The Group believes that strong, sustainable stakeholder relationships form the foundation of our ability to create shared value in the short-, medium-, and long-term. Unique to our value creation process is the extent to which our Good Business Journey supports and nurtures future access to our resources, which is key to building a more sustainable business and future.

We are committed to developing and maintaining quality, long-term relationships with the broad range of stakeholders who have an interest in the Group, its products, activities, and initiatives and on whom our business has an impact.

Our philosophy is to engage authentically, openly and inclusively with them, allowing us to better understand and benefit from their insights, concerns, and priorities; to seek areas of potential partnership; mitigate risks to the business; and create mutual trust and respect. This is integral to the ongoing, daily management of the Group and key to identifying the material issues that could significantly impact our performance and sustainability. We therefore ensure that we engage on issues that are salient both for stakeholders and the business.

Our stakeholders, their interests, and level of influence in the Group’s operations vary according to geographical location, business area, and the nature of their interest. The manner, level, and extent of our engagements are driven by their influence, interests, expectations, and concerns. These relationships are depicted in the graph below.

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**OUR PHILOSOPHY IS TO ENGAGE AUTHENTICALLY, OPENLY AND INCLUSIVELY WITH OUR STAKEHOLDERS, ALLOWING US TO BETTER UNDERSTAND AND BENEFIT FROM THEIR INSIGHTS, CONCERNS, AND PRIORITIES; TO SEEK AREAS OF POTENTIAL PARTNERSHIP; MITIGATE RISKS TO THE BUSINESS; AND CREATE MUTUAL TRUST AND RESPECT.**
THE ROLE OF STAKEHOLDER ENGAGEMENT

The programme of stakeholder engagement helps the Group better navigate through a complex regulatory, legislative, and political landscape, provides ongoing macro-environmental insights, develops goodwill ambassadors, and, ultimately, ensures our continued social licence to operate. The Board is committed to stakeholder engagement. The interactions, monitoring, and implementation of stakeholder engagement are the responsibility of respective management teams in the Group. The Social and Ethics Committee annually reviews the Board’s self-assessment of stakeholder engagement.

THE SOURCES OF CAPITAL FOR THE GROUP COMPRISING 58,467 SHAREHOLDERS, 17.8BN EQUITY AND 17.8BN INTEREST-BEARING DEBT

This enables business continuity and growth. We provide regular trading updates and notifications to our shareholders and debt funders, and address their key issues and concerns through announcements, presentations, and meetings. We interact with and receive feedback from investors, analysts, and debt funders by participating in broker-hosted conferences and roadshows, and through ongoing interactions including face-to-face meetings, telephone calls, and email correspondence. In the current year, the incoming Chairman and Lead Independent Director hosted a roadshow for investors and our new CEO has also actively engaged with analysts, investors, and debt funders. Further interaction with shareholders is facilitated prior to and at the Annual General Meeting.

THE COVID-19 PANDEMIC has significantly impacted both our Group and our stakeholders. Across the Group, our first priority is always the health and safety of our people, our customers and all our stakeholders, including our extended value chain. More information on our response to the COVID-19 pandemic and to the bushfire crisis in Australia can be found in our detailed case studies presented.

THE RELATIONSHIPS WE HAVE WITHIN OUR COMMUNITIES ARE CRITICAL

They create an enabling business environment as well as the pipeline of future customers and employees.

We actively engage with members of the relevant communities and continue to deepen and expand our relationships with them. We continue to monitor the socio-economic impact we have in our communities, and we engage experts and interest groups, where possible, to ensure that we use our business strengths to provide a meaningful contribution in the regions in which we operate.

THE MEDIA

We make our voices heard through well-timed press releases and social media updates. We engage in conversations to support policy developments and share our insights. We work with media partners on initiatives that support the Group’s purpose and brand. We are available to comment on current affairs, trends, and developments that are relevant to our stakeholders.

We are committed to facilitating interactions between business and academia. We participate in postgraduate and other research surveys, offer experiential learning opportunities for students, and participate in the Network for Business Sustainability, an association that brings academia and business together to shape the future of sustainability.

We hold memberships and participate in various industry bodies. This allows us to provide commentary and advice on emerging issues, address topics of mutual concern and optimise opportunities for the Group.

Our media interactions provide us with the opportunity to positively influence stakeholders’ perceptions of our companies and to highlight key sustainability issues.

We do this by proactively engaging with various media sources via press releases, TV appearances and interviews, as well as contributions to publications and opinion pieces.

Our stakeholders are listed in the table that follows, together with their material needs, expectations, and concerns and how we create and measure value for them.
### OUR STAKEHOLDERS

<table>
<thead>
<tr>
<th>CUSTOMERS</th>
<th>EMPLOYEES</th>
<th>SUPPLIERS</th>
<th>SHAREHOLDERS &amp; DEBT FUNDERS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The needs, expectations, and concerns of our stakeholders</strong></td>
<td><strong>How we create value for them and the value we created in the current year</strong></td>
<td><strong>How we create value for them and the value we created in the current year</strong></td>
<td><strong>How we create value for them and the value we created in the current year</strong></td>
</tr>
</tbody>
</table>
| - Quality, safe, and responsibly sourced products  
- Convenience  
- Value  
- Good service  
- Giving back to the community  
- Access to credit  
- Packaging and plastic  
- Animal welfare  
- Transparency in the supply chain  
- Resource efficiency  
- Customer health, safety, and wellbeing | - Employment and job security  
- Remuneration  
- Diversity and inclusion  
- Training and development  
- Employee community involvement  
- Employee health, safety, and wellbeing | - Fair and ethical sourcing  
- Timely payment and favourable terms  
- Supplier and enterprise development | - Consistent returns on their investments  
- Strong corporate governance  
- Management of economic, social, and environmental risks |
| **Related KPI** | **Read more** | **Read more** | **Read more** |
| - Number of active customers  
- % revenue tracked on loyalty cards  
- Net promoter score  
- Market share  
- Turnover and concession sales growth  
- % online sales  
- Online traffic | - Employee satisfaction | - Turnover and concession sales growth  
- % targets achieved on sustainability scorecard | - Turnover and concession sales growth  
- Trading density  
- Return on sales %  
- Adjusted diluted HEPS  
- Dividend per share  
- Return on capital employed  
- Free cash flow |
| **Material issues** | **Read more** | **Read more** | **Read more** |
| - Our trade performance  
- Consumer spending and behaviour  
- Digital world and cyber  
- Responsible retailing | - Talent and change management  
- Responsible performance  
- Responsible retailing | - Our trade performance  
- Responsible retailing | - Our trade performance  
- The business transformation in Australasia |
| **Related GBJ focus area** | **Read more** | **Read more** | **Read more** |

**Key**
- People & Transformation  
- Social Development  
- Health & Wellness  
- Sustainable Farming  
- Ethical Sourcing  
- Waste  
- Water  
- Energy & Climate Change
### OUR STAKEHOLDERS

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

#### INDUSTRY ORGANISATIONS
- Policy development
- Retail sector-related issues
- Key sustainability issues

#### GOVERNMENT & REGULATORS
- Legislation and regulation adherence, both in spirit and intent
- Contribution towards inclusive economic growth including, but not limited to, job creation and skills development, enterprise development, and local procurement

#### ACADEMIC INSTITUTIONS
- Corporate sustainability
- Reporting and governance

#### THE MEDIA
- Retail and consumer issues
- Product information
- Key sustainability issues

### THE NEEDS, EXPECTATIONS, AND CONCERNS OF OUR STAKEHOLDERS

#### COMMUNITIES
- Enriching the lives of the vulnerable members of the community, and, specifically in South Africa, supporting the need to address the transformation of the previously disadvantaged
- Supporting our communities by contributing towards various disaster relief initiatives
- Assisting in driving economic growth by investing capital

#### INDUSTRY ORGANISATIONS
- Providing commentary and input on emerging issues, programmes, and best practice through our industry partnerships
- Memberships and active contributions
- Collaborations with other industry players on non-competitive issues
- Full support on industry transformation efforts

#### GOVERNMENT & REGULATORS
- Adhering to the spirit and intent of legislation and regulation
- Actively engaging government and industry on policy matters
- Using our core competencies to contribute to solving social problems, such as food security, the impact of the COVID-19 pandemic and the Australian bushfire crisis

#### ACADEMIC INSTITUTIONS
- Contributing towards the sharing of knowledge in sustainability and business issues by participating in surveys and interviews
- Drawing on the expertise of academic institutions in the development and execution of certain proof of concepts and trials

#### THE MEDIA
- Growing our customer engagement and education, allowing them to make informed purchasing decisions

### HOW WE CREATE VALUE FOR THEM AND THE VALUE WE CREATED IN THE CURRENT YEAR

#### COMMUNITIES
- % targets achieved on sustainability scorecard

#### INDUSTRY ORGANISATIONS
- % targets achieved on sustainability scorecard

#### GOVERNMENT & REGULATORS
- % targets achieved on sustainability scorecard

#### ACADEMIC INSTITUTIONS
- % targets achieved on sustainability scorecard

#### THE MEDIA
- % targets achieved on sustainability scorecard
- Number of active customers

### RELATED KPI

#### COMMUNITIES
- Responsible retailing

#### INDUSTRY ORGANISATIONS
- Responsible retailing

#### GOVERNMENT & REGULATORS
- Our trade performance
- Responsible retailing

#### ACADEMIC INSTITUTIONS
- Responsible retailing

#### THE MEDIA
- Responsible retailing

### MATERIAL ISSUES

#### COMMUNITIES
- Responsible retailing

#### INDUSTRY ORGANISATIONS
- Responsible retailing

#### GOVERNMENT & REGULATORS
- Responsible retailing

#### ACADEMIC INSTITUTIONS
- Responsible retailing

#### THE MEDIA
- Responsible retailing

### RELATED GBJ FOCUS AREA

- Responsible retailing
- Ethical Sourcing
- Sustainable Farming
- Health & Wellness
- Social Development
- Energy & Climate Change
- Water
We appreciate any feedback on our Good Business Journey Report. Please contact GoodBusinessJourney@woolworths.co.za

To find out more about what we’re doing, visit

www.woolworthsholdings.co.za