A new programme of positive change for our people, our planet and our products.

Kia pai ake te āpōpō

A better tomorrow
Since launching our 2020 Corporate Social Responsibility strategy back in 2017, we’ve come a long way. But we want to – and we have to – do even more.

“New Zealanders have a deep connection to the land and sea, and as a business with stores in communities throughout the country and a team of over 20,000 Kiwis, we recognise the important role we play in helping protect this place we call home.”

We need to continue to build a business that is low carbon and continues to embrace the principles of a circular economy. We need to drive positive changes that can have an impact not just in our own operations, but in our supply chains and communities too. There are big challenges ahead of us that we can’t tackle alone. We will need to rely on partnerships and collaboration to drive the sort of transformation required.

We need to keep working closely with our local growers and farmers to ensure there is not only an abundance of fresh New Zealand food available for our customers, but that we’re also playing our part in protecting the land and regenerating the soil that it grows in.

Importantly, we need to keep our team and communities healthy and safe in a world that sometimes feels unpredictable. We need to do everything we can to keep building an inclusive culture where all people can be respected and thrive, where they feel supported and where they are given the opportunities to upskill and adapt to changing working environments.

With all of that in mind, we are proud to launch our Sustainability Plan to 2025. It is the backbone of our commitment to continue to do and be better. Better for our team, better for our customers and suppliers, and better for the environment.

We will regularly and transparently report on our progress on each of the commitments we have made, because we know that actions speak louder than words. It will also be ever-evolving - responding to an ever-changing world.

This plan is ambitious, but it has to be for the long-term survival of our environment, of food-focussed businesses like ours and the very way of life we enjoy here in Aotearoa.

Ngā mihi nui,

Kiri Hannifin

General Manager Corporate Affairs, Safety and Sustainability
Our guiding principles underpin our Sustainability Plan 2025 and will guide our journey towards a better tomorrow for our team, our planet and the customers and communities we serve.

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

Each focus area comes with its own set of goals and commitments.

**UN 2030 Sustainable Development Goals (SDGs)**

17 global goals set by the United Nations in 2015, the SDGs define global 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 on pages: 10, 11, 14, 17, 18

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**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 shine, regardless of their gender, age, ethnicity, physical ability or sexual orientation.

It means supporting our communities and working hand in hand with our suppliers to make sure every worker in our supply chain is 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 and actively finding ways to create positive benefit.

**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.
If we’re going to make a real difference for our team, customers, communities and the planet we need to take some bold and ambitious steps.

Game-changers

20% of senior leadership positions (store manager level and above) will be held by Māori and Pasifika New Zealanders.

We will join the Accessibility Tick programme and achieve year-on-year improvements on our baseline.

100% of Own Brand packaging will be recyclable or reusable.

Characters, graphics and activities that could be perceived as primarily appealing to children will only be used on healthier Own Brand product packaging.

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.

Zero food waste to landfill from our stores by 2025.

We will have a positive impact on our communities by investing the equivalent of 1% of a three-year rolling average of total Earnings Before Interest and Tax (EBIT) in community partnerships and programmes.

Our team members are empowered and encouraged to support their wellbeing. We are committed to building a workplace where people believe it’s ok not to feel ok and it’s absolutely ok to ask for help.

Reduce our emissions by 63% by 2030, from a 2015 baseline.

We will support teams identified at risk of future changes in how we work (e.g. automation) through the establishment of the Future of Work Fund providing access to tools and support to help them prepare for the future.

100% of our Own Brand eggs and the eggs used in Own Brand products will be cage-free.

Achieve net zero waste from our support offices by 2023.

100% of our Own Brand products will have at least one health or sustainability attribute.
From the ground up

To deliver on our plan to help protect Aotearoa for future generations, we’re taking a ground up approach. Much like the roots of a tree, our goals and commitments will work to provide the foundation and support needed to help our plan flourish.
Delivering our plan

01
We act like a leader and speak up on issues that matter

Goal 1
Be a truly inclusive workplace

Goal 2
Invest in the holistic wellbeing of our team

Goal 3
Create meaningful retail careers in the workplace of the future

02
We care for, and unlock the potential of, our people

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

Planet

03
We have a positive impact on the planet

Goal 5
Have a positive impact on our customers and communities

04
We apply circular thinking in everything we do

Goal 1
100% Green electricity by 2025

Goal 2
Zero food waste to landfill by 2025

Goal 3
100% of Own Brand packaging is sustainable

Goal 4
Lead the future of protein

Product

05
We embrace the power of partnerships to create change

Goal 5
Lead the responsible service and consumption of alcohol

Goal 1
100% of Own Brand sourcing is sustainable

Goal 2
100% of Own Brand packaging is sustainable

Goal 4
Practise responsible stewardship of natural resources

Goal 1
Increase healthier choices in our customers’ baskets

Our goals are underpinned by over 40 commitments
An essential part of building a better tomorrow is investing in the wellbeing and progress of our people so that every individual has an equal opportunity to succeed and thrive.

Game Changers:

20% of senior leadership positions (store manager level and above) will be held by Māori and Pasifika New Zealanders.

We will join the Accessibility Tick programme and achieve year-on-year improvements on our baseline.

Our team members are empowered and encouraged to support their wellbeing. We are committed to building a workplace where people believe it’s ok not to feel ok, and it’s absolutely ok to ask for help.

We will have a positive impact on our communities by investing the equivalent of 1 per cent of a three-year rolling average of total Earnings Before Interest and Tax (EBIT) in community partnerships and programmes.

We will support teams identified at risk of future changes in how we work (e.g. automation) through the establishment of the Woolworths Future of Work Fund, providing access to tools and support to help them prepare for the future.
Creating an environment at Countdown where people feel valued and respected is incredibly important to us.

As the retail business moves at speed into a new era of technology and progress, we are determined not to leave anybody behind, and provide opportunities for our 20,000-strong team of Kiwis to upskill for the future so they can continue to adapt to a rapidly-changing world. It also means providing an inclusive environment, where our team feel safe and welcome whatever their gender, ethnicity, faith, ability and sexual orientation, from the newest arrival to our most senior leaders, and that their mental health is just as important to us as their physical health.

We want to continue to develop collaborative and mutually beneficial partnerships with our suppliers, where we work together to grow our businesses and deliver our customers outstanding and innovative products. Whether a supplier is big or small, selling their products in one or all of our stores, we want to make them feel valued. We want their workers to feel valued and respected too, and that means doing everything we can to uphold and promote human rights and fair work conditions in our own operations and supply chain.

When it comes to our communities, it means ensuring we are helping Aotearoa thrive.

We want our actions to speak louder than our words, which is why, through our Food For Good Foundation, we’re focusing our efforts on a single goal: to help Kiwis to thrive by building a stronger, healthier New Zealand for the future. Together with our charity partners, we can ensure we’re getting support to Kiwis who need it most.
People
Goals and commitments

Goal 1. Be a truly inclusive workplace.

- Our leadership team will be balanced, bringing diversity of thought to all decision-making forums, including 40-40-20 gender balance and improved cultural diversity with 20% of senior leadership positions (store manager level and above) to be held by Māori and Pasifika New Zealanders.

- Our investment in listening and responding to our team’s needs will be reflected in a sustainable increase in their advocacy for Countdown as a place to work as measured in our Voice of Team surveys.

- Using benchmarking tools administered by expert external organisations, we will validate our performance and hold ourselves to account. We aim to:
  - We work with expert partners to benchmark our progress against best in class and continuously improve our inclusion initiatives. We aim to:
    - Maintain Rainbow Tick accreditation for 5 years with a ranking of ‘fully achieved with continuous improvement’
    - Join Accessibility Tick programme and achieve year on year improvement against the nine competency areas through annual gap analysis.

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:
  - We will support the financial wellbeing of our team and provide services and advice with the support of our partners.
  - 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 the best care and response support.

- We will support the financial wellbeing of our team and provide services and advice with the support of our partners.
People
Goals and commitments

Goal 3. Create meaningful retail careers in the workplace of the future.

- We will be an employer of choice for young people seeking their first job.
- For new team members joining us, we’ll prepare them for their future careers, providing them with the tools needed to create and contribute to an inclusive culture.
- We will give our team members experiences and capabilities that last well beyond their first job.
- The Future of Work Fund is our commitment to deploying 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.

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:
  - Contributing to the Woolworths Group 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 and categories at multiple supplier tiers based on a forced labour risk assessment
  - Developing remediation protocols for key modern slavery indicators
  - Contributing to a Group-wide 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:
  - Engaging potentially affected groups in program design and evaluation
  - Strengthening worker engagement
  - Educating our customers on product provenance and promoting responsible sourcing.
- 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 per cent of a 3 year rolling average of total Group Earnings Before Interest and Tax (EBIT) in community partnerships and programs.
- We will provide opportunities for our team members to give back to their local communities.
- We will listen to and learn from our customers and team members on social equity issues affecting our community, taking a stand where appropriate and in accordance with our guiding principles.
Helping to protect the planet isn’t just about us. It’s about generations to come, and it’s about customers who are demanding change and looking to us to lead the way.

**Game Changers:**

- 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.
- Zero food waste to landfill from our stores by 2025.
- Achieve net zero waste from our support offices by 2023.
- Reduce our emissions by 63% by 2030, from a 2015 baseline.
That means doing more than just reducing harmful effects, but instead creating a positive impact. That’s why we’ve pledged not only to reduce our emissions by 2025, but to become a net positive business by 2050.

While Aotearoa produces some of the best food in the world, climate change has the potential to significantly alter our landscape and our ability to grow the products Kiwis know and love. It is a very real and present threat. Growers and farmers throughout Aotearoa and the rest of the world are already having to adapt to rapidly changing growing conditions and change the way they have traditionally done things.

If the events of 2020 have taught us anything, it’s that we can’t always depend on our access to the rest of the world when it comes to sourcing food. We need to build our local capacity and self-sufficiency and we need to support the regeneration of the soil and land we depend on.

As a food retailer, food waste is one of our biggest challenges, but that means it’s one of our biggest opportunities to make a sustainable difference. We already donate food every year through our food rescue partners like The Salvation Army, KiwiHarvest and Kaibosh to feed Kiwis, but we want to do more. Our goal is 100% zero food waste to landfill by 2025. To get there, we need to continue to grow and support our food rescue programme and partners, and we need to find alternative and innovative ways of managing food that can be eaten or sold.

We have ambitious targets for reducing our carbon emissions and meeting them will require us to change the way we operate. It will mean using less energy, putting more environmentally friendly operating systems in our store for our fridges, using the natural resources available to us thoughtfully, and building our stores in new and sustainable ways. We also know that this work will go beyond reducing and eliminating our own footprint - it’s about working alongside our suppliers to help them do the same.
Goal 1. 100% Green electricity by 2025
• by 2025, we will source 100% renewable electricity to power our business.

Goal 2. Zero food waste to landfill by 2025
• By 2025, we will have zero food waste going to landfill from our operations. 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 2050
• By 2030, in line with climate science, we aim to reduce emissions from our operations by 63% compared to a 2015 baseline.
• By 2030, in line with climate science, we aim to reduce our scope 3 emissions by 19% compared to a 2015 baseline.
• 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.

Goal 4. Practice responsible stewardship of natural resources
• By 2022, in collaboration with our farmers, suppliers and other partners, we will carry out and publish a review of the potential for adopting sustainable and regenerative agriculture practices across our fresh food supply chain aimed at improving areas such as soil health and water efficiency in high-risk areas and will provide an annual update on our actions to implement.
• We will improve the water efficiency of our operations. We will install smart meters by 2022 and will publish the targets and action plan in 2023.
Product

It’s our responsibility to make sure the partnerships we forge and the products we source have a positive effect on the environment and everyone involved in creating them.

Game Changers:

- 100% of Own Brand packaging will be recyclable or reusable.
- Characters, graphics and activities that could be perceived as primarily appealing to children will only be used on healthier Own Brand product packaging.
- 100% of our Own Brand products will have at least one health or sustainability attribute.
- 100% of our Own Brand eggs and the eggs used in Own Brand products will be cage-free.
Product Overview

The next five years will see radical change in how we source and how we present our products. We're reducing the use of virgin plastic by 50% and using an average of 60% of recycled materials on our Own Brand packaging. There will be an Australasian Recycling Label on 100% of our Own Brand products and we'll be providing our customers with better options to reduce, reuse and recycle.

We're making the healthier choice the easy choice 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 know customers are as concerned as we are about sustainability and they're looking to us to take the lead. So that's what we're doing.

By 2025, all the eggs we sell and all our products containing eggs will be cage-free. Our seafood will be ecologically responsible or sustainably sourced and we will achieve net zero supply chain deforestation for key commodities in our Own Brand range, such as palm oil, beef, soy, timber, pulp and paper.

Animal welfare is also a priority. We're working with our supply partners towards every animal in our livestock production chain being free from hunger, thirst, pain, distress and fear. To that end, we will only sell ingredients farmed to high welfare standards.

14.5% of the world's greenhouse gas emissions come from livestock and we share our customers' concerns about the environmental impacts of protein. We are actively expanding our range of plant proteins so that our customers have a choice.

Our goal with our Sustainability Plan 2025 is to create lasting positive change that will leave the environment better off for future generations. We'll achieve this through our own positive actions but also by innovating, educating and advocating for a sustainable planet in a way that brings our partners, growers, suppliers, customers and team members with us on the journey.
**Goal 1.** Materially increase healthier choices in our customers’ baskets

- We will support customers to make healthier choices through clear and transparent labelling on our Own Brands by continuing to ensure nutrition content claims are used in a responsible way and display the Health Star Rating on 100% of eligible products. By 2025, characters, graphics and activities that could be perceived as primarily appealing to children will only be used on healthier product packaging.
- 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.
- Our ambition is to continue to have the healthiest supermarket Own Brand portfolio.
- We will create meaningful initiatives that support, inspire and educate our customers to establish healthier eating habits. We will partner with leading health experts to support our ambition and validate our performance.

**Goal 2.** 100% of Own Brand packaging is sustainable

- We will align to the principles of Eliminate, Reduce, Reuse, Recycle for our Own Brand product packaging:
  - Halve the use of virgin plastic packaging by weight against our 2020 baseline by 2024
  - Achieve an average of 60% recycled content in our Own Brand packaging by the end of 2025
  - Provide more refillable and reusable packaging options for products in our operations
  - Phase out problematic and unnecessary materials, starting with our Own Brand by 2023.
- We will lead in making it easier for our customers to recycle plastic and difficult to recycle materials by:
  - Actively promoting recycling, including displaying the ARL on 100% of Own Brand product packaging by the end of 2023
  - Making 100% of our Own Brand packaging widely recyclable or reusable by 2025.

**Product Goals and commitments**
Product

Goals and commitments

Goal 3. 100% of Own Brand sourcing is sustainable

- By 2025, we will achieve net zero supply chain deforestation for our ‘high-impact’ commodities in our Own Brand products, such as palm oil, timber, pulp and paper, and packaging.
- By 2025, 100% of our high-impact commodities (e.g. tea, coffee) in our Own Brand products, including raw materials, will be sourced sustainably.
- In our Own Brand products, we are committed to using cotton 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

- We aspire to lead in the future of protein to minimise our impact on the environment in sourcing our products whilst improving the lives of animals, providing nutritious quality products and protecting the people in our supply chain.
- By 2025, fresh beef and soy in our brands and soy in livestock feed (assessing high-risk/ high volumes) will be sourced sustainably and not contribute to deforestation.
- We will lead in animal welfare and show continuous improvement within our supply chains, through increased data capture and reporting.
- 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.
- We will make it easy for consumers to eat sustainably and affordably, by balancing animal, plant and novel proteins in their diets.

Goal 5. Responsible service and consumption of alcohol

- We aim to lead the industry with the highest standards of responsible service, sale and marketing of alcohol in our retail outlets and venues through the delivery of best practise training programs, customer education and community engagement.
- We aim to lead in providing customer choice in the areas of low and no alcohol beverages along with other educational initiatives supporting moderate consumption of alcohol.