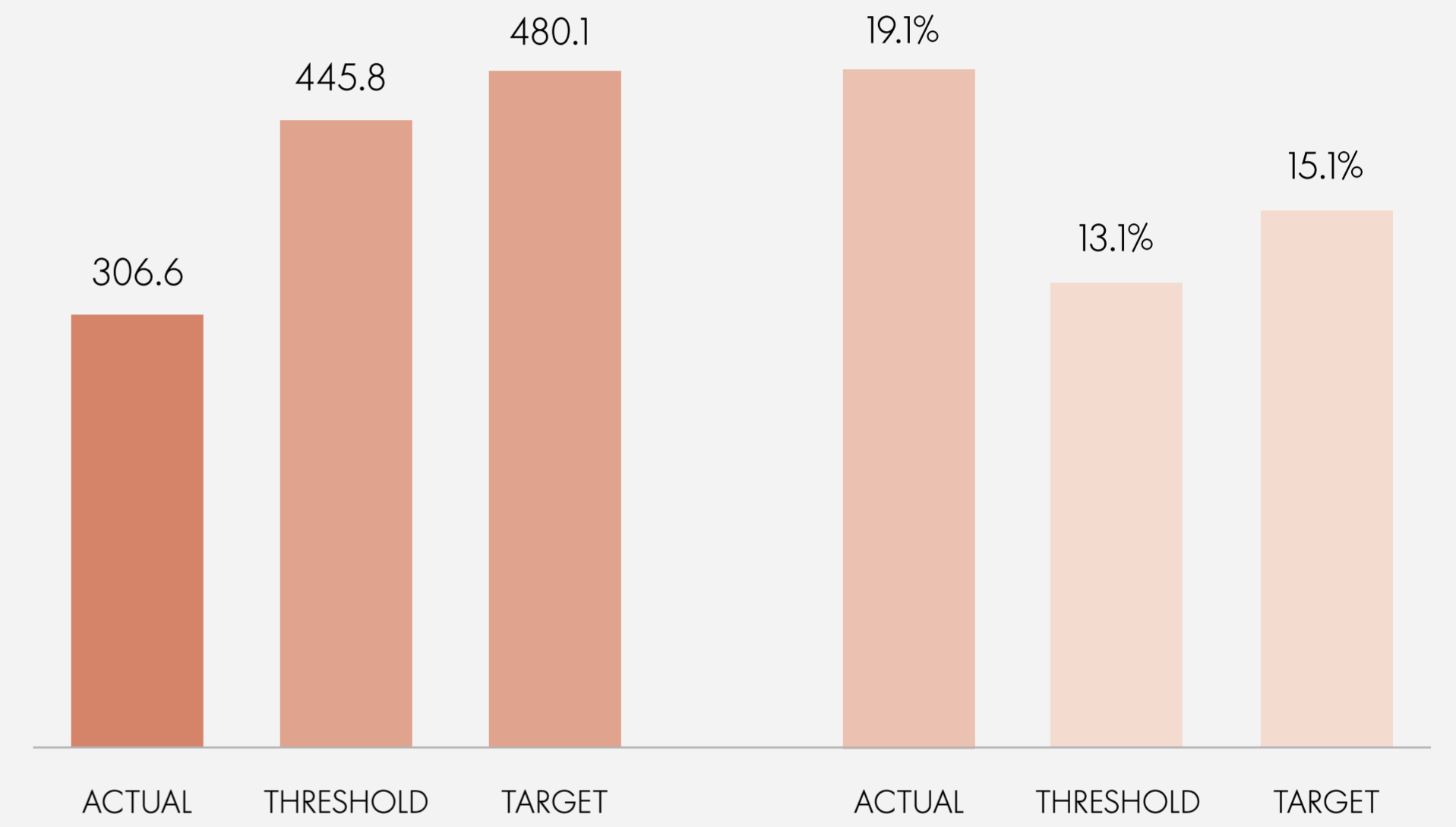
INCREASE EFFECTIVE 1 OCTOBER 2024



\* Directors increases impacted by 2 promotions. Following Zaid's appointment as the Group FD his salary was adjusted to bring it in line with CFO peer group benchmarks and adjustment to the COO post his appointment as the CEO WSA Food.

## LTI PERFORMANCE

TOTAL WEIGHTED VESTING AT 55%

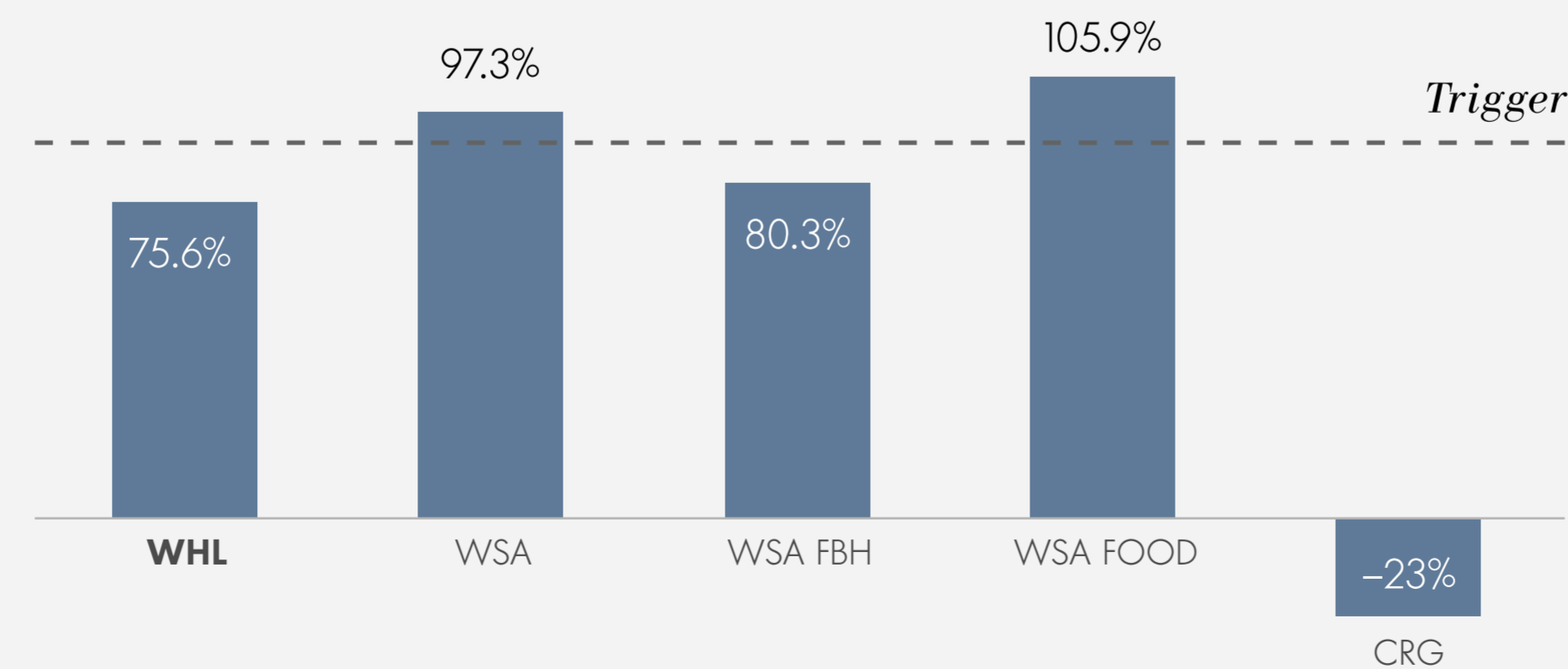


aHEPS PERFORMANCE (40% WEIGHTING)  
0% VESTING

3-YEAR AVERAGE ROCE EXCEEDS WACC (40% WEIGHTING)  
100% VESTING

## CORPORATE STI PAYOUTS FOR ACHIEVEMENT

MIXED PERFORMANCE IN STI



## ESG AND TRANSFORMATION

(20% WEIGHTING) WEIGHTED VESTING AT 75%

B-BBEE  
LEVEL 4 CONTRIBUTOR

TARGET:  
Level 4 contributor  
100% vesting

EE  
16.03 POINTS

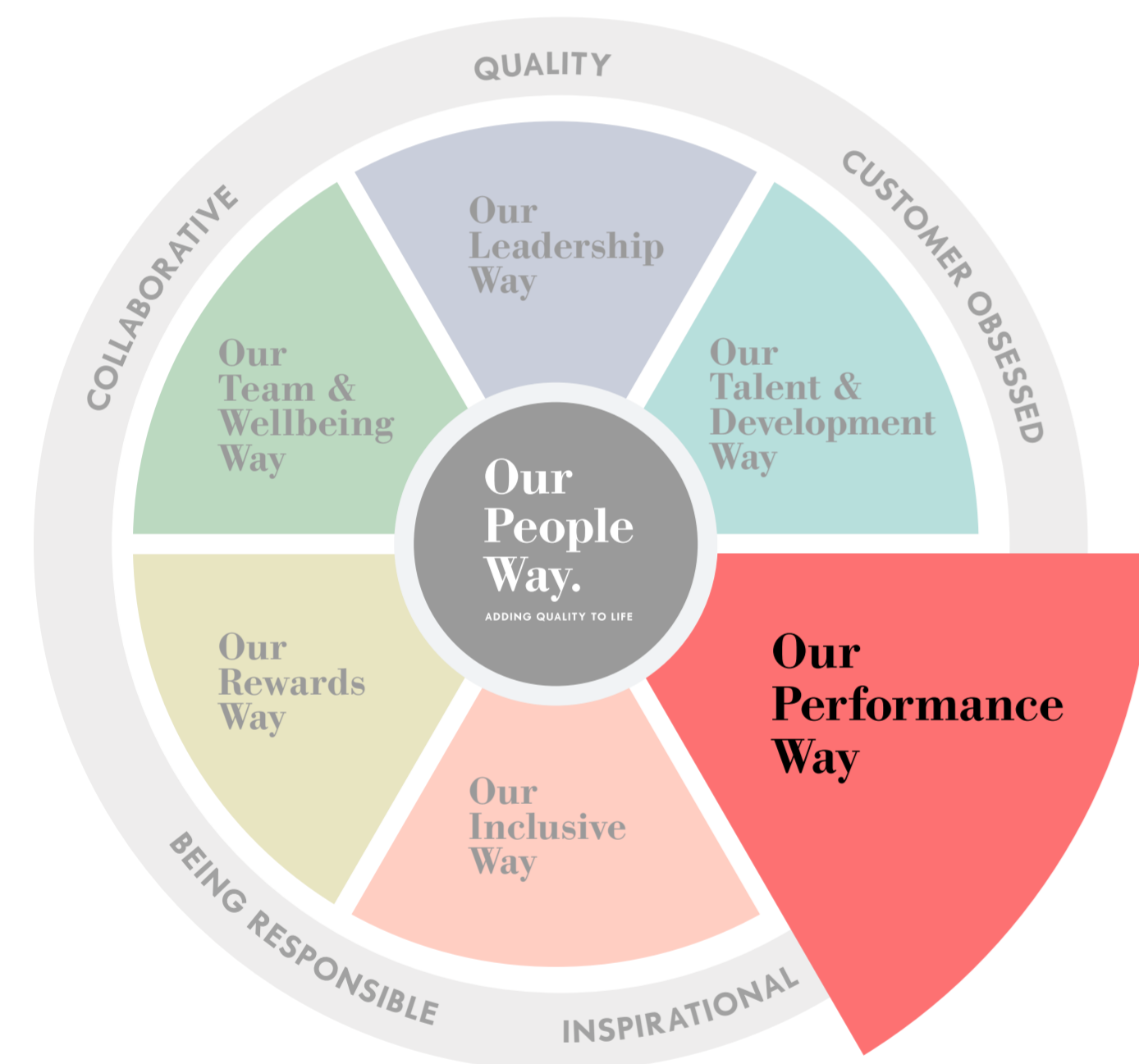
TARGET:  
17.08 points  
0% vesting

ESG  
100%

TARGET:  
100% WSA stores shopping bags plastic free  
WSA Fashion local sourcing target: 34%  
100% vesting

# REMUNERATION POLICY FOR FY2026

*This report focuses on the remuneration policies that apply to the Group CEO and WHL Exco, which includes the executive directors. The disclosure follows the requirements of current South African legislation, King IV and guidance from the South African Rewards Association.*



## OUR REWARDS WAY

The Remuneration Policy is informed by our People Value Proposition – expressed as ‘Our Rewards Way’.

## OUR ASPIRATIONAL COMMITMENT

To offer competitive, performance-based rewards based on fair and responsible principles which aspires to:

- Pay employees fairly for the work they do
- Offer competitive compensation and benefits
- Recognise and reward good performance
- Be transparent so that employees understand how pay, benefits and incentives work

## REMUNERATION PHILOSOPHY

Our remuneration philosophy is designed to attract, retain, reward and acknowledge behaviours that drive a high-performance culture, ensuring sustainable profit aligned to shareholder expectations. Our reward framework focuses on achieving a fair and deliberate balance between fixed and variable pay, in addition to fit-for-purpose benefits and recognition programmes.

## FAIR, TRANSPARENT AND RESPONSIBLE REMUNERATION

Fair, transparent, and responsible remuneration is a core principle of our Remuneration Philosophy and is part of our aspirational commitments to employees. In order for us to achieve this, our policies, initiatives and strategic remuneration imperatives adopt a lens of ethics, equality and sustainability within the context of broader social responsibilities and legislation in countries in which we trade.

The key principles or guard rails and how they are addressed in our remuneration framework are as follows:

| GUARD RAILS/PRINCIPLES  | HOW   | LINK TO REMUNERATION FRAMEWORK |
|---|---|--------------------------------|
| Economic inclusion – a key pillar of the Group’s Inclusive Justice Initiative: <ul style="list-style-type: none"> <li>• Consider minimum wage legislative requirements and living wage</li> </ul> | Just Wage adopted in WSA (page 84) and implementation of fair minimum wage for the Rest of Africa (ROA)<br><br>In WSA we pay 20% above the sectoral minimum wage<br><br>CRG: Workplace Gender Equality Act (“WGEA”) | Guaranteed Pay                 |
| Equal pay for equal work of equal value: <ul style="list-style-type: none"> <li>• Address any income disparities based on gender and race</li> </ul>  | WSA: Income differential strategy and differentiated salary increases (WSA and ROA)<br><br>Australia: WGEA  | Guaranteed Pay                 |
| Pay linked to individual, team, and business performance  | Differentiated salary increases and design of incentive schemes   | Guaranteed Pay and STI         |
| Pay transparency: <ul style="list-style-type: none"> <li>• Employees understand how their pay is determined and how they can influence this</li> </ul>  | Regular communication and engagement sessions with employees  | Guaranteed Pay and STI         |
| All permanent employees participate in some form of STI scheme  | Incentive schemes for store staff and store management<br><br>WSA gain share schemes for supply chain, commission-based schemes in beauty and cellular, and Corporate STI scheme                                    | STI                            |
| All permanent employees participate in equal measure on product discounts   | All employees irrespective of role and level have access to the same discount depending on the jurisdiction   | Guaranteed Pay                 |

## REMUNERATION FRAMEWORK: A STRUCTURED VIEW OF HOW WE COMPENSATE OUR EMPLOYEES

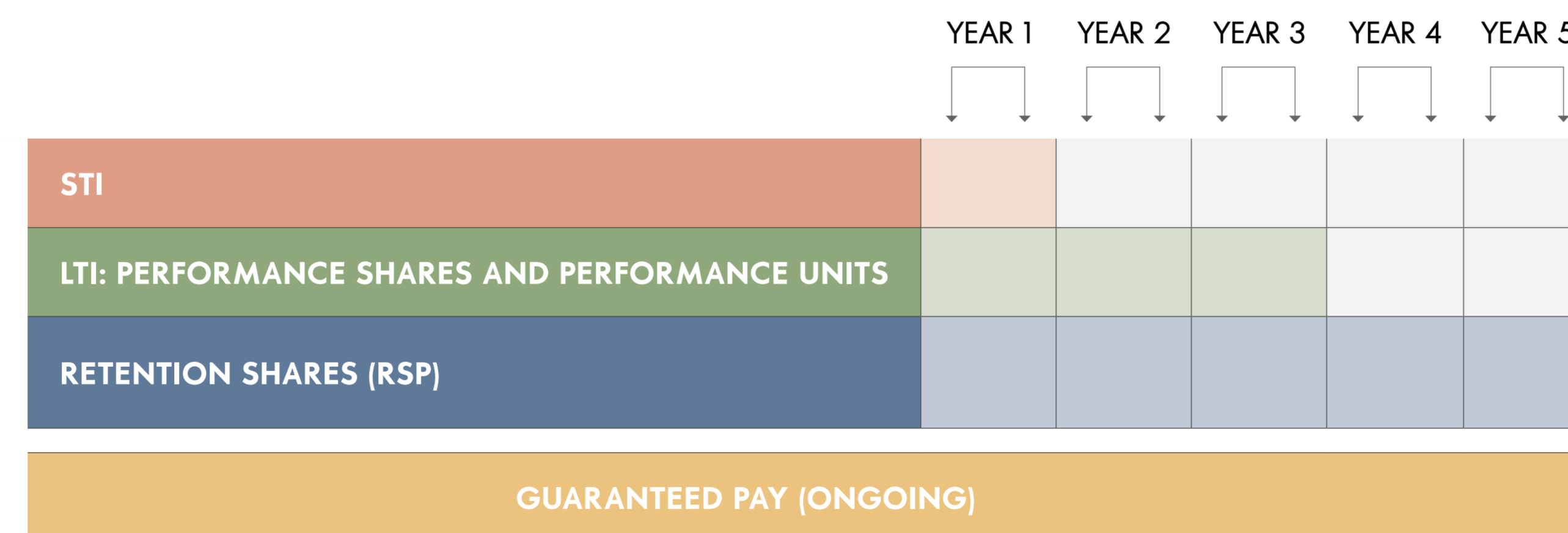
|                     | TOTAL REMUNERATION FRAMEWORK  |          |   |  |  |  |
|---------------------|---|----------|---|--|--|--|
|                     | GUARANTEED PAY  |          | SHORT-TERM INCENTIVES   | LONG TERM INCENTIVES   | ADDITIONAL REWARDS   |  |
|                     | BASE PAY  | BENEFITS | ANNUAL PERFORMANCE BONUS  | SHARE PLAN ALLOCATIONS AND AWARDS  | FIT FOR PURPOSE BENEFITS   | RECOGNITION  |
| <b>PURPOSE</b>      | To ensure base pay and benefits are competitive, and attract and retain the required level of experience and expertise required for the Group.<br>Benefits include pension/superannuation, healthcare, vehicle allowances and discounts on purchases. |          | To incentivise the delivery of one-year financial and strategic targets in line with the business unit's strategies.  | Share schemes designed to incentivise Group CEO, other executive directors, and designated management levels across the Group, upon delivery of long-term strategic goals aligned with shareholder expectations. | Fit-for-purpose benefits aligned to a specific industry, business unit and workforce needs.    | Reward and recognise excellent performance and behaviours, aligned to Woolworths' values.  |
| <b>KEY FEATURES</b> | Base pay is reviewed annually.<br>Benefits adjusted considering market conditions.  |          | Annual performance bonus paid for achieving of financial and non-financial targets, designed in-line with the specific business unit strategic drivers.   | Share Plan allocations and awards <ul style="list-style-type: none"> <li>• Performance Shares ("PS")</li> <li>• Performance Units ("PU")</li> <li>• Retention Share Plan ("RSP")</li> </ul>                      | Relevance, life stage, flexibility, market alignment and compliance with relevant legislation. | For WSA different categories <ul style="list-style-type: none"> <li>• Outstanding Performance Award</li> <li>• Extraordinary Achievement Award</li> <li>• Game-Changer Award</li> <li>• Living Our Values Award</li> </ul> |
| <b>ELIGIBILITY</b>  | All employees   |          | Employees participate in a STI scheme appropriate to the level and role they perform in the Group.<br>Variable pay, gain-share and commission-based incentive schemes are in place for store and distribution centre employees. | Group CEO, WHL Exco, leadership teams, senior management and other selective employees in key roles.   | Employee and job specific only.  | All employees within the Group.  |
| <b>POLICY</b>       | Benchmarked against applicable retail and non-retail companies within geographic locations.<br>Base pay tailored to roles and performance.  |          | Incentive schemes tailored to drive business operational and strategic outcomes.  | Vesting after three to five years subject to achieving agreed performance conditions.  | Tailored benefits adopting specific principles to enhance People Value Proposition.            | Quarterly and bi-annual awards rolling up to the annual WSA Excellence Awards.   |

### REMUNERATION MIX FOR THE GROUP CEO, EXECUTIVE DIRECTORS AND WHL EXCO

To achieve a performance-driven culture and alignment with value creation for shareholders, the remuneration mix for the Group CEO, Executive directors and WHL Exco is geared towards a higher percentage of variable pay.

The mix is structured towards delivery of one-year operating plans, while also considering a long-term view to deliver sustainable profit and to meet shareholder expectations. Additional LTI awards may be granted for retention purposes and to compensate for shares that may have been forfeited when a new director is employed.

### PERFORMANCE PERIODS OF VARIABLE PAY AND PAY MIX



### AVERAGE PAY MIX (GROUP CEO, EXECUTIVE DIRECTORS AND WHL EXCO)








|                        | BELOW                      | ON-TARGET                  | STRETCH                    |
|------------------------|----------------------------|----------------------------|----------------------------|
| STI                    | n/a                        | 32%                        | 41%                        |
| LTI                    | n/a                        | 29%                        | 32%                        |
| Retention Shares (RSP) | At discretion of committee | At discretion of committee | At discretion of committee |
| Guaranteed Pay         | 100%                       | 39%                        | 27%                        |

- "Below" level assumes GP at 100%. No STI and no vesting of LTI allocations are included
- "On-target" level assumes GP at 100%, with STI at on-target pay out (100%) and LTI vesting at 75%.
- "Stretch" level assumes GP at 100%, with STI at individual capping and full stretched vesting of LTI.

**VARIABLE PAY  
ALIGNED  
TO GROUP  
STRATEGY KPIs**

The Group has seven strategic pillars to deliver a future-fit business to return long-term profit growth and create sustainable value for all our stakeholders. We measure the achievement of these pillars with clearly defined financial and non-financial performance metrics.

The table alongside illustrates the alignment of the strategic pillars with the variable pay and performance conditions.

| STRATEGY  |   | LINKED TO VARIABLE PAY AND PERFORMANCE CONDITIONS  |  |   |
|---|---|--|--|---|
| STRATEGIC PILLARS   | SELECTED STRATEGIC PERFORMANCE METRICS  | PERFORMANCE CONDITIONS   | VARIABLE PAY   |   |
|  LEADING AND ICONIC FOOD BUSINESS – OUR HOLY GRAIL | <b>Group aPBT</b><br>Indicates the Group’s ongoing and sustained profitability. A key measure for all stakeholders to reflect potential returns and determine business continuity<br><br><i>Calculation: Profit before tax excluding Non-core trading expenses and capital items</i>  | Group aPBT and divisional aEBIT included in <b>STI</b> with 60% weighting  | One-year target  |   |
|   |  SUSTAINABLE AND PROFITABLE GROWTH IN FASHION   BEAUTY   HOME  | <b>Adjusted diluted headline earnings per share</b><br>Indicates the quality of earnings by reflecting sustainable earnings attributable to shareholders after finance costs and taxation, on a fully diluted basis.<br><br><i>Calculation: Profit after tax excluding Non-core trading expenses and capital items</i> | adHEPS growth included in <b>LTI</b> with 40% weighting                      | Three-year target aligned with Integrated Business Plan |
|   |  FUTURE-FIT COUNTRY ROAD GROUP OPERATING MODEL ENABLING “HOUSE OF BRANDS” ASPIRATION   | <b>Return on capital employed</b><br>Demonstrates how efficiently we use our capital to generate returns for our shareholders<br><br><i>Calculation: Adjusted earnings before interest and tax as a percentage of average capital employed for the 12-month period to June 2025</i>                                    | ROCE (over three year performance) included in <b>LTI</b> with 45% weighting | Three-year target aligned with Integrated Business Plan |
|  COST EFFICIENCY AND OPERATIONAL EXCELLENCE       | <b>Cost to operate %</b><br>Proportion of revenue used in the ongoing expenses from the normal day-to-day running of the Group<br><br><i>Calculation: Expenses divided by turnover and concession sales</i>   | aPBT/aEBIT inherent in <b>STI</b> strategic objectives with 40% weighting<br><br>adHEPS growth inherent in <b>LTI</b> measure with 40% weighting   | One-year target<br><br>Three-year target linked to Integrated Business Plan  |   |
|  CUSTOMERS AT THE CENTRE OF EVERYTHING WE DO     | <b>Online sales growth</b><br>Reflects the success of various initiatives and investments to drive sales through our digital channels<br><br><i>Calculation: Total online sales growth for 52-week period</i>   | Inherent in <b>STI</b> strategic objectives with 40% weighting   | One-year target  |   |
|   | <b>% Revenue tracked on loyalty cards</b><br>Measures value creation for customers by increasing their loyalty through growing and enhancing our programmes<br><br><i>Calculation: Percentage of sales transactions where a loyalty card is used</i>  | Inherent in <b>STI</b> strategic objectives with 40% weighting   | One-year target  |   |
|  BEST-IN-CLASS AND ENGAGED TEAMS AND PEOPLE      | <b>Progress on Beyond ‘Just Wage Initiative’</b><br>Demonstrates our deliberate intent to reduce the remuneration gap within the South African socio-economic environment<br><br><i>Calculation: Hourly wage paid to our employees informed by many data points, including minimum wage rates, market rates, CPI, and our Employee Value Proposition strategy</i> | Inherent in the application of fair and equitable remuneration   | One to three-year target aligned with People strategy                        |   |
|  GOOD BUSINESS JOURNEY                           | <b>% Target achieved on Group sustainability scorecard</b><br>Demonstrates our commitment to sustainability and the effective execution of our GBJ strategy<br><br><i>Calculation: Weighted average of our performance against all the sustainability targets tracked in each business</i>  | ESG measure included in <b>LTI</b> with 15% weighting  | Three-year target aligned GBJ plan   |   |

For more details on the strategic performance measures see page 101

**COMPONENTS OF REMUNERATION FRAMEWORK APPLICABLE TO THE GROUP CEO, EXECUTIVE DIRECTORS AND WHL EXCO**

| GUARANTEED PAY   | SHORT-TERM INCENTIVE SCHEME  | PERFORMANCE SHARES (WHL AND WSA) AND PERFORMANCE UNITS (CRG)   | RETENTION SHARE PLAN (RSP) WHL AND WSA ONLY   |             |         |     |               |   |     |          |   |     |                  |  |   |
|--|--|--|---|-------------|---------|-----|---------------|---|-----|----------|---|-----|------------------|--|---|
| <p><b>MECHANICS</b><br/>Reviewed annually against retail peer companies in South Africa, Australia and other countries in which the Group trades.</p> <p>Market conditions, Company performance, internal comparability, individual performance and responsibility are considered.</p> <p>Includes performance against financial and non-financial objectives and leadership behaviour against Group values and Our Leadership Way.</p> <p>No required obligation to increase base salary.</p> | <p><b>MECHANICS</b><br/>Bonus split:</p> <ul style="list-style-type: none"> <li>• 60% financial measures</li> <li>• 40% strategic objectives</li> </ul> <p>The target is determined annually in advance</p> <p>Financial STI weightings calculated as follows:</p> <ul style="list-style-type: none"> <li>• Group CEO: 100% Group performance</li> <li>• Group FD: 100% Group performance</li> <li>• WSA CEO Food (ED): 20% WHL, 20% WSA and 60% Food</li> <li>• WHL Exco: 20% to 60% Group and 40% to 80% entity/business unit</li> </ul> <p>Earnings potential is applied on a sliding scale between threshold and on-target. Above on-target performance a stepped approach follows until individual maximums have been achieved.</p> | <p><b>MECHANICS</b><br/>Participants are allocated performance shares in the form of restricted equity with three-year performance conditions.</p> <p>Shares are purchased on the open market and held by third-party in escrow until unrestricted ownership passes to participants.</p> <p>Participants are entitled to receive dividends during the vesting period, which are repayable when a participant is defined as a bad leaver.</p> <p>Participants in Australia are allocated performance units in the form of conditional shares. At the end of the vesting period dividends are payable on the vested shares.</p>  | <p><b>MECHANICS</b><br/>Participants are allocated the restricted delivery of shares with three- to five-year performance conditions.</p> <p>Shares are purchased on the open market and held by third-party in escrow until unrestricted ownership passes to participants.</p> |             |         |     |               |   |     |          |   |     |                  |  |   |
| <p><b>OPPORTUNITY AND MAXIMUM LIMIT</b><br/>Reviewed in context of Company and Group performance, in-country CPI and affordability.</p>  | <p><b>OPPORTUNITY AND MAXIMUM LIMIT</b><br/>On-target and stretch performance of GP:</p> <ul style="list-style-type: none"> <li>• Group CEO: 100% to 150%</li> <li>• Group FD: 80% to 150%</li> <li>• WSA CEO Food (ED): 80% to 150%</li> <li>• WHL Exco: 80% to 150%</li> </ul>   | <p><b>OPPORTUNITY AND MAXIMUM LIMIT</b><br/>Grants are made annually at the discretion of the Committee based on guaranteed pay at grant date.</p> <p>Allocations capped at:</p> <ul style="list-style-type: none"> <li>• Group CEO: 150%</li> <li>• Group FD, WSA CEO Food (ED) and WHL Exco: 100%</li> </ul>   | <p><b>OPPORTUNITY AND MAXIMUM LIMIT</b><br/>Grants are made at the discretion of the Committee based on GP at grant date.</p>   |             |         |     |               |   |     |          |   |     |                  |  |   |
|  | <p><b>PERFORMANCE CONDITIONS</b><br/>For participants to earn incentives from the financial component WHL or the respective entity/business unit has to achieve at least 90% of aPBT or aEBIT.</p> <p>For participants to earn incentives from the non-financial/strategic component WHL or the respective entity/business unit has to achieve at least 80% of aPBT or aEBIT.</p>  | <p><b>PERFORMANCE CONDITIONS</b><br/>For Group CEO, Group FD, WSA CEO Food (ED) and WHL Exco:</p> <p>Annual allocation with 100% based on financial performance conditions and weightings as below.</p> <p>The CRG CEO is measured on ROCE and ESG targets for CRG as approved by the Group Remuneration Committee.</p> <table border="1" data-bbox="1373 1270 2550 1578"> <thead> <tr> <th>WEIGHTING</th> <th>MEASUREMENT</th> <th>VESTING</th> </tr> </thead> <tbody> <tr> <td>40%</td> <td>adHEPS growth</td> <td> <ul style="list-style-type: none"> <li>• Threshold 50%: SA CPI +1% year on year (YOY)</li> <li>• Target 100%: SA CPI +4% YOY</li> <li>• Stretch: 150%: SA CPI +10% YOY</li> </ul> </td> </tr> <tr> <td>45%</td> <td>WHL ROCE</td> <td> <ul style="list-style-type: none"> <li>• Threshold 50%: WACC +3%</li> <li>• Target 100%: WACC + 7%</li> </ul> </td> </tr> <tr> <td>15%</td> <td>WSA ESG measures</td> <td>                     Target 100%:                     <ul style="list-style-type: none"> <li>• Scale of supplier development in line with WSA sales growth</li> <li>• No less than a third of FBH private label products sourced locally</li> </ul> </td> </tr> </tbody> </table> | WEIGHTING   | MEASUREMENT | VESTING | 40% | adHEPS growth | <ul style="list-style-type: none"> <li>• Threshold 50%: SA CPI +1% year on year (YOY)</li> <li>• Target 100%: SA CPI +4% YOY</li> <li>• Stretch: 150%: SA CPI +10% YOY</li> </ul> | 45% | WHL ROCE | <ul style="list-style-type: none"> <li>• Threshold 50%: WACC +3%</li> <li>• Target 100%: WACC + 7%</li> </ul> | 15% | WSA ESG measures | Target 100%: <ul style="list-style-type: none"> <li>• Scale of supplier development in line with WSA sales growth</li> <li>• No less than a third of FBH private label products sourced locally</li> </ul> | <p><b>PERFORMANCE CONDITIONS</b><br/>Achievement of agreed strategic initiatives or other performance conditions agreed by the Committee.</p> |
| WEIGHTING  | MEASUREMENT  | VESTING  |   |             |         |     |               |   |     |          |   |     |                  |  |   |
| 40%  | adHEPS growth  | <ul style="list-style-type: none"> <li>• Threshold 50%: SA CPI +1% year on year (YOY)</li> <li>• Target 100%: SA CPI +4% YOY</li> <li>• Stretch: 150%: SA CPI +10% YOY</li> </ul>  |   |             |         |     |               |   |     |          |   |     |                  |  |   |
| 45%  | WHL ROCE   | <ul style="list-style-type: none"> <li>• Threshold 50%: WACC +3%</li> <li>• Target 100%: WACC + 7%</li> </ul>  |   |             |         |     |               |   |     |          |   |     |                  |  |   |
| 15%  | WSA ESG measures   | Target 100%: <ul style="list-style-type: none"> <li>• Scale of supplier development in line with WSA sales growth</li> <li>• No less than a third of FBH private label products sourced locally</li> </ul>   |   |             |         |     |               |   |     |          |   |     |                  |  |   |
|  |  | <p><b>VESTING</b><br/>Vesting occurs subject to achieving performance conditions over the three-year performance period and occurs on a linear scale in line with an agreed threshold, target and stretch target.</p> <p>ESG measures have a cliff vesting.</p>  | <p><b>VESTING</b><br/>Vesting occurs on condition that the participant is still in the employ of the Group on the expiry of the agreed vesting period and any applicable performance conditions are achieved.</p>   |             |         |     |               |   |     |          |   |     |                  |  |   |
|  | <p><b>CORPORATE STI PARTICIPANTS:</b><br/><b>2 626</b></p>   | <p><b>PARTICIPANTS:</b><br/><b>PS: 456 PU: 34</b></p>  | <p><b>UNVESTED RETENTION SHARES PARTICIPANTS: 79</b></p>  |             |         |     |               |   |     |          |   |     |                  |  |   |

## ADDITIONAL REMUNERATION POLICIES FOR THE GROUP CEO, EXECUTIVE DIRECTORS AND WHL EXCO

### SERVICE CONTRACTS AND NOTICE PERIODS

The Group CEO is employed on a permanent basis. He has a six-month notice period and a comprehensive restraint of trade agreement of 24 months in South Africa and 12 months in Australia. His remuneration is partly paid in South African rands and partly paid in Australian dollars, given the time and focus on the two geographies.

Other executive directors have employment agreements with the Group which may be terminated with notice periods of between six and 12 months. Employment agreements also include restraint of trade agreements of between six and 12 months.

Expatriate directors and WHL Exco members who are employed (permanent or on a fixed-term contract) are subject to obtaining and maintaining applicable work permits.

### MALUS AND CLAWBACK

Malus provisions apply prior to the vesting or payment of awards, while clawback provisions are applicable for a two-year period after the payment of any Corporate STI or vesting of any LTI awards. A trigger event is defined as an event that leads to material reputational damage, material misstatement in the financial statements, or a deliberate misinterpretation of financial targets.

These provisions enable the Committee to recover variable remuneration awards made to a participant based on a trigger event, caused by the participant, which leads to loss or damage incurred by the Group.

### MINIMUM SHAREHOLDING REQUIREMENT (MSR)

The Group CEO, executive directors and WHL Exco are required to build up minimum levels of shareholding in the Group. This serves to more closely align directors shareholding to shareholder interests. Participants have five years (post the implementation of the policy or the starting or promotion date) to reach the required MSR % of TGP requirements, by pledging a portion of their LTI vesting to MSR. These shares are restricted and only shares in excess of the MSR % may be sold.

|                     | MSR REQUIREMENT OF TGP |
|---------------------|------------------------|
| GROUP CEO           | 200%                   |
| EXECUTIVE DIRECTORS | 150%                   |
| WHL EXCO            | 100%                   |

### SHARE TRADING

Shares and grants may not be awarded or exercised during a closed or prohibited period. All share trading must be cleared by the Board Chairman. The Group's closed period runs from two weeks prior to the interim or year-end date to the date on which the financial results are announced on the JSE.

### PAYMENTS FOR TERMINATION OF OFFICE

The Group CEO and executive directors are entitled to their notice period (whether on garden leave, working out their notice period or mutual agreement to leave early) if their services are terminated by the Group on a no-fault basis. Accrued statutory leave will also be paid out in the normal course.

Treatment of any unpaid bonus or unvested LTI awards will be dealt with in line with the rules of the various schemes and in all instances is subject to the WHL Remuneration Committee oversight and approval.

### COMMITTEE DISCRETION

The remuneration framework and policy guides the Group's remuneration arrangements. The basis for STI and LTI awards are formulaic in nature, however, participation in variable pay remuneration is discretionary.

The Committee may exercise reasonability and discretion to award ex-gratia payments or adjustments where extraordinary value has been created by executives. It can also adjust the size of the bonus pools when they are inappropriate, or where STI payments are not warranted. In the event that the Committee exercises its discretion, disclosure will be provided in the Implementation Report.

## UTILISATION OF SHARE SCHEMES

### JSE-APPROVED SCHEDULE 14 SHARE SCHEME (OLD CONDITIONAL SHARE PLAN)

The maximum number of shares available for utilisation for our JSE Schedule 14 scheme is 79.8 million, representing 8.1% of the issued share capital as at 29 June 2025. Shares allocated to participants under this scheme may either be purchased on the open market or new shares may be issued.

Unutilised shares at 29 June 2025 amount to 27.1 million.

Grants awarded in terms of this Schedule 14 scheme:

- May not exceed 250% of an employee's guaranteed pay in any one financial year
- In aggregate, an employee may not hold more than 11 934 827 awards

### PERFORMANCE SHARES (PS), PERFORMANCE UNITS (PU) AND RETENTION SCHEME (RSP)

These schemes are not JSE Schedule 14 schemes as they are non-dilutive. All shares awarded to participants under these schemes are purchased on the open market at the prevailing market price when the awards are made. There are no restrictions on the number of shares awarded to an employee in any financial year or the aggregate held by an employee. Our current allocation policy for PS, PU and RSP schemes have adopted the face value allocations based on the JSE-approved Schedule 14 scheme.





### NON-EXECUTIVE DIRECTORS FEES POLICY FOR FY2026

The table alongside sets out the remuneration policy for the FY2026 for non-executive directors. This forms the underlying basis for the directors' fees tabled for shareholder approval at the AGM to be held on 17 November 2025.

#### PEER GROUPS USED FOR BENCHMARKING

##### Australia

ALS Limited, Aurizon Holdings Limited, Carsales.com Ltd, Contact Energy Limited, Harvey Norman Holdings Limited, JB Hi-Fi Limited, Lendlease Group, New Hope Corporation Limited, NEXTDC Ltd, Orica Ltd, QUBE Holdings Ltd, Steadfast Group Ltd and Worley Ltd.

##### United Kingdom

Airtel Africa PLC, B&M European Value retail, Berkley Group Holdings, Computacenter PLC, EasyJet PLC, Frasers Group PLC, IG Group Holdings PLC, InchCape PLC, Investec PLC, Marks & Spencer Group PLC, Mediclinic International PLC, Nomad Foods Ltd (NYSE), Ocado Group, Tate & Lyle PLC and The Weir Group PLC.

##### South Africa industry-based comparator

Bid Corporation, Clicks, Dis-Chem, Foschini, Mr Price, Pepkor, Pick n Pay, Shoprite, Spar, and Truworths.

##### South Africa size-based comparator

African Rainbow Minerals, Aspen, Bidvest, Discovery, Exxaro Growthpoint, Harmony Gold, Nedbank, Northam Platinum, Old Mutual, Remgro, and Sibanye.

| NON-EXECUTIVE DIRECTOR FEES   | BENEFITS  |
|---|---|
| <p><b>CHAIRMAN, LEAD INDEPENDENT DIRECTOR AND OTHER DIRECTORS</b><br/>                     A market-related fee to attract and retain experienced and diverse non-executive directors.<br/><br/>                     Non-executive director fees are approved by shareholders on an annual basis.</p>   | <p>Eligible to receive product discounts on purchases made in Group stores.<br/><br/>                     No other benefits are provided.<br/><br/>                     Non-executive directors do not participate in any STI or LTI schemes.</p> |
| <p><b>DIRECTOR FEES</b><br/>                     Director fees are structured on an annual basis, reflecting the ongoing contributions they make throughout the year, beyond just meeting attendance. The fees consider the time commitment, level of responsibility, international travel requirements, and overall demands of the role.<br/><br/>                     International-based directors fees are paid in the applicable local currency.<br/><br/>                     Fees are paid quarterly, with no additional compensation for ad hoc meetings.</p> | <p>All travel and accommodation expenses related to board duties are covered by the Group.</p>  |
| <p><b>COMMITTEE MEMBER FEES</b><br/>                     Committee fees are provided to acknowledge the increased responsibilities of serving on Board committees.<br/><br/>                     Committee chairs receive higher fees in recognition of the greater time commitment and leadership required in their roles.</p>   |   |
| <p><b>BENCHMARKING</b><br/>                     Director and Committee fees are independently benchmarked on a biennial basis.</p>  |   |
| <p><b>SERVICE CONTRACTS</b><br/>                     Non-executive directors do not have service contracts. They serve the Group through letters of appointment, which may be terminated without liability for compensation.<br/><br/>                     Non-executive directors must be re-elected by shareholders at an AGM on a rotational basis, usually at three-year intervals.</p>   |   |

# IMPLEMENTATION REPORT FOR FY2025

## COMPLIANCE WITH THE REMUNERATION POLICY

The Committee monitored the implementation of the Remuneration Policy throughout the year. It believes the Group is in material compliance with the 2025 Remuneration Policy as set out in the 2024 IAR.

The Group fell short of the 90% of aPBT budget resulting in the Group CEO and Group FD forfeiting the financial and strategic component of their STI. However, in the case of the Group FD, the Committee approved a discretionary STI award of R1.0m, acknowledging achievements on certain non-financial strategic aspects including the work performed with regards to the successful sale of the Bourke Street property in Melbourne, Australia. The CEO WSA Food and some Exco members that were linked to WSA, achieved the strategic component taking into account WSA performance. The percentage STI payout, where applicable, was linked to the scores achieved in the approved performance rating for each executive.

No circumstances warranted the application of any malus or clawback provisions.

## APPLICATION OF FAIR AND RESPONSIBLE REMUNERATION

While fair and responsible remuneration is applied across the Group, we have focused on WSA and other African countries as they represent 87% of our workforce. A specific focus on fair and responsible remuneration in these geographies, helps address the challenges of:

- income inequality
- pay differentials in terms of gender and race
- promotion of social justice
- economic transformation

As referenced in the Chairman's message of the Remuneration Report, we further addressed income inequality by implementing health insurance for all permanent employees in WSA stores and supply chain, provided they reach the required 12 months of service, and at no additional cost to the employee and minimal additional cost to Woolworths.



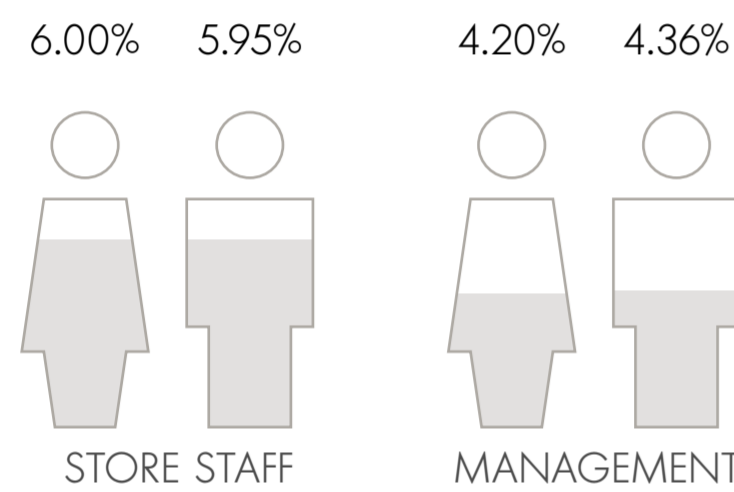
# FAIR AND RESPONSIBLE PAY BAROMETER

An outcome of fair and responsible pay principles in FY2025 are depicted below.

## SOUTH AFRICA FY2025

**LIVING WAGE**  
STORE STAFF  
Just Wage R45 per hour | 20% above DOL sector minimums

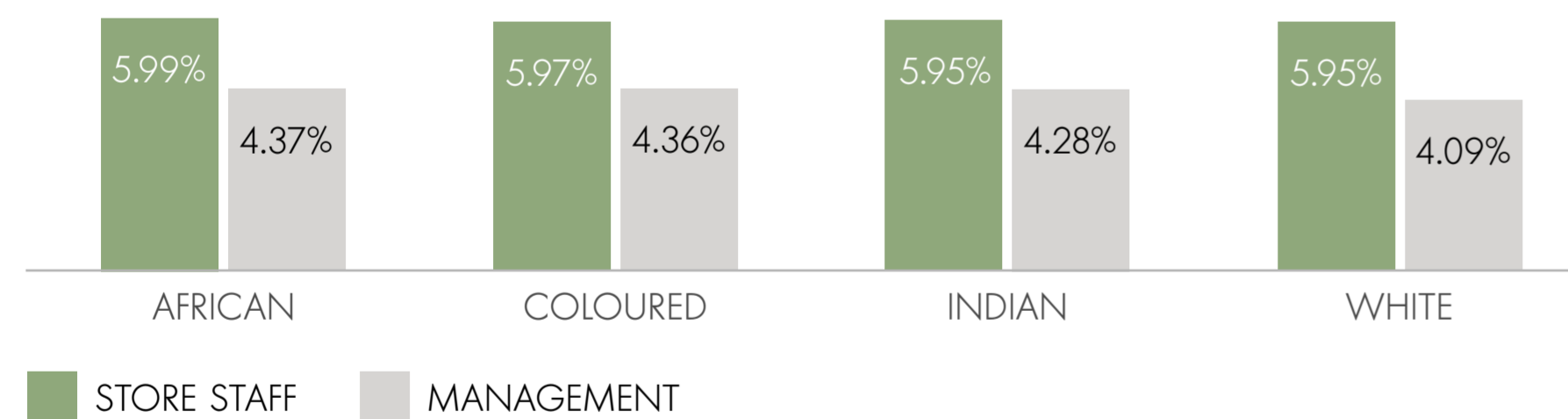
### DIFFERENTIATED SALARY INCREASES\* BASED ON GENDER



### DIFFERENTIATED SALARY INCREASES\* BY CATEGORY



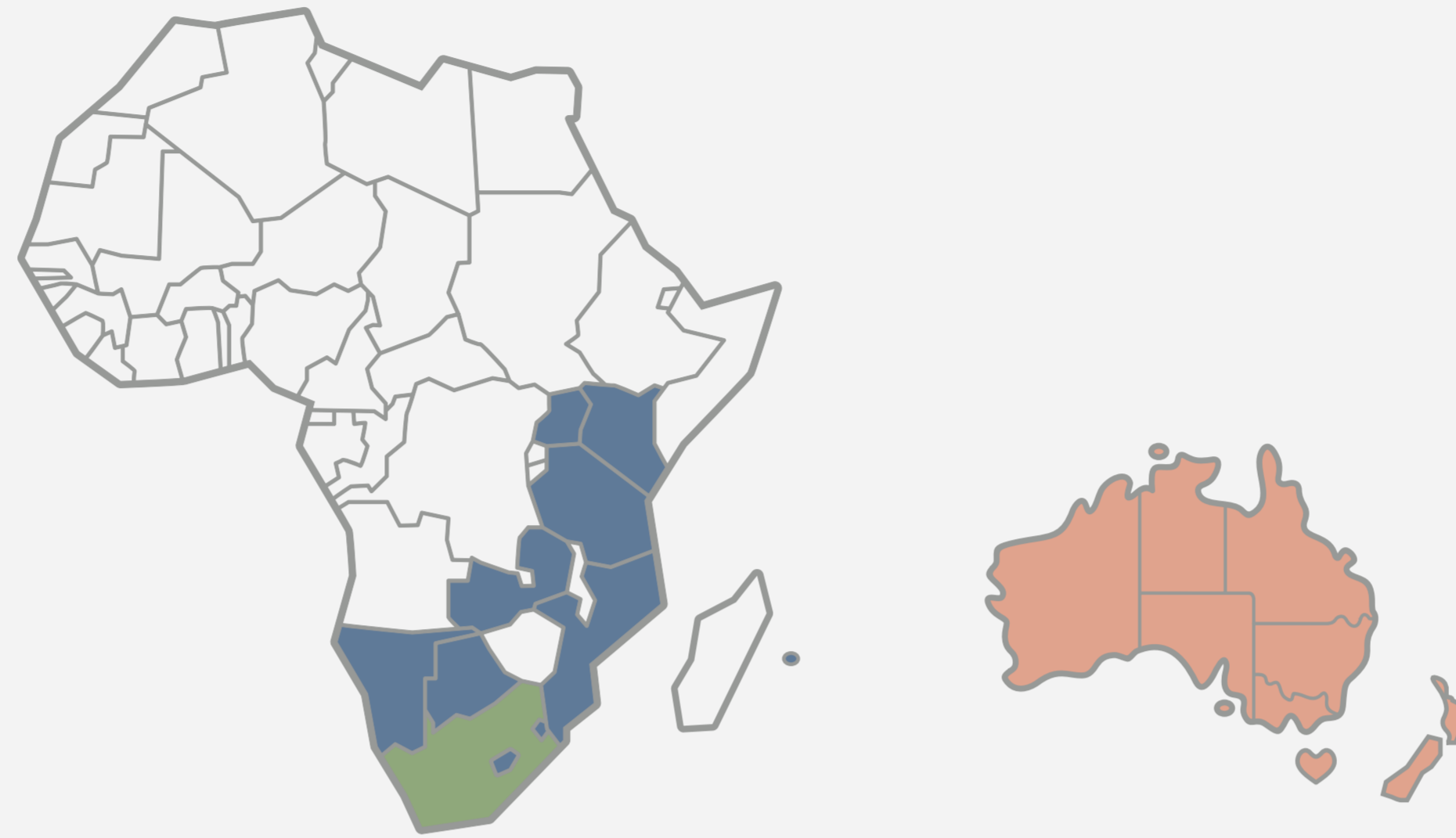
### DIFFERENTIATED SALARY INCREASES\* BASED BY RACE (WSA ONLY)



### INCENTIVE SCHEMES (AS % OF αEBIT OF THE ENTITY)



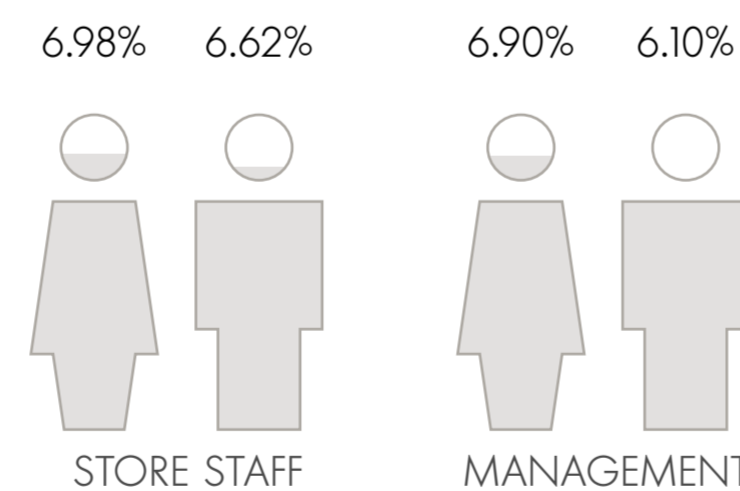
- Corporate STI including WHL executives
- Stores and supply chain may also participate in commission and productivity incentives
- Annual salary increases for supply chain employees are determined in the context of union wage negotiations.



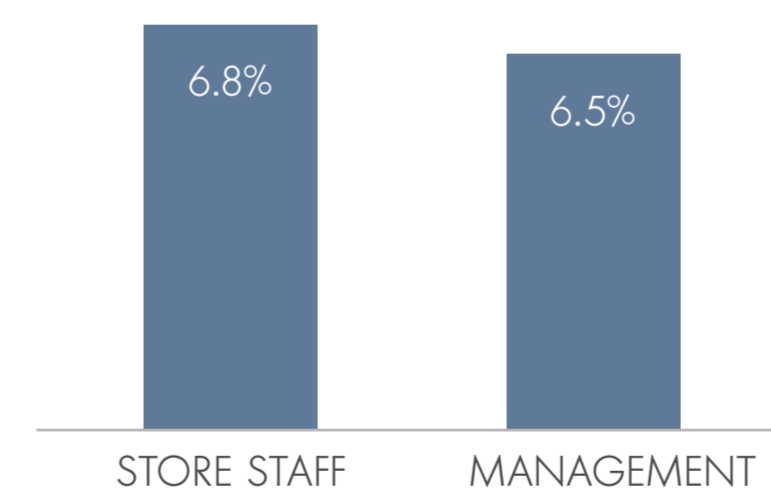
## REST OF AFRICA FY2025

**LIVING WAGE**  
STORE STAFF  
Adopted same principle as WSA but localised

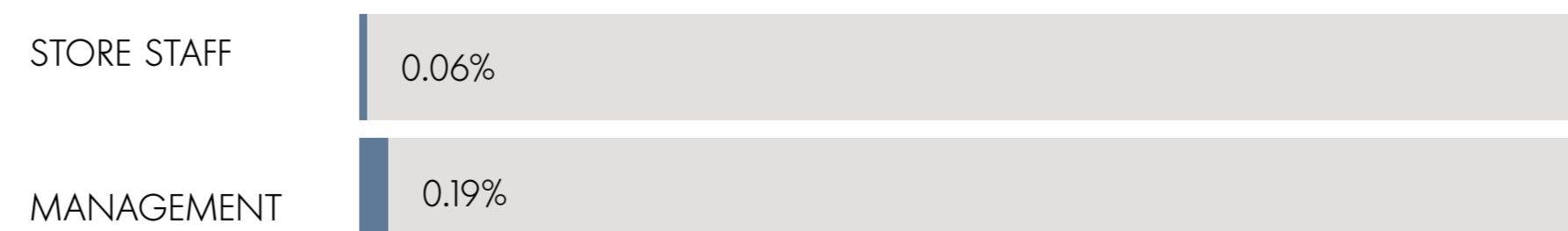
### DIFFERENTIATED SALARY INCREASES\* BASED ON GENDER



### DIFFERENTIATED SALARY INCREASES\* BY CATEGORY



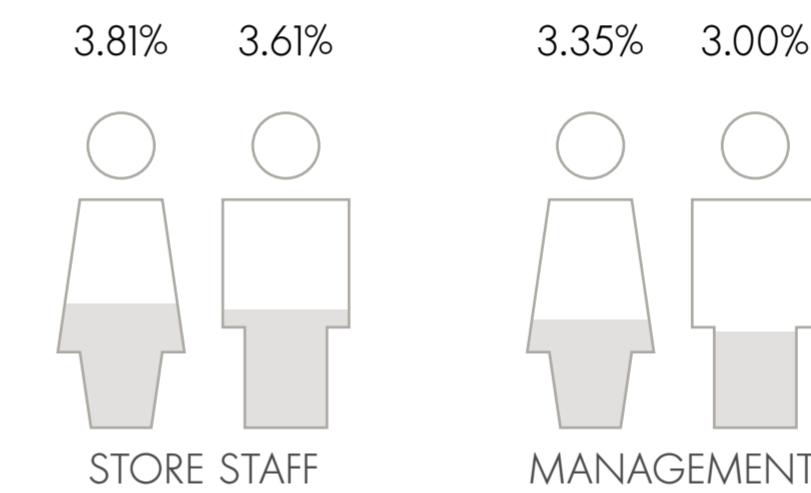
### INCENTIVE SCHEMES (AS % OF αEBIT OF THE ENTITY)



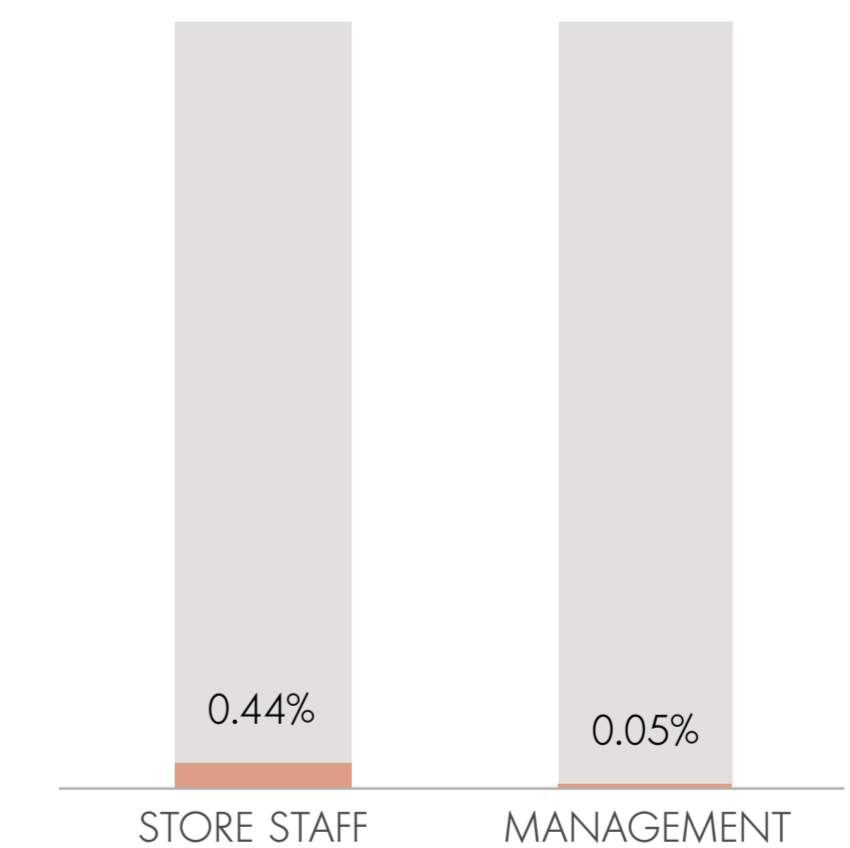
## AUSTRALIA AND NEW ZEALAND FY2025

**LIVING WAGE**  
STORE STAFF  
Australia minimum wage legislation

### DIFFERENTIATED SALARY INCREASES\* BASED ON GENDER

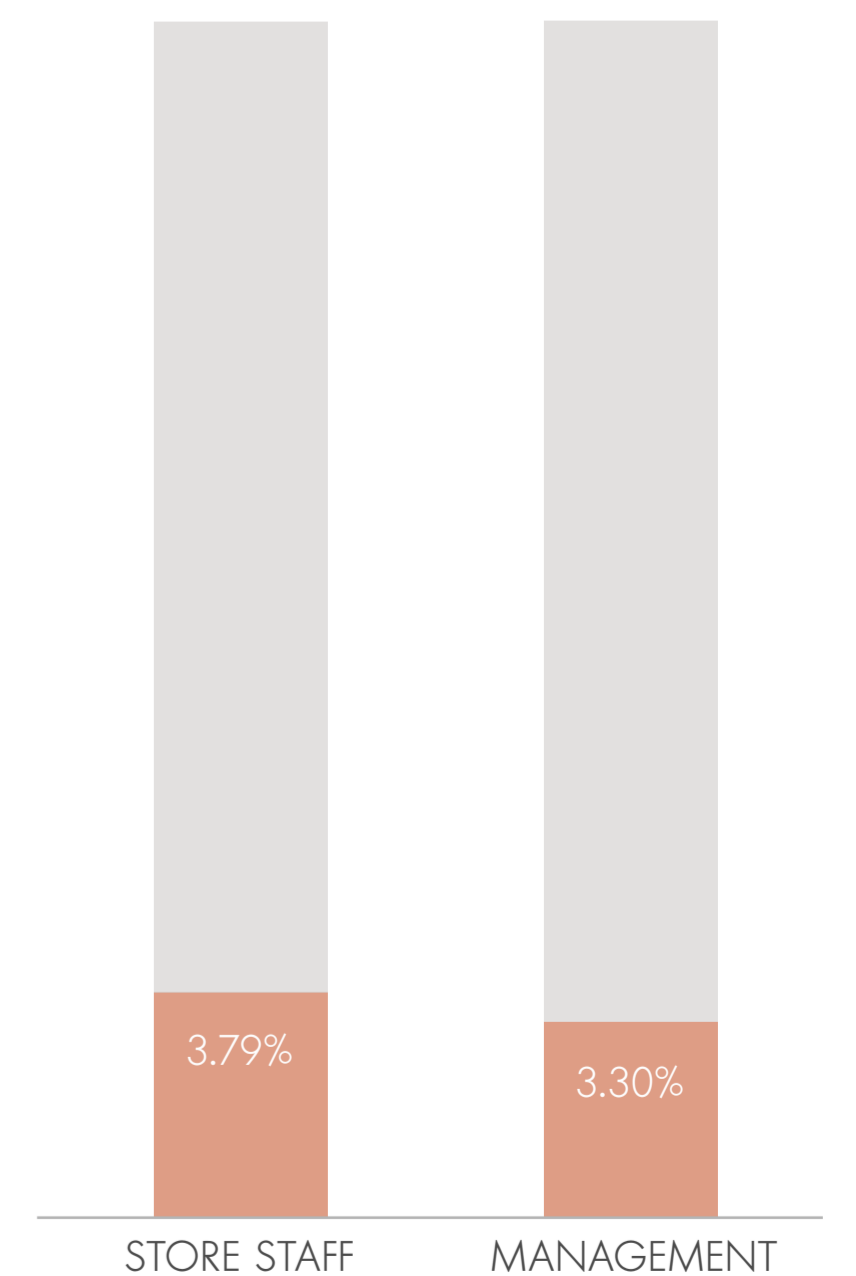


### INCENTIVE SCHEMES (AS % OF αEBIT OF THE ENTITY)



- Corporate STI – CRG CEO and executives received nil payouts
- All other store and supply chain type of incentives: Store schemes and commission-based schemes continues to trigger in some cases.

### DIFFERENTIATED SALARY INCREASES\* BY CATEGORY

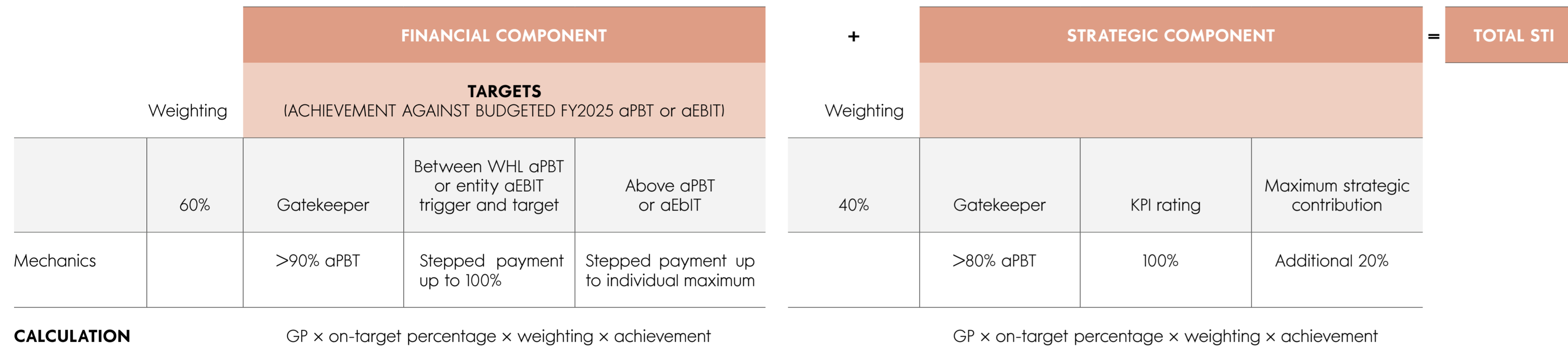


\* effective 1 October 2024

# CORPORATE SHORT-TERM INCENTIVE SCHEME (CORPORATE STI)

## DESIGN PRINCIPLES

The design of the Corporate STI includes the principle that the Group CEO, Executive directors, WHL Exco and senior managers, have a portion of their financial component linked to Group performance. The balance of the financial component (if applicable) is weighted relative to their level of contribution to the entity and/or business unit. The strategic component is linked to pre-determined strategic goals as per their individual performance measures. The design is depicted below:



### FINANCIAL COMPONENT

- Gatekeeper at 90% of Group aPBT or entity/business unit aEBIT
- Budget pre-incentive performance is the trigger for target performance
- Stepped approach in vesting from >90%
- Vesting in excess of 100% is calculated using a stepped approach until the individual's cap is reached

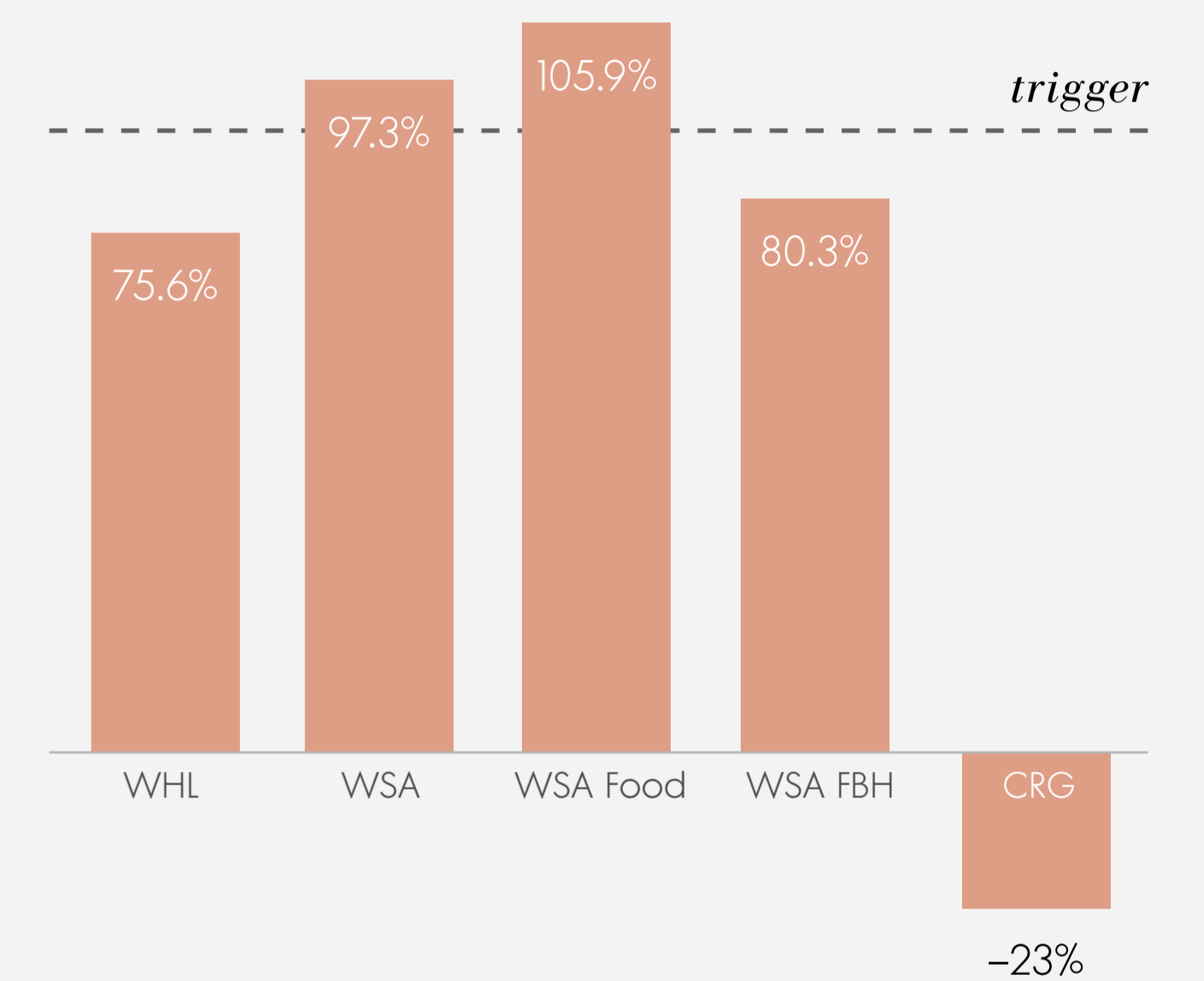
### PERFORMANCE FOR FY2025

Notwithstanding the continued strong performance from our Food business, the Group's overall result was impacted by lower contributions from both apparel businesses, coupled with increased depreciation from planned investments in various strategic initiatives.



## UNDERSTANDING THE STI PAYOUT CALCULATIONS

The table and graph below illustrate STI payouts by business, based on the percentage of performance achieved relative to the financial and strategic triggers.



|                                  | WHL    | WSA    | WSA FOOD | WSA FBH | CRG        |
|----------------------------------|--------|--------|----------|---------|------------|
| Measure                          | aPBT   | aEBIT  | aEBIT    | aEBIT   | aEBIT      |
| Target Rm                        | >5 199 | >5 820 | > 3 629  | > 1 993 | > A\$ 77.4 |
| Actual Rm                        | 3 931  | 5 661  | 3 845    | 1 600   | A\$ (17.8) |
| % Achieved                       | 75.6%  | 97.3%  | 105.9%   | 80.3%   | (23.0%)    |
| Financial component Trigger >90% | Below  | Above  | Above    | Below   | Below      |
| Strategic component Trigger >80% | Below  | Above  | Above    | Above   | Below      |
| Payout                           | No     | Yes    | Yes      | Partial | No         |

## LONG-TERM INCENTIVE SCHEME

### DESIGN PRINCIPLES

The Group CEO, Executive directors, WHL Exco and other qualifying participants are allocated shares on an annual basis according to the relevant LTI policy at the time. The Committee approves the measures, weightings and targets for each financial year.

Grants are made annually at the discretion of the Committee based on GP at the grant date, multiplied by a face value percentage which is linked to the participants' level of work. Performance measures may have differing weightings, which when combined equal 100%. The results per weighted measure are accumulated with the final percentage determining the vesting of the LTI.

| MEASURE                        | WEIGHTING % | TARGETS                                |                  |                                      |
|--------------------------------|-------------|--|------------------|--------------------------------------|
|                                |             | THRESHOLD (150%)                       | ON-TARGET (100%) | STRETCH (150%)                       |
| Measure one – financial metric | +           | Linear between threshold and on-target |                  | Linear between on-target and stretch |
| Measure two – financial metric | +           | Linear between threshold and on-target |                  | No stretch target                    |
| Measure three – ESG metric     | +           | Cliff Vesting                          |                  | Cliff vesting, no stretch target     |
| Achievement %                  | =           |  |                  |                                      |

**CALCULATION: ALLOCATED AWARDS × WEIGHTING × ACHIEVEMENT**

### SHARE ALLOCATIONS MADE IN FY2025 FOR THE GROUP CEO AND EXECUTIVE DIRECTORS

The annual performance share allocations were made in line with the percentage allocations in the FY2025 remuneration policy.

Vesting of these shares are linked to the achievement of Group performance conditions as explained in the remuneration policy on page 92.

| EXECUTIVE                | ALLOCATION % | NUMBER OF SHARES | FACE VALUE R'000s |
|--------------------------|--------------|------------------|-------------------|
| Group CEO                | 150% of GP   | 458 453          | 29 722            |
| Group Financial Director | 100% of GP   | 77 125           | 5 000             |
| CEO WSA Food             | 100% of GP   | 165 047          | 10 700            |
| <b>Total</b>             |              | <b>700 625</b>   | <b>45 422</b>     |

The Group CEO received R10 million of RSP shares as part of the changes to his employment contract, as detailed in last year's Remuneration Report. Zaid Manjra received RSP's worth R10 million as a once-off allocation in respect of his appointment as Group FD.

### SHARES ALLOCATED IN SEPTEMBER 2022 AND VESTED IN FY2025

The LTI performance conditions for the Group CEO, Executive directors and WHL Exco were tested by the Committee with a resultant weighted vesting of 55%.

**55% WEIGHTED ACHIEVEMENT** ↓

| MEASURES               | WEIGHTING | TARGET FOR THRESHOLD VESTING (30%) | TARGET FOR 100% VESTING   | ACTUAL                                      | VESTING PERCENTAGE |
|------------------------|-----------|------------------------------------|---|---|--------------------|
| aHEPS                  | 40%       | CPI + 1% per annum                 | CPI + 4% per annum  | 306.6                                       | 0%                 |
| ROCE*                  | 40%       | WACC + 1%                          | WACC + 3%   | 19.1%                                       | 100%               |
| ESG and TRANSFORMATION | 20%       | No threshold targets               | Transformation 10%<br>• B-BBEE: Level 4 contributor<br>• EE Target: 17.08 points                          | • B-BBEE Level 4 contributor<br>• EE: 16.03 | 50%                |
|                        |           |                                    | Environmental 10%:<br>• WSA FBH local sourcing: Target: 34%<br>• All stores are plastic shopping bag free | 100%  | 100%               |

\* 3-year average ROCE



# TOTAL REWARDS: GROUP CEO – ROY BAGATTINI

## SINGLE FIGURE REMUNERATION

|  |                                     | 2025          | 2024          |
|--|-------------------------------------|---------------|---------------|
|  |                                     | R'000s        | R'000s        |
| Guaranteed Pay   | Base pay <sup>(1)</sup>             | 19 570        | 19 390        |
|  | Benefits <sup>(2)</sup>             | 4 720         | 2 527         |
|  | <b>Guaranteed Pay</b>               | <b>24 290</b> | <b>21 917</b> |
| Short-term Incentive   | Performance bonus                   | -             | 4 777         |
| Long-term Incentive  | Fair value of shares <sup>(3)</sup> | 12 071        | 21 144        |
|  | Dividends received <sup>(4)</sup>   | 4 655         | 8 237         |
| <b>Comparable Remuneration (excluding the 2020 sign-on allocation)</b>         |                                     | <b>41 016</b> | <b>56 075</b> |
| Fair value of RSP shares vesting of the 2020 sign-on allocation <sup>(5)</sup> |                                     | 38 865        | 9 222         |
| <b>Total Single Figure Remuneration, including 2020 sign-on allocation</b>     |                                     | <b>79 881</b> | <b>65 296</b> |

**NOTES:**

1. Base pay received during the year. Annual adjustment made in October 2024 and paid in rands and Australian dollars to reflect the time and focus spent in the different geographies
2. Benefits include healthcare, discount made on WHL purchases and contractual travel arrangements
3. Fair value of shares: value of PS vesting of performance conditions based on the three-year period FY2023 – FY2025. Valued using the 30-day VWAP share price of WHL at 29 June 2025 of R54.26 (FY2024: 59.04)
4. Dividends received during the financial year on all unvested RSP and PS shares held during the year
5. Fair value of shares: value of RSP vesting which was allocated in 2020 with 25% vested in 2023, 25% vested in 2024 and 50% in 2025. Valued using the 30-day VWAP share price of WHL at 29 June 2025 of R54.26 (FY2024: 59.04). Refer to the Chairman's message, page 85

## LONG TERM INCENTIVE VESTING

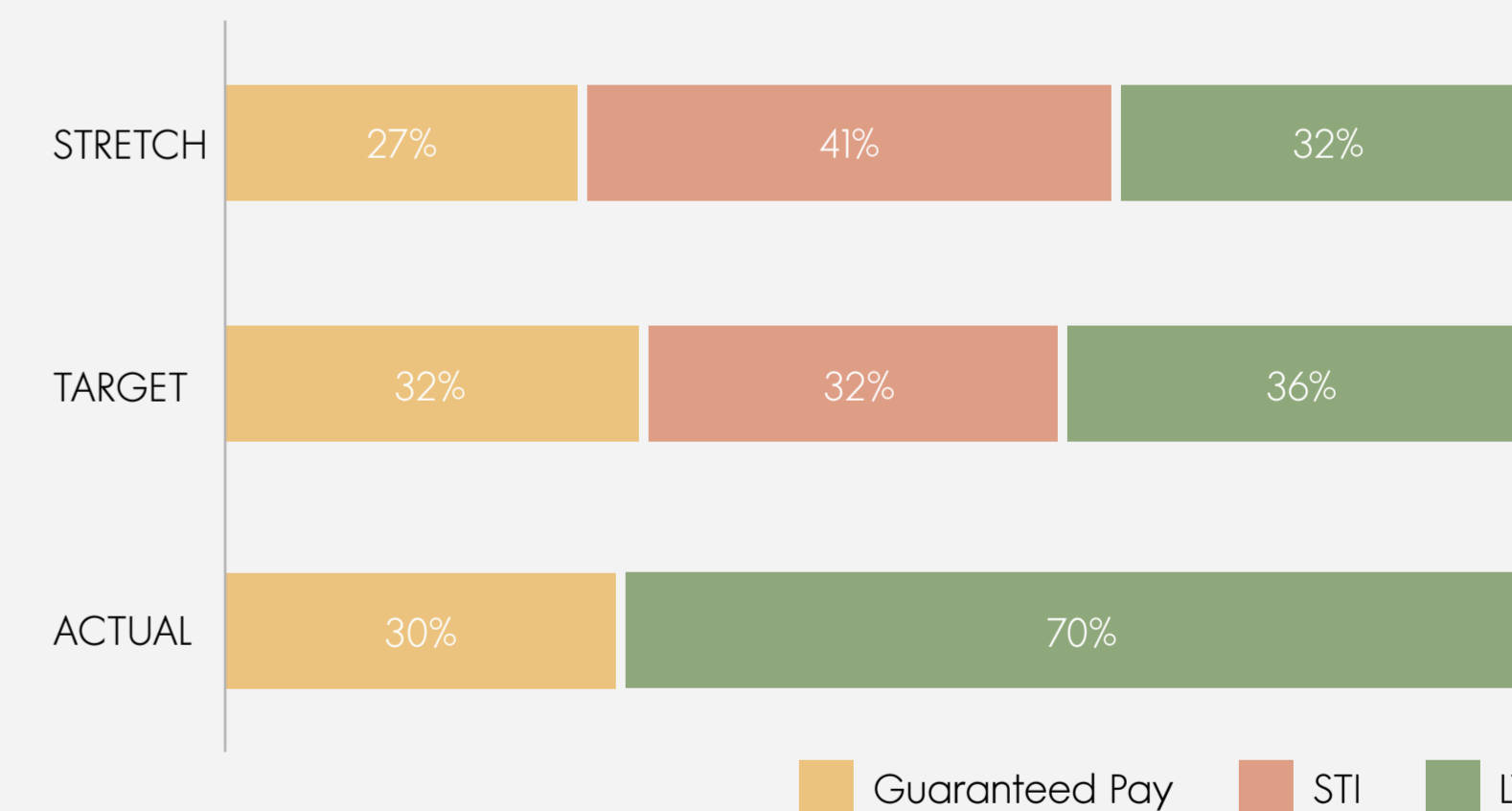
|                                    | NUMBER OF SHARES | VESTING % | VESTED SHARES |
|------------------------------------|------------------|-----------|---------------|
| Shares allocated in September 2022 | 404 484          | 55%       | 222 467       |

Refer to page 98 of the remuneration report for the details of the performance conditions and vesting.

## MINIMUM SHAREHOLDING REQUIREMENT - 200%

|                               |           |
|-------------------------------|-----------|
| REQUIRED HOLDING (200% OF GP) | 626 176   |
| CURRENT HOLDING               | 1 342 445 |
| CURRENT (% OF GP)             | 430%      |

## FY2025 REMUNERATION MIX



**NOTES:**

- Zero STI for FY2025
- Actual LTI includes:
  - vesting of last tranche of sign-on RSP's allocated in 2020
  - 55% vesting of Performance Shares allocated in September 2022

## SHORT TERM INCENTIVE

|  | Weighting | FINANCIAL COMPONENT (60%)                                 |                                     |                           | + | Weighting                                    | STRATEGIC COMPONENT (40%) |                      |                                | = | TOTAL STI |
|--|-----------|---|-------------------------------------|---------------------------|---|--|---------------------------|----------------------|--------------------------------|---|-----------|
|  |           | TARGETS<br>(ACHIEVEMENT AGAINST BUDGETED FY2025 WHL aPBT) |                                     |                           |   |  | TRIGGER<br>>80% WHL aPBT  |                      |                                |   | RO        |
|  | 60%       | Below WHL aPBT trigger                                    | Between WHL aPBT trigger and target | Exceed WHL aPBT budget    |   | 40%  | Trigger                   | Aggregate KPI rating | Maximum strategic contribution |   |           |
| Mechanics                                    |           | 0%  | Stepped payment up to 100%          | Stepped payment up to cap |   |  | >80% WHL aPBT             | 100%                 | Additional 20%                 |   |           |
| FY2025 WHL aPBT achievement                  |           | <90%  |                                     |                           |   |  | <80%                      | n/a                  | n/a                            |   |           |
| Gateway for financial component not achieved |           |   |                                     |                           |   | Gateway for strategic component not achieved |                           |                      |                                |   |           |

# TOTAL REWARDS: GROUP FD – ZAID MANJRA

## SINGLE FIGURE REMUNERATION

|                                   |                                     | 2025         | 2024         |
|-----------------------------------|-------------------------------------|--------------|--------------|
|                                   |                                     | R'000s       | R'000s       |
| Guaranteed Pay                    | Base pay <sup>(1)</sup>             | 5 338        | 2 628        |
|                                   | Benefits <sup>(2)</sup>             | 489          | 317          |
|                                   | <b>Guaranteed Pay</b>               | <b>5 827</b> | <b>2 945</b> |
| Short-term Incentive              | Performance bonus                   | 1 012        | 1 200        |
| Long-term Incentive               | Fair value of shares <sup>(3)</sup> | 1 749        | 933          |
|                                   | Dividends received <sup>(4)</sup>   | 658          | 169          |
| <b>Single Figure Remuneration</b> |                                     | <b>9 246</b> | <b>5 248</b> |

### NOTES:

- Zaid was appointed as FD effective 1 December 2023, therefore his base for FY2024 is for seven months only. His salary was also adjusted to be more in line with retail CFO benchmarks
- Benefits include pension, healthcare and discount made on WHL purchases
- Fair value of shares: value of PS vesting of performance conditions based on the three-year period FY2023 – FY2025. Valued using the 30-day VWAP share price of WHL at 29 June 2025 of R54.26 (FY2024: 59.04)
- Dividends received during the financial year on all unvested RSP and PS shares held during the year

## LONG TERM INCENTIVE VESTING

|                                    | NUMBER OF SHARES | VESTING % | VESTED SHARES |
|------------------------------------|------------------|-----------|---------------|
| Shares allocated in September 2022 | 22 294           | 77.5%     | 20 969        |

September 2022 share allocation: 50% linked the achievement of Group performance conditions and 50% linked to IPM.

## MINIMUM SHAREHOLDING REQUIREMENT – 150%

|   |         |
|---|---------|
| REQUIRED HOLDING BY FIVE YEARS POST APPOINTMENT | 110 000 |
| CURRENT HOLDING                                 | 27 122  |
| CURRENT (% OF GP)*                              | 37%     |

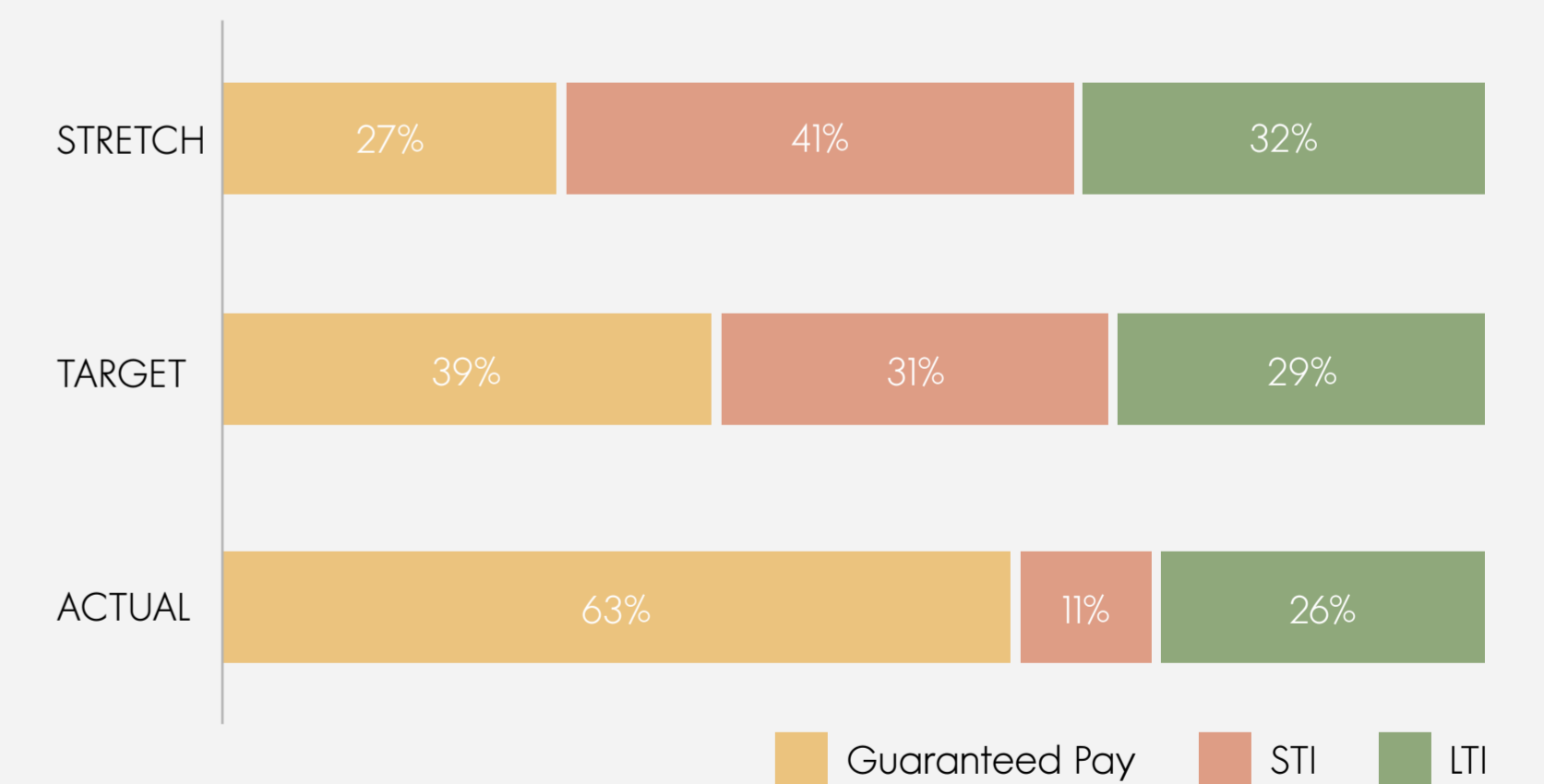
\*MSR applicable from 1 December 2023

## SHORT TERM INCENTIVE

|                             |  | FINANCIAL COMPONENT (60%)                             |                                     |                           | +  | STRATEGIC COMPONENT (40%) |                                |                                 | = | TOTAL STI |
|-----------------------------|--|---|-------------------------------------|---------------------------|--|---------------------------|--------------------------------|---------------------------------|---|-----------|
|                             |  | TARGETS<br>(ACHIEVEMENT AGAINST BUDGETED FY2025 aPBT) |                                     |                           | TRIGGER<br>>80% WHL aPBT                     |                           |                                | RO                              |   |           |
| Weighting                   |  | 60%   |                                     |                           | 40%  |                           |                                |                                 |   |           |
| Mechanics                   |  | Below WHL aPBT trigger                                | Between WHL aPBT trigger and target | Exceed WHL aPBT budget    | Trigger                                      | Aggregate KPI rating      | Maximum strategic contribution |                                 |   |           |
|                             |  | 0%  | Stepped payment up to 100%          | Stepped payment up to cap | >80% WHL aPBT                                | 100%                      | Additional 20%                 |                                 |   |           |
| FY2025 WHL aPbt achievement |  | <90%  |                                     |                           | <80%   | n/a                       | n/a                            |                                 |   |           |
|                             |  | Gateway for financial component not achieved          |                                     |                           | Gateway for strategic component not achieved |                           |                                | Discretionary STI* = <b>R1m</b> |   |           |

\* The remuneration committee approved a discretionary STI award of R1m, acknowledging achievements on certain non-financial strategic aspects including the work performed with regards to the successful sale of the Bourke Street property in Melbourne, Australia.

## FY2025 REMUNERATION MIX



## TOTAL REWARDS: WSA FOOD CEO – SAM NGUMENI

### SINGLE FIGURE REMUNERATION

|                                   |                                     | 2025          | 2024          |
|-----------------------------------|-------------------------------------|---------------|---------------|
|                                   |                                     | R'000s        | R'000s        |
| Guaranteed Pay                    | Base pay <sup>(1)</sup>             | 10 214        | 8 903         |
|                                   | Benefits <sup>(2)</sup>             | 568           | 815           |
|                                   | <b>Guaranteed Pay</b>               | <b>10 782</b> | <b>9 718</b>  |
| Short-term Incentive              | Performance bonus                   | 8 046         | 4 072         |
| Long-term Incentive               | Fair value of shares <sup>(3)</sup> | 5 236         | 3 435         |
|                                   | Dividends received <sup>(4)</sup>   | 1 932         | 3 666         |
| <b>Single Figure Remuneration</b> |                                     | <b>25 996</b> | <b>20 891</b> |

**NOTES:**

- The COO salary was adjusted post his appointment as the CEO WSA Food
- Benefits include pension, healthcare and discount made on WHL purchases
- Fair value of shares: value of PS vesting of performance conditions based on the three-year period FY2023 – FY2025. Valued using the 30-day VWAP share price of WHL at 29 June 2025 of R54.26 (FY2024: 59.04)
- Dividends received during the financial year on all unvested RSP and PS shares held during the year

### LONG TERM INCENTIVE VESTING

|                                    | NUMBER OF SHARES | VESTING % | VESTED SHARES |
|------------------------------------|------------------|-----------|---------------|
| Shares allocated in September 2022 | 146 593          | 55%       | 97 847        |

Refer to page 98 of the remuneration report for the details of the performance conditions and vesting.

### MINIMUM SHAREHOLDING REQUIREMENT – 150%

|                                |         |
|--------------------------------|---------|
| REQUIRED HOLDING (150% OF GPI) | 227 890 |
| CURRENT HOLDING                | 574 589 |
| CURRENT (% OF GPI)             | 380%    |

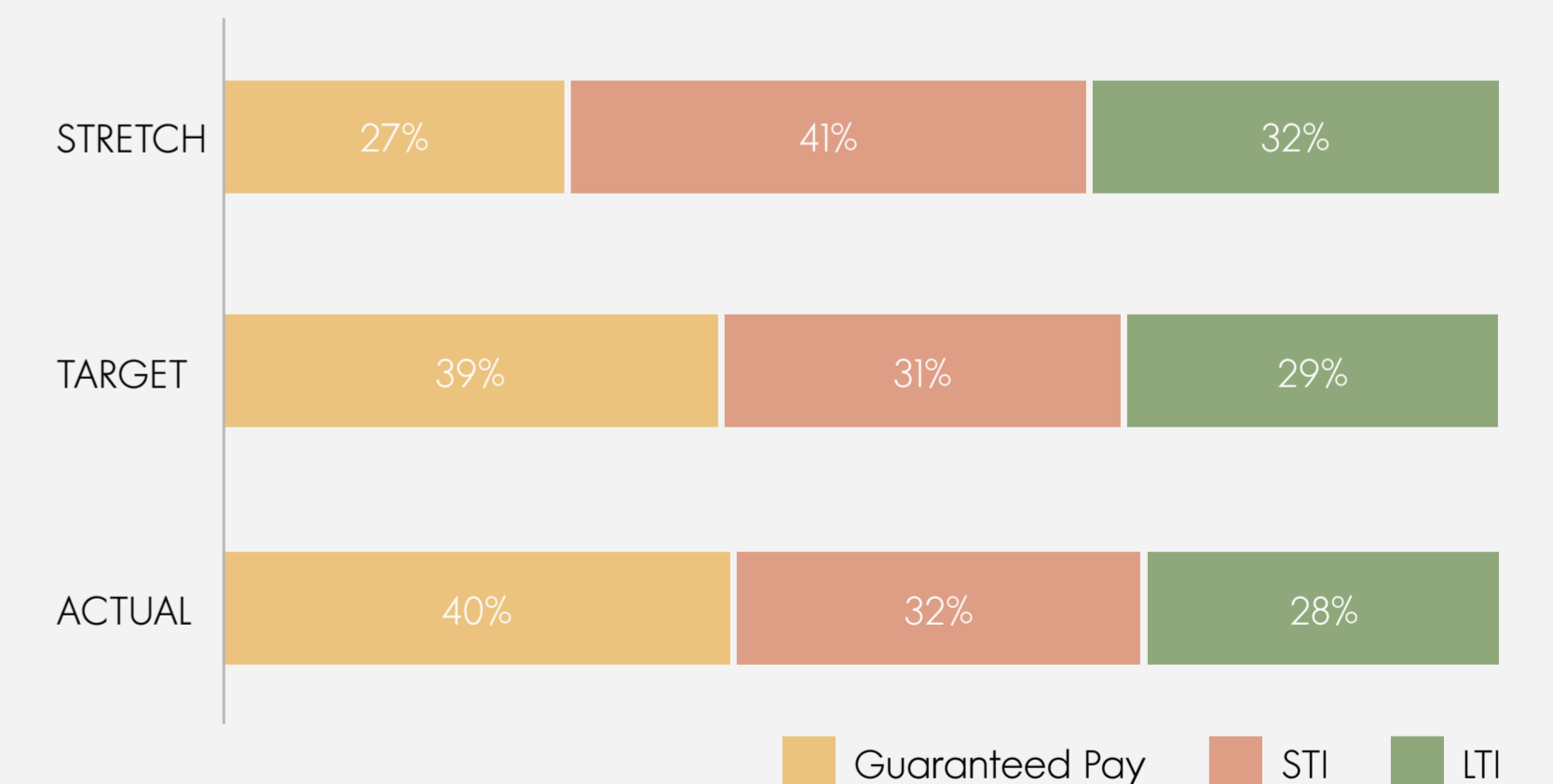
### SHORT TERM INCENTIVE

STI is based on 25% WHL, 25% WSA and 50% Food.

|                         | FINANCIAL COMPONENT (60%)  |   | STRATEGIC COMPONENT (40%)   | = | TOTAL STI         |
|-------------------------|--|---|---|---|-------------------|
|                         | <b>TARGETS</b><br>(ACHIEVEMENT AGAINST BUDGETED FY2025 WHL aPBT AND aEBIT OF THE ENTITY/BUSINESS UNIT) | + | <b>TRIGGER</b><br>>80% aEBIT OF BUSINESS UNIT                       | = |                   |
| <b>WHL calculation</b>  | <b>GP × 80% (allocation) × 25% (contribution) × 60% (weighting) × 0% (achievement)</b>                 |   | <b>GP × 80% (allocation) × 40% (weighting) × 100% (achievement)</b> | = |                   |
| FY2025 outcome          | Rand 0   | + | KPI Outcome   | = | <b>R8 046 400</b> |
|                         |  |   |   |   |                   |
| <b>WSA calculation</b>  | <b>GP × 80% (allocation) × 25% (contribution) × 60% (weighting) × 70% (achievement)</b>                |   |   |   |                   |
| FY2025 outcome          | R898 800   |   |   |   |                   |
|                         |  |   |   |   |                   |
| <b>Food calculation</b> | <b>GP × 80% (allocation) × 50% (contribution) × 60% (weighting) × 145% (achievement)</b>               |   |   |   |                   |
| FY2025 outcome          | R3 723 600   |   |   |   |                   |
| <b>TOTAL</b>            | <b>R4 622 400</b>  |   |   |   |                   |

- KPI's for FY2025
- KPI's achieved at 100% according to IPM
  - Reset of partnerships with key stakeholders
  - Drive Rest of Africa overall strategy and delivery
  - Accelerate Store of the Future
  - Provide continued leadership guidance and input on the Value Chain Transformation Programme.
  - Drive Online Channel ambitions

### FY2025 REMUNERATION MIX



**NOTES:**

- STI formula is as per policy based on WHL, WSA and Food performance and strategic component
- Actual LTI includes 55% vesting of performance shares allocated in September 2022

## DIRECTORS PARTICIPATION IN SHARE SCHEMES

Shares purchased and options granted to executive directors in terms of the Woolworths Holdings Share Trust which had not been exercised at 29 June 2025 are set out below.

| SCHEME               | AWARD DATE  | VESTING DATE | EXPIRY DATE | AS AT 30 JUNE 2024 |                            | AWARDED        |                            | FORFEITED      |             | SOLD OR TRANSFERRED |             |  | AS AT 29 JUNE 2025 |                  |                  | FAIR VALUE RANDB <sup>(3)</sup> |
|----------------------|-------------|--------------|-------------|--------------------|----------------------------|----------------|----------------------------|----------------|-------------|---------------------|-------------|--|--------------------|------------------|------------------|---------------------------------|
|                      |             |              |             | NUMBER             | PRICE RANDB <sup>(2)</sup> | NUMBER         | PRICE RANDB <sup>(2)</sup> | NUMBER         | PRICE RANDB | NUMBER              | PRICE RANDB | REALISATION VALUE <sup>(1)</sup> RANDB | NUMBER             | PRICE RANDB      | VESTED           |                                 |
| <b>ROY BAGATTINI</b> |             |              |             |                    |                            |                |                            |                |             |                     |             |  |                    |                  |                  |                                 |
| RSP                  | 20 Feb 2020 | 05 Mar 2025  | 05 Mar 2025 | 716 269            | 37.87                      |                |                            |                |             | 716 269             | 54.43       | 38 986 522                             |                    | -                | -                | -                               |
|                      | 26 Aug 2021 | 04 Sep 2024  | 04 Sep 2024 | 390 491            | 61.85                      |                |                            | 234 295        |             | 156 196             | 60.74       | 9 486 595                              |                    | -                | -                | -                               |
|                      | 01 Sep 2022 | 01 Sep 2025  | 01 Sep 2025 | 404 484            | 63.55                      |                |                            |                |             |                     |             |  |                    | 404 484          | 404 484          | 21 947 302                      |
|                      | 04 Sep 2024 | 04 Sep 2027  | 04 Sep 2027 |                    |                            | 149 984        | 66.67                      |                |             |                     |             |  |                    | 149 984          | 149 984          | 8 138 132                       |
| TOTAL                |             |              |             | 1 511 244          |                            | 149 984        |                            | 234 295        |             | 872 465             |             | 48 473 117                             |                    | 554 468          | 554 468          | 30 085 434                      |
| PS                   | 01 Sep 2023 | 01 Sep 2026  | 01 Sep 2026 | 373 026            | 75.39                      |                |                            |                |             |                     |             |  |                    | 373 026          | 373 026          | 20 240 391                      |
|                      | 04 Sep 2024 | 04 Sep 2027  | 04 Sep 2027 |                    |                            | 458 453        | 64.83                      |                |             |                     |             |  |                    | 458 453          | 458 453          | 24 875 660                      |
| TOTAL                |             |              |             | 373 026            |                            | 458 453        |                            | -              |             | -                   |             |  |                    | 831 479          | 831 479          | 45 116 051                      |
| <b>TOTAL</b>         |             |              |             | <b>1 884 270</b>   |                            | <b>608 437</b> |                            | <b>234 295</b> |             | <b>872 465</b>      |             | <b>48 473 117</b>                      |                    | <b>1 385 947</b> | <b>1 385 947</b> | <b>75 201 485</b>               |
| <b>ZAID MANJRA</b>   |             |              |             |                    |                            |                |                            |                |             |                     |             |  |                    |                  |                  |                                 |
| RSP                  | 04 Nov 2020 | 07 Nov 2024  | 07 Nov 2024 | 34 661             | 50.58                      |                |                            |                |             | 11 553              | 63.39       | 732 316                                |                    | 23 108           | 23 108           | 1 253 840                       |
|                      | 25 Sep 2024 | 25 Sep 2027  | 25 Sep 2027 |                    |                            | 150 559        | 66.42                      |                |             |                     |             |  |                    | 150 559          | 150 559          | 8 169 331                       |
| TOTAL                |             |              |             | 34 661             |                            | 150 559        |                            |                |             | 11 553              |             | 732 316                                |                    | 173 667          | 173 667          | 9 423 171                       |
| PSP                  | 26 Aug 2021 | 04 Sep 2024  | 04 Sep 2024 | 18 925             | 59.79                      | 3 316          | 64.83                      | 6 672          |             | 15 569              | 60.74       | 945 586                                |                    | -                | -                | -                               |
|                      | 01 Sep 2022 | 01 Sep 2025  | 01 Sep 2025 | 22 294             | 54.73                      |                |                            |                |             |                     |             |  |                    | 22 294           | 22 294           | 1 209 672                       |
| TOTAL                |             |              |             | 41 219             |                            | 3 316          |                            | 6 672          |             | 15 569              |             | 945 586                                |                    | 22 294           | 22 294           | 1 209 672                       |
| PS                   | 01 Sep 2023 | 01 Sep 2026  | 01 Sep 2026 | 21 223             | 75.39                      |                |                            |                |             |                     |             |  |                    | 21 223           | 21 223           | 1 151 560                       |
|                      | 04 Sep 2024 | 04 Sep 2027  | 04 Sep 2027 |                    |                            | 77 125         | 64.83                      |                |             |                     |             |  |                    | 77 125           | 77 125           | 4 184 803                       |
| TOTAL                |             |              |             | 21 223             |                            | 77 125         |                            | -              |             | -                   |             |  |                    | 98 348           | 98 348           | 5 336 363                       |
| <b>TOTAL</b>         |             |              |             | <b>97 103</b>      |                            | <b>231 000</b> |                            | <b>6 672</b>   |             | <b>27 122</b>       |             | <b>1 677 902</b>                       |                    | <b>294 309</b>   | <b>294 309</b>   | <b>15 969 206</b>               |
| <b>SAM NGUMENI</b>   |             |              |             |                    |                            |                |                            |                |             |                     |             |  |                    |                  |                  |                                 |
| PSP                  | 26 Aug 2021 | 04 Sep 2024  | 04 Sep 2024 | 123 266            | 59.79                      | 21 598         | 64.83                      | 86 918         |             | 57 946              | 60.74       | 3 519 362                              |                    | -                | -                | -                               |
|                      | 01 Sep 2022 | 01 Sep 2025  | 01 Sep 2025 | 146 593            | 54.73                      |                |                            |                |             |                     |             |  |                    | 146 593          | 146 593          | 7 954 136                       |
| TOTAL                |             |              |             | 269 859            |                            | 21 598         |                            | 86 918         |             | 57 946              |             | 3 519 362                              |                    | 146 593          | 146 593          | 7 954 136                       |
| PS                   | 01 Sep 2023 | 01 Sep 2026  | 01 Sep 2026 | 120 772            | 75.39                      |                |                            |                |             |                     |             |  |                    | 120 772          | 120 772          | 6 553 089                       |
|                      | 04 Sep 2024 | 04 Sep 2027  | 04 Sep 2027 |                    |                            | 165 047        | 64.83                      |                |             |                     |             |  |                    | 165 047          | 165 047          | 8 955 450                       |
| TOTAL                |             |              |             | 120 772            |                            | 165 047        |                            | -              |             | -                   |             |  |                    | 285 819          | 285 819          | 15 508 539                      |
| <b>TOTAL</b>         |             |              |             | <b>390 631</b>     |                            | <b>186 645</b> |                            | <b>86 918</b>  |             | <b>57 946</b>       |             | <b>3 519 362</b>                       |                    | <b>432 412</b>   | <b>432 412</b>   | <b>23 462 675</b>               |

### NOTES:

1. Realisation value: taxable value realised by the individual on sale or transfer of awards.
2. The grant price is the volume weighted average price of a share, as quoted on the Johannesburg Stock Exchange, for the five business days immediately preceding the date of grant. The grant price for RSP is the price of a share, as quoted on the Johannesburg Stock Exchange, on the date the share is purchased.
3. Valued using 30-day VWAP share price, at 29 June 2025 of R54.26 and 100% vesting.

## NON-EXECUTIVE DIRECTORS' FEES AND EMOLUMENTS

Emoluments paid to Non-executive Directors of Woolworths Holdings Limited in connection with the affairs of the Company and its subsidiaries for the year ended 29 June 2025 and comparative information for 30 June 2024 are set out below.

| 2025                 |       |                                |                        |                              |                               |                                      |                                    |                                 |                           |                         |  |
|----------------------|-------|--------------------------------|------------------------|------------------------------|-------------------------------|--------------------------------------|------------------------------------|---------------------------------|---------------------------|-------------------------|--|
|                      |       | DIRECTORS' FEES <sup>(1)</sup> | AUDIT COMMITTEE MEMBER | NOMINATIONS COMMITTEE MEMBER | REMUNERATION COMMITTEE MEMBER | RISK AND COMPLIANCE COMMITTEE MEMBER | SOCIAL AND ETHICS COMMITTEE MEMBER | SUSTAINABILITY COMMITTEE MEMBER | TREASURY COMMITTEE MEMBER | BENEFITS <sup>(2)</sup> | TOTAL NON-EXECUTIVE DIRECTORS REMUNERATION |
|                      | NOTES | R'000                          | R'000                  | R'000                        | R'000                         | R'000                                | R'000                              | R'000                           | R'000                     | R'000                   | R'000                                      |
| Clive Thomson        | (3)   | 1 823                          | 169                    | 190                          | 237                           | 153                                  | 139                                | 84                              | 208                       | 64                      | 3 067                                      |
| Nombulelo Moholi     |       | 944                            | -                      | 139                          | 153                           | 153                                  | 139                                | 139                             | -                         | 60                      | 1 727                                      |
| Lwazi Bam            | (4)   | 500                            | 318                    | -                            | -                             | 129                                  | -                                  | -                               | 238                       | 69                      | 1 254                                      |
| Christopher Colfer   |       | 2 015                          | 195                    | 196                          | 195                           | 196                                  | -                                  | -                               | -                         | 13                      | 2 810                                      |
| Rob Collins          | (5)   | 2 109                          | -                      | -                            | -                             | 181                                  | -                                  | 267                             | -                         | 4                       | 2 561                                      |
| Belinda Earl         |       | 2 109                          | -                      | 176                          | -                             | 176                                  | -                                  | 303                             | -                         | -                       | 2 764                                      |
| Nolulamo Gwagwa      | (6)   | 337                            | -                      | -                            | 103                           | 103                                  | 46                                 | -                               | -                         | 11                      | 600  |
| Itumeleng Kgaboesele | (7)   | 410                            | 79                     | -                            | 93                            | 125                                  | -                                  | -                               | -                         | 21                      | 728  |
| Thembisa Skweyiya    |       | 500                            | 236                    | -                            | -                             | 153                                  | 236                                | 139                             | 155                       | 2                       | 1 421                                      |
| Hubert Brody         | (8)   | 1 049                          | -                      | 87                           | 80                            | 60                                   | 55                                 | 55                              | 60                        | 10                      | 1 456                                      |
| David Kneale         | (9)   | 122                            | -                      | 34                           | 72                            | 71                                   | -                                  | -                               | -                         | 16                      | 315  |
|                      |       | <b>11 918</b>                  | <b>997</b>             | <b>822</b>                   | <b>933</b>                    | <b>1 500</b>                         | <b>615</b>                         | <b>987</b>                      | <b>661</b>                | <b>270</b>              | <b>18 703</b>                              |

| 2024               |       |                                |                        |                              |                               |                                      |                                    |                                 |                           |                         |  |
|--------------------|-------|--------------------------------|------------------------|------------------------------|-------------------------------|--------------------------------------|------------------------------------|---------------------------------|---------------------------|-------------------------|--|
|                    |       | DIRECTORS' FEES <sup>(1)</sup> | AUDIT COMMITTEE MEMBER | NOMINATIONS COMMITTEE MEMBER | REMUNERATION COMMITTEE MEMBER | RISK AND COMPLIANCE COMMITTEE MEMBER | SOCIAL AND ETHICS COMMITTEE MEMBER | SUSTAINABILITY COMMITTEE MEMBER | TREASURY COMMITTEE MEMBER | BENEFITS <sup>(2)</sup> | TOTAL NON-EXECUTIVE DIRECTORS REMUNERATION |
|                    | NOTES | R'000                          | R'000                  | R'000                        | R'000                         | R'000                                | R'000                              | R'000                           | R'000                     | R'000                   | R'000                                      |
| Clive Thomson      |       | 475                            | 410                    | 68                           | 75                            | 145                                  | 132                                | -                               | 277                       | 51                      | 1 633                                      |
| Nombulelo Moholi   |       | 898                            | -                      | 132                          | 145                           | 145                                  | 132                                | 132                             | -                         | 67                      | 1 651                                      |
| Lwazi Bam          |       | 475                            | 225                    | -                            | -                             | 145                                  | -                                  | -                               | 76                        | 51                      | 972  |
| Christopher Colfer |       | 1 909                          | 210                    | 165                          | 171                           | 171                                  | -                                  | -                               | -                         | 2                       | 2 628                                      |
| Rob Collins        |       | 1 995                          | -                      | -                            | -                             | 157                                  | -                                  | 86                              | -                         | 4                       | 2 242                                      |
| Belinda Earl       |       | 1 995                          | -                      | 86                           | -                             | 157                                  | -                                  | 257                             | -                         | 2                       | 2 497                                      |
| Thembisa Skweyiya  |       | 475                            | 225                    | -                            | -                             | 145                                  | 225                                | 132                             | 147                       | 14                      | 1 363                                      |
| Hubert Brody       |       | 2 543                          | -                      | 211                          | 145                           | 145                                  | 132                                | 132                             | 147                       | 31                      | 3 486                                      |
| David Kneale       |       | 475                            | -                      | 132                          | 277                           | 277                                  | -                                  | -                               | -                         | 22                      | 1 183                                      |
|                    |       | <b>11 240</b>                  | <b>1 070</b>           | <b>794</b>                   | <b>813</b>                    | <b>1 487</b>                         | <b>621</b>                         | <b>739</b>                      | <b>647</b>                | <b>244</b>              | <b>17 655</b>                              |

\* Overseas directors are paid in the local currency where they are based.

### NOTES

- Directors' fees are exclusive of VAT.
- Benefits are discounts received on purchases made in WHL Group stores.
- Clive Thomson was appointed as Chairman of the Board, with effect from 25 November 2024. On the same day, the following Committee changes took effect:
  - Appointed as Chairman of the Remuneration and Nominations Committees and as a member of the Sustainability Committee.
  - Stepped down from the Audit Committee and as Chairman of the Treasury Committee, while remaining a member of the Treasury Committee.
- Lwazi Bam was appointed as Chairman of the Audit and Treasury Committees, with effect from 25 November 2024.
- Robert Collins was appointed as Chairman of the Risk Committee, with effect from 1 October 2024.
- Nolulamo Gwagwa was appointed to the Board, with effect from 1 November 2024. In addition to this appointment, the sub-committees changed as follows:
  - Appointed to the Risk and Remuneration Committees, with effect from 1 November 2024.
  - Appointed to the Social & Ethics Committee, with effect from 5 March 2025.

- Itumeleng Kgaboesele was appointed to the Board, with effect from 5 September 2024. In addition to this appointment, the sub-committees changed as follows:
  - Appointed to the Risk Committee, with effect from 5 September 2024.
  - Appointed to the Remuneration Committee, with effect from 25 November 2024.
  - Appointed to the Audit Committee, with effect from 5 March 2025.
- Hubert Brody retired from the Board, with effect from 25 November 2024.
- David Kneale retired from the Board, with effect from 30 September 2024.

# GLOSSARY



## ABBREVIATIONS USED IN THIS INTEGRATED ANNUAL REPORT

### A

**aHEPS:** Adjusted HEPS

**adHEPS:** Adjusted diluted HEPS

**aPBT:** Adjusted profit before tax

**aEBIT:** Adjusted earnings before interest and tax

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

### B

**B-BBEE:** Broad-Based Black Economic Empowerment; legislation that aims to increase the participation of the majority of South Africans in the economy. Aims to redress the inequalities experienced under apartheid

**BPS:** Basis points

### C

**CEO:** Chief Executive Officer

**COO:** Chief Operating Officer

**CPI:** Consumer Price Index

**CPS:** Cents per share

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

**CSI/SD:** Corporate social investment; Component of the B-BBEE scorecard that encourages support of charitable and non-profit organisations

**CTS:** Cost to sell; expenses expressed as a percentage of turnover, also referred to as 'cost to operate'

### D

**DTIC:** Department of Trade, Industry and Competition

### E

**EBIT:** Earnings before interest and tax

**EBITDA:** Earnings before interest, tax, depreciation, and amortisation

**EPS:** Earnings per share; profit earned for the period divided by the weighted average number of shares in issue

### F

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

**FD:** Group Finance Director

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

**FY:** Financial year

### G

**GBJ:** Good Business Journey; Woolworths Holdings Limited's programme to assist it in achieving its vision of becoming one of the world's most responsible retailers by managing the environmental, social, and transformational activities of the Group

### H

**HEPS:** Headline earnings per share; key measurement of normalised profit per share in South Africa

**HDSA:** Historically Disadvantaged South Africans

### I

**IBP:** Integrated business plan; three-year financial and strategic plan

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

### J

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

### K

**KPI:** Key performance indicator; measurable value of performance against target, which demonstrates how effectively the Group is achieving its key business objectives

### L

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

**LTI:** Long-term incentive; variable remuneration subject to the achievement of performance conditions. Generally a three-year period

**LTIP:** Long-term incentive plan; share scheme instrument allocated to employees in terms of long-term incentive scheme

**LTO:** Labour turnover; percentage of employees leaving the business over a defined period

### M

**MSME:** Micro, small and medium enterprises

### O

**OPEX:** Operating expenses

### R

**ROCE:** Return on capital employed

**ROE:** Return on equity

**RSP:** Restricted share plan; share scheme instrument allocated to employees in terms of retention scheme

### S

**SARS:** Share appreciation right scheme; share scheme instrument allocated to employees in terms of long-term incentive scheme

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

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

### T

**TCoE:** Total cost of employment; total salary and benefits of employees

### V

**VP:** Variable pay; remuneration that varies according to the achievement or not of performance conditions

### W

**WACC:** Weighted average cost of capital

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

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

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

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

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