

Working together to create a better tomorrow

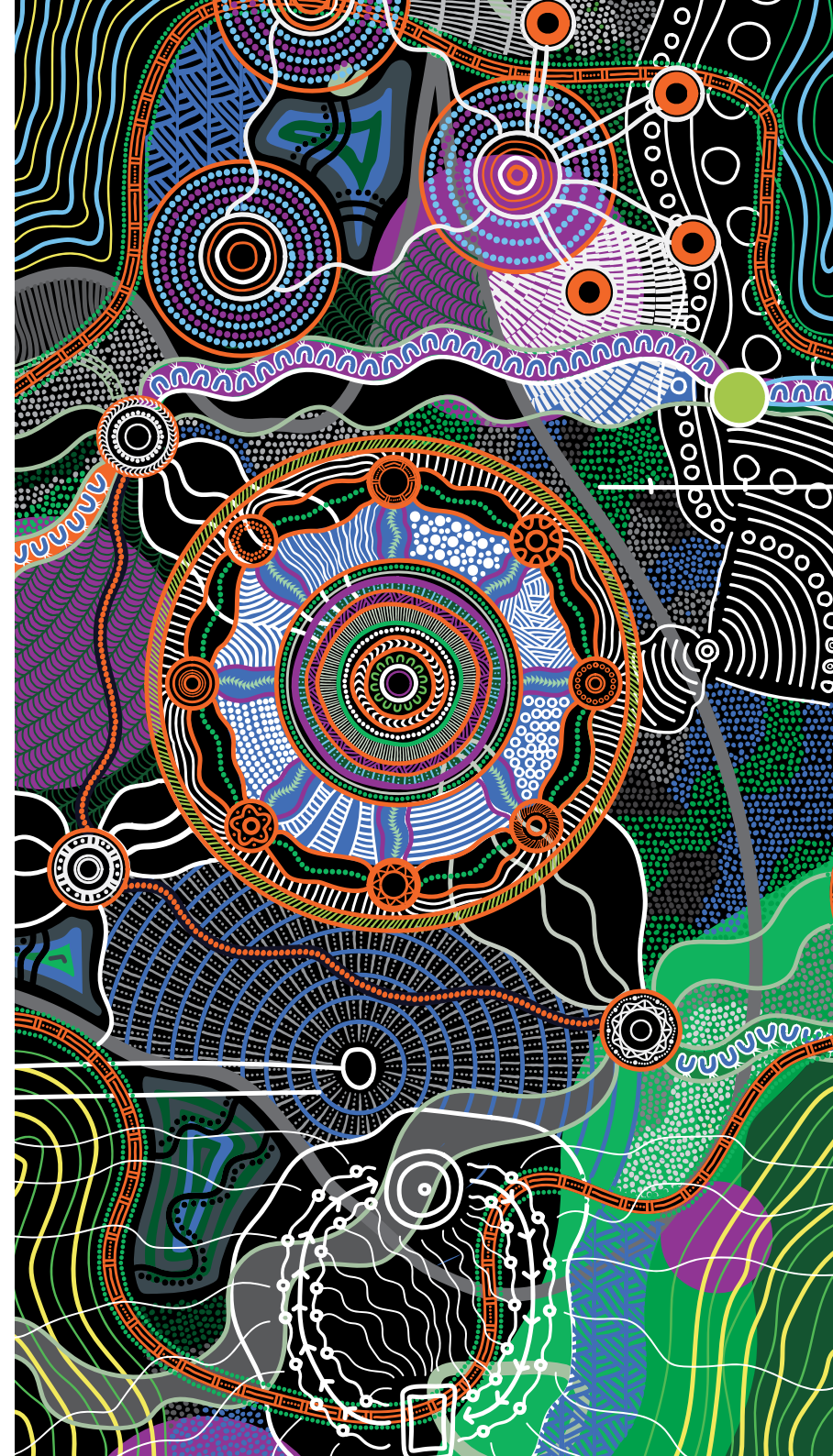
Our program of positive change for
our people, our planet and our products.

Acknowledgement of Country

Woolworths Group acknowledges the many Traditional Owners of the lands on which we operate, and pay our respects to their Elders past and present. We recognise their strengths and enduring connection to lands, waters and skies as the Custodians of the oldest continuing cultures on the planet.

We remain committed to actively contributing to Australia's reconciliation journey through listening and learning, empowering more diverse voices and working together for a better tomorrow.

"A Brave Heart for a Better Tomorrow" artwork by David Williams of Gilimbaa.
To read about the story of this artwork scan



An introduction from our Chair Scott and our CEO Brad

Welcome to 'Working together to create a better tomorrow', the Woolworths Group Sustainability Plan 2025.

If there is one word that sums up our Sustainability Plan 2025, it's '**better**'.

Better for our team members, our partners, customers and our suppliers.

Better for the planet that we call home. And **better** in finding the most ethical ways to do business.

We've been on our sustainability journey for many years now, and the results of our actions are starting to show.

In areas where we've fallen short, we are learning from our experiences and working hard to improve them, because we have more responsibility than ever to get it right.

Our customers want positive change and they are counting on us to make it happen, from eliminating waste to reducing the plastic packaging that pollutes our oceans.

In short, we're all looking to do the right thing.

Our Sustainability Plan 2025 is ambitious, but we're confident we can achieve our goals if we all get on board and lift the bar together. **That's what we mean by working together to create a better tomorrow, and tomorrow starts now.**

This plan was launched in 2020 by our then Chair Gordon Cairns. Effective October 2022, Gordon retired as chair with Scott Perkins announced as his successor.



This plan covers our 5 guiding principles and shows how we turn these into specific goals and detailed commitments that we aim to achieve by 2025.

UN 2030 Sustainable Development Goals (SDGs)

The 17 global goals set by the United Nations in 2015 define sustainable development priorities and aspirations for the planet. They seek to mobilise global efforts around a common set of goals and targets. We believe that the business community has a role to play in progressing these important issues and we have aligned our goals with the relevant SDGs. Find these throughout this document.



Guiding principles

Page 5

An introduction to the 5 guiding principles that underpin our plan for a better tomorrow.

Sustainability Tree™

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An overview of how all the parts of our Sustainability Plan 2025 fit together.



People

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A look at why our teams, partners and communities are so important to us, with our goals and commitments.



Planet

Page 14

The planet that we all call home needs our help. Find out about the goals and commitments we've put in place.



Product

Page 18

We are working to make our sourcing and our partnerships more sustainable. Discover our goals and commitments.

Guiding Principles

Our guiding principles underpin our Sustainability Plan 2025 and guide our journey towards a better tomorrow for our team, our planet and the customers and communities we serve. We believe they will also create long term value for our shareholders.

01

We act like a leader and speak up on issues that matter

02

We care for, and unlock the potential of our people

03

We have a positive impact on the planet

04

We apply circular thinking in everything we do

05

We embrace the power of partnerships to create change

Turning guiding principles into goals and commitments

To turn guiding principles into action, we've broken them down into three distinct focus areas: People, Planet and Product.

Each comes with its own set of goals and commitments.



People



Building a better tomorrow for our people means demonstrating our care, creating a great place for our teams to work and paving their way to a brighter future. It means letting people be their best self regardless of gender, age, ethnicity, faith, ability or sexual orientation.

It means supporting our communities, building partnerships and working hand in hand with our suppliers to make sure that workers in our supply chain are treated with respect.

Planet



Building a better tomorrow for our planet means repairing and protecting the world we live in for future generations.

It means going further than just limiting negative impacts; it means actively finding ways to create positive benefits.

Product



Building a better tomorrow through our products means evolving the way we do business to embrace circular thinking – which means all waste is a resource.

It means making it easy for our customers to choose products that are healthier, sustainably sourced and responsibly packaged.

Sustainability Tree™

Trees support and sustain life on our planet. They give us oxygen, absorb and store carbon dioxide emissions, stabilise the soil and provide shelter.

Our own Sustainability Tree™ represents our plan for a better tomorrow. It takes root in our goals, grows tall and strong with the seeds of commitment that we plant today and is nurtured by our guiding principles.



Sustainability Tree™

Our sustainability plan on a page

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People



Planet



Product

Goal 1

Be a truly inclusive workplace

Goal 2

Invest in the holistic wellbeing of our team

Goal 3

Create meaningful retail careers for today and tomorrow

Goal 4

Activate ethical and mutually beneficial partnerships through the whole value chain

Goal 5

Have a positive impact on our customers and communities

Goal 1

Powered by green electricity

Goal 2

Reducing hunger and food waste

Goal 4

Practise responsible stewardship of natural resources

Goal 3

Net positive carbon emissions

Goal 5

Lead the responsible retailing of alcohol and tobacco

Goal 1

Make health easier for all Australians and New Zealanders

Goal 4

Lead the future of protein

Goal 3

Own Brand sourcing is sustainable

Goal 2

Our packaging is sustainable

Our goals are underpinned by 40 commitments



People



People Overview



Unlocking our full potential through a philosophy of care.



An important part of building a better tomorrow is to invest in the wellbeing and progress of our team so that every individual has an equal opportunity to succeed.

We know that people are happier and more fulfilled at work if they can be themselves. We want our team to feel safe and welcome whatever their gender, age, ethnicity, faith, ability or sexual orientation.

We will achieve a **truly inclusive workplace** if everybody embraces our vision, from the newest arrival to our most senior leaders. We value diversity and bringing an inclusive mindset to decision making. This is central to the culture we want to see across our business.

The care doesn't stop at what we can do for our team today. As our retail business moves at speed into a **new era of technology and progress**, we are determined not to leave anybody behind. We will make sure our teams feel comfortable with change and equip them with new skills so they can excel.

Customer and team safety has always been a primary focus, and this includes **mental health**. It's just as important as physical health, but often more difficult to spot. We want to create a culture where it's OK for our team to ask for help, and where the workplace is a safe and supportive environment. With the help of our partners we are putting programs in place to help our team to take care of themselves and each other.

Modern slavery is a growing global and systemic issue with the International Labour Organisation estimating 50 million people in situations of modern slavery, up from 40 million in 2016. Our commitment for people extends beyond our own teams to include every worker in our global supply chain, particularly in respect of their human rights. We will work together with our suppliers to build a rights-respecting culture where modern slavery risks can be identified, managed and mitigated.

Closer to home, we're at the **heart of all our communities**. We are determined to make a positive impact across Australia and New Zealand by investing in local programs and expanding our work with S.T.A.N.D. to provide relief in times of natural disaster.

Sustainability is important to us and it is key that our partners and suppliers share similar values. It's only by working together through **mutually beneficial partnerships** that we can achieve our ambitions for a better tomorrow.

People

Turning guiding principles into goals



We've identified areas where we can make a positive change to the future of our people, our partners and our communities.

Goal 1

Be a truly inclusive workplace

Goal 2

Invest in the holistic wellbeing of our team

Goal 3

Create meaningful retail careers for today and tomorrow

Goal 4

Activate ethical and mutually beneficial partnerships through the whole value chain

Goal 5

Have a positive impact on our customers and communities

People

Turning goals into commitments



Goal 1: Be a truly inclusive workplace

- We value inclusion and build diverse teams where everyone can belong.
- We will ensure that we are progressing against our commitments by benchmarking ourselves against externally validated standards. We aim to:
 - Achieve WGEA Employer of Choice for Gender Equality citation¹ supported by gender pay parity for like-for-like roles.
 - Achieve Platinum Employer Status in the Australian Workplace Equality Index (AWEI) for LGBTQ inclusion. New Zealand: Maintain Rainbow Tick certification for five years with a ranking of 'fully achieved with continuous improvement'.
 - Create and implement a Disability Action Plan and submit to the Australian Network on Disability Access and Inclusion Index, with year-on-year improvement. New Zealand: Achieve year-on-year improvement against the nine competency areas of the Accessibility Tick Program.
- Implement our Innovate-level Reconciliation Action Plan (RAP) and continue our commitment to reconciliation in Australia by developing a Stretch RAP. This includes support for the Uluru Statement from the Heart. We aim to:
 - Invest in the growth and sustainability of the Indigenous business sector by increasing our non-trade influenceable spend with First Nations suppliers to 3% by 2025.
 - Partner with key organisations and remote Indigenous communities to deliver better health outcomes by focusing on food availability, affordability and nutrition.

¹ Applicable to Australia only

Goal 2: Invest in the holistic wellbeing of our team

- We are committed to caring for our team, safeguarding them and investing in their holistic wellbeing (mental, physical, financial, social and community). We will do this by:
 - Increasing wellbeing awareness and providing 24/7 wellbeing support for our team.
 - Building a psychologically-safe workplace where people believe it's OK not to feel OK and it's absolutely OK to ask for help.
- We are committed to keeping our teams safe by:
 - Eliminating serious incidents.
 - Eliminating the possibility of someone being injured, or suffering an illness, whilst working with us.
 - Continuing to provide care and response support.

Goal 3: Create meaningful retail careers for today and tomorrow

- We will invest in developing the skills of our team for their current and future roles.
- We will provide meaningful career pathways for our team.
- Through the Woolworths Future of Work Fund, we will deploy funds towards identifying skills and capabilities for the future, and putting in place programs of work that will support the upskilling and reskilling of our teams.

People

Turning goals into commitments



Goal 4: Activate ethical and mutually beneficial partnerships through the whole value chain

- We will strengthen our human rights governance and promote a rights-respecting culture by:
 - Conducting and publishing a Group-wide Human Rights Impact Assessment.
 - Taking action on Responsible Purchasing Practices.
- We will mitigate, remedy and report on human rights and modern slavery risks by:
 - Conducting due diligence on high-risk commodities at multiple supplier tiers based on a forced labour risk assessment.
 - Developing remediation protocols for key modern slavery indicators.
 - Maintaining a supply chain map with key human rights indicators for strategic supplier sites.
- We will build sustainable human rights outcomes through multi-stakeholder and cross-industry partnerships by:
 - Establishing an external Human Rights Advisory Committee.
 - Engaging potentially affected groups in program design and evaluation.
 - Strengthening worker engagement to improve real-time supply chain intelligence.
 - Educating our customers on product provenance and promoting responsible sourcing.
- We will build long-term, trusted relationships with our partners based on mutual respect. Sustainability is important to us, and it is important that our partners share similar values. We will aim to achieve continuous improvement in our Voice of Supplier results.

Goal 5: Have a positive impact on our customers and communities

- We are committed to keeping our customers, partners and the community safe by:
 - Eliminating serious incidents.
 - Eliminating the possibility of someone being injured or suffering an illness, whilst engaging with us.
- We will invest the equivalent of >1% of a two year rolling average of total Group Earnings Before Tax (EBT) in community partnerships and programs.
- We will provide opportunities for our team to give back to their local communities.
- We will listen to and learn from our customers and team on social equity issues affecting our community, taking a stand where appropriate and in accordance with our guiding principles.

Delivers on Sustainable Development Goals



For our progress against these goals, see our [see our Sustainability Report](#)

For more information on our approach, see our [Website](#)

Planet



Planet Overview



We have a responsibility, and an opportunity, to do our part to have a positive impact on the planet for current and future generations.

Helping to protect the planet isn't just important to us. Our customers and communities are demanding change and looking to us to lead the way.

As a Group, we are a significant consumer of electricity, consuming 0.7% of electricity generated across Australia and New Zealand. We have made significant progress in becoming more energy efficient, but we want all the electricity that we use to be green. By 2025 we will power our business with **100% renewable electricity**.

Our electricity use is the biggest contributor to our operational greenhouse gas emissions. Climate change impacts are already apparent in shifting weather patterns and extreme weather events. Global science tells us that we need to limit global warming to 1.5°C to avoid the worst of these effects, and we have aligned our goal to decarbonise our business to this aim. But we want to go further than that and by 2050, and earlier if possible, we want to become a **net positive business**, supporting future generations by giving back more than we use.

The earth's population is projected to reach over 10 billion by 2050, which could require a 70% increase in food production. However, land suitable for farming is shrinking by 5 million hectares every year due to environmental change, and water is increasingly scarce. We will work with our farmers, suppliers and the broader agricultural industry to encourage **regenerative farming practices** to help preserve soils and improve water efficiency.

With this growth in population, it is becoming increasingly important to make sure that food goes to people in need and is not wasted. With the help of partners like OzHarvest, Foodbank and FareShare, we donate the equivalent of over 30 million meals every year to feed Australians and New Zealanders in need. We also contribute to animal feeding programs. However, we want to do more. We are making changes throughout all parts of the value chain to prevent food being wasted, with the goal of **reducing hunger and food waste**.

Guided by our principle of having a **positive impact on the planet**, we are focusing on the future and understanding the effect of our actions today, so we can not only start to reverse detrimental impacts but work towards a better tomorrow.

Planet

Turning guiding principles into goals



We care deeply about leaving the environment better for future generations.

Goal 1

Powered by green electricity

Goal 2

Reducing hunger and food waste

Goal 3

Net positive carbon emissions

Goal 4

Practise responsible stewardship of natural resources



Planet

Turning goals into commitments



Goal 1: Powered by green electricity

- By 2025, we will source 100% renewable electricity to power our business.

Goal 2: Reducing hunger and food waste

- We aim to have all food waste from our operations diverted from landfill by 2025, starting with our supermarkets².
- We aim to broaden our impact by partnering to reduce food waste in our value chain.
- With the help of our partners, we aim to redistribute 100% of edible unsold food so it can be consumed.

Goal 3: Net positive carbon emissions

- By 2030, in line with climate science, we aim to reduce emissions from our operations by 63% compared to a 2015 baseline³.
- By 2030, in line with climate science, we aim to reduce our scope 3 emissions by 19% compared to a 2015 baseline³.
- In line with climate science, we aim to reach net positive emissions for our operations no later than 2050, and much earlier if possible.
- All new property developments will achieve a 4 Green Star design and as-built rating, and by 2025 we aim to have a 5 Green Star minimum standard.
- By 2030, we aim to achieve 100% electric vehicle (EV) last mile delivery fleet in AU and NZ, helping reduce our absolute transport emissions by ~60% compared to F22.

² Includes Woolworths Supermarkets, Countdown and Metro

³ This target is ratified or currently being ratified by the Science Based Target Initiative (SBTI)

⁴ Includes red meat, poultry & seafood, and fruit & vegetables

Goal 4: Practise responsible stewardship of natural resources

- By 2025, understand the impact and dependencies of our priority fresh supply chains⁴ on nature and increase supplier adoption of sustainable and regenerative practice in these categories.
- We will reduce our Group water use by 10% by 2025 (2020 baseline).

Delivers on Sustainable Development Goals



For our progress against these goals, see our [2022 Sustainability Report](#)

For more information on our approach, see our [Website](#)

Product



Product Overview



Our customers are increasingly looking for healthier and more sustainable options when they shop.



We know that our customers want to make more informed decisions about their food and drink choices and they are looking to us to make this easier for them.

We're **making it easier for our customers to make healthier choices** by ensuring clear and transparent labelling on all our Own Brand products and increasing our range of healthy eating options. We're also teaming up with experts to inspire and educate our customers about better eating habits. We aspire to grow healthier products in our customers' baskets at a faster rate than unhealthier choices.

We're **making the sustainable choice the easy choice** by responsibly managing the way we source the ingredients that we use. Our sustainable sourcing work is focused on high-impact commodities such as pulp, paper, timber, palm oil, cocoa, tea, coffee, soy, fresh beef and addresses issues such as deforestation and animal welfare.

15% of Australia's greenhouse gas emissions come from livestock and we share our customers' concerns about the **environmental impacts of protein**. Through our partnerships, we will work to improve this, and expand our range of plant proteins so that our customers have a choice.

We know that our customers are concerned about packaging waste, and plastic waste in particular. Packaging is necessary for food safety and quality, protecting products in transportation, extending shelf life and reducing food waste. We are working hard to make our **packaging as sustainable as possible** by reducing the use of virgin plastic and increasing the amount of recycled content in our Own Brand packaging. We will label all our Own Brand products with the Australasian Recycling Label so customers can clearly see which elements they can recycle.

We cannot achieve our ambitious goals alone. We will **invest in innovating, educating and advocating** in a way that brings our partners, farmers, suppliers, customers and team with us on the journey.

Product

Turning guiding principles into goals



We can have a positive impact on people and the planet through the products and services we provide.

Goal 1

Make health easier for all Australians and New Zealanders

Goal 2

Our packaging is sustainable

Goal 3

Own Brand sourcing is sustainable

Goal 4

Lead the future of protein

Goal 5

Lead the responsible retailing of alcohol and tobacco



Product

Turning goals into commitments



Goal 1: Make health easier for all Australians and New Zealanders

- We will make healthier easier for our customers by creating meaningful initiatives to support, educate and inspire them to live healthier lives by:
 - Working to grow the proportion of sales from healthier products (≥3.5 Health Star Rating⁵) in our supermarkets by 50 basis points (bps) annually (2022 baseline).
 - Offering holistic health and wellness advice and services through healthylife, and utilising the healthylife Food Tracker to better understand the balance of our customers' baskets.
 - Partnering with suppliers, leading health experts and the Group's team of qualified nutritionists to support our ambition and validate our performance.
- Our Own Brands will lead the way for affordable and healthier products that customers love:
 - We will continue to make our Own Brand products healthier by reducing 'nutrients of concern' such as salt, sugar and saturated fat, adding more vegetables and whole grains and maintaining our status of being free from artificial colours and flavours.
 - We will support customers to make healthier choices through clear and transparent labelling by continuing to ensure nutrition claims are used in a responsible way and displaying the Health Star Rating on all relevant Own Brand products.
 - Our Macro Wholefoods Market brand will lead the way on nourishing product innovation to offer customers better choices of nutritious, delicious and sustainably sourced and produced foods.
 - Maintaining our ambition to have the healthiest supermarket Own Brand portfolio.
- We will inspire and empower the next generation to make healthier easier through fun and engaging activities, healthier products that kids love and ideas for families:
 - By 2025, characters, graphics and activities that could be perceived as primarily appealing to children will only be used on healthier Own Brand packaging.

⁵ To measure our progress, we define healthier products as those with a Health Star Rating (HSR) of 3.5 stars and above. We will also track movements across the full spectrum of HSRs (from 0.5 to 5) and working with our supply partners, industry and peak bodies, we will continue to improve this reporting.

Goal 2: Our packaging is sustainable

- We will collaborate with our suppliers, government and industry to reduce waste across our value chain and transition our business to a circular economy by:
 - Aiming to accelerate the Australian Government's 2025 National Packaging Targets and working towards the removal of non-recyclable and hard-to-recycle packaging materials.
 - Publishing a preferred materials list which categorises packaging materials based on how easily recyclable they are, and working with all suppliers to phase out the hardest to recycle materials from their packaging by 2025.
- We will align to the principles of remove, reduce, reuse, recycle for our Own Brand product packaging:
 - Halve the use of virgin plastic packaging by weight in our Own Brand products against our 2018 baseline for our supermarkets⁶ by 2025.
 - Achieve an average of 60% recycled content in our Own Brand packaging by the end of 2025.
 - Trial more refillable and reusable packaging options for products in our operations.
 - Phase out problematic and unnecessary materials, starting with our Own Brands in our supermarkets⁶ by 2023 and BIG W by 2025.
- We will lead in making it easier for our customers to recycle plastic and difficult to recycle materials by:
 - Promoting recycling, including displaying the Australasian Recycling Label (ARL) on 100% of Own Brand product packaging in our supermarkets⁴ by the end of 2023, and BIG W by 2025.
 - Making 100% of our Own Brand packaging widely recyclable, reusable or compostable by 2025 in line with the National Packaging Targets.

⁶ Includes Woolworths Supermarkets, Woolworths New Zealand and Woolworths Metro.

Product

Turning goals into commitments



Goal 3: Own Brand sourcing is sustainable

- By 2025, we will source high risk commodities (e.g. pulp, paper, timber, palm oil, cocoa, tea, coffee, soy, fresh beef) in Own Brand products sustainably from net zero deforestation supply chains (traced back to land that has not been deforested since 2020). As these commodities are considered to have material impact on deforestation and conversion of natural ecosystems, we will assess the transition to deforestation and conversion free supply chains.
- Commit to using cotton in our Own Brand products that has been produced sustainably and responsibly and encourage the use of recycled and reclaimed cotton where possible.
- We will make it easier for customers to choose sustainable products. By 2025, 100% of Own Brand products will have at least one health (where relevant) or sustainability attribute.

Goal 4: Lead the future of protein

- By 2025, source our animal, and alternative protein sources in a sustainable manner through minimising our impact on the environment.
- By 2025, grow our share of protein products in our customers' baskets that are both healthier and better for the environment.
- We will lead in animal welfare and show continuous improvement within our supply chain, through increased data capture and reporting in line with best practice animal welfare standards.
- By 2025, 100% of our Own Brand seafood will be ecologically responsible or sourced sustainably.
- By 2025, all vendor brand shell eggs and egg used as an ingredient in our Own Brand products will be cage-free.

Goal 5: Lead the responsible retailing of alcohol and tobacco

- We aim to lead the industry with the highest standards of responsible retailing of alcohol and tobacco in our retail outlets.

Delivers on Sustainable Development Goals



For our progress against these goals, see our [see our 2022 Sustainability Report](#)

For more information on our approach, see our [Website](#)

Appendix

Annual refinement of our 2025 plan

Our Sustainability Plan 2025's guiding principles, goals and commitments are reviewed and adjusted as part of our annual planning cycle to maintain its relevance in a changing world.

This document is version 3.0 of our Sustainability Plan 2025, effective August 2023.

We found that all our goals remain relevant for 2025 and in some cases, extend beyond this date. Absolute metrics and timings have been removed from goals and repositioned into commitments to reflect their long-term nature. The following updates have been made to better reflect our operating environment:

- Updating our current food waste goal to improve explicit mention of its impact on food security and align to SDGs 2 - Zero hunger and 12 - Responsible consumption (Planet Goal 2).
- Introducing a new commitment to decarbonise our transport for last mile delivery fleet (Planet Goal 3).
- Aligning our packaging commitments and timeline to the Australian Government's National Packaging Targets (Product Goal 2).
- Combining sustainable sourcing and deforestation commitments to align with the Accountability Framework Initiative directives on deforestation (Product Goal 3).
- Continuing to validate our animal welfare performance via best practice animal welfare standards vs. the previously stated Business Benchmark for Farm and Animal Welfare (BBFAW) (Product Goal 4).

For more detail see [Sustainability Report](#)

Note

Woolworths Group is considering any potential impact of the current unavailability of the instore soft plastics recycling program on our sustainability goals. Our ambition remains to make our own brand packaging widely recyclable, reusable or compostable, and we are working through soft plastics recycling solutions as part of an industry and government taskforce.

"As Australia and New Zealand's largest retailer, we care deeply about our impact on people and the planet and we want to go further than just minimising harm – we want to create good."

Brad Banducci, Woolworths Group CEO and the whole team

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