WOOLWORTHS HOLDINGS LIMITED

# ABRIDGED GOOD BUSINESS JOURNEY REPORT

## OUR INTEGRATED ANNUAL REPORTING SUITE

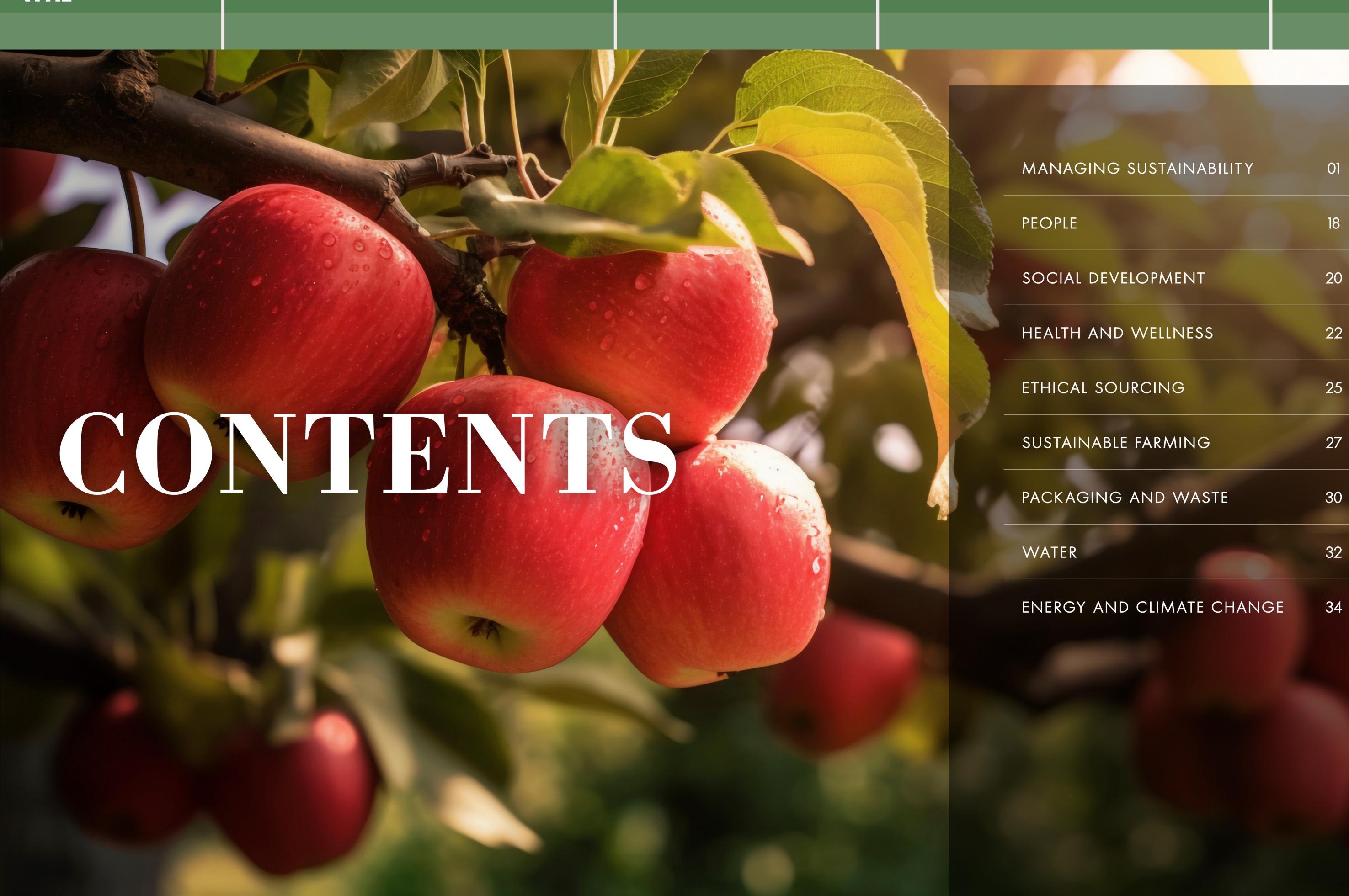
	WHAT THESE REPORTS INCLUDE	REGULATORY AND REPORTING FRAMEWORKS	
2025 Integrated     Annual Report	Provides a review of our material matters, risks and opportunities. Communicates how our strategy, governance and performance create value for our stakeholders in the short, medium, and long term. Together with the rest of the suite, this report aims to meet the information needs of investors, debt providers and all our other stakeholders.	<ul> <li>International Integrated Reporting Council's         International <ir> Framework</ir></li> <li>Companies Act, No 71 of 2008, as amended (Companies Act)</li> <li>JSE Listings and Debt and Specialist Securities Listing Requirements</li> <li>King IV™ Report on Corporate Governance for South Africa, 2016 (King IV™)*</li> <li>United Nations Sustainable Development Goals (SDGs)</li> </ul>	INTEGRATED KEPORTING
<ul> <li>Part of the 2025         <ul> <li>Integrated Annual Report,</li> <li>with extracts published</li> <li>separately online</li> </ul> </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> <li>King IV™</li> <li>Global Reporting Initiative (GRI) Standards</li> <li>Companies Act</li> <li>JSE Listings and Debt and Specialist Securities Listing Requirements</li> <li>Other applicable laws, regulations, and best-practice principles</li> </ul>	GRI JS  KING IV™
• 2025 Good Business Journey (GBJ) Report	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), ESG rating agencies, and our customers.	<ul> <li>GRI</li> <li>JSE Sustainability and Climate Disclosure Guidance</li> <li>Task Force on Climate-related Financial Disclosures (TCFD)/IFRS S2 Climate-related Disclosures</li> <li>UN SDGs</li> <li>King IV™</li> </ul>	GRI JS  TCI  KING IV™  SS
<ul> <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> <li>IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) (IFRS Accounting Standards)</li> <li>Companies Act</li> <li>JSE Listings and Debt and Specialist Securities Listing Requirements</li> </ul>	JS≣ S\$IFR
<ul> <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> <li>JSE Listings and Debt and Specialist Securities Listing Requirements</li> <li>Companies Act</li> <li>King IV™</li> </ul>	JS≣ NNS IV™

#### REPORT ASSURANCES

Integrated Annual Report: Reviewed by directors and management but not externally assured; financial content aligned to the AFS. Financial information: Extracted financial content and AFS audited with an unmodified opinion expressed.

Non-financial performance metrics: Accredited service providers and agencies have verified certain metrics, including our carbon footprint and B-BBEE rating. Management put internal controls and risk and compliance programmes in place for other metrics as appropriate. Feedback: For more information about this report or to provide feedback, please email us at <a href="mailto:livestorRelations@woolworths.co.za">livestorRelations@woolworths.co.za</a>

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# OUR ABRIDGED GOOD BUSINESS JOURNEY REPORT

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

#### SCOPE AND BOUNDARY OF THIS REPORT

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

#### REPORTING FRAMEWORK

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

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

#### FORWARD-LOOKING STATEMENTS

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

#### APPROVAL AND ASSURANCE

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

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

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

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

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

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



# NAVIGATING OUR REPORT

#### OUR SUSTAINABILITY REPORTING SUITE

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

#### REPORTS

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

#### ASSURANCE

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

#### REPORTING FRAMEWORKS

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

#### EXTERNAL SUBMISSIONS

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

#### OTHER

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

#### **GBJ FOCUS AREAS**

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

PEOPLE

SOCIAL DEVELOPMENT

HEALTH AND WELLNESS

ETHICAL SOURCING

SUSTAINABLE FARMING

PACKAGING AND WASTE

WATER

ENERGY AND CLIMATE CHANGE

#### **NAVIGATING OUR REPORT**

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







CLICK TO DOWNLOAD OR UPDATE



# JOINT SOCIAL AND ETHICS AND SUSTAINABILITY COMMITTEES' REPORT

We operate in an increasingly complex global environment marked by geopolitical and economic volatility.

The undeniable effects of climate change are disrupting food systems and global supply chains, exposing the vulnerabilities of long-standing models.

At the same time, our customers are demanding greater transparency, healthier choices, and more responsible business practices.

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

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

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

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

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

#### **INCLUSIVE JUSTICE**

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

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

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

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

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

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

#### ETHICAL AND FAIR

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

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

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

#### THRIVING AND RESILIENT

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

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

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

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

#### LOOKING AHEAD

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

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

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

Sincerely



**Belinda Earl**Sustainability Committee
Chairman

Thembian Slaves

Thembisa Skweyiya
Social and Ethics
Committee Chairman

# OUR GROUP

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

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

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

Each business engages customers through dedicated loyalty programmes.

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



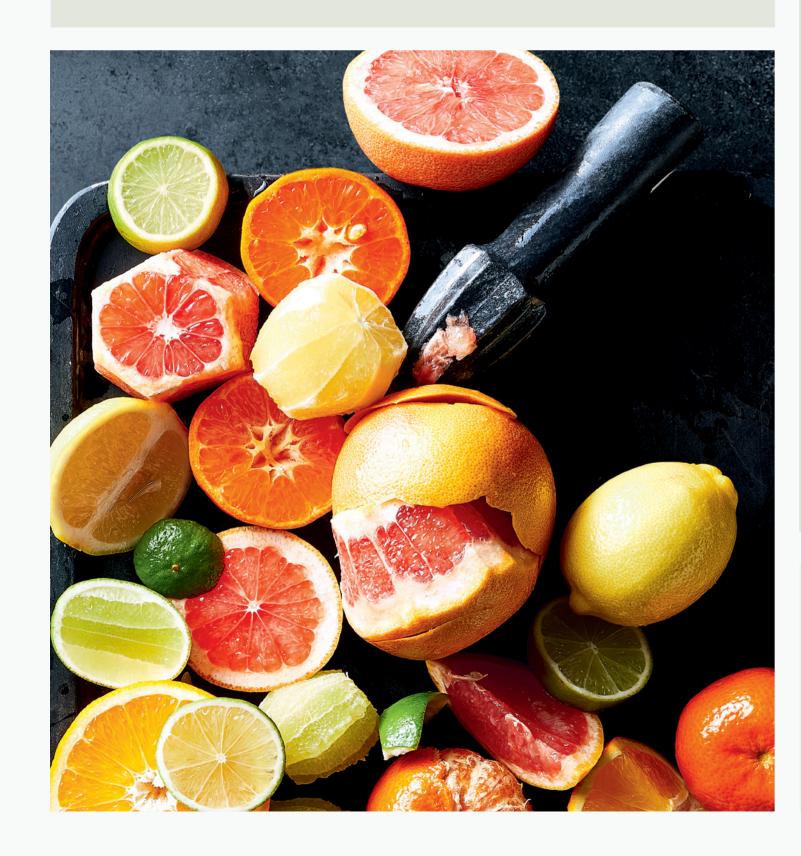
## WOOLWORTHS

## Woolworths Food



#### OFFERING

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



#### BASED IN

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



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

## 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



31% contribution

to Group adjusted EBIT

6.6%

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



3.5M

active loyalty members, tracking 87% of revenue

34 967

employees

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



 $101\ 031M^2$ 

trading space across 630 store locations

2.3M

active loyalty members, tracking 73% of sales





15%

contribution to Group turnover and concession sales

-4.1%

contribution to Group adjusted EBIT

28.6%

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





5 201

employees

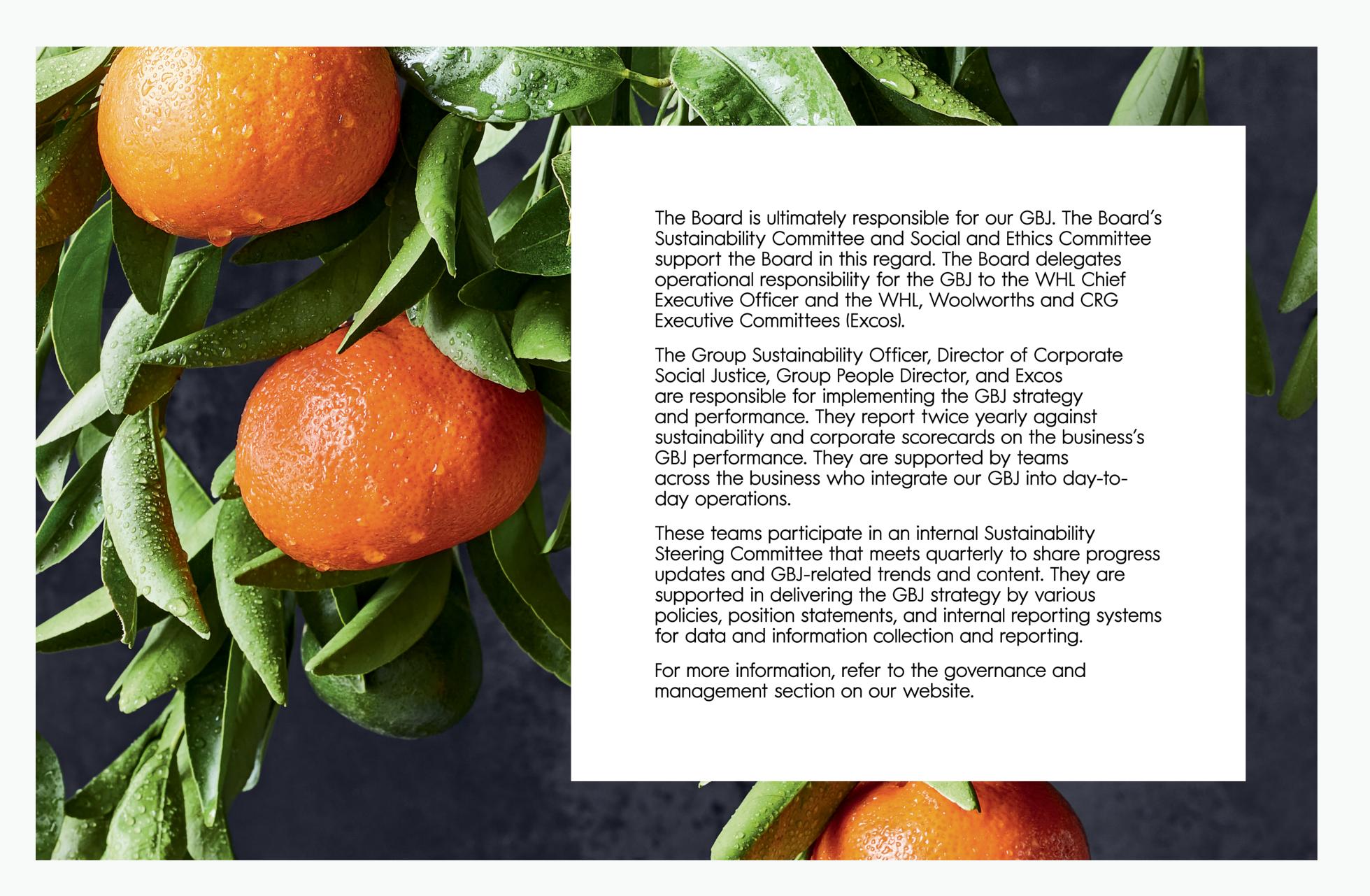
84%

targets achieved on sustainability scorecard

# GOVERNANCE AND MANAGEMENT OF OUR GOOD BUSINESS JOURNEY

VISION 2025+ PILLARS COVERED

Thriving and Resilient



	1	WHL Board	iji	->-
BOARD OVERSIGHT	2	WHL Board Sustainability Committee		->-
	_	WHL Board Social and Ethics Committee	iji	
	3	Excos	jji	->-
MANAGEMENT OVERSIGHT		Group Sustainability Officer		-
	4	Director of Corporate Affairs and Group People Director	iji	
CO-ORDINATION AND	5	Sustainability, Corporate Affairs, and Human Resources teams	iji	- <del>\</del>
IMPLEMENTATION	6	Scorecards, Sustainability Steering Committee	iji	->
	7	Policies and position statements	ijij	
	8	Reporting systems	iji	

Inclusive

**VISION 2025**+

**PILLARS** 



# THE GOOD BUSINESS JOURNEY

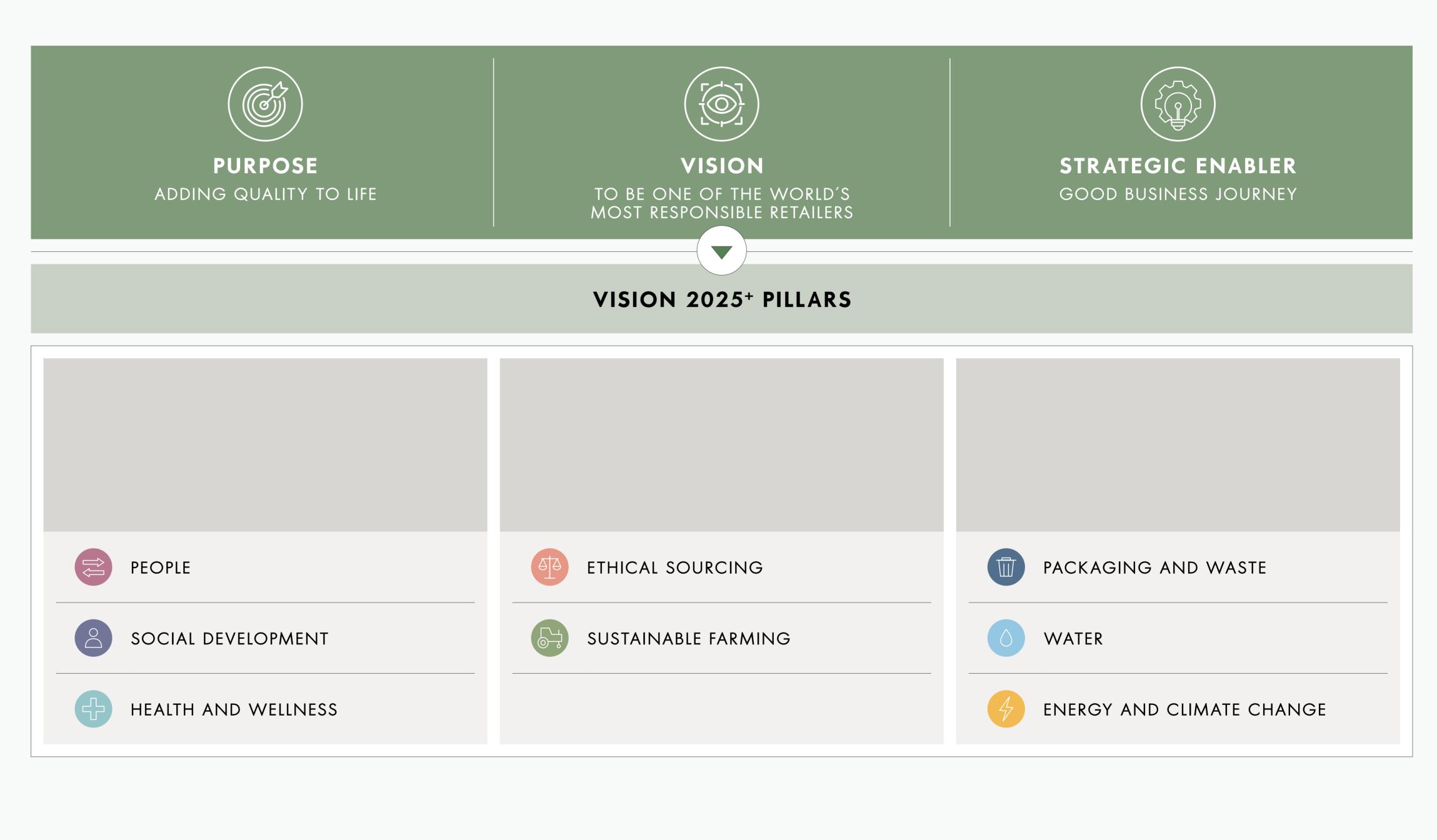
The GBJ is central to the Group's strategy and supports our vision to be one of the world's most responsible retailers. For more information on the Group's strategic framework, refer to the Integrated Annual Report.

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

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

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

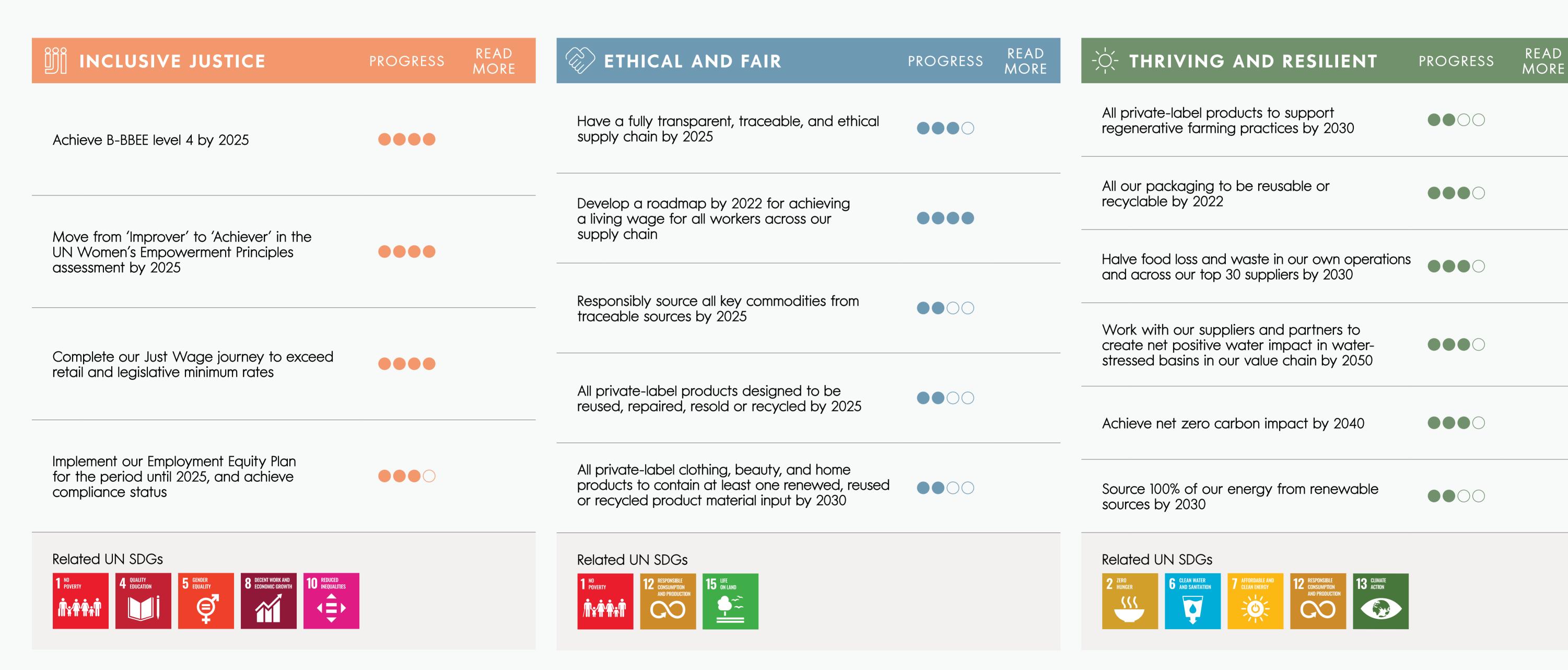




UNDERLYING PRINCIPLES: TRANSPARENCY, CIRCULARITY, INNOVATION, COLLABORATION



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



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







NEEDS FOCUS: limited progress requiring support







with expectations



# A YEAR IN REVIEW



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



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



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



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



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



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



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



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



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



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



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



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



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



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



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



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



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



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



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



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



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

# OUR VALUE CHAIN

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

#### RAW MATERIALS, PROCESSING, DIRECT OPERATIONS CUSTOMERS AND COMMUNITIES **VALUE CHAIN ELEMENTS AND** AND MANUFACTURING **STAKEHOLDERS** • Suppliers (farmers, manufacturers, etc) Employees Customers Government, regulators and lawmakers Social and environmental partners (NGOs) Government, regulators and lawmakers We support employment, including for local and small and In our direct operations, we create jobs, contribute to We aim to positively impact the health and wellbeing of medium businesses, through our supply chain. However, we skills development, and promote workforce inclusivity and our customers through our store experience, product safety need to ensure that the conditions under which those workers diversity. The Group's culture and working environment procedures, and wide product offering. aim to positively impact the health, safety, and wellbeing are employed and remunerated are ethical and fair, and that We give back to our local communities and empower our their human rights are respected. of our employees. customers to do the same through social development We need to address potential negative impacts from programmes and cause-related products. We also need to work with our suppliers to address potential negative environmental impacts arising from raw material our direct operations. These include impacts on water We need to mitigate the impacts of our product and **IMPACTS AND** production, processing, and product manufacturing. These quality and availability, carbon emissions, pollution, packaging waste on customers and local communities. MANAGEMENT include impacts on water quality and availability, biodiversity, and waste. deforestation, climate change, pollution, waste, and animal welfare. HOW WE ACHIEVE THIS: HOW WE ACHIEVE THIS: HOW WE ACHIEVE THIS: Driving packaging innovation Water- and energy-efficiency initiatives Recycling facilities in-store Sustainable farming and fishing Waste reduction initiatives • Surplus food and clothing donations to organisations Ethical sourcing Health and wellness initiatives • Enterprise and supplier development **IMPACT** HIGH LOW **MODERATE** MAGNITUDE RELATED GBJ FOCUS AREAS<sup>1</sup>

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

# RISK AND MATERIALITY

We identify and assess our sustainability risks and material issues annually. Vision 2025<sup>+</sup> and the material matters we report on are informed and refreshed annually based on this process.

#### SUSTAINABILITY RISKS

#### MATERIALITY DETERMINATION

We determine our sustainability risks using a robust approach that aligns with the Group's integrated risk assessment and management approach. We develop risk registers for key business areas to ensure we document all identified risks, weighted and prioritised according to the agreed risk assessment method, and identify action plans to mitigate the risks.

For more information on the Group's integrated risk assessment and management approach, refer to the enterprise risk management section of the Integrated Annual Report.



We identify and assess the Group's material sustainability matters annually. We do this through internal stakeholder engagement, the risk assessment process, and a desktop review of peer sustainability reports, media and news articles, global collective commitments, and global sustainability and reporting tools and indices. This is supplemented by formal external stakeholder engagement every three to five years.

We performed a materiality refresh exercise this year. This was done through internal stakeholder engagement, engagement with selected external stakeholders, and a desktop review.

As part of our annual review, material sustainability-related matters were tabled during the February 2025 Sustainability Committee. The committee confirmed that the current areas of focus remain relevant and unchanged. It continues to monitor the evolving sustainability landscape to ensure alignment.

#### MATERIAL MATTERS

No new material matters were identified.

## THE FOLLOWING MATTERS WERE EMPHASISED OR REMAINED RELEVANT:

- Climate change including the phasing out of fossil fuels, transitioning to renewable energy and electric vehicles, measuring and reporting on value chain emissions, net zero commitments, climate-related incentives, and the need for an internal carbon price
- Biodiversity loss including its impact on the Group, its nature commitments, and the need to understand its associated risks
- Waste and packaging including recycling and take-backs, reducing single-use packaging, and designing for circularity
- Food security and reducing food waste
- Regenerative farming, water and resource conservation, locally sourced products, and sustainable farming practices
- Fostering gender equality, diversity, inclusivity, and equity in the workplace, including addressing remuneration gaps and paying fair wages

While not classified as a sustainability-related material matter, the growing demands of sustainability reporting and evolving legislative requirements have been identified as emerging areas of focus, and we continue to monitor them closely.





### RISK AND MATERIALITY CONTINUED

	CLIMATE CHANGE	WATER	BIODIVERSITY LOSS	PACKAGING, WASTE, AND THE CIRCULAR ECONOMY	RESPONSIBLE SOURCING, TRANSPARENCY, AND TRACEABILITY
MATERIAL	Climate change will have far- reaching impacts across our value chain, presenting physical and transition risks.  To ensure our long-term sustainability, we must adapt to climate change and mitigate its effects while working towards a just transition.	Much of our supply chain, customer base, and direct operations are in areas where water quality and availability are at risk. We need to address water challenges in these areas to ensure continuity of our operations and product supply.  We must conserve and protect this precious resource for our customers and communities.	Globally, nature is declining and species are becoming extinct at unprecedented rates. This biodiversity loss is a critical risk to our business, the health and wellness of our customers and employees, and the economy as a whole.	The world has finite resources. We must transition from a linear take-make-waste approach to a circular economy approach to business.  To do this, we must fundamentally rethink how we design, use, and reuse products, plastics, and other packaging.	Multi-tiered and geographically dispersed supply chains like ours can have significant negative impacts.  We need to operate in a way that respects human rights, and protects the environment and welfare of animals.
RISKS	<ul> <li>Threat to supply, quality, and availability of raw materials</li> <li>Supply chain and logistics disruptions</li> <li>Failure to engage suppliers to reduce value chain emissions</li> <li>Food insecurity and food price inflation</li> <li>Failing governmental and municipal infrastructure</li> <li>Business disruption due to energy interruptions and/or extreme weather events</li> <li>Lack of availability and increased cost of electricity and/or low-emission technology</li> <li>Reduced customer demand for unsustainable products</li> <li>Failure to develop a climate transition plan</li> </ul>	<ul> <li>Food insecurity and food price inflation</li> <li>Contamination of water resources through pollution</li> <li>Changing weather patterns resulting in regional droughts</li> <li>Threat to supply, quality, and availability of raw materials</li> <li>Failing governmental and municipal infrastructure</li> <li>Failure to comply with water regulations</li> <li>Reduced customer demand for unsustainable products</li> </ul>	<ul> <li>Threat to supply, quality and availability of raw materials</li> <li>Food insecurity and food price inflation</li> <li>Reduced customer demand for unsustainable products</li> </ul>	<ul> <li>Lack of widely available recycling infrastructure and technology</li> <li>Lack of cost-effective and recyclable substrates and fibre alternatives</li> <li>Food waste sent to landfill due to inappropriate packaging</li> <li>Reduced customer demand for unsustainable products</li> <li>Increased customer demand for packaging reduction and take-back options</li> <li>Increased regulations and cost of compliance with laws and regulations</li> <li>Threat to supply of non-renewable raw materials</li> </ul>	<ul> <li>Failure to address working conditions in the value chain: minimum wage violations, human rights abuses such as modern slavery, forced labour, child labour</li> <li>Poor animal welfare practices</li> <li>Inability to obtain relevant product certification</li> <li>Failure to validate sustainability claims, resulting in reputational damage</li> <li>Failure to ensure traceability of our products</li> </ul>



#### RISK AND MATERIALITY CONTINUED

	CLIMATE CHANGE	WATER	BIODIVERSITY LOSS	PACKAGING, WASTE, AND THE CIRCULAR ECONOMY	RESPONSIBLE SOURCING, TRANSPARENCY, AND TRACEABILITY
MITIGATIONS	<ul> <li>Implement energy-efficiency initiatives in direct operations</li> <li>Install renewable energy</li> <li>Implement energy-efficient logistics and roll out electric vehicles</li> </ul>	<ul> <li>Implement water-efficiency initiatives in direct operations</li> <li>Implement a detox strategy to remove harmful chemicals in clothing manufacturing</li> <li>Be involved in water stewardship projects in key sourcing regions</li> <li>Install water tanks and handwashing stations at various schools</li> </ul>	<ul> <li>Implement and support sustainable and/or regenerative farming and fishing programmes</li> <li>Use alternative fibres</li> </ul>	<ul> <li>Implement waste reduction and circular economy initiatives, e.g. phase out non-recyclable singleuse plastic, use recycled or renewed content in products, and donate surplus products</li> <li>Implement circular fashion models, such as rental and resale</li> <li>Provide customer take-back facilities at stores</li> </ul>	<ul> <li>Source commodities through recognised international responsible sourcing programmes and certification schemes</li> <li>Mandatory compliance by suppliers with our policies and position statements, monitored through regular audits</li> <li>Living wage roadmap and modern slavery reporting</li> </ul>
CROSS-CUTTING MITIGATIONS					
PORTION OF THE VALUE CHAIN IMPACTED	Raw materials, processing, and manufacturing  Direct operations  Customers and communities  Raw materials, processing and manufacturing				Raw materials, processing, and manufacturing
RELATED VISION 2025 <sup>+</sup> PILLARS	Thriving and Resilient	Thriving and Resilient	Thriving and Resilient	Thriving and Resilient	Ethical and Fair
RELATED FOCUS AREAS					

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



# GBJ STAKEHOLDER ENGAGEMENT

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

OUR STAKEHOLDERS	THEIR NEEDS, EXPECTATIONS AND CONCERNS	HOW WE CREATE VALUE	ENGAGEMENTS IN THE YEAR	REFERENCES
We engage our <b>customers</b> to embed customer insights into decision-making and ensure product relevance, value, and trust.	<ul><li>Ethical sourcing</li><li>Reduced packaging</li><li>Sustainable farming</li></ul>	<ul> <li>Ensuring that we grow food in a sustainable way, and that products are responsibly sourced, and readily available</li> <li>Providing opportunities to support schools and other charities through our MyDifference programme</li> </ul>	<ul> <li>Engaged with customers in stores, on social media and via the GBJ mailbox</li> <li>1.1 million customers supported the MyDifference programme</li> <li>Sponsored and participated in The Good Life Show 2024</li> </ul>	Customer involvement  Plant-forward diets
We engage and empower our employees as key enablers of strategy and influential brand ambassadors.	<ul> <li>Fair pay and job security</li> <li>Career development</li> <li>Inclusion and wellbeing</li> <li>Awareness and training</li> </ul>	<ul> <li>Paying our employees a 'Just Wage'</li> <li>Investing in employee training and development</li> <li>Promoting diversity, inclusion, social justice, and equality, enabled by our Inclusive Justice Initiative</li> <li>Providing opportunities for workplace giving and volunteering</li> </ul>	<ul> <li>Talent review forums at individual entity and business unit level</li> <li>Engaged with top leaders to enhance diversity and inclusion in the Group</li> <li>Engaged with people with disabilities employees to identify opportunities to improve retention</li> <li>Exco chats between Woolworths employees and Exco members</li> <li>Employee community engagement</li> <li>Wellness Week at the Woolworths head office</li> <li>Employee Assistance Programme</li> </ul>	Talent development and retention  Diversity, equity and inclusion  Employee engagement  Employee community involvement  Employee health and wellbeing
We engage our <b>social and environmental partners</b> to contribute to social and economic development and build goodwill within the communities we serve.	<ul> <li>Economic empowerment</li> <li>Leadership on social issues</li> <li>Environmental accountability</li> </ul>	<ul> <li>Local investment</li> <li>B-BBEE compliance</li> <li>Sustainability and education programmes</li> </ul>	<ul> <li>Various engagements with NGO partners</li> <li>Engaged with Living Soils graduates</li> </ul>	Social development Living Soils Community Learning Farm
We engage our <b>suppliers</b> to maintain strong, ethical, and mutually beneficial supply chain relationships.	<ul> <li>Fair and ethical sourcing</li> <li>Business growth support</li> <li>Sustainable farming</li> </ul>	<ul> <li>Enterprise and Supplier Development Programme</li> <li>Helping suppliers to contribute to their communities and the environment through sustainable fishing and farming programmes, and responsible sourcing of key commodities</li> </ul>	Supplier training     Animal welfare training     Supplier mapping	Transparency and traceability  Living wage  Sustainable farming and fishing  Improving animal welfare standards





#### STAKEHOLDER ENGAGEMENT CONTINUED

OUR STAKEHOLDERS	THEIR NEEDS, EXPECTATIONS AND CONCERNS	HOW WE CREATE VALUE	ENGAGEMENTS IN THE YEAR	REFERENCES
We engage our <b>investment community</b> to ensure transparent reporting, sound governance, and sustained financial performance.	<ul> <li>Management of economic, social, and environmental risks</li> <li>Transparent and comprehensive reporting</li> </ul>	Sustainability-linked financial strategy	<ul> <li>Roadshows and investor briefings</li> <li>AGM interactions</li> </ul>	Woolworths AGM minutes, November 2025
We engage industry organisations to shape industry standards, share knowledge, and collective sector goals.	Best practice input     Sector-wide transformation	Thought leadership and collaboration     Non-competitive partnerships	<ul> <li>Industry engagement</li> <li>Participation in sustainability networks</li> <li>CRG participated in the Green Building Council Australia advisory panel for evaluating store fitouts</li> </ul>	Our Good Food Journey Responsible Sourcing Fishing for the Future Industry collaboration Low-carbon transition Packaging and waste
We engage government, regulators, and lawmakers to contribute to national goals make constructive policy inputs and ensure compliance.	Inclusive growth     Local procurement	<ul> <li>Commitment to transformation, particularly for the previously disadvantaged</li> <li>Advocacy on pressing regulatory issues</li> <li>Using our core competencies to help solve societal problems such as food insecurity</li> </ul>	<ul> <li>Government and regulatory engagement</li> <li>Policy alignment in operations</li> <li>Engagements with electricity supply authorities on regulatory approval processes</li> </ul>	Social development  Responsible marketing and advertising  Vision zero packaging waste to landfill  Low-carbon transition
We engage <b>academic institutions</b> to support research, talent development, and knowledge sharing.	<ul> <li>Academic collaboration</li> <li>Sustainability insight sharing</li> </ul>	Hosting research trials and pilots     Participating in business-academic platforms	Experiential learning programmes     Research partnerships	Education  Living Soils Community Learning Farm  Farming for the Future  Talent development and retention
We engage the <b>media</b> to shape public perception, share key messages, and increase transparency.	<ul> <li>Consumer and sustainability education</li> <li>Brand trust</li> </ul>	Providing accurate, timely updates on business and sustainability initiatives	<ul> <li>Regular media features</li> <li>Public relations engagements</li> <li>Sustainability themed posts on social media platforms</li> </ul>	Woolworths LinkedIn Our Latest News GBJ Booklet 2024



## Focus areas in this pillar

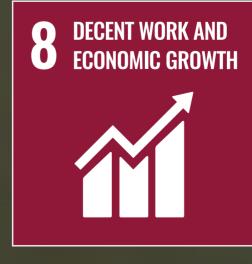
PEOPLE	18
SOCIAL DEVELOPMENT	20
HEALTH AND WELLNESS	22

### Related UN SDGs













#### WHY IS THIS FOCUS AREA IMPORTANT?

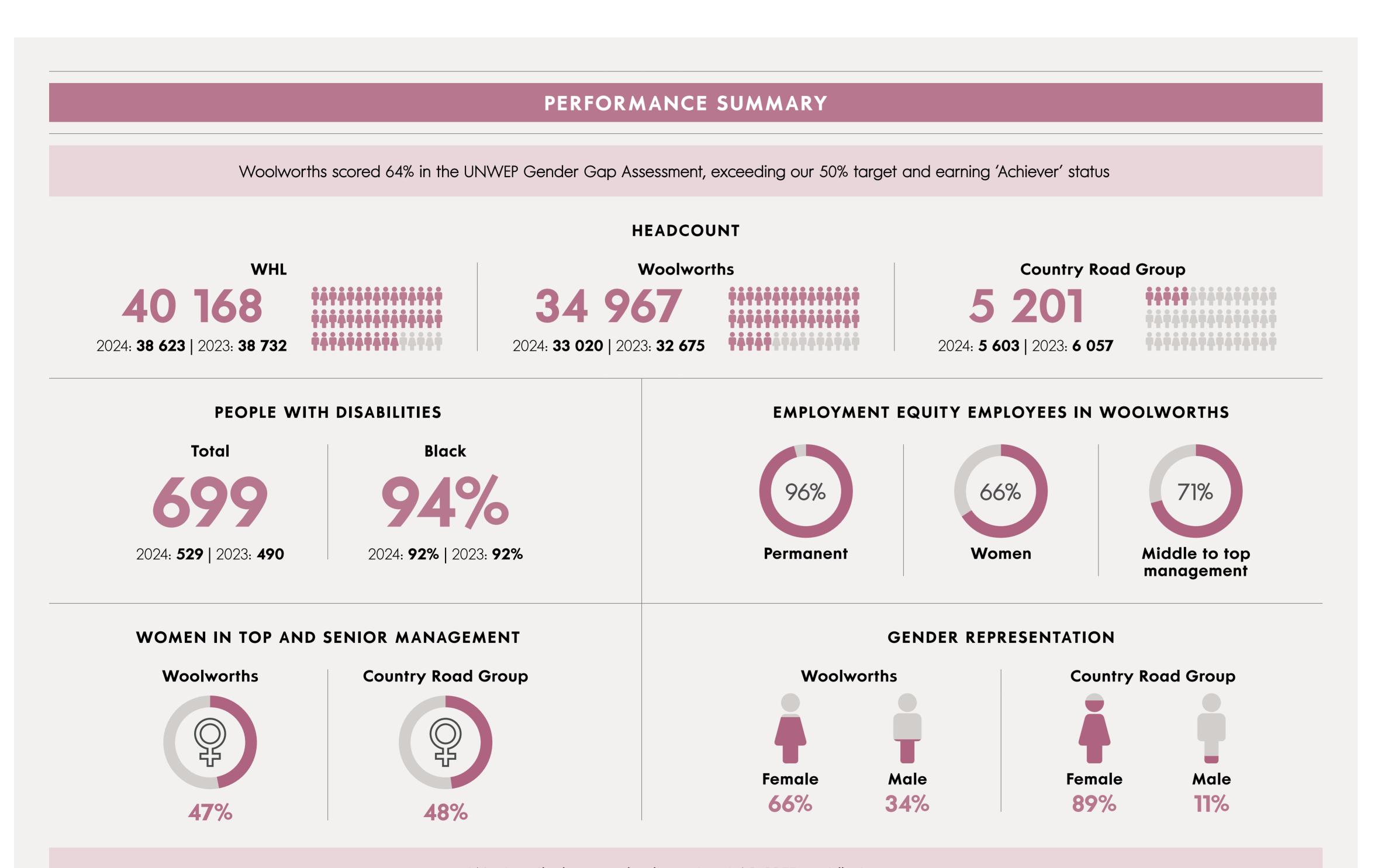
We are driven by our purpose of adding quality to life. In striving to achieve this, we embrace the diverse strengths of our people, focus on their development, and empower them to do their best. We are committed to creating an inclusive culture where everybody feels they belong.

## In this focus area

STRATEGY & MANAGEMENT APPROACH



OVERVIEW



#### HIGHLIGHTS

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

#### **LOWLIGHTS**

 Internal hiring constraints and the scarcity of employment equity talent in key business areas continue to challenge Woolworths' employment equity goals

#### LOOKING AHEAD

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

Woolworths is recognised as a Level 4 B-BBEE contributor



#### WHY IS THIS FOCUS AREA IMPORTANT?

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

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

## In this focus area

STRATEGY & MANAGEMENT APPROACH



OVERVIEW

#### HIGHLIGHTS

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

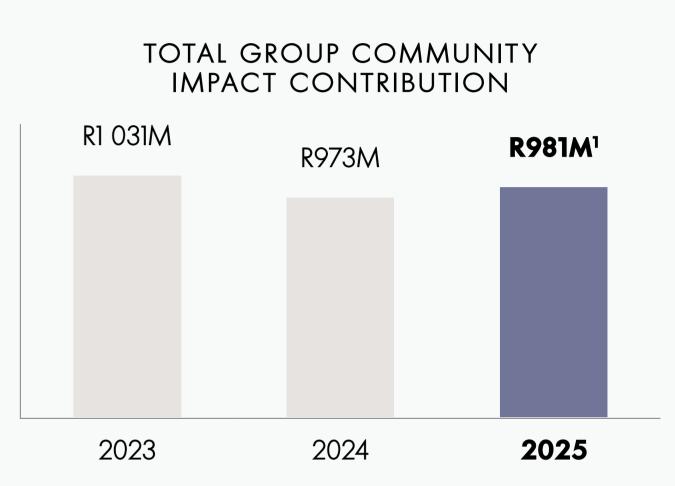
#### **LOWLIGHTS**

 Adverse weather conditions and unreliable water supply disrupted crop production for Living Soils and #ZeroHunger partners

#### LOOKING AHEAD

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









donated by Politix to the Movember campaign

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

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#### WHY IS THIS FOCUS AREA IMPORTANT?

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

## In this focus area

STRATEGY & MANAGEMENT APPROACH



OVERVIEW

#### HIGHLIGHTS

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

#### LOOKING AHEAD

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

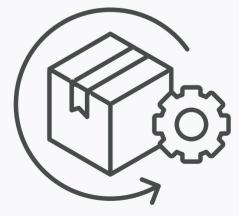


P124//

in revenue generated from our PlantLove range

Plantlove

There were no product recalls for the Group this year





## Focus areas in this pillar

ETHICAL SOURCING

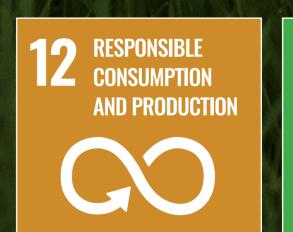
25

SUSTAINABLE FARMING

27

## Related UN SDGs







WHL 25 / 39



#### WHY IS THIS FOCUS AREA IMPORTANT?

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

## In this focus area

STRATEGY & MANAGEMENT APPROACH



OVERVIEW

#### PERFORMANCE SUMMARY

#### VISION 2025+ GOAL

HAVE A FULLY TRANSPARENT, TRACEABLE, AND ETHICAL SUPPLY CHAIN BY 2025

BASELINE	CRG: tier 1 supplier list published <sup>1</sup> Woolworths: no supplier lists published
2022	Woolworths FBH tier 1 supplier list mapped and published <sup>2</sup>
2023-2024	Woolworths FBH tier 2 supplier list mapping
2025	Woolworths FBH and CRG tier 2 supplier list mapping
PROGRESS	

#### VISION 2025+ GOAL

DEVELOP A ROADMAP BY 2022 FOR ACHIEVING A LIVING WAGE FOR ALL WORKERS ACROSS OUR SUPPLY CHAIN

BASELINE	no roadmap in place
2023	roadmap developed
2024	roadmap in place
2025	Woolworths FBH: Baseline established for suppliers paying more than minimum wage CRG: Benchmarks updated to assess wage gaps among suppliers
PROGRESS	

#### VISION 2025+ GOAL

RESPONSIBLY SOURCE ALL KEY COMMODITIES FROM TRACEABLE SOURCES BY 2025

% of commodities responsibly sourced	refer to details in the responsible sourcing section
PROGRESS	
% of commodities responsibly sourced and traceable	refer to details in the responsible sourcing section
PROGRESS	

#### **HIGHLIGHTS**

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

#### LOWLIGHTS

 Continued volatility in the cost of key commodities hindered progress in meeting our responsible sourcing commitments

#### LOOKING AHEAD

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

#### **PROGRESS KEY**



**NEEDS FOCUS:** limited progress requiring support







1 Coverage of tier 1 suppliers of CRG: 100%. 2 Coverage of tier 1 suppliers of Woolworths FBH: 56%. PROGRESSING: some progress made, but not at the expected pace



#### WHY IS THIS FOCUS AREA IMPORTANT?

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

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

## In this focus area

STRATEGY & MANAGEMENT APPROACH



**OVERVIEW** 

#### PERFORMANCE SUMMARY

#### VISION 2025+ GOAL

ALL PRIVATE LABEL PRODUCTS WILL SUPPORT REGENERATIVE FARMING PRACTICES BY 2030

# **WOOLWORTHS FOOD**

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

#### WOOLWORTHS FBH AND CRG

BASELINE still to be determined researching regenerative 2022-2025 farming programmes **PROGRESS** 



The Biodiversity Project has restored

of farmland and planted 14.4 km of riverbank since inception

#### HIGHLIGHTS

**PROGRESS** 

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

#### LOWLIGHTS

 Weather conditions disrupted some Biodiversity Project activities

#### LOOKING AHEAD

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

#### **PROGRESS KEY**



**NEEDS FOCUS:** 

limited progress requiring support



ON TRACK: progress aligned with expectations



target fully met or exceeded

1 Covers produce, horticulture, vegetables and wine.

2 Percentage has decreased due to the inclusion of prepared lines to the basket.

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

WHL 29 / 39



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

### Focus areas in this pillar

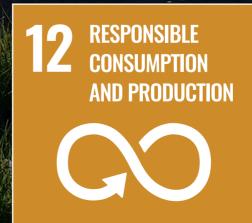
PACKAGING AND WASTE WATER ENERGY AND CLIMATE CHANGE

## Related UN SDGs















#### WHY IS THIS FOCUS AREA IMPORTANT?

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

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

## In this focus area

STRATEGY & MANAGEMENT APPROACH



**OVERVIEW** 

#### PERFORMANCE SUMMARY

#### VISION 2025+ GOAL

ALL OUR PACKAGING WILL BE REUSABLE OR RECYCLABLE BY 2022

BASELINE	Not established prior to reporting
2023	WSA Food: 98%, WSA FBH: 50%
2024	WSA Food: 98.7%, WSA FBH: 93.8%
2025	WSA Food: 98%, WSA FBH: 93%
PROGRESS	

#### VISION 2025+ GOAL

HALVE FOOD LOSS AND WASTE IN OUR OPERATIONS AND ACROSS OUR TOP 30 SUPPLIERS BY 2030

PROGRESS	
2025	3.2% food waste to landfill
2024	3.2% food waste to landfill
2023	2.7% food waste to landfill
BASELINE	2022 (2.3% food waste to landfill)

#### VISION 2025+ GOAL

ALL OUR PRIVATE LABEL PRODUCTS
DESIGNED TO BE REUSED, REPAIRED,
RESOLD OR RECYCLED BY 2025

BASELINE	Still to be determined
2023	Work underway
2024	Work underway
2025	Work continues
PROGRESS	

#### VISION 2025+ GOAL

ALL OUR PRIVATE LABEL CLOTHING, BEAUTY, AND HOME PRODUCTS WILL CONTAIN AT LEAST ONE RENEWED, REUSED OR RECYCLED MATERIAL INPUT BY 2030

Work underway	
Work underway	
Work continues	
RESS	
Work continues	

#### **HIGHLIGHTS**

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

#### **LOWLIGHTS**

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

#### LOOKING AHEAD

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

1 Polyethylene terephthalate glycol, a plastic used in food, beverage and medical packaging.

#### **PROGRESS KEY**



NEEDS FOCUS: limited progress requiring support



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



ON TRACK: progress aligned with expectations





#### WHY IS THIS FOCUS AREA IMPORTANT?

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

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

## In this focus area

STRATEGY & MANAGEMENT APPROACH



OVERVIEW

#### PERFORMANCE SUMMARY

#### VISION 2025+ GOAL

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

Progress ••••

Percentage of direct operations with online water meters

67%

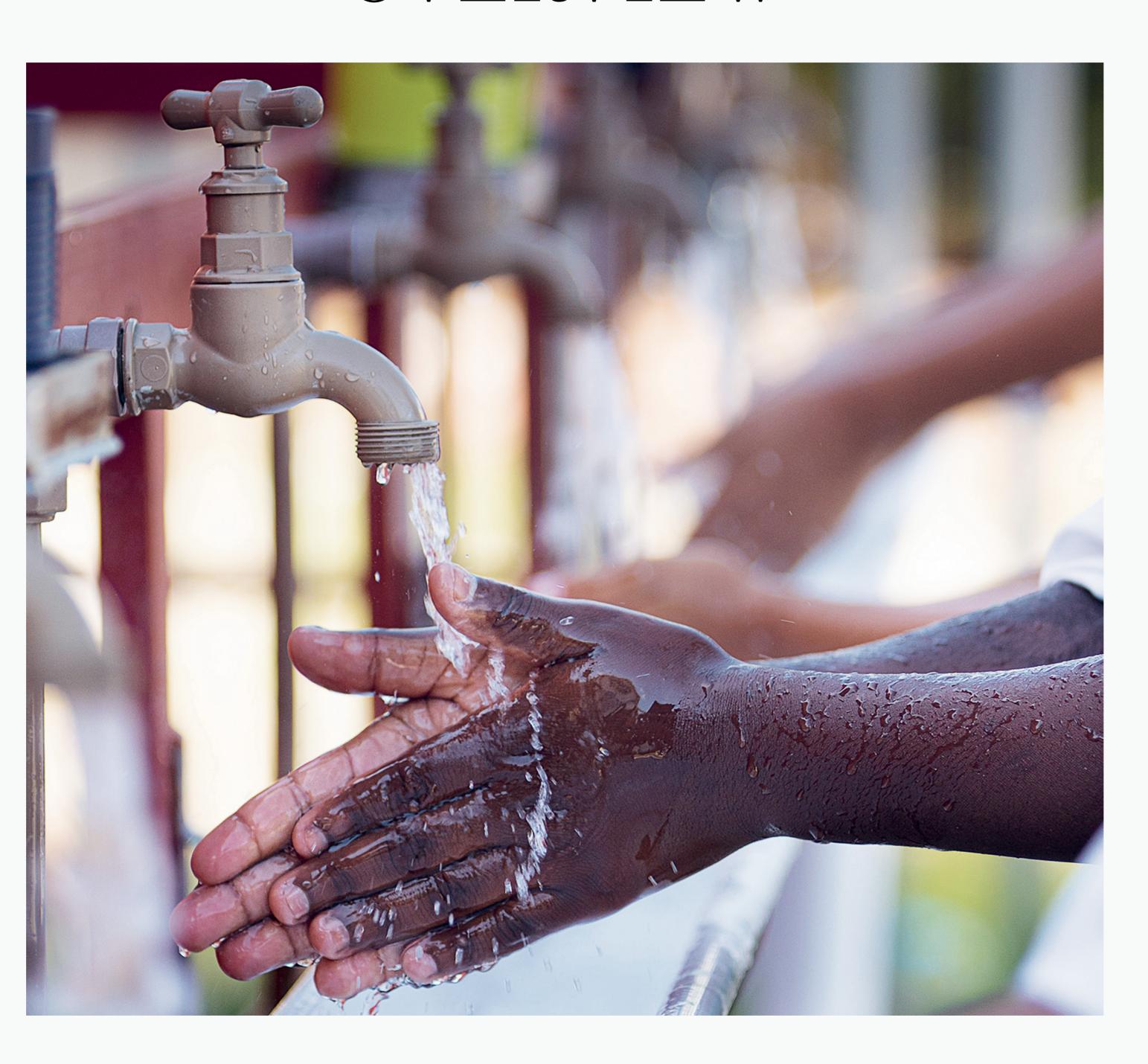
2024: **74%** | 2023: **81%** 

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

94% 1, MA

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

1 These certifications only cover soft materials in fashion and home.



#### **HIGHLIGHTS**

 The Woolies Water Fund installed two water systems at the Living Soils Community Learning Farm

#### **LOWLIGHTS**

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

#### LOOKING AHEAD

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

#### **PROGRESS KEY**



NEEDS FOCUS:
limited progress requiring support



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



ON TRACK: progress aligned with expectations



ACHIEVED: target fully met or exceeded



#### WHY IS THIS FOCUS AREA IMPORTANT?

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

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

## In this focus area

STRATEGY & MANAGEMENT APPROACH



OVERVIEW

#### PERFORMANCE SUMMARY

#### VISION 2025+ GOAL

#### ACHIEVE NET ZERO CARBON IMPACT BY 2040

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

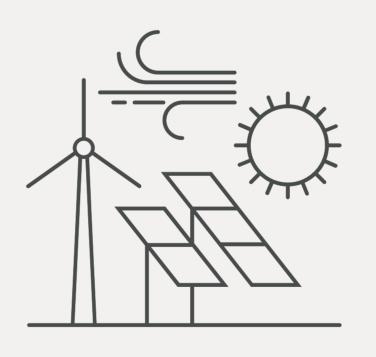
Reduction in Scope 1 and 2 emissions:<sup>1</sup>

Scope 1 and 2 emissions: 536 562 tCO₂e (2019)
20% 3 Woolworths Food suppliers have committed to setting their science-based targets
30% 23 Woolworths Food suppliers have committed to setting their science-based targets
34% 39 Woolworths Food suppliers have committed to setting their science-based targets

#### VISION 2025+ GOAL

SOURCE 100% OF OUR ENERGY FROM RENEWABLE SOURCES BY 2030

PROGRESS	
2025	3%
2024	3%
2023	6%



#### 1 Reduction is calculated against the baseline

#### **HIGHLIGHTS**

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

#### **LOWLIGHTS**

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

#### LOOKING AHEAD

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

#### PROGRESS KEY



NEEDS FOCUS:
limited progress requiring support



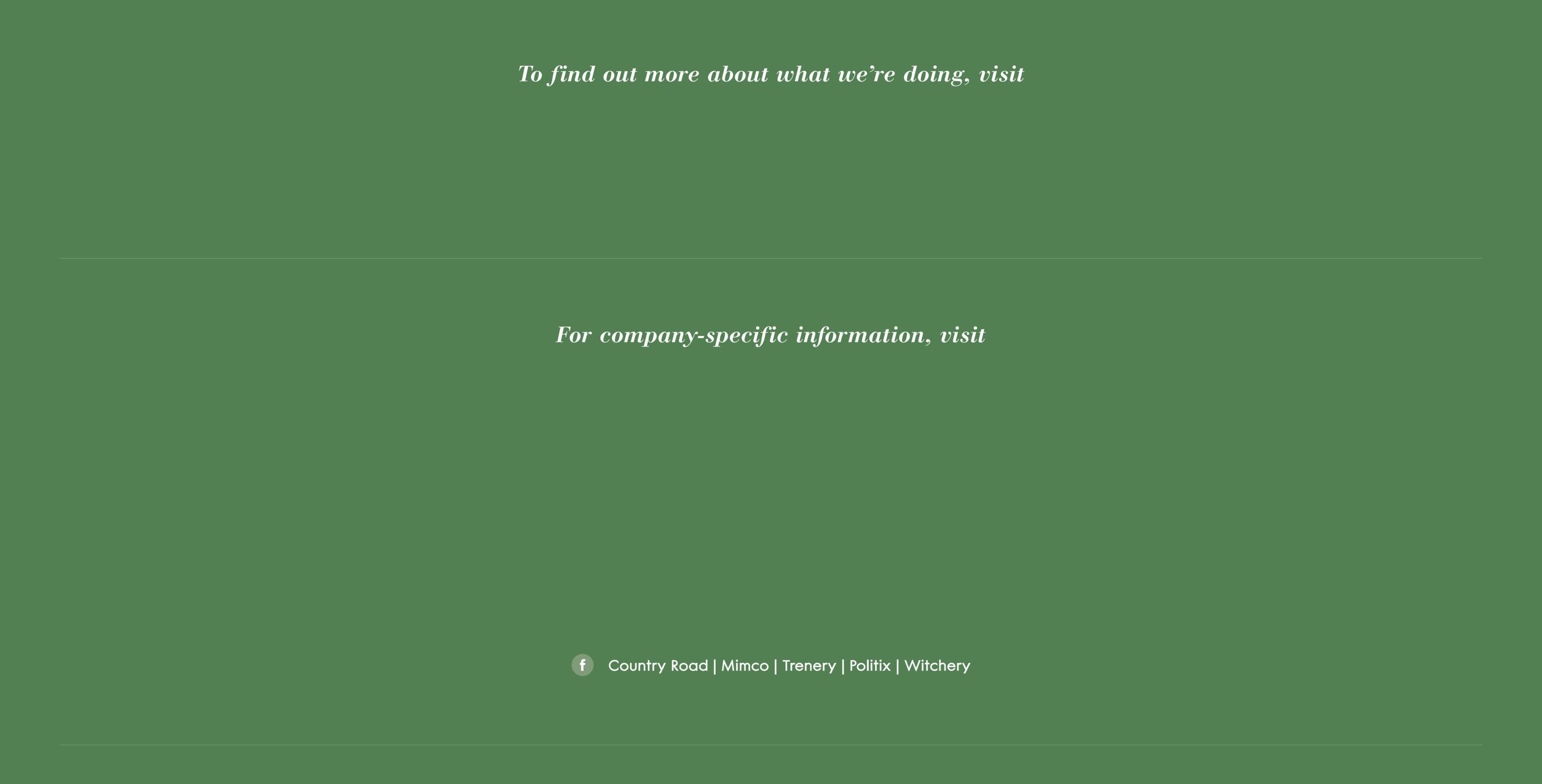
PROGRESSING: some progress made, but not at the expected pace



ON TRACK: progress aligned with expectations



ACHIEVED: target fully met or exceeded



We appreciate any feedback on our Good Business Journey Report. Please contact <u>GoodBusinessJourney@woolworths.co.za</u>