

2025
SUSTAINABILITY
REPORT



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SHOPRITE GROUP’S 2025 REPORTING SUITE

Integrated Report (IR)

Aimed primarily at investors, lenders and other creditors, the report reviews the Group’s business model, operating context, material risks and opportunities, governance practices and performance in delivering on our strategy (financial materiality).

Annual Financial Statements (AFS)

Provides a comprehensive review of our financial results, with audited financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) (financial materiality).

Sustainability Report (SR)

Reviews our performance in managing our most significant impacts on people, society and the environment, and in responding to material sustainability-related risks and opportunities (double materiality).

Available online at www.shopriteholdings.co.za/shareholders-investors.html

Reporting frameworks informing our reports

- Our reporting process complies with the following regulatory requirements:
- South African Companies Act, 71 of 2008 (as amended)
 - King IV Code on Corporate Governance™ for South Africa, 2016 (King IV)
 - The IFRS accounting standards developed and maintained by the International Accounting Standards Board (IASB)
- Our reporting has been informed by the following disclosure standards and frameworks:
- The IFRS sustainability standards released by the International Sustainability Standards Board (ISSB): IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures
 - The Food Retailers and Distributors Sustainability Accounting Standard issued by the Sustainability Accounting Standards Board (SASB)
 - The Global Reporting Initiative (GRI) Sustainability Reporting Standards
 - The Johannesburg Stock Exchange (JSE) Sustainability Disclosure Guidance and JSE Climate Disclosure Guidance
 - Carbon Disclosure Project (CDP) and the United Nations (UN) Sustainable Development Goals (SDGs)

01

INTRODUCTION

Shoprite Holdings Limited (‘the Shoprite Group’, ‘the Group’) is an investment holding company headquartered in Cape Town, South Africa.

The Group’s primary listing is in the Food Retailers and Wholesalers’ Sector of the Johannesburg Stock Exchange (JSE). The Group has three secondary listings: on the A2X, the Namibian Stock Exchange (NSX) and the Lusaka Stock Exchange (LuSE).

The Group is Africa’s largest food retailer, operating 3 478 stores across eight countries. With supermarket retailing as our core business, we operate a clearly segmented brand strategy predominantly in South Africa.

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OUR THOUGHT LEADERSHIP ON SMMEs

In a report commissioned by the Shoprite Group, insights were gathered from 800 Small, Medium and Micro-enterprise (SMME) owners in South Africa. “The State of the SMME in South Africa” highlights the need to target support for female entrepreneurs and improve access to markets and resources in underrepresented regions of the country. Shoprite Next Capital supports SMMEs in South Africa in overcoming these challenges. See [page 42](#) for details).

About this report

Report audience and purpose

Our SR reviews the Group’s performance in managing our most significant impacts, risks and opportunities related to people and the environment over the short-, medium- and long-term. The SR is written mainly for report users assessing a company’s contribution – positive and negative, direct and indirect – to sustainable development and the UN SDGs.

The SR is written as a supplement to the IR and targets a broad range of stakeholders, including shareholders, investors, rating agencies, regulatory agencies, employees, non-governmental organisations (NGOs), customers, partners, suppliers, and local communities.

Report scope and boundary

The report covers the activities of the Group’s operations across our geographic footprint (see [□](#) page 4), including subsidiaries but excluding franchise stores. In identifying those matters that impact on value creation at Shoprite we provide for the material interests of our key stakeholders, as well as for the significant impacts, risks and opportunities associated with our own operations and with the activities directly linked to our upstream and downstream value chain. The main subsidiaries, listed in the Directors’ report of the AFS, are considered in our material matters assessment.

For a comprehensive view of our business strategies and performance, please refer to the IR and AFS for the financial year ended 29 June 2025. These and other online publications, stakeholder communications and additional information are available on our website at www.shopriteholdings.co.za.

Our approach to materiality

Informed by the latest developments in global reporting standards and frameworks, we have adopted ‘double materiality’ across our reporting suite:

- **Financial materiality:** Our IR provides information on those matters that are likely to influence report users’ assessment of the Group’s future cash flows over the short-term (less than 12 months), medium-term (one to three years) and long-term (beyond three years). Our AFS reflect the effects on company value and cash flow that have already taken place prior to the financial year-end.
- **Impact materiality:** Our SR provides disclosure on the most significant impacts of our operations and activities on people, society and the environment over the short-, medium- or long-term. This includes impacts caused by the Group’s own operations, products or services, as well as the impacts directly linked to the Group’s upstream and downstream value chain. This extends to financially material environmental, social and governance (ESG) risks and opportunities impacting the business, thus adopting a ‘double materiality’ perspective.

To identify the matters for inclusion in our reports, we conducted an independently facilitated materiality workshop with Group representatives in 2024. In this workshop we identified significant dependencies and impacts on the resources and relationships we depend on, assessed recent trends and internal risk assessments affecting our operating environment, considered our stakeholders’ interests, and evaluated the robustness of our strategy.

Forward-looking information

This report contains certain information which may constitute forward-looking statements regarding the Group’s operations and its performance prospects. These statements, by their nature, involve an inherent level of uncertainty because they relate to future events and circumstances that may be beyond the Group’s control. They do, however, reflect our best judgement and estimates informed by the Group’s Board-approved business plans as at the time of publication of this report. Within this context, the directors advise readers to use caution in the interpretation of any forward-looking statements contained in this report. The Group cannot take responsibility for updating or revising any forward-looking statements except as required by applicable legislation or regulation. Any forward-looking information has not been reviewed or reported on by the Group’s auditors.

Approval and assurance

While this SR is not independently assured as a whole, certain information and the associated underlying processes were subject to internal or external audits to support the credibility and integrity of our reporting:

- **Sustainability data:** Selected metrics, including key performance indicators related to renewable energy usage, recycling, sustainable packaging, and the carbon footprint analysis, are externally validated by independent assurance providers.
- **Operational and non-financial data:** These are subject to internal audits overseen by the Audit and Risk Committee (ARC) to confirm compliance and support effective risk management.

The Shoprite Holdings Board accepts responsibility for the governance processes supporting the preparation of this SR. The Social and Ethics Committee (SEC) oversees the preparation of the report, reviews its content, and verifies that appropriate processes and assurance measures are in place.

Supported by the SEC, the Board believes that this report provides a balanced view of all material sustainability matters for the financial year ended 29 June 2025, as well as an accurate reflection on the Group’s strategic sustainability commitments. This report highlights our ongoing efforts to enhance environmental and social performance.

Following a thorough review, the SEC has approved this report and recommended it to the Board for final approval.

The Board approved this SR on 1 October 2025.

Board Chairman
Wendy Lucas-Bull

Social and Ethics Committee Chairman
Nonkululeko Gobodo

Independent Non-Executive Directors
Peter Cooper, Linda de Beer, Graham Dempster, Dawn Marole, Siphon Maseko, Hlangani Mathebula, Paul Norman, Eileen Wilton

Non-executive Director
Christo Wiese

Alternate Non-executive Director
Jacob Wiese

Executive Directors
Pieter Engelbrecht (Chief Executive Officer)
Anton de Bruyn (Chief Financial Officer)

Achieving our purpose

The Shoprite Group's intent is to create sustainable value for our stakeholders by:

- maintaining world-class retail operations
- delivering on customer-centricity
- investing in our employees
- prioritising transformation, diversity and inclusion
- investing in, and supporting, our communities
- creating economic opportunities
- investing in our technology systems and processes
- enhancing responsible corporate citizenship
- protecting the environment



Our purpose

To uplift lives every day by pioneering access to the most affordable goods and services, creating economic opportunity, and protecting our planet.

Living our values

Our values guide our behaviour to fulfil our purpose, and define how we do business.

Our strategy

To continuously create a **Smarter Shoprite** through advanced analytics and technology to optimise our core retail business and personalise experiences for customers.

We **target headroom opportunities** in growth segments to increase share-of-wallet, and leverage our retail platform to **win in the long term**.

Our vision

To be Africa's most profitable omnichannel retailer.

Doing the right thing

Make good and honest choices, even when it's not easy

- Putting our customers first
- Acting ethically with excellence, integrity and care
- Creating shared value for our stakeholders
- Making a difference beyond our own doors
- Improving food security and affordability
- Prioritising transformation and equality

Developing local

Look for opportunities to uplift the lives of those around us

- Investing in our people
- Creating opportunities to develop local talent and support small businesses to develop local products, contributing to social upliftment
- Embracing economic transformation
- Supporting our communities

Saving to share

Work smartly with what you have so that you can help others

- Providing our customers with the lowest prices
- Improving efficiency and productivity and managing costs through frugal cost management and wastage reduction
- Pursuing efficacy, opportunity and innovation
- Helping others where we can

Sustainable development approach

- Our sustainable development approach demonstrates our alignment to the South African National Development Plan and our contribution to four UN SDGs where we have the greatest potential to make a difference: SDG 2 – Zero Hunger, SDG 4 – Quality Education, SDG 8 – Decent Work and Economic Growth, and SDG 12 – Responsible Consumption and Production.
- We have a strong record of integrating sustainability-related impacts, risks and opportunities in our business decisions and activities as we seek to deliver on our purpose **to uplift lives every day** by pioneering access to the most affordable goods and services, creating economic opportunities, and protecting our planet.



Group profile

The Shoprite Group is an omnichannel retailer predominantly retailing food and general merchandise with a growing share in related adjacent categories. We are positioned mainly in South Africa where we segment the market with distinct supermarket brands to best serve our customers and meet their daily needs.

Sale of merchandise

R252.7bn

Xtra Savings members

33.7m

Total Group employees

168 939

Total Group stores incl. OK Franchise

3 478

OK Franchise stores

615

Growth in customer visits

4.6%

National distribution centres

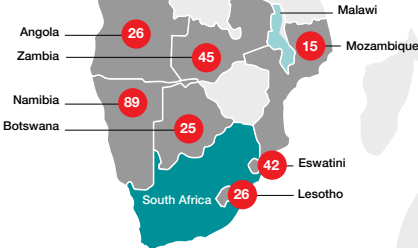
29

Distribution of total stores

Total Group stores excluding OK Franchise

2 863

Legend: South Africa (teal), Rest of Africa (grey), Discontinued operations (light blue)



Operating segments



Supermarkets RSA segment sales contribution to Group
84.5%

South Africa
2 595 stores

Supermarkets RSA segment trading profit contribution to Group
91.5%

RSA brand positioning and store numbers



Group profile continued

Our ecosystem of value



Customer and rewards

Our market-leading Xtra Savings rewards programme was launched to improve our understanding of customers' needs and save them time and money through personalisation. This year our more than 33 million members saved over R16 billion. With roughly 2 700 swipes per minute, we have the largest consumer data set on the continent, informing our decision-making on pricing, promotions, ranging and digital communications, providing a highly personalised shopping experience. The programme allows us to predict trends, identify new sales opportunities in under-indexed categories, and assists us – as well as our suppliers, through our Rex platform – to better understand customer behaviour. Our partnership with Discovery Vitality HealthyFood gives our customers the benefit of up to 75% cash back on healthy food items. With our more recent partnership with Standard Bank, UCount Rewards customers can earn up to 40% back when shopping on Sixty60, and up to 30% back in-store.

Advanced analytics and insights

Our data analytics and engineering teams transform purchase data from over one billion transactions per annum, and over 33 million Xtra Savings rewards members, into actionable insights for our business and supplier partners. In addition, our AI pricing optimisation engine is balancing margin and price investment with our powerful end-to-end supply chain ensuring on-shelf availability for customers.

Digital commerce and last-mile logistics

Leveraging the wide network of stores within our core Supermarkets RSA segment, the Group's market-leading 60-minute delivery service, Sixty60, is delivering significant value to both our customers and our business. Sixty60 is now available in 694 locations across South Africa, including selected Shoprite stores, making use of the store network as micro-fulfilment centres. We have recently launched a new Sixty60 app, offering customers over 10 000 larger Checkers Hyper general merchandise products, delivered same-day within an agreed 60-minute time slot, and a new Checkers transactional website. Our ambition is to become 'the everyday store' for customers. Pingo provides the last-mile logistics capabilities with 8 424 independent drivers.

Alternative revenue

We leverage our platform advantage of our 2 863 core retail stores to unlock alternative revenue in retail media, data monetisation and financial services. Rainmaker, our retail media network, enables precision targeting and omnichannel advertising solutions by connecting brands with relevant audiences. Our customer insights platform, Rex, provides supplier partners with actionable insights based on the Group's purchase data to improve their business and unlock new opportunities. Our financial services business delivers accessible financial products and payment solutions, promoting financial inclusion at the lowest cost in the industry for our consumers.

Supplier partnerships and development

In our drive to improve the customer experience, we have supplier partnerships with leading global and local brands – such as Starbucks, Lindt, Krispy Kreme Doughnuts and Kauai – bringing their products to selected Checkers supermarkets and some of these brands directly to homes via our Sixty60 delivery service. We are empowering and supporting local entrepreneurs and suppliers through Shoprite Next Capital and our CredX supply chain finance offering.

Other adjacencies

Given the scale of our core retail platform, and being a preferred food anchor tenant in most shopping mall developments, we are well positioned to open retail stores in adjacent categories, providing our customers with affordable access to a wide selection of products in categories such as baby, outdoor, pet, pharmacy and clothing. Our customers benefit from a one-stop offering with a supermarket at its core and a wide variety of affordable choices in close proximity.

Lighthouse private labels

We leverage the Group's scale to invest in product development and innovation in our private label brand portfolio to differentiate the Group's offering and range. Our private label products provide customers with better choices and value, both through our low-price products (such as our Ubrand entry-level lines), as well as our premium offerings that cater to discerning tastes and emerging lifestyle trends (such as our Simple Truth and Forage and Feast range). Shoprite's Homegrown private label range supports local job creation by offering products that are 100% South African.

Key performance indicators and targets

Key performance indicators

Group sustainability targets

Energy and Greenhouse gas (GHG) emissions

42% reduction in absolute Scope 1 and Scope 2 GHG emissions by 2030 (2020 base year)

25% reduction in absolute Scope 3 emissions from use of sold products by 2030 (2020 base year)

Water

20% reduction in water-use intensity by 2030 (2020 base year)

Waste

Zero organic waste to landfill in 2025
Increase in cardboard and plastic recycling by 4%

Sustainable packaging

100% of private label packaging to be reusable, recyclable or compostable in 2025

30% average recycled content across all private label packaging in 2025

Customer-centricity

Number of Shoprite's 600g in-house loaves of bread for R5 sold (million)	FY 2025	FY 2024
	27.7	29.6
Xtra Savings loyalty programme members (million)	FY 2025	FY 2024
	33.7	31.1
Instant cash savings rewards accessed through Xtra Savings (R billion)	FY 2025	FY 2024
	16.5	16.9
Number of locations providing Sixty60 home delivery service	FY 2025	FY 2024
	694	539

Investing in our people

New jobs created across the Group, mostly in lower income sector	FY 2025	FY 2024
	8 723	6 490
Total employees across the Group	FY 2025	FY 2024
	168 939	160 216
Number of fatalities: permanent employees	FY 2025	FY 2024
	0	2
Road Transport Fatality Frequency Rate (RTFFR): contractors	FY 2025	FY 2024
	0.037	0.083
Investment in employee training and development (R billion)	FY 2025	FY 2024
	1.1	0.8
Distributions to employees through Shoprite Employee Trust (R million)	FY 2025	FY 2024
	272	243

Building an inclusive and ethical supplier base

Spend on B-BBEE-compliant businesses (R billion)	FY 2025	FY 2024
	146.5	143.8
Spend on >51% black-owned suppliers (R billion)	FY 2025	FY 2024
	26.8	25.2
Spend on >30% black women-owned suppliers (R billion)	FY 2025	FY 2024
	19.8	18.3
SMME vendors included on our Enterprise and Supplier Development (ESD) programme	FY 2025	FY 2024
	79	64
Supporting SMME fresh produce growers to get localg.a.p certified	FY 2025	FY 2024
	25	5

Enhancing community livelihoods

Socio-economic spend in communities in which we operate (R million) (excluding subsidised items)	FY 2025	FY 2024
	469.7	437.6
Donated worth in surplus food and goods (R million)	FY 2025	FY 2024
	257.6	233.9
Meals served per day to vulnerable communities through our CSI programmes	FY 2025	FY 2024
	222 349	195 659
Community food gardens supported since inception of programme	FY 2025	FY 2024
	287	248
Number of meals served in Early Childhood Development (ECD) centres (million)	FY 2025	FY 2024
	1.9	1.7

Reducing environmental impacts

Total Scope 1 and Scope 2 carbon emissions (million tonnes CO ₂ e)	FY 2025	FY 2024
	2.3	2.4
Scope 1 and Scope 2 emissions intensity (tonnes of CO ₂ e per square metre)	FY 2025	FY 2024
	0.375	0.424
Renewable energy consumption as % of total energy consumption	FY 2025	FY 2024
	7.2	6.5
Water-use intensity (kℓ per occupied space)	FY 2025	FY 2024
	0.715	0.767
Plastic diverted from landfill (tonnes)	FY 2025	FY 2024
	14 961	13 502
Total private label packaging reusable, recyclable, or compostable (%)	FY 2025	FY 2024
	92.6	–
Premium private label seafood aligned with the Southern African Sustainable Seafood Initiative (SASSI) green rating (%)	FY 2025	FY 2024
	67	71

02

LEADERSHIP
REVIEWS

Our leaders provide high-level insights on the year in review, sharing perspectives on our strategic achievements, challenges faced, and the path forward.

They share the Group’s vision on navigating the dynamic business environment, driving innovation, and upholding our commitment to sustainability and governance.

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OUR THOUGHT
LEADERSHIP ON
FOOD SECURITY

The Shoprite Group commissioned the South African Food Security Index 2024, which combines credible data and insights across the issues of food availability, access, utilisation and stability. Developed by two economists from the University of Stellenbosch, the study found that food security in South Africa is at its lowest point in over a decade, and that 21% of South African children under five years old are stunted through malnutrition, a rate that is much higher than the country’s economic peers. The Shoprite Group is committed to harnessing its scale and technologies to contribute to alleviating this urgent challenge by making food and groceries more affordable and more accessible to the consumer.

Key recommendations of the report included prioritising nutrition interventions during the first 1 000 days of children’s lives, zero-rating VAT on certain key food products, especially protein-rich items used by lower-income households, supporting communities and households, especially in rural areas, to establish food gardens, and making protein-dense foods affordable and accessible to children to prevent stunting.

See [📄](#) pages 23, 48, and 49 for how we respond to these issues.

SEC Chairman's review 2025

“Sustainability at Shoprite is not just talk. We’re making meaningful progress, with structures in place to focus on the right issues and deliver on what we set out to achieve. I’m impressed by the tangible impact of our efforts and how social and environmental concerns are being integrated into decision-making at the highest level of the company.”



Nonkululeko Gobodo
Chairman of Social and Ethics Committee

Reflections on progress

The Social and Ethics Committee (SEC) is pleased to introduce the Shoprite Sustainability Report 2025 for the year ended 29 June 2025. This statement shares the Committee’s reflections on the Group’s progress in managing sustainability-related impacts, risks, and opportunities, and reports on the key activities of the SEC.

The SEC oversees sustainability governance and management of related impacts, risks, and opportunities, with primary responsibility for sustainability oversight on behalf of the Board. We work closely with management to develop our annual work plan. Sustainability at Shoprite is not just talk. The Group has made real strides in recent years and, while there is room for improvement, we are encouraged by the progress.

The world is changing in many ways, with rising expectations of business amid growing social and environmental pressures. As a proudly South African business and good corporate citizen, it is important that we are clear on where the Group stands on key issues and the reasons behind those positions. We take confidence in how seriously social, ethical, and environmental concerns are considered at executive level, and in how our purpose – to uplift lives every day – translates into action across the Group.

Sustainability governance and oversight

Shoprite’s governance approach includes reinforcing a strong ethics culture, monitoring and maintaining regulatory compliance, and maintaining fair, transparent and responsible conduct. We maintain a clear set of sustainability-related policies and position statements, with our Code of Ethics guiding the conduct of employees and suppliers, promoting integrity, and reinforcing zero tolerance for discrimination, harassment or unethical behaviour.

Executive management leads sustainability management, supported by the SEC and accountable to the Board. Sustainability is championed by our Chief Executive Officer (CEO) and Chief Sustainability Officer (CSO), who reports monthly to the executive team and updates the SEC at each meeting. Sustainability-related performance targets are embedded in executive incentive schemes and formally recommended by the SEC to the Remuneration Committee for approval to drive performance and accountability. Stakeholder engagement happens at all levels – from customer platforms to interactions with regulators, investors, rating agencies and civil society – helping to shape our approach and build trust.

Our highly capable, engaged and diverse committee brings varied professional backgrounds to support effective oversight. We stay informed and build capacity through regular engagement with the executive team and external experts. The Board held its third annual engagement with the World Wide Fund for Nature (WWF) this year, to improve our collective understanding of sustainability-related issues such as climate- and nature-related risks.

Key activities in FY 2025

The committee met three times during FY 2025 with full attendance at all meetings. Our annual work plan follows a rolling agenda, giving regular attention to key topics and deeper engagement on priorities. Site visits to operations and projects strengthen our oversight capabilities, providing tangible insight into operational management and the impact of social and environmental programmes.

Governance of ethics

We reviewed the revised Ethics Framework and Policy, and oversaw the update and rollout of the Anti-Harassment Policy, embedded in leadership development and employee awareness training.

Ethics hotline reporting increased this year, with the volume and nature of reports reflecting greater awareness of and trust in the whistleblowing system. The management of cases is functioning well, with clear consequences and appropriate support for affected employees. We undertook a detailed review of business ethics performance in external ESG assessments, which highlighted the need for enhanced external disclosure on the Ethics Framework Policy.

The Group has adopted the UN Global Compact (UNGC) principles as a standing commitment.

Transformation and employment equity

We continued overseeing the Group’s transformation and employment equity performance, focusing on regulatory compliance, workforce representation, and inclusive talent development. We reviewed progress against the Employment Equity Plan and monitored alignment with the amended Employment Equity Act, including adopting sector-specific numerical targets from July 2025. Representation at top and senior management levels remained ahead of sector benchmarks but below our more ambitious internal targets. We requested enhanced reporting on equity talent retention and succession planning.

We reviewed progress on the diversity, equity and inclusion (DEI) strategy and 12-month workplan, focusing on building inclusive leadership, tracking equity talent, and improving the diversity pipeline. A fair pay analysis was tabled, with further work underway to assess parity across like-for-like roles. Overall Broad-based Black Economic Empowerment (B-BBEE) performance remained on track and above industry standard. We were pleased with progress on ESD and the Shoprite Employee Trust continued delivering distributions to a broadly representative beneficiary base, reinforcing inclusive ownership.

SEC Chairman’s review continued

Environmental sustainability and climate change

We maintained oversight of the Group’s environmental performance and climate-related commitments during FY 2025. We monitored developments relating to the Climate Change Act and reviewed the Group’s 2024 carbon footprint analysis, which indicated that Scope 3 emissions – particularly from the use of sold products – account for the majority of total emissions.

We approved the strengthened environmental targets proposed by management for inclusion in executive incentive schemes for 2025, covering renewable energy use, sustainable packaging, and waste recycling. These targets are subject to independent audit and reflect our commitment to measurable progress.

Community empowerment and development

We maintained oversight and reviewed expenditure of the Group’s social investment and community development efforts, focusing on four core areas: hunger relief and food security, youth employment, education, and support for local entrepreneurship through SMME development.

We monitored delivery of youth employment programmes, including the Retail Readiness and Youth Employment Service (YES) programmes, which continue to reach large numbers of young people across the country. A notable shift in 2025 was the move from broad disability inclusion to targeted upskilling of hearing-impaired individuals as Sixty60 pickers, as part of the broader DEI strategy. The Group’s external bursary programme remains a well-established channel for educational support, and we reviewed the demographic profile of beneficiaries to confirm the programme’s inclusivity. We reviewed the annual bursary allocations and allocations to the Whitey Basson Bursary Trust.

Food safety and quality assurance

We maintained focused oversight of food safety and quality assurance, recognising increased public scrutiny on food hygiene standards in South Africa. We reviewed and approved the Group’s enhanced Enterprise Food Governance Framework, aligned with international best practice and designed to strengthen oversight, improve responsiveness to recalls, and formalise supplier compliance and quality protocols. This impressive framework brings formal coherence to all food safety and quality practices across the business. We further reviewed broader assurance processes and recent food safety incidents.

Our site visits offered valuable insight into the technical rigour of food safety systems in place and reinforced confidence in the Group’s practices. We were particularly encouraged by the use of real-time risk monitoring through a new service provider, enabling faster detection and resolution of food safety related issues. The combination of strong governance, operational maturity, and responsive systems gives us comfort in the Group’s ability to uphold food safety requirements across its operations.

Employee health and safety

We maintained focused oversight of employee and contractor safety, recognising both the progress made and persistent risks in high-exposure areas. Within Shoprite, we are encouraged by ongoing improvements in health and safety performance, including a year-on-year reduction in lost-time injury rates. We reviewed overall Group safety statistics and conducted site visits where we observed employee health and safety measures in practice.

Safety among independent contractors, particularly Sixty60 motorbike delivery drivers, remains a complex and pressing concern. We received detailed reporting on risks and the Group’s interventions, including upgrades to bike stability and protective gear, enhanced rider visibility, telematics rollout, and strengthened verification processes.

We are encouraged that the drivers receive additional safety training and annual defensive driving courses and practical training sessions.

It is with sadness that we acknowledge transport related accidents during the year. The committee reaffirmed the need for continuous monitoring and sustained effort to improve safety outcomes.

Conclusion and appreciation

The Committee is confident in the progress made against sustainability objectives this year. Robust governance structures remain in place, and the integration of sustainability into management and decision-making has deepened across the business. We are pleased with the work undertaken and the strong collaboration with management throughout.

We are encouraged by the seriousness with which these matters are taken by executive leadership, and by the calibre of operational teams and heads of department driving this work. This year, we have seen more of what is being accomplished at ground level and have been impressed by the tangible impact in uplifting lives.

Thank you to all Shoprite employees for helping build a culture anchored in ethics, inclusion, and purpose.

Nonkululeko Gobodo
Chairman of Social and Ethics Committee



Chief Sustainability Officer's message

“It's encouraging to see how we're embedding sustainability into our culture across the business. This ethos and our scale, combined with clear focus on our material issues, and meaningful integration into management systems – enable us to deliver positive environmental and social impact that our customers and communities can see and feel.”



Raghubir

Sanjeev Raghubir
Chief Sustainability Officer

Reflections on the operating context

At Shoprite we recognise that we operate in countries marked by high levels of unemployment, deep inequality, and poverty – leading to increased food insecurity and hunger. We see this daily, and it was further highlighted by the South African Food Security Index report which we launched on World Food Day. Concerningly, the report confirmed that 1 in 4 children are growth stunted, presenting a huge challenge to the development of the country. Millions of South Africans rely on state grants, facing daily struggles to cover their basic nutritional needs.

With climate change related disasters like storms, drought, fires, and floods occurring more frequently locally and abroad, we see pressures on food growers, producers and distributors to supply food, impacting on the availability of food on retailers' shelves. There is significant volatility in our wider operating context too, with geopolitics disrupting trade and supply chains, placing food commodities at risk and increasing costs.

There are increasing stakeholder expectations on corporates regarding ESG, particularly from investors, customers, regulators, local communities and ratings and ranking agencies. Stakeholders increasingly expect business to leverage their scale to make meaningful positive differences on environmental and social issues such as climate change, biodiversity loss, waste reduction and human rights. Within an evolving sustainability reporting and disclosure environment, we must remain focused on the matters most material to us to maintain a real and authentic response.

Our strategic positioning on sustainability

Our purpose to uplift lives every day by pioneering access to the most affordable goods and services, creating economic opportunity and protecting our planet is at the core of our sustainability strategy and plans. Our ambition to be a force for good is embedded in the Group's strategic growth pillar of winning in the long term. We are deeply committed to understanding and responding to the socio-economic challenges in South Africa and adapting to climate change and other critical environmental issues impacting the food system, as they directly impact our business, customers, and communities.

While we don't overtly seek a leadership position on sustainability for its own sake, we do find ourselves innovating solutions, winning awards, and achieving a scale of impact beyond that of our competitors. This comes from responding to the material issues we share with society, building a resilient business that generates value for all stakeholders while supporting a thriving country. Our scale and wide target customer base give us leverage to innovate, enabling us to do more across all our store formats, harnessing synergies and efficiencies that amplify positive impact.

That being said, sustainability is becoming a business imperative – you have to do it. With real social and environmental risks hitting home for business, latent public expectations for companies to do the right thing, together with investor pressure and growing regulatory demands, sustainability is no longer a differentiator but a necessity.

Our sustainability strategy focus areas

Responding to our operating context, our sustainability ambitions, and aligning to our priority UN SDGs, we have defined our key sustainability material matters as:

- Embracing environmental stewardship – being dedicated to sustainable practices through responsible consumption and production through resource efficiency, renewable energy use, waste reduction, sustainable packaging, recycling and biodiversity preservation.
- Providing access to affordable and nutritious food – providing access to affordable, nutritious groceries while maintaining low food price inflation and adhering to strict food safety and product quality standards.
- Supporting hunger relief and food security – enhancing food security in communities and building community resilience to climate change through targeted programmes and partnerships.
- Promoting equity, diversity, and economic transformation – prioritising fair and inclusive employment practices and skills development; promoting ethical sourcing, and building equitable supply chains, we contribute to economic transformation and social justice.
- Supporting youth employment and job creation – creating new jobs and supporting youth employment through various programmes and partnerships, contributing to economic growth and community development.
- Promoting workplace health and safety – providing a safe, healthy work environment, emphasising driver safety and overall employee well-being through comprehensive occupational safety management and employee assistance programmes.
- Developing sustainable and resilient supply chains – supporting local economies by creating diversified sustainable and resilient supply chains, reducing vulnerability to disruptions and SMME development.

Beneath these top-line material issues, our sustainability framework leverages key enablers to deliver on our goals and targets. These include data analytics tools, governance practices, engagements and training our people, and communication and reporting platforms. Strong stakeholder relationships and strategic partnerships are key to shaping our approach and driving positive impact at scale.

Chief Sustainability Officer’s message continued

We continue to refine our strategy, but the real value lies less in how the strategy appears on paper, and more in how we deliver value and impact that is seen and felt by customers and stakeholders. Most important is that we have a strong command of our most material social, ethical, and environmental priorities, and a clear sustainability intent which we act upon to deliver results.

We have set longer-term targets for energy, emissions, water, waste and packaging, which give us concrete benchmarks to aim for and demonstrate our efforts in the eyes of key partners and stakeholders.

Developments in management processes

We continue to integrate sustainability into our key business activities. This is a central focus and an essential enabler of performance.

We have strong governance structures and a clear policy framework, with a growing suite of sustainability policies and position statements. Our materiality assessment keeps us focused on the right issues. We’re strengthening our risk assessment capabilities, working with WWF’s water risk filter to assess water-related risks for our operations and looking towards more robust scenario planning.

Sustainability-related performance targets are embedded in executive incentive schemes, covering renewable energy, sustainable packaging, and recycling. This year, these targets were formally vetted and approved by the SEC to confirm that they were adequately ambitious.

We have cross-functional forums tackling sustainability, packaging, and waste, with sustainability dashboards fully integrated into business operations down to store level, enabling visibility on resource consumption for water, energy, diesel, and waste. To strengthen these capabilities, we have appointed a service provider for a digital ESG data management platform, which will go live next year, supporting improved analysis, problem-solving, strategy and planning.

Of course, there’s still much work ahead. We’re continuing to develop our management systems and deepen integration into new product development processes.

We have supplier engagement processes in place, and our 5th annual supplier sustainability survey suggests that suppliers are becoming more involved in environmental and social sustainability. We are pleased to announce that we received an A rating for CDP’s Supplier Engagement Assessment (SEA) for the 2024 disclosure cycle. CDP SEA assesses companies on their performance on governance, targets, Scope 3 emissions, and value chain engagement in the CDP climate change questionnaire.

What’s particularly encouraging is how we’re embedding sustainability into our culture across the business. It’s no longer just our sustainability team driving this – it’s gaining traction across divisions and down to the shop floor. When visiting stores, you can see first-hand how our people are embracing this agenda.

Performance highlights

We have made good progress with our sustainability performance this year. We have clear intent focused on our most material concerns; we’re continuously strengthening our management practices, achieving our targets, and seeing positive trends across our key performance indicators. Most importantly, we’re delivering real impact across programmes that support socio-economic development, strengthen food security for those who need it most, and drive transformation, employment, and empowerment – all while making meaningful progress on reducing our environmental footprint and building climate resilience.

Affordable nutrition

We continue to innovate on affordability and accessibility of good nutrition, maintaining low internal price inflation, consistent promotions and bulk combo deals for staples, as well as our longstanding subsidised offerings, including R1 snacks, R5 food and hygiene products, and a R10 meal price point added to our R20 meal offerings this year.

Each week, we subsidise over 1.8 million R5 products, including a total of 532 471 loaves of 600g brown bread. Healthy nutrition lies at the heart of our affordable options, exemplified by our tasty R5 ox-liver burger, rich in protein, iron, and fats. Our partnership with Discovery Health promotes healthy nutrition through affordable fruit and vegetables options in our Checkers stores.

Our Xtra Savings rewards programme works with Sixty60 and remains easy for the customer to use, expanding both affordability and convenience. Our loyalty programme membership grew to 33.7 million in FY 2025, saving customers R16.5 billion in total.

Economic transformation

We continue to perform well on transformation, outperforming sector benchmarks for Employment Equity and B-BBEE. We steadfastly support local SMMEs and black-owned businesses, spending R146.5 billion with B-BBEE compliant suppliers and R26.8 billion with black-owned suppliers during the year. We remain a certified Top Employer and South Africa’s largest employer, creating 8 723 new jobs in FY 2025. Our Retail Readiness and YES programmes target youth unemployment directly, facilitating the training of 6 012 unemployed youth, with a total investment of over R130 million over the past five years. Similarly important is upskilling our people, where we spent R1.2 billion during the year.

Environmental stewardship

In FY 2025, we met our targets for renewable electricity, sustainable packaging, and recycling. We continue to lead on disclosure, remaining the highest rated South African retailer disclosing through the CDP framework, scoring a leadership level A- for Climate Change and Water Security.

We signed our 98th power purchase agreement for on-site renewable energy generation during the year, with 7.2% of our total electricity now being sourced from renewables. This doesn’t sound like much, but given the limitations of South Africa’s renewable energy ecosystem it is significant. Wheeling renewable electricity at our scale and geographic footprint remains a challenge, but we remain optimistic that all stakeholders will work together to make this a reality for the benefit of the wider country.

On sustainable packaging, we continue to make progress with 92.6% of our total private label packaging now recyclable, reusable, or compostable. A good development on packaging this year was our launch of South Africa’s first recyclable 7kg potato bag, which took considerable research and development to get right. We’ve done particularly well on recycling cardboard and plastics, diverting 63 950 and 14 961 tonnes from landfill, respectively.

We are expanding our marine biodiversity work with WWF for seafood.

Hunger relief and community development

Our CSI programmes have impressive reach and impact, which is extremely important given the struggles people are facing every day. We have 33 soup trucks going out daily providing hunger relief, and we’re supporting 287 community food gardens and 138 early childhood development centres. Excluding our subsidised items, in FY 2025 we spent R469.7 million on socio-economic development in local communities and donated R257.6 million in surplus food and goods, serving 222 349 meals per day in vulnerable communities, and 1.9 million meals per annum in ECD centres.

Innovation and product development

New products integrating sustainability principles that stand out this year respond to both affordability and sustainability challenges. Our new Usave bleach bottle is made with 100% recycled plastic, includes braille labelling, and has a safety cap. Our Homegrown noodles, manufactured by a small local enterprise, provide a healthy, easy-prep meal for a family of four at R20 per bag. They include responsibly sourced palm oil and come in recyclable packaging.

Beyond products, technology innovation remains a central driver across Shoprite. A highlight was the rollout of SmartSense energy-management technology across 202 Usave stores, keeping these rural stores online during outages and driving efficiencies that help us keep prices low for customers.

Chief Sustainability Officer’s message continued

Closing reflections and forward-looking focus

We are confident that our sustainability strategy responds to our most material social and environmental impacts, risks, and opportunities. We are making good progress integrating environmental and social commitments and aspirations into our business, but there is still a lot to do. The fact that we have these systems in place and are continuing to adapt our management practices gives us confidence that we can keep improving and navigate the challenges ahead.

The Group was recently recognised with the first ever Grand Prix: Sustainability accolade at the 15th annual Brand Africa 100 | South Africa’s Best Brands rankings, demonstrating our unwavering commitment to environmental and social sustainability. We see this accolade as a direct consequence of a clear focus on our material issues and the desire to deliver on our purpose every day – from our colleagues on the shop floor to the senior executive team. This is what makes Shoprite great, and we are looking forward to seeing what we can accomplish next year.

Sanjeev Raghubir
Chief Sustainability Officer



03

OUR SUSTAINABILITY APPROACH

Sustainability is central to our business and is supported by our governance structures that drive our progress. We strive to manage our most significant social, economic and environmental impacts and respond to key stakeholder interests, underpinned by a well-defined process for evaluating critical risks and opportunities.

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SOUTH AFRICA'S WATER CRISIS: SHOPRITE, CHECKERS AND USAVE STORES EQUIPPED TO PROVIDE AFFORDABLE AND SAFE WATER

In response to South Africa's ongoing water shortages and water quality issues, many Shoprite, Checkers and Usave stores now offer purified water at just R1 per litre. A reverse osmosis process is used to purify water, which is regularly tested. This offering embraces various sustainability elements, reducing packaging and enhancing the availability and affordability of safe drinking water. In the event of potential water disruption, many stores have installed large backup water tanks to keep stores trading without interruption.

Our sustainability strategy focus areas

Our strategic sustainability framework guides decision-making and action across the Group in relation to current and emerging social and environmental challenges and opportunities, prioritising sustainability-related issues that impact our ability to create, protect, and enable value across a range of stakeholder groups.

The sustainability framework aligns our efforts with national and global sustainable development goals, particularly the four UN SDGs where we have the greatest potential to make a difference: SDG 2 – Zero Hunger, SDG 4 – Quality Education, SDG 8 – Decent Work and Economic Growth, and SDG 12 – Responsible Consumption and Production.



The following focus areas are key elements of our strategy.

Embracing environmental stewardship:

We are dedicated to sustainable practices through resource efficiency, renewable energy use, waste reduction, biodiversity preservation, and responsible sourcing. By adopting water-efficient processes, energy-saving technologies and innovative packaging solutions, we enhance sustainability and reduce resource consumption.

Providing access to affordable and nutritious food:

We provide access to affordable, nutritious groceries while maintaining low food price inflation and adhering to strict food safety and product quality standards.

Supporting hunger relief and food security:

We are committed to supporting hunger relief and enhancing food security in communities through targeted programmes and partnerships, including efforts that help communities build resilience to climate change.

Promoting equity, diversity, and economic transformation:

By prioritising fair and inclusive employment practices, ensuring ethical sourcing and building equitable supply chains, we contribute to economic transformation and social justice. Our efforts drive internal growth by fostering a sense of ownership among employees, rewarding them through the Shoprite Employee Trust, and developing their skills and talent with a compelling employee value proposition.

Supporting youth employment and job creation:

We focus on creating new jobs and supporting youth employment through various programmes and partnerships, contributing to economic growth and community development.

Promoting workplace health and safety:

We are dedicated to a safe, healthy work environment, emphasising driver safety and overall employee wellbeing through comprehensive safety management, occupational health services, and employee assistance programmes.

Developing sustainable and resilient supply chains:

We support local economies by creating diversified, sustainable and resilient supply chains, reducing vulnerability to disruptions, and strengthening partnerships with suppliers to manage social and environmental impacts.



Governance

Sustainability-related issues present both increasing challenges and opportunities across the retail environment. Our response to these issues is informed by the Group’s purpose and values, our Code of Ethics, and our founding belief that companies have a significant role to play in tackling social and environmental challenges.

Sustainability governance

Shoprite’s governance structure demonstrates strong sustainability and ethical practices, integrated through formal governance mechanisms and reflected in our operational strategies. The Shoprite Board is responsible for overseeing and approving the Group’s sustainability approach, including governance and management processes for sustainability-related impacts, risks and opportunities.

Social and Ethics Committee

The SEC is mandated by the Board to oversee all sustainability-related issues and to review the Group’s sustainability strategy, policies, performance, and ethical culture (see [page 9](#)). The SEC assists the Board in overseeing the effective integration of sustainability-related issues into the Group’s strategy, focusing on:

- human rights, and the occupational health and safety, and wellness of our people;
- environmental sustainability, including climate change and decarbonisation;

- our interaction with and support of the communities in which we operate, underpinned by our activities relating to hunger relief, early childhood development, socio-economic development, skills development, employment creation, and supplier development;
- ethical issues and the Group’s ethics culture;
- sustainability-related risks in conjunction with the ARC; and
- compliance with relevant legislation and regulations.

Our other Board committees have the following sustainability-related roles:

Audit and Risk Committee

The SEC works with the ARC to oversee the effective management of the Group’s sustainability-related risks. The ARC is responsible for overseeing the integrity of the Group’s overall risk and compliance management practices, information security and cyber-risk systems, and integrated and sustainability reporting process.

Remuneration Committee

Oversees the Group’s remuneration approach to promote fairness and positive outcomes in the short-, medium-, and long-term.

Nomination Committee

Oversees that formal succession plans are in place and identifies suitable candidates for the Board.

Finance and Investment Committee

Oversees major investments, disposals and acquisitions in line with Group strategy and capital allocation.

The Board Charter and the committees’ terms of reference outline each committee’s composition, roles and responsibilities, and their delegated authority and reporting duties. These are available at www.shopriteholdings.co.za/governance.html

The terms of reference for the SEC incorporate principles from the United Nations Global Compact (UNGC), Organization for Economic Cooperation and Development (OECD) anti-corruption guidelines, the South African Employment Equity Act, and the B-BBEE Act. The SEC reviews its terms of reference annually, with any material amendments subject to approval by the Board.

Integrating sustainability into the Group’s decisions and activities

The SEC is responsible for overseeing the effective integration of sustainability into the Group’s overall strategy. This includes oversight of the Group’s social and environmental impacts and how sustainability-related risks and opportunities affect Shoprite. The SEC reviews and recommends to the Board the approval of the Group’s sustainability strategy and targets in line with reporting requirements.

The SEC meets three times a year to review the Group’s sustainability performance. The Chief Sustainability Officer and members of management attend these committee meetings by invitation. The SEC Chairman reports on the SEC’s activities and recommendations to the Board.

The annual work plan for the SEC encompasses topics relevant to the sustainability agenda, ensuring thorough discussions during meetings, subsequent reporting to the Board, and public disclosure.

Governance continued

SEC focus areas in FY 2025

- Governance of ethics:** Review and input on the revised Ethics Framework and Policy, update and rollout of the Anti-Harassment Policy with leadership training, and enhanced case management reporting with clearer categorisation and visibility of resolutions.
- Transformation and employment equity:** Progress monitoring against Employment Equity Plan and amended Act compliance, review of DEI strategy and 12-month workplan, fair pay analysis, B-BBEE performance tracking, and Shoprite Employee Trust distributions to beneficiaries.
- Environmental sustainability and climate change:** Review of estimated 2024 carbon footprint showing majority Scope 3 emissions, strengthening of environmental targets in executive incentive schemes covering renewable energy, sustainable packaging and waste recycling, and monitoring of Climate Change Act developments.
- Community empowerment and development:** Oversight of social investment across hunger relief, youth employment, education and SMME development, monitoring of the Retail Readiness Programme and YES programme, and approval of Whitey Basson Bursary Trust allocation with demographic review.
- Food safety and quality assurance:** Review and approval of enhanced Enterprise Food Governance Framework aligned with international best practice, and oversight of food safety protocols.
- Employee health and safety:** Monitoring of improved lost-time injury rates within Shoprite operations, detailed reporting on Sixty60 contractor safety interventions including equipment upgrades and telematics rollout, and acknowledgement of contractor fatalities with sustained safety improvement efforts.
- Consumer relations:** Oversight of consumer complaints, food safety inspections and recalls, and deep dives into customer experience, public relations, and call centre feedback.
- Committee governance:** Approval of SEC work plan, active site visits to operations and projects, and third annual Board engagement with WWF South Africa on biodiversity and climate strategy.

SEC composition, meeting attendance and evaluation

The SEC comprises six independent Non-executive Board members, and the Chief Financial Officer (CFO). This structure enables diverse input and specialised focus on sustainability and ethics, which is critical for maintaining social and environmental accountability.

SEC members	Attendance
Independent Non-executive Directors	
Nonkululeko Gobodo (Chairman)	3/3
Dawn Marole	3/3
Paul Norman	3/3
Eileen Wilton	3/3
Wendy Lucas-Bull	3/3
Prof. Hlengani Mathebula	3/3
Executive Director	
Anton de Bruyn	3/3

The Board and SEC must evaluate the effectiveness of the committee and its members, including the chairman, every two years. An independent assessment of the committee is conducted by an external service provider every four years.



Skills, competencies and access to diversity of views

The Group’s directors are diverse in terms of gender, race and professional backgrounds. They contribute different perspectives to enhance decision-making and improve our reflection on issues under consideration by the Board. Directors are well-placed to consider the significant range of sustainability issues pertinent to our operations and value chain, as well as to our growth ambitions in our respective retail markets. To enhance the Board’s collective knowledge on sustainable development, Board members partake in annual education and knowledge-sharing sessions, including with external environmental experts from organisations such as the WWF. In this reporting year, a third annual engagement session with the WWF was held, covering key local and global sustainability trends and best practices.

For more on the Board’s skills, expertise and competences, please refer to [page 69](#) of the IR.

Linking sustainability to remuneration

Shoprite has aligned its sustainability objectives with its remuneration policy to enable the achievement of sustainability-related goals. The Group has specified a 20% sustainability weighting for short-term incentives (STIs), which are geared towards operational strategies like reducing carbon footprint, improving recycling, and enhancing the utilisation of sustainable packaging. This supports accountability and commitment to these objectives.

Relevant policies and codes

We regularly review the various policies and procedures governing the Group’s approach to managing its material sustainability issues, and provide guidance as needed. These include a broad range of employee and ethics-related policies, available internally.

Policies are subject to internal audits to verify their effectiveness in ensuring compliance with relevant laws. Additionally, routine management processes are in place to regularly update all policies, ensuring they remain current and effective.

The Group has position statements, available on its website that summarise and share our stance on key sustainability-related issues and detail commitments. These include position statements on climate change, food loss and waste, sustainable packaging, water security, biodiversity and responsible sourcing, and responsible marketing.

Core ESG-related policies include, among others:

- Supplier code of conduct
- Human rights policy
- Group anti-bribery and corruption policy
- Health and safety framework and policy
- Enterprise food governance framework
- Ethics framework and policy
- Employee code of conduct

Additional employment and workplace policies include:

- Employment equity policy
- Diversity, equity and inclusion framework
- Anti-harassment policy
- Conflict of interest policy and attestation
- Gift and entertainment policy

Governance continued

Embedding an ethical culture

The Board is committed to embedding and maintaining a values-based ethical culture within the company. It charges the SEC with the oversight of ethics management, including policy development. When necessary, new Board-approved policies are drafted, with policy development and approval processes regularly assessed.

We focus on implementing business policies, processes, and practices that are responsible and responsive, reinforcing an ethical culture that protects against unethical and corrupt behaviour and contributing to our social licence to operate. We oversee the creation of a work environment that respects human rights and promotes health, wellness, safety, and career growth, upholding employee wellbeing through a safe and fair setting.

This environment aims to empower individuals to excel while aligning with our customer-first culture. The Group expects all employees to embody our purpose, values, and ethical standards, and to contribute to our strategic growth objectives.

Ethical behaviour is enforced through our disciplinary code, with any incidents of unethical behaviour thoroughly investigated and corrective actions taken as necessary.

Additionally, the Group actively promotes a culture that protects against unethical and corrupt behaviour, including theft, by living its values of acting ethically and with integrity. We maintain a zero-tolerance policy towards unethical behaviour and offer a toll-free, independently managed, anonymous hotline for reporting any unethical actions.

Our ethics policies and guidance include:

- Employee code of conduct
- Anonymous whistleblower hotline
- New starter onboarding programme
- Supplier code of conduct
- Policies aimed at embedding an ethical culture, managing conflicts of interest, and safeguarding whistleblowers
- Ethics awareness communications

Confidential hotline performance trends

We provide a confidential reporting service for employees, contractors, suppliers and other stakeholders. It enables them to raise concerns about internal or external unethical, unlawful or unsafe conduct or practices that conflict with our values and Code of Conduct.

The proportion of reported concerns that were validated was 14% in FY 2025, compared to 19.0% in FY 2024.

Compliance-related training FY 2025

Topic	Number of people trained
Anti-bribery and corruption, and fraud	4 300
Anti-money laundering	64 130
Competition law	46
Consumer protection laws	5 928
Corporate governance and ethics	6
Data protection privacy and cyber laws	15 212
Environmental management	45 896
Financial services insurance, money transfers	67 954
Food safety and hygiene	21 698
Health and safety	112 043
Labour and employment law	1 777
Licences and permits	2 062
Liquor laws	2 775



Management



Sustainability is increasingly recognised as a strategic imperative throughout our business, with executive management playing a key role in advancing our sustainability strategy.

We are dedicated to enhancing our public disclosures on sustainability and strengthening our management of sustainability-related impacts, risks, and opportunities. This commitment is aimed at ensuring the long-term resilience and sustainability of our business.

Management oversight

Recognising the importance of sustainability in its business, the Group has a CSO role in its executive. The CSO, supported by a dedicated sustainability team, reports to the Deputy CEO and the SEC. The CSO manages environmental and social sustainability matters, including energy efficiency and renewable energy projects, supported by specialists in renewable energy, waste management and CSI.

The CSO is responsible for designing, implementing and monitoring our sustainability strategy and risk management processes, integrating these into the Group's day-to-day activities. The CSO presents a monthly sustainability update report and dashboard to the executive team. This dashboard includes climate-related key performance indicators (KPIs) such as electricity and diesel consumption, renewable electricity use, and refrigerant leaks.

An environmental and social update is presented to the SEC three times per year for deliberation and feedback. This includes the Group's performance regarding energy use (both renewable and non-renewable) and climate change-related matters.

Risk management

Our risk management framework includes coverage of sustainability risks in areas such as employee development, talent retention, customer-centricity, supply chain resilience, socio-economic contributions and environmental stewardship. All risks are identified and assessed through our integrated Enterprise Risk Management (ERM) process, complying with King IV™ guidelines. For more information, refer to our IR on [pages 28-31](#).

Management integrates risk management into daily activities, facilitated by the ERM function under the CFO. Environmental risks are a key focus, with the SEC overseeing climate-related risk management. The CSO and sustainability team of specialists identify, assess, and manage these risks and opportunities, considering various time horizons and planning for future uncertainties.

More extensive information is available in our 2025 CDP response which includes disclosure on biodiversity and forest risks, as well as water-related risks. Our water-related disclosures are supported by the WRI Aqueduct Water Risk Atlas.

The ARC oversees ERM and sustainability-related risks, monitoring external changes that impact core enterprise risks, financial performance, and resilience. Monthly Risk Forums identify risks and formulate plans aligned with our policies.

Management continued

Top sustainability-related risks

Through our ERM process, we have identified and prioritised sustainability-related risks and implemented the following control measures:

Risk	Areas of impact	Risk mitigation controls
Disruption in service delivery (such as water and electricity) as a result of infrastructural inadequacies and/or extreme weather events	<ul style="list-style-type: none">• Timings and scheduling of activities• People	<ul style="list-style-type: none">• Develop a contingency plan for disruptions in service delivery• Regularly monitor and evaluate performance• Fire hydrant water flow and pressure test
Physical impacts of climate change on assets, services and product availability	<ul style="list-style-type: none">• Resources• Profit margin• Community and environment• Assets	<ul style="list-style-type: none">• Diversifying suppliers (fresh produce)• Developed strategy and position on climate change• Consider the resilience and adaptive capacity of suppliers
Non-compliance with sustainability-related legislation	<ul style="list-style-type: none">• Organisational behaviour• People• Community and environment• Reputation	<ul style="list-style-type: none">• Access to legal update platform for existing, changing and revised legislation• Legal updates and requests for comments from the Consumer Goods Council of South Africa (CGCSA)
Inability to appropriately identify, assess and respond to material sustainability-related impacts and/or risks	<ul style="list-style-type: none">• Organisational behaviour• People• Community and environment	<ul style="list-style-type: none">• A Sustainability Report detailing the Group's material sustainability risks, programmes and performance• ESG considerations are reported to the SEC• Group has developed a sustainability strategy and implementation plan
Food security threats and exposure to social unrest	<ul style="list-style-type: none">• People• Community and environment	<ul style="list-style-type: none">• Implement CSI projects in communities related to hunger and disaster relief
Reputational risk associated with misrepresentation of sustainability response measures	<ul style="list-style-type: none">• Intangibles• Resources• Reputation	<ul style="list-style-type: none">• Customer care• Public Relations team• Oversight by SEC

Responding to stakeholder interests

To fulfil the Group’s purpose of uplifting lives every day, we must understand and respond to material stakeholder concerns that directly impact our ability to create value. We are dedicated to proactive engagement with priority stakeholders to build institutional trust while navigating dynamic and divergent interests. Recognising the value of positive relationships, our approach is detailed in the IR (pages 24-27), which outlines key stakeholder groups, their interests, and our responses. Balancing diverse perspectives is essential to delivering long-term value aligned with the broader interests of society.

Integration into operations

The Group has recognised the strategic value of effectively integrating the management of sustainability-related impacts, risks and opportunities across our core activities. Our efforts are evidenced, for example, in our activities as the largest private sector employer in South Africa, providing access to affordable groceries, investing significantly in supporting local SMMEs, black-owned and black women-owned suppliers and youth development activities, our various programmes on hunger relief and food security, and our environmental efforts on energy and climate change, water security, waste and recycling, sustainable packaging, responsible sourcing and biodiversity.

Informed by an analysis of material sustainability issues, our sustainability strategy provides direction and guidance and is taken into consideration during our strategy sessions, business planning cycles and relevant day-to-day decisions. Performance indicators for each focus area highlight activities already underway, helping decision-makers to align available skills and capabilities, and draw on internal experience.

Within its operational framework, the Group has established various internal reporting structures that include the Supply Chain Sustainability Forum, Sustainable Packaging Forum, and monthly divisional meetings where sustainability is integrated into operations. This reflects an organisational commitment to embedding sustainability across all levels of the business, ensuring that these practices are consistently reviewed and improved. Sustainability thinking has become a part of our culture and will increasingly inform the innovative efforts of our teams.



Management continued

Metrics, targets and performance

The Group recognises the importance of sustainability metrics and targets in ensuring due allocation of effort to achieve our commitments. We are progressing each of our sustainability focus areas, as indicated by our performance trends. Information on our performance is provided throughout this report and in the data tables in the appendix. We are increasingly digitalising our data process, and the sustainability team has expanded the scope of our environmental data dashboard. In addition to helping us collate and retain accurate sustainability-related data, our data practices protect the company’s and customers’ rights to privacy and uphold confidentiality.

Verification and assurance

All sustainability-related information disclosed in our integrated reporting suite has been approved by the Board. Our KPIs to improve our environmental performance and reduce climate impact, along with our carbon footprint analysis, are verified by independent third-party providers. These critical KPIs focus on increasing the use of electricity from renewable sources, recycling cardboard and plastic, and adopting sustainable packaging.

Accredited service providers have assured the Group’s B-BBEE rating. Management has verified the processes for measuring all other non-financial information.

We use a combined assurance model to confirm that the information we provide, and the associated underlying processes, support the credibility and integrity of our reporting. The Board’s ARC is responsible for overseeing the effectiveness of combined assurance arrangements within the company.

Respecting human rights

The Group embraces the 10 principles of the UNGC, which align with key international documents on human rights and anti-corruption, and we strive to integrate these into our operations to build a culture of integrity.

Our Human Rights Policy, publicly available on our website, reflects our responsibility to respect human rights. It holds all Group entities, trading divisions, brands, employees, business partners, and suppliers to these standards. The policy is overseen by the CEO and management, with the Chief People Officer ensuring its alignment with company operations.

We use our risk assessment framework to identify human rights risks, with appropriate mitigation plans actioned and systems in place to monitor and evaluate the effectiveness of these plans.

We encourage our employees and stakeholders to report any human rights concerns through our confidential tip-off hotline, assured by the company’s zero-tolerance policy towards discrimination and labour abuses.

Shoprite expects its suppliers to adhere to a Supplier Code of Conduct that includes human rights among other ethical expectations aligned with international norms and the company’s values.

In our interactions with communities, we show respect for local laws and cultural values while prioritising community wellbeing and sustainable development.



04

OUR SOCIAL IMPACT

Our efforts to optimise our social impact are integrated across our operations and into all areas of our business. We place our customers at the heart of our business, ensuring that our services and products align closely with their needs. Our employees work within a supportive environment, are afforded opportunities for professional growth, and encouraged to take ownership of their work.

In partnership with our suppliers, we foster robust, ethical connections that contribute to a resilient supply chain. In our communities, we are active participants, boosting small businesses, providing hunger relief, and nurturing sustainable growth for the future. Integral to these commitments is our proactive stance on socio-economic transformation in South Africa. Through these actions, we seek to make a tangible and lasting difference, both internally and across the broader retail landscape.

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**CAREER DEVELOPMENT:
THREE SISTERS THRIVE
AT SHOPRITE**

From entry-level positions to leadership roles, three sisters from the Western Cape have built successful careers at the company while supporting each other every step of the way. Their shared journey has strengthened their relationship and inspired their growth. This story showcases the heart of what makes the Shoprite Group special: its people. This sistership reflects resilience, leadership, and the unique power of family support in the workplace.

Customer centricity

Meeting customer needs is pivotal to our purpose and business success, especially in an environment marked by frequent infrastructural inadequacies. Our promise is to maintain stock availability, at an affordable price, with relevant promotions.



Value impact
(FY 2025)

- Won **32 awards** recognising customer and brand excellence
(FY 2024: 36 awards)
- Opened **50 Shoprite, 31 Usave and 2 Usave eKasi stores** closer to home
(FY 2024: 25 Shoprite, 23 Usave and 2 Usave eKasi stores)
- Sold **27.7 million Shoprite's R5 loaves of bread**
(FY 2024: 29.6 million loaves)
- Provided **R16.5 billion instant cash savings**
(FY 2024: R16.9 billion) to more than **33.7 million Xtra Savings members**
(FY 2024: 31.1 million)

We strive to provide quality products and exceptional service to all customers regardless of their spending level. We customise our product range to suit the varied preferences of our customers across different regions and economic levels. Our in-store offerings provide world-class quality and increasing variety, ensuring consistent availability amid local and global supply challenges. Meanwhile, our online shopping platform provides innovative solutions in an increasingly digital world.

Affordability, accessibility and innovation

At the heart of our business lies the Shoprite purpose: to provide people with access to essential goods and services at the lowest prices, even in the most challenging economic times. This enduring commitment to ease the burden on consumers continues to guide our actions and inspire innovation on affordability and accessibility – especially as tougher socio-economic conditions and global uncertainties put basic nutrition further out of reach for many people.

Through our rapidly expanding footprint of stores and distribution centres (DC), we offer lower pricing on essential items to an increasing number of lower-income communities to keep our brands within reach. We have a particular focus on providing affordable, nutritious food options such as vegetables, fruit, meat, chicken, eggs, dairy and legumes.

It was a particularly challenging year for protein access owing to rising costs and limited availability, especially for eggs and pilchards. Chicken availability became challenging in the last few months of FY 2025 and shortages in legumes caused prices to increase, especially for beans. While excessive rainfall in some production areas in South Africa (see [page 58](#) for details) caused product scarcity in fruit and vegetables in the sector, we saw positive volume growth. The launch of our state-of-the-art Riverfields DC in Gauteng and the expansion of our Wells Estate DC in Gqeberha were major contributing factors.

Despite the exceptionally difficult year in terms of availability of essential items, the expansion of our supply chain has contributed to the increase of on-shelf availability of fast moving products to 99.1% (FY 2024 97.0%). We had several months of consecutive market share gains in fruit and vegetables across our supermarket banners (Checkers, Shoprite and Usave), partly attributed to increased demand and our Discovery Vitality HealthyFood partnership from September 2024. However, we experienced some supply constraints on certain green leafy vegetables in Shoprite and Usave, and a slight delay in the South African summer fruit season. We carefully modelled prices, ensuring that we were competitively priced on core minimum assortment lines across our banners.

Our internal food price inflation tracked lower than the previous year (and remained below the average South African food price inflation), indicating our success in limiting the impact on consumers. Our scale allows us to limit the impact of rising costs and availability challenges, leveraging our ability to source the best available product and quality at the lowest price. We manage our inventory with precision and leverage our long-standing supplier relationships and bulk-buying power to maintain the lowest possible prices. We maintained in-stock levels at 98.2% (FY 2024: 97.9%) primarily because of the growth in DCs, our world-class inventory management and our investment in advanced analytics. Our centralised supply chain investment enhances stock control and variety.

We successfully launched our Luminate replenishment system in our fruit and vegetables business, which helped to replenish products through our DCs across our supermarket banners (see [page 63](#) for details on the benefits of this system for reducing food waste). This advanced supply chain software solution uses artificial intelligence (AI) to manage stock replenishment and forecast future needs. Given the cost of transport and the fact that most of our customers simply cannot afford to shop around, this helps us to achieve our on-shelf availability targets, and to meet the customer demand.

Customer centricity continued



“Lower prices are what we stand for. Our internal food inflation has come down to 2.3%, compared to last year’s 6%. In general, people say prices never come down, but 32% of our products in FY 2025 experienced a deflation, so prices do come down. A key focus at our weekly management meetings is how we make food more affordable”.

Pieter Engelbrecht
Chief Executive Officer

Subsidised basic items

Driven by a commitment to the Shoprite Promise, we continue to innovate on affordability and accessibility through a longstanding subsidised product range – including a selection sold at R5. We subsidise over 1.8 million R5 products each week, offering unmatched value across essential food and hygiene items. We added a R10 meal price point offering this year, with new lines developed using additional ingredients such as margarine, oil, maize and rice, alongside perishable chicken at the delis. 297.3 million deli meals have been subsidised since mid-2017.

Nationally, Shoprite supermarkets offer a R99 essential bulk combo of five staples such as maize meal, flour, rice and oil, and a R20 meal kit for a family of four. We have kept the price of our 600g in-house brown bread at R5 since 2016, subsidising 532 471 loaves weekly in FY 2025. We have kept our Ritebrand and Housebrand soup at R5, because it gives customers a hearty meal when combined with other items. Our R5 range features locally produced sanitary pads and we are extending

the hygiene items range with the launch of essential toiletries in the new financial year. At our Usave stores we maintained our affordable Commodity Combo, as well as a focus on affordable snacking options such as a R1 packet of biscuits and R1 bag of chips. On the fruit and vegetables side, we have pegged price points for items such as cabbage. At Shoprite and Usave stores we sell cabbage heads for R14.99 and R12.99 respectively.

Our R5 and R10 meals factor in affordability and nutrition, with a total of 1 964 products in the range. Subsidising proteins is a key focus given the problems around childhood stunting in South Africa from inadequate protein intake.

Independent laboratory tests in FY 2025 showed that Shoprite’s R5 liver burger matches the protein content of pricier beef patties, highlighting that affordability is not at the expense of taste, nutrition and quality. We operate these lines with significantly lower profit expectations, aiming to provide access to essentials.

Shoprite’s range of low-cost essentials are available at supermarkets nationwide.

The value we provide is augmented through our Xtra Savings loyalty programme, further supporting our customers financially. Xtra Savings remains South Africa’s number one retail rewards programme, offering instant discounts and personalised deals based on shopping patterns. Membership has continued to grow by 2.4% to 33.7 million with customer savings reaching R16.5 billion in cash back at tills in FY 2025. Through smarter promotions, and given the economic environment, customers are adding more promotional items to their baskets. We added more products to our promotional items this year through our investments in technology.

Accessibility is expanding with the growth of Checkers Sixty60, the launch of Shoprite Sixty60 this year, and our Usave and Usave eKasi stores. Our Housebrand, Ritebrand, Ubrand and Hyper Value ranges make essentials affordable, while our premium labels make quality accessible to all.



Affordability-focused private label categories

The Shoprite Group’s private label business strategically contributes to affordability, understanding that value perception varies across its different supermarket banners. A core reason for our focus on private label is to meet customer demands, offering quality and value for money, be it in the upmarket segment or the lowest price. It is used to enhance the category offering, including affordable options that promote better nutrition, health and wellness.

Our private label portfolio includes a wide range of products, from affordable essentials under the Usave and Shoprite banners, to value-added options in Checkers, including premium lines such as Forage and Feast, as well as specific brands such as health-focused Simple Truth and Oh My Goodness!. We prioritise local sourcing, first seeking products within South Africa to support local economies and SMMEs. Our Homegrown label champions 100% South African products. However, we do sometimes face challenges in local sourcing, including local manufacturers’ inability to meet required quality standards and the general lack of investment in innovation due to cost. Through Shoprite Next Capital, we aim to ease these challenges for SMMEs (see [page 42](#) for details).

We offer accessible, better-for-you alternatives through brands such as Simple Truth and Oh My Goodness!, which support healthier eating while remaining affordable and convenient. These brands reflect our commitment to everyday wellness without compromising value. A wide range of fresh fruit and vegetables is available at affordable prices across our stores, including bulk and combo promotional options that help make nutritious food more accessible in the face of rising living costs.

The success of our Lovies diaper brand has been an immense achievement, becoming the number three brand in the market, exclusively stocked in Shoprite, Checkers and Usave. By volume, Lovies is the largest diaper brands within our business, surpassing Huggies and Pampers. We launched Lovies Ultra in FY 2025, a premium diaper brand sold at an affordable price.

Private label now represents 20.5% of our business, excluding liquor and non-food items, with 90.9% of our private label products sourced locally.

Customer centricity continued



Less-than-perfect-looking Freshmark products at affordable price

The Group's fruit and vegetable procurement arm, Freshmark, carries two ranges for fresh produce commodities, one that meets all cosmetic requirements (primarily sold in our Checkers supermarkets), and another that is 'less-than-perfect'. These less-than-perfect products, which could be slightly smaller or out of shape from a cosmetic point of view, still meet all the other quality standard specifications and are priced lower, depending on the commodity type. These include 49 commodity lines, including carrots, beetroots, onions, potatoes, tomatoes, peppers, and some fruit lines, such as apples, bananas and soft citrus. By accepting these less-than-perfect commodities, we are helping our growers by purchasing a bigger percentage of their crop, while offering the product to consumers at a more affordable price. The range has expanded over the years and in FY 2025 these less-than-perfect product categories accounted for 48.8% of the fruit and vegetable sales in Shoprite and Usave stores.



Strategic partnerships that drive innovation and expand accessibility

Shoprite leverages partnership with industry leaders and uses its technology infrastructure to accelerate innovation and deliver essential services and financial products at low cost, adding value and convenience for customers.

Internal and external partnerships are a key enabler for almost all of the Group's innovative lifestyle and financial services. These include Money Market, Shoprite Send, SASSA and Social Relief of Distress (SRD) grant disbursements, National Student Financial Aid Scheme (NSFAS) payments, K'nect mobile, the Medirite Courier Pharmacy Service, and our on-demand grocery delivery platform, Sixty60.

Our W23 global partnership, where we partner with international retailers, enables collaboration in terms of technology and software as non-competing retailers. Our health and wellness partnership with Discovery Vitality, launched in September 2024, gained good traction by responding to customer needs and driving fruit and vegetable sales growth. In April 2025, we entered into a new partnership with Standard Bank's UCount Rewards programme, aimed at helping customers save more on everyday purchases through an integrated rewards offering, reflecting a shared goal of reducing the cost of living for South Africans.

Innovative lifestyle and financial services that meet everyday needs

In FY 2025, we facilitated 328 million financial service transactions (FY 2024: 314.6 million) across 3 049 stores featuring financial services (FY 2024: 2 755). We continue to strengthen our Money Market services, offering convenient in-store counters where customers can transfer money, pay bills, purchase Lotto tickets, top-up services, buy bus tickets, take out insurance and renew car licences. Our Money Market Accounts, usable with an app, cater to all South African citizens and foreign residents, with all digital transactions being free except for a nominal R5 fee on cash withdrawals. In FY 2025, 4.1 million customers used Shoprite Money Market Accounts, a significant increase from 3.9 million customers in FY 2024.

Shoprite Send enables cost-effective cross-border money transfers, collaborating with partners in supportive countries. In FY 2025, we facilitated 456 000 money transfers to 72 different countries (FY 2024: 359 473 in 71 countries).

SASSA beneficiaries have the flexibility to receive their grants directly into their Money Market Accounts or pick them up from our extensive network of stores, including Shoprite, Checkers, Usave, and selected OK Foods, servicing 1.9 million SASSA beneficiaries monthly.

The SRD vital grant assists approximately 10 million unemployed South Africans, with recipients able to receive their grants at our supermarket tills. This year 4.1 million SRD grants were disbursed through this facility. We process NSFAS payments, with R18.4 million disbursed to 16 160 beneficiaries this year.

K'nect mobile provides Money Market account holders with affordable airtime and data, available in-store and featuring extended validity periods. In addition, our customers benefit from savings stamps for budgeting major expenses and events, virtual vouchers, contactless payments including tap-to-pay and scan-to-pay, and Computicket services for booking events.

Standard Bank customers now benefit from the UCount Rewards partnership launched in April 2025, which enables them to earn up to 40% back in rewards points when shopping on Sixty60, and up to 30% back in-store at Shoprite and Checkers. There are no product exclusions, and rewards are earned in addition to Xtra Savings discounts – delivering meaningful savings on groceries and general merchandise.



Recognising our efforts



The Shoprite Group was named Company of the Year at the News24 Business Awards 2024.

Xtra Savings programme won the Best Retail Rewards Programme for the fourth consecutive year at the 2024 SA Loyalty Awards.

At the 2025 International Loyalty Awards, Xtra Savings won the Best Rewards Programme in Africa award for the second consecutive year, while our Checkers Discovery Vitality HealthyFood partnership won Best Loyalty Programme Marketing Campaign Worldwide.

Shoprite and Checkers private label products won first place in seven categories at the 192nd SA Dairy Championships, including best Maas (Crystal Valley Medium Fat Maas produced by Douglasdale) and best Double Cream Yoghurt (Forage and Feast Green Melon and Mint Double Cream Yoghurt produced by Lactalis).

Other awards won include top honours for product innovation that integrates sustainability principles, highlighting our dual focus on both affordability and sustainability in new product development. See [page 65](#) in our environmental impact section for details on our Usave bleach bottle.

Customer centricity continued

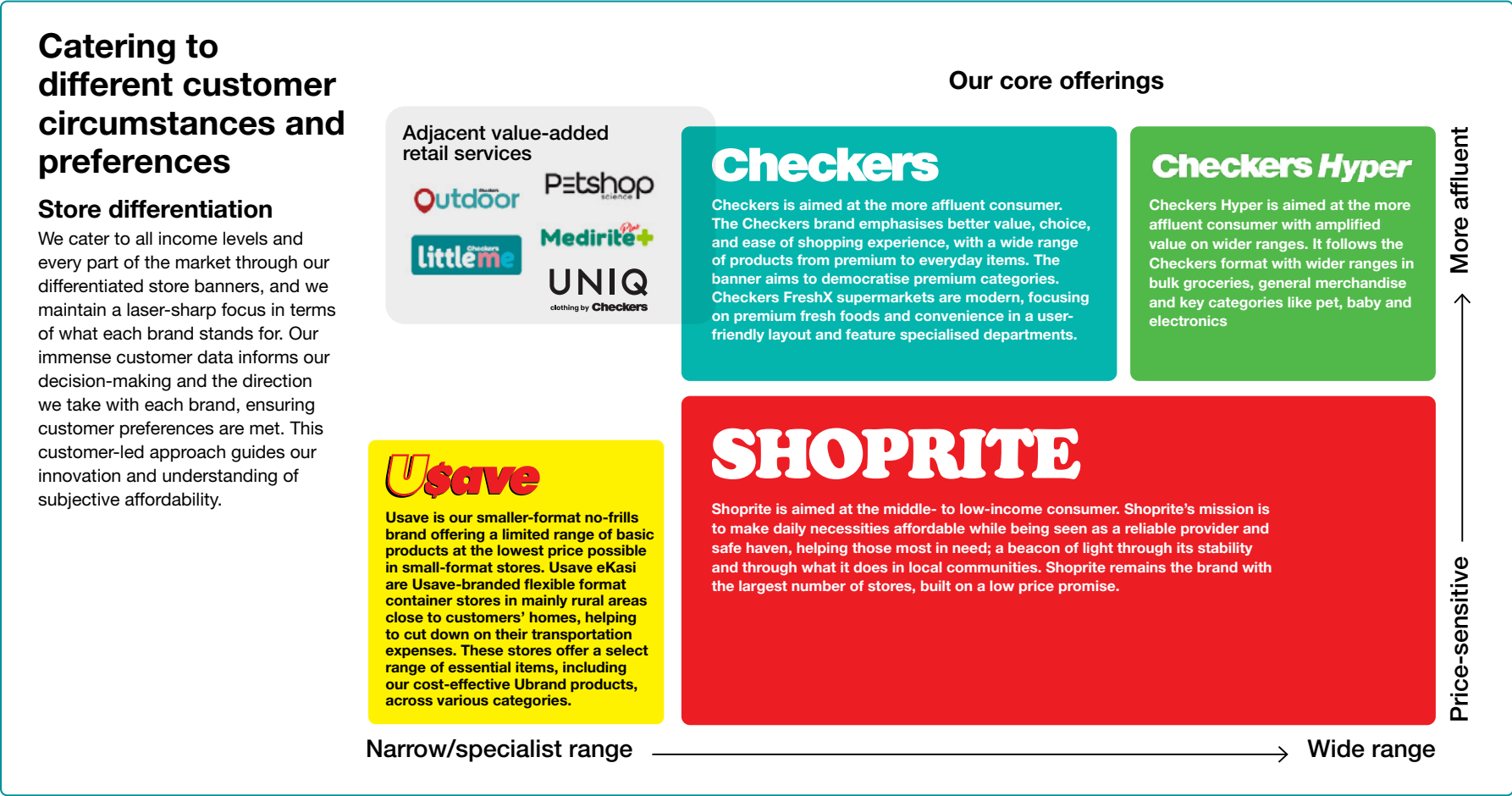
Customer delivery option

Our Sixty60 on-demand grocery delivery service continues to lead as South Africa’s top online grocery platform. It provides first-choice product availability and punctual one-hour delivery. The service is currently available at 694 locations (FY 2024: 539 locations) nationwide.

Sixty60 relies on proximity sourcing, with orders filled from the nearest stores. Deliveries are managed by Pingo Delivery, the Group’s on-demand delivery company, which integrates real-time order tracking and allows customers to communicate specific instructions to the driver.

We continue to improve the product and service, releasing a new and enhanced app in FY 2025 with updated design, stronger security, and additional features. Our Xtra Savings Plus subscription offers unlimited Sixty60 deliveries (with a minimum spend). Our Medirite Courier Pharmacy Service enables efficient processing and delivery of monthly prescriptions.

In FY 2025, all Sixty60 customers gained access to the new app, which now supports delivery of general merchandise from selected Checkers Hyper stores nationwide. Shoppers in eligible Hyper delivery areas can order larger items – ranging from electronics to camping gear – alongside groceries, with an extended premium range initially launched in Cape Town and to be rolled out nationally. Another key development was the extension of the service to select Shoprite stores as well as to Petshop Science and Medirite Plus .



Customer centricity continued

Meeting consumers' growing sustainability consciousness

Our customers are increasingly aware of the importance of environmental and social sustainability, which shapes the evolution of our private brands. In response, we are enhancing our selection of sustainable products.

Many of our private labels are endorsed by Beauty Without Cruelty and the Heart and Stroke Foundation or are certified by Diabetes South Africa. Parts of our seafood range have been Marine Stewardship Council (MSC) Chain of Custody certified.

Our premium private label ranges embody a farm-to-fork ethos, aiming to meet consumer desires for affordability, quality, and sustainability in both production and packaging. Forage and Feast in Checkers and Checkers Hyper stores delivers premium foods made with responsibly sourced ingredients, such as sustainable seafood, palm oil, and cocoa.

Our Better for our Planet campaign raises consumer awareness on sustainability, sharing our environmental progress and inspiring more environmentally friendly choices. With our plant-based products, we cater to those recognising the reduced environmental impact of plant-based meat alternatives.

The rollout of electric vehicle charging stations at select stores with solar photovoltaic (PV) installations, enables shoppers with electric vehicles to recharge conveniently.



Providing healthier options

Shoprite is conscious of maintaining a balance between offering its customers a variety of choices and promoting healthier eating habits. We are constantly expanding our health and wellbeing range to stay current with trends. Our Simple Truth brand meets the demand for healthier and environmentally friendly products. Our vision is to develop Simple Truth into the biggest wellness brand in South Africa, entering many categories. The brand tracked a 24.6% growth in FY 2025.

Simple Truth and Oh My Goodness! both incorporate nutrition, health and wellness principles in their brand and product development guidelines. These include the use of simpler, cleaner ingredients and the exclusion of artificial colours, flavours, sweeteners and added MSG, with no added sugar or salt in selected lines. The Simple Truth range includes products that support diverse health and dietary needs, such as free-range, gluten-free, vegan, vegetarian, dairy-free, lactose-free, high-protein, and functional food options. Oh My Goodness! specifically caters to children's needs, providing healthier and convenient snacks and meals with a "no junk" promise.

Our Homegrown range offers products free from MSG, tartrazine, azo dyes, and includes sustainable palm oil. Our private label household cleaning products are phosphate free.

The successful launch of the Discovery Vitality HealthyFood partnership in Checkers has led to an upturn in demand for aspirational healthy categories. Customers can get up to 75% back on healthy food items through the Discovery Vitality HealthyFood programme in both our Checkers and Shoprite stores, as well as Sixty60. This includes a wide range of fruit and vegetables, along with other healthier product ranges, including those offered under our private label brands.

Complementing this, we continue to prioritise affordable protein through products like our R5 ox liver burger, which delivers 13.6g of protein per 100g – comparable to far pricier beef patties – without compromising on nutrition, taste or quality.

Ensuring customer satisfaction

In the Group's latest customer satisfaction survey, Shoprite maintained its lead for offering 'Lower Prices,' while Checkers excelled in 'Value for Money,' 'Appealing Promotions,' and availability of necessary items. Customer satisfaction scores remain consistent, with Shoprite at 8.5, Checkers at 8.8, Checkers Hyper at 8.7, and Usave at 8.1 out of 10.

As a committed member of the Consumer Goods and Services Ombud (CGSO), we adhere to the Industry Code of Conduct as part of the Consumer Protection Act. This commitment includes responding to customer complaints and grievances at no cost, reinforcing our dedication to superior product and service quality.

The nature and number of customer complaints are monitored for trends to continuously improve our customer experience. Every single complaint is investigated and followed up, down to store level, with a clear cultural expectation across all our stores that no customer should leave unhappy. This principle is embedded in staff induction, reinforced in customer service training and daily team meetings, and visible in store back areas as a constant reminder.

Shoprite's Ritebrand products further support this commitment with a money-back guarantee – promising excellent quality at the lowest prices, or your money back if a better price is found elsewhere. No questions asked.



Customer centricity continued

Customer health and safety

Shoprite implements various measures to create a safe and welcoming environment in our stores, reflecting our unwavering commitment to customer health and safety.

We maintain a comprehensive and proactive approach to security to protect the physical safety of our customers and employees in our stores. We have strengthened our premises with advanced surveillance and on-site security experts. Our centralised command centre uses state-of-the-art technology to manage threats, supported by a team with extensive law enforcement experience. Employees are well-trained in safety protocols to handle security threats and emergencies. In partnership with local law enforcement, we share information and collaborate on crime prevention.

We are dedicated to upholding health and safety standards across all our stores, ensuring compliance with regulations and our internal protocols. We prioritise cleanliness throughout our stores, with a focus on high-traffic areas and frequently touched surfaces to minimise the risk of contamination. Maintaining a suitable air temperature and adequate ventilation provides optimal air circulation and supports customer comfort. We proactively prevent accidents by keeping floors clean, dry, and hazard-free, reducing the likelihood of slips, trips and falls.

All products available in our stores meet our stringent food safety standards (reviewed on [page 44](#)).

Robust protocols are in place for emergencies such as fires, medical incidents or natural disasters, ensuring swift and effective responses to minimise harm.

Responsible marketing practices

We value the trust our customers have in our brands. We keep the marketing of our private label brands in line with our values and the Advertising Regulatory Board’s Code of Advertising Practice, which regulates the content of South African advertising. Through this, we promote honest and transparent marketing. We oversee our suppliers’ compliance with this Code. Any advertising found in conflict with the Code is promptly withdrawn.

We integrate responsible marketing into our product development. Our dedicated team manages the process from concept to shelf, guaranteeing quality and compliance with health and safety regulations. Regular audits and tests offer our customers transparent and informative labelling, including ingredients and nutritional information. All labels on our private label brands are scrutinised to verify that our claims are substantiated. We only make claims on packaging when we have reports or data to support the claims through a third party.

Our product range is carefully selected to cater to our customers’ varied needs and choices. This includes regulated items such as alcohol and tobacco. We encourage consumers to make informed choices and to use these products in moderation, fully cognisant of the associated health risks.

As a responsible retailer, we support and adhere to all regulations aimed at the safe and responsible sale of these products.

The purpose of the Shoprite Group is to uplift lives every day, and we understand the importance that nutrition and a healthy diet plays in uplifting the lives of South Africans, especially children. It is for this reason that we pioneer access to the most affordable and nutritious essentials of a balanced diet, including fresh fruit and vegetables, proteins, carbohydrates, and whole grains. We reformulate our private label food products, where needed, to be healthier and more nutritious by reducing sugar, salt and fat content.



Investing in our people

The Group achieved Top Employer accreditation for the second year in a row, benchmarking against the Top Employer Institute’s international standard. This distinguishes us as an employer of choice, recognising the strength of our people plan and practices, as we continue to build a workplace where everyone feels supported, valued, and empowered to do work that matters.

Value impact
(FY 2025)

- 168 939 people employed (FY 2024: 160 216)
- 5.2 million training hours (FY 2024: 3.6 million)
- 76.4% employee retention (FY 2024: 76.3%)
- 1 868 completed leadership programmes
- R1.1 billion invested in training (FY 2024: R779.9 million)
- R1.8 million in SET bursaries

Employee profile

Employee demographics

Age <30 (%) 2025

39.6%

2024 – 39.5%

Age 30 to 50 (%) 2025

54.5%

2024 – 54.6%

Age >50 (%) 2025

5.9%

2024 – 5.9%

Female 2025

64.5%

2024 – 63.2%

Male 2025

35.5%

2024 – 36.8%

Other African countries



ANGOLA

FEMALE

1 565

MALE

1 899



BOTSWANA

FEMALE

874

MALE

704



GHANA

FEMALE

344

MALE

309



ESWATINI

FEMALE

819

MALE

512



LESOTHO

FEMALE

788

MALE

536



MALAWI

FEMALE

172

MALE

171



MOZAMBIQUE

FEMALE

503

MALE

467



NAMIBIA

FEMALE

2 934

MALE

1 836



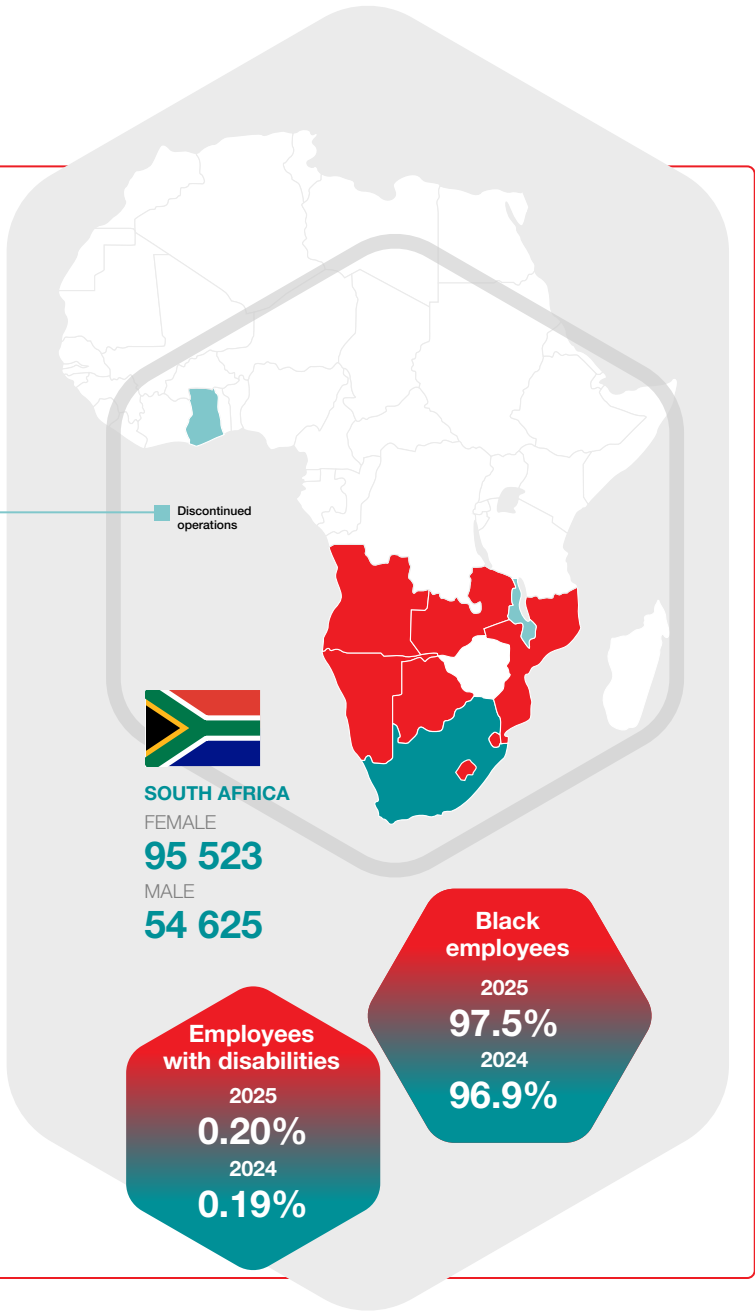
ZAMBIA

FEMALE

2 389

MALE

1 969



Investing in our people continued

The Shoprite Group is the largest Fast Moving Consumer Goods (FMCG) retailer in Africa, and the largest private sector employer. The fundamental role of our people plan is to make the Shoprite Group a compelling place to work.

Designed to support the Group strategy and purpose, it focuses on cultivating a culture of continuous improvement, empowering employees to capitalise on growth opportunities, and removing obstacles to facilitate a performance climate. This allows us to attract and retain the right talent and continue to enable our talent to do their best work.

Recognising that many of our employees are working parents/caregivers raising future generations, we support them through the provision of family-friendly options including, a remote working policy where appropriate, wellbeing assistance for family members (including dependants) that caters for physical, mental and other wellbeing dimensions, as well as funding options, subject to qualifying criteria, for educational assistance in the form of loans or grants to assist with costs such as school fees, school uniforms or stationery. Notably, this financial year saw the enhancement of these offerings through the launch of the Shoprite Employee Trust bursary programme, which opens the door for the children or dependants of eligible Shoprite Group employees to pursue tertiary education.

Our focus on employee development is a cornerstone of our capacity-building strategies. By promoting the development of skills and offering growth opportunities to our employees, we aim to enhance their career prospects and support the growth of our business.

Job security and purpose-driven careers

Within the context of South Africa, we face a significant problem of high unemployment. As the largest private sector employer, we play an important role, and a major contribution is our ability to provide unemployed people with entry-level skills. We are one of the few companies in South Africa that creates new jobs.

Our approach to job security and employment creation remains consistent with our ongoing expansion and growth agenda. During the year, we created 8 723 jobs through 294 new store openings (excluding OK Franchise), on-demand delivery expansion, and 2 new DCs. The going live of Riverfields DC in Gauteng in July 2024, the completion of Wells Estate DC in Gqeberha in the latter half of 2024 and the Transpharm DC in Centurion, Gauteng in 2025 created new job opportunities in these communities (see [page 35](#) for details).



The Shoprite Way and our Leadership Way

The Group’s purpose, values and leadership behaviours have been repackaged into a unified framework known as The Shoprite Way. Co-created by the Group CEO and executive team in FY2023, Our Shoprite Leadership Way laid the foundation by defining the behaviours expected of all leaders across the business. In this financial year, we built on that foundation by integrating our core values and culture – referred to as Our Shoprite DNA – into the broader Shoprite Way. This integration promotes a cohesive and lived experience of who we are, and how we lead, work and grow together across the continent.

OUR PURPOSE of uplifting lives daily by pioneering access to the most affordable goods and services, creating economic opportunity and protecting our planet unites us and ensures we have a common goal.

OUR VALUES guide how we do our work:

DOING THE RIGHT THING

Make good and honest choices, even when it's not easy.

SAVING TO SHARE

Work smartly with what you have so that you can help others.

DEVELOPING LOCAL

Look for opportunities to uplift the lives of those around us.

OUR LEADERSHIP WAY guides us in creating a high performing and winning culture where people want to work. We all play a role in this as we focus on:

WHAT WE DO:

- Customer Obsessed
- Deliver Results
- Make it Work

HOW WE DO IT:

- People Focused
- Work as a Team
- Build a Culture of Trust & Respect

TOGETHER WE UPLIFT OUR NATION

Investing in our people continued

New jobs created at Shoprite Group	2025	2024
Under 30 years old	3 560	2 171
30-50 years old	4 707	4 036
Over 50 years old	456	283
Total	8 723	6 490

We remain committed to avoiding retrenchments, enhancing our value proposition, especially for employees who lack transferable skills. We continue to focus on generating youth employment opportunities (see [page 50](#) for details) and nurturing career growth for our employees in our existing businesses. We promoted 17 897 employees in FY 2025 (FY 2024: 15 465). Our career framework helps us to identify opportunities for talent mobility within and across the Group.

Our employee value proposition (EVP) underscores the meaningful contribution each team member makes to our purpose-driven company. It highlights how every role connects to #WorkThatMatters, creating value for our customers, communities, and the broader African continent, while supporting personal growth and a sense of belonging. At an organisational level we have a multi-generational workforce, which brings about diverse perspectives, experiences and ideas. While Generation Z represents the largest segment of our workforce, our three-year people plan remains mindful of the diverse needs, aspirations, and strengths across all generations in our organisation.



To improve our recruitment efforts, we launched a high-volume digital recruitment platform for entry-level positions in FY 2025 to match job seekers, many of whom are reliant on grants, with local job openings. Candidates are able to submit their CVs and the system recommends suitable local positions for application. Our goal is to make jobs more accessible and enhance job stability by reducing commute times and incorporating AI into initial assessments to streamline the hiring process.

We share information on our sustainability performance to attract applicants who prioritise corporate responsibility, leading to better response rates for job postings.



Investing in our people continued

Talent management and developing a future-fit workforce

We adopt an integrated approach to talent management driven by strategic integration and practical solutions. Our talent solutions continue to drive value through leadership development, succession planning, assessments, diversity and inclusion, performance management, career development, and self and team effectiveness.

The Group remains dedicated to building future-fit capability by ensuring the right people in the right seats, ready to perform, when and where we need it.

To facilitate readiness for the Group’s transition to an omnichannel retailer, fully harnessing the benefits of digitally driven advanced analytics, we are enhancing the technical capabilities and succession planning of our workforce. To date, all top management roles have been mapped with deliberate development plans in place to drive growth and readiness. At the same time, we are assisting young people in enhancing their employability skills and providing them with valuable experience to launch their careers.

Operating within a retail model yet driving more flexible and adaptable approaches requires a wider range of skills, and management and leadership styles. We continued to develop skills internally, while sourcing talent in scarce and critical skills areas. Our Talent and Learning Investment Committee (TLIC) identifies the critical capabilities required to develop a future-fit organisation and strategically allocates educational resources and prioritises learning outcomes. This approach aims to meet business needs while advancing diversity and transformation goals.

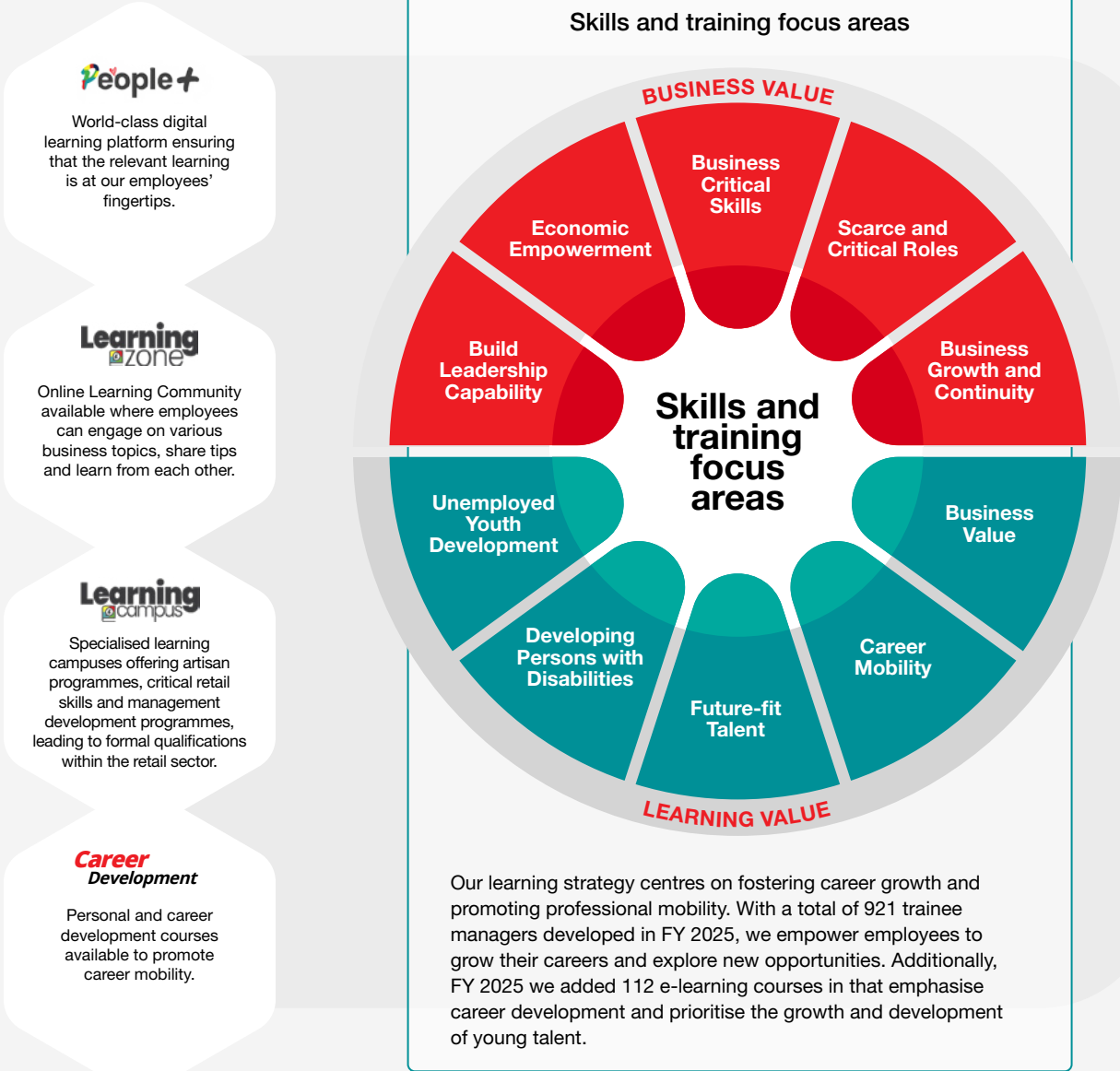
Developments in AI and the role this plays in future skills sets remain top of mind. While we want to align to best practice and trends globally, we need to remain cognisant of our local context in terms of job security and employment. While AI might replace certain skills at some future point, the necessity for human intervention with any AI tool will remain, which makes skills development and training even more critical.

Investing in learning and growth

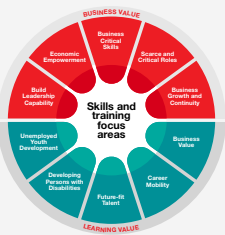
We continued to deliver impactful, globally benchmarked, learning and development practices through an ecosystem that supports professional development, productivity and performance.

Due to the Group’s extensive footprint of 4 212 e-learning devices (FY 2024: 3 467), this method continues to provide learning access to most employees to aid both personal and professional development. Our enterprise-wide online learning community enables our employees to engage on various learning topics. In FY 2025, we offered 2 690 e-learning courses via e-learning kiosks at 2 349 of our sites (with 391 sites added this year). Our comprehensive e-learning infrastructure extends to all countries in which we operate.

We have 10 learning campuses that have obtained an accreditation with the Quality Council for Trade and Occupations (QCTO) to offer retail qualifications that will equip our employees with nationally recognised qualifications.



Investing in our people continued



Our skills and training focus areas, below, are guided by our learning strategy.

- Building customer service skills:** Employee development plays a pivotal part in enabling the Group’s mantra that ‘no customer must leave the store unhappy’. In FY 2025, 81 427 employees participated in skills development training relating to customer-centricity. Learning interventions that support the Group’s customer service focus comprise 7.3% of all training in the Group. Development efforts continue to support our in-store staff with particular focus on cashiers and Money Market clerks. Our goal remains to foster genuine connections and understanding of customer needs.
- Building leadership capacity:** Our Shoprite Leadership Way programme integrates leadership principles across the organisation by developing leadership skills and behaviours aligned with our company’s purpose, strategy, and values. It spans the employee life cycle, including onboarding, tailored development programmes, coaching, and continuous learning through interactive workshops, platforms and other experiential learning. By the end of FY 2025, 1 868 of our top, senior, middle and first-line managers had participated in these development programmes.
- Building scarce and critical skills:** Our approach to developing scarce and critical skills comprises two key elements: internal mobility programmes and skills acquisition programmes. Our Retail Academy prioritises our existing talent pipeline through the implementation of accelerated development programmes that focus on retail-specific roles. Our Tech Academy responds to the shortage of technological expertise by nurturing emerging IT talent. The Academy offers participants the opportunity to complete rigorous formal curricula and acquire practical experience through immersive workplace-based learning activities. A total of 77 apprentices have been trained to date.

- Economic contribution through skills development:** Our accredited programmes enhance retail, artisanal, and management skills, while allowing employees to gain formal qualifications. 99% of the 6 181 beneficiaries in accredited programmes in FY 2025 were employment equity (EE) candidates, with 47.5% being female. Out of the 19 615 staff enrolled in management programmes, 96.5% were EE candidates. We have partnered with an NGO that supports individuals with disabilities, helping to identify potential learnership candidates. This partnership provides students with a dependable support system during their educational journey. By the end of FY 2025, we successfully absorbed 37 of the learners into our stores.
- Sustainability capacity-building:** Sustainability awareness and best practices are central to the Group’s sustainability strategy. This year we provided environmental management training to 45 896 staff members, covering issues such as environmental sustainability, surplus food donation, waste management and sustainable seafood practices.

The Group People Team closely tracks employee turnover rates against benefits, career growth and professional development opportunities and has found, on average, that turnover is decreasing (see [page 36](#) for details), particularly among cashiers. We have seen a significant level of trust among employees that they can build a good career within the Shoprite Group and develop as the organisation grows.

Retail Varsity*	2025	2024
Active courses	2 828	5 465
Number of beneficiaries trained per year (all training)	183 717	166 242
Training hours (million)	5.2	3.6
Average training hours per employee per year	28.2	21.8
Learners (employed and unemployed) graduated from the Group’s Retail Varsity with a national qualification	565	893

* Figures are inclusive of current and former employees.

Investment in skills development and training programmes

Training programme	2025 investment (Rands million)	2024 investment (Rands million)
Youth Employment Service (YES)	92.4	94.9
Retail Readiness Programme (RRP)	37.1	35.2
Bursaries*	18.6	19.6
Capabilities Academies	13.5	9.8
Disability programme	6.0	6.9
Accredited programmes	33.2	30.8
‘Signature’ leadership programmes	12.1	12.0

* Includes bursaries through the Whitey Basson Bursary Trust.



The Shoprite Group is one of the top graduate employers in the country.

The Group was named the 2024 Employer of Choice in the retail category by the South African Graduate Employers Association (SAGEA) Employer Awards. In addition, we were voted the GradStar Students’ Choice Award winner in the retail category for the fourth consecutive year. These accolades reflect the positive impact of our bursary programmes on enhancing our appeal to top graduate talent and investing in next-generation leaders.

In 2025, for the fourth consecutive year, we were awarded the GradStar Students’ Choice Award for Employer of Choice in the retail sector.

Investing in our people continued

Our talent pipeline and bursaries: focusing on youth

With high youth unemployment in South Africa, our talent attraction and development strategy continued to prioritise creating opportunities for young people.

Key achievements in FY 2025 included increasing the absorption rate of unemployed youth into the workforce and re-designing our Trainee Manager Programme to align to QCTO requirements, enhancing skills levels while boosting overall confidence.

Our bursary programme is aimed at attracting talented students to critical roles. The Group continued to invest in bursaries in retail business management, supply chain management and logistics, chartered accounting, information technology, food science, biological and agricultural sciences. Our bursaries provide comprehensive financial support for tuition and on-campus accommodation, tied to workback agreements, and this year we extended our offering to include academic support and a grocery allowance to increase student employability. Students receive full access to our employee wellness programme. These enhancements support students in successfully completing their studies and securing employment post-graduation, and benefit the Group by channelling highly skilled individuals into key business areas.

Our internal bursary programme continues to grow employees in fields including information technology, business studies, management studies, human resources, retail, and supply chain management. In FY 2025, the new SET bursary programme was launched, offering a total of 257 bursaries for the 2025 academic year. This bursary provides a significant opportunity for the children of Shoprite Group employees (see [page 53](#) for details).

Our unemployed youth training programmes are directed at individuals between the ages of 18–35 years, reflecting Africa’s unique demographic and socio-economic realities.

For all employment, in line with Section 43 of the Basic Conditions of Employment Act, 1997 — which relates to child labour — and our Group Recruitment Policy, no underage employees shall be appointed by the Group. Proactive recruitment screening is in place to monitor compliance.

For details on our unemployed youth training programmes, the RRP and the YES programme, please refer to the Communities section on [page 50](#).

Bursaries*	2025	2024
Number of bursaries per academic year	257	231
Value of bursary spend per year – RSA and Non-RSA	R18.6m	R19.6m
Trainee accountants completing articles (per year)	7	10

* Includes bursaries through the Whitey Basson Bursary Trust.

Diversity, equity and inclusion

We are committed to nurturing a workplace that celebrates diversity and inclusion where every individual feels valued and an integral part of our shared success. Our commitment to diversity and inclusion is rooted in our purpose and values, which guide our actions and shape the way we do business. The Group’s Code of Conduct and set of values outline the expected behaviours of all our employees. The Code of Conduct was updated in FY 2025.

A key focus was to continue to build an adaptable and inclusive culture to drive innovation and success. The Group’s approach to DEI remains intentional, ensuring that it is embedded in leadership, talent, and employment practices.

Zero-tolerance stance

In our commitment to providing a fair and safe working environment, we strictly prohibit unfair discrimination. We maintain a zero-tolerance approach to bullying, harassment, gender-based violence, and victimisation. These standards are upheld through policies and programmes. We continuously educate our workforce on our harassment policy and its significance in our workplace. Regular employee engagement campaigns raise awareness about discrimination.

We provide an anonymous and secure whistleblowing facility for confidential reporting of potentially unethical, unlawful, or unsafe conduct or practices.

Concerns can be reported via a toll-free hotline, email to the external service provider, or through the Group’s employee ‘SiyaRinga’ mobile app. This confidential hotline is a crucial tool for upholding ethical standards within the Group, facilitating effective reporting and resolution of concerns. We continued to raise awareness and communicate the various reporting channels to our employees. For details on our confidential hotline performance trends, please refer to the Governance section on [page 17](#).

When unethical behaviour is reported, we use our disciplinary code to guide thorough investigations and take corrective steps where necessary.

Promoting inclusivity

Our substantial investment in leadership development supports our diversity and inclusion aspirations and nurtures our desired organisational culture. A cornerstone of Our Shoprite Leadership Way is its evaluation of leaders, based on business outcomes and their management and leadership approach, emphasising the importance of individual and team engagement and management. Training includes raising employee awareness and skills in recognising individual biases, ensuring all team members feel valued and their uniqueness acknowledged. We prioritise assisting our leaders in grasping the fundamental principles of respect, crucial for retaining and advancing our employees.

Equitable representation

We implement an Employment Equity (EE) Plan to drive diversity across our business and actively promote equitable representation at top and senior management levels.

Our strategy includes proactive recruitment, succession planning, and leadership development designed to build a strong bench of future leaders while maintaining clear visibility into the diversity of that pipeline. We integrate metrics into long-term incentives for leaders, focusing on meeting EE targets, particularly at top management level.

Our current workforce reflects positive strides toward greater diversity at senior (72.2% black; 33.5% female) and middle management (84.4% black; 47.9% female) levels.

Progress at top management (38.9% black; 25.7% female) continues steadily. We are encouraged by our momentum as we continue progressing toward our target.

Looking ahead, our FY2026 EE targets will align with the new sectoral targets gazetted on 15 April 2025. These targets were introduced under the Employment Equity Amendment Act 4 of 2022, which came into effect on 1 January 2025. With our current five-year EE Plan concluding in 2025, the updated targets and definitions will guide the next phase of our EE strategy.

TOP MANAGEMENT	
Gender representation at management levels in South Africa	Progress with transformation at management levels in South Africa
25.7% Female 28.5% FY 2025 Target	38.9% Black 43.1% FY 2025 Target
SENIOR MANAGEMENT	
33.5% Female 30.0% FY 2025 Target	72.2% Black 71.0% FY 2025 Target
MIDDLE MANAGEMENT	
47.9% Female 47.8% FY 2025 Target	84.4% Black 83.2% FY 2025 Target

Investing in our people continued

Women currently represent 64.5% of the workforce. We actively promote gender equality in traditionally male-dominated roles, particularly among our drivers. We intentionally recruit women and develop them internally to become professional drivers. The Group facilitated the Master Butchers in Africa certification for 36 women managers and trainees, the first female certification of its kind.

In our commitment to youth employment, employees under 30 make up over 39.6% of our permanent workforce.

To enhance opportunities for individuals with disabilities, we offer a disability learnership programme and provide a supportive environment. In FY 2025 a deaf learnership enabled learners to transition to earmarked roles in the business. We continued to collaborate with a Disability NPO and the Department of Social Development to facilitate the recruitment of people with disabilities. Currently, we have 346 employees with disabilities (FY 2024: 299).



Advancing women drivers

We follow a structured approach to integrating and advancing female drivers within the company, setting realistic recruitment targets, and supporting career development through training and visibility.

In FY 2025 we developed guidelines to help DC branches manage female drivers effectively, considering work-life balance and the specific challenges of the working environment. Key elements of the guidelines include: creating a supportive work environment, ensuring safety and security (for example by avoiding sending female drivers to areas that are particularly unsafe), providing flexible scheduling and considering requests such as no night shifts, and including guidelines for pregnant female drivers.

We promote success stories on social platforms to highlight career progression opportunities. We recruited 53 female drivers by the end of FY 2025, exceeding our initial target.



Investing in our people continued

Remuneration, benefits and rewards structures

Our remuneration policy is closely aligned with the Group's overarching strategy and is designed to attract and retain top talent while ensuring fairness and equity across all levels of the organisation. It reflects regulatory-compliant practices and is responsive to South Africa's socio-economic context to promote equity.

Regular reviews help maintain alignment with leading practices and evolving business needs. Our remuneration philosophy is grounded in key principles: attracting and retaining critical skills, rewarding performance and ensuring equal pay for work of equal value. Performance, particularly among executives and managers, is measured against strategic business objectives.

Our incentive structures are evolving to reflect our sustainability and transformation goals. STIs and Executive Deferred Incentives (EDIs) for executives and senior management include annually reviewed targets related to renewable energy, waste recycling and sustainable packaging. Additionally, the long-term incentive scheme in FY 2025 included a 20% weighting for employment equity, underscoring our increased focus on transformation and equity within the Group.

We continually assess fair pay practices to limit unintentional biases and actively promote pay fairness. During FY 2025, we continued an independent fair pay analysis to assess overall pay equity within Shoprite. The analysis confirmed that while anomalies exist, most are justifiable based on years of service and performance. The Remuneration Committee continues to develop suitable metrics to monitor compliance with our fair and responsible pay principles on an ongoing basis.

Over the past five years, general staff have received higher annual increases than management, with an annual increase of 8.0% in FY 2025. With effect from March 2025, the national prescribed minimum wage for general assistants was raised to R28.79 per hour. The Group has complied with this rate for all new appointments. All general staff employed as of 1 May 2025 received an annual increase, resulting in an average hourly rate of R32.43, which is 12.6% above the national minimum wage.

We continued to focus on our frontline employees, particularly cashiers, who remain instrumental in driving consumer satisfaction. In FY 2025, the Group paid all cashiers above the national prescribed minimum rate for cashiers, with the average rate at year-end being 9.4% higher than the national minimum for cashiers.

The SET serves as a key mechanism to oversee that employees not eligible for deferred short- or long-term incentives still benefit from the Group's success. In April 2025, the Group surpassed R806 million in cumulative payouts to eligible employees, marking the seventh distribution since the Trust's inception three years ago.

The Group's total rewards offering extends beyond base pay and includes a wide range of benefits tailored to support employee wellbeing and development. These encompass skills development opportunities, educational loans and bursary benefits, employee discounts, and job-specific incentives for qualifying employees – such as sales commissions and length-of-service bonuses. Permanent employees receive a discount on all Shoprite retail products across the ecosystem, including groceries, furniture, medication, clothing, pet, baby, and outdoor products. Employees further benefit from discounted data rates through K'nect, enhancing their overall spending power.

In 2025, the Group launched an exclusive employee discount programme called Xtra Discount. This initiative allows employees to access special deals and savings across a wide range of external products and services, enhancing their overall value proposition and supporting financial wellbeing. This includes discounts from suppliers on transport, insurance products, gym memberships, data, social and leisure. We will continue to enhance this programme by introducing new partners on an ongoing basis.

We continue to partner with Paymenow to introduce a benefit that allows employees to access a portion of their salary before payday.



Our investments in DCs: positively impacting communities and local economies

With high unemployment rates, the Shoprite Group's 29 DCs are a vital source of job creation, employing approximately 9 187 people in various roles, from warehouse employees to support staff (excluding drivers). Many of these roles are filled by residents from surrounding communities. The DCs help to increase on-shelf availability of essential products.

In FY 2025, the Group opened two state-of-the-art DCs in South Africa in less than a year bringing our total DC footprint to over 900 000 m².

The launch of Riverfields DC in Kempton Park, Gauteng (operational in July 2024) and Wells Estate DC in Gqeberha, Eastern Cape (latter half of 2024) added nearly 192 900 m² to the Group's expanding network. These new DCs follow on from the recent Canelands DC expansion in KwaZulu-Natal, in FY 2024.

Riverfields (93 612m²) and Wells Estate (99 288m²), are key to meeting growing customer demand, ensuring access to high-quality, fresher-for-longer food products, and supporting the continued expansion of the Group, which opened 363 new stores in FY 2025.

Job creation remains a key priority across South Africa, where the official unemployment rate stands at 33.2% (for Q2 2025). Our new facility in the Eastern Cape is making an important contribution to job creation in a region where unemployment has consistently been above the national average.

Another benefit of our DC expansion includes expansion of the Group's renewable energy network, reducing pressure on the national electricity grid. New DCs come fitted with rooftop solar PV installations, recycling infrastructure, and energy-efficient lighting.



Investing in our people continued

Our remuneration policy is presented annually to shareholders and is detailed further in our IR (see [📄](#) page 76 of IR to view our remuneration review).

Employee engagement and workforce relations

Employees covered by collective bargaining agreements

RSA	2025	2024
Employees that are union members	29.5%	28.5%
Number of trade unions with recognised agreements	5	6
Non-RSA	2025	2024
Employees that are union members	43.8%	42.5%
Number of trade unions with recognised agreements	8	7

Fair labour practices remain a strong emphasis in our weekly management and SEC meetings. In FY 2025 we launched industrial relations training with the aim to equip managers on how to apply basic labour practices.

Employees are free to associate and join trade unions. We stand against forced labour, child labour, employment discrimination, and are committed to providing a safe work environment. We offer well-established grievance mechanisms for employees and conduct continuous labour relations risk monitoring and thorough investigations of any allegations. Our framework agreement with UNI Global Union Alliance since 2010 facilitates global social dialogue for fostering positive industrial relations. We engage with the alliance delegates on an annual basis to reinforce our commitment to maintaining open lines of communication with leaders from organised labour.

We engage collaboratively with our main union, the South African Commercial Catering and Allied Workers Union (SACCAWU), on wage negotiations and mutual interests to effectively manage labour relations, fostering a positive and longstanding relationship. These regular engagements allow proactive engagement on potential concerns, thereby averting escalation into more serious issues. We are currently up to date in our annual wage negotiation agreements. There were no incidents in FY 2025 that led to work stoppages.

We promote a culture of engagement among our employees by using various communication channels, aiming to inspire them to deliver exceptional customer service.

Our approach to keeping our policies relevant and easily accessible to our employees remains a priority. On a monthly basis we drive a strong communication campaign through various channels such as our employee digital platform, SiyaRinga. Internal memos are sent to all employees with Shoprite email addresses in RSA and non-RSA through our store connectors, and posters are displayed in and around our canteens where information is easily accessible.

Our communication encompasses diverse topics, including our wellness programme health topics, opportunities to participate in community support programmes, and updates on employment benefits, policies and other news. The number of SiyaRinga app registrations has increased 10.1% year-on-year, reaching 107 827 employees. The Group publishes a quarterly employee newsletter.

Social media is evolving and in order for us to protect our organisation and employees, we updated and relaunched our Social Media Policy in April 2024. We updated our Fraud Prevention and Detection, and Anti-bribery and Corruption Policies in FY 2025.

We gauge the sentiment of our employees through regular check-ins, allowing us to understand their interests and concerns more deeply. This effort is complemented by the regular presence of our CEO and Chief Operating Officers in our stores each month. This makes our leadership accessible and closely connected to the day-to-day operations.

Employee turnover	2025	2024
Management turnover %	9.3	10.5
Full-time employee turnover, excluding management %	13.0	13.3
Part-time employee turnover %	32.5	32.2
Total Group turnover %	23.6	23.7

Our retention rate for full-time staff, excluding management, has shown improvement, with turnover in FY 2025 at 13.0% compared to 13.3% the previous year.

This rate includes dismissals for conduct and a significant volume of voluntary departures, which is a common trend within our industry. As our roles often serve as entry points into the job market, it is common for employees to seek new opportunities.

We are pleased to note a significant decrease in resignations this year, with employee turnover decreasing from 23.7% to 23.6% year-on-year across all cohorts. Our turnover rate for employees with digital skills has dropped to 12.0%.

Our SET plays a pivotal role in our employee retention efforts, particularly for those with two or more years of tenure. Anecdotal evidence suggests that dividends are frequently used for essential expenses like school fees.



Investing in our people continued

Health, safety and wellbeing

We are committed to creating a safe, healthy work environment across our facilities while actively promoting the overall wellbeing of our employees, contractors, customers and the public. Our safety management is stringent, and we provide essential care services that cover occupational health, employee wellness, and online learning and support resources to raise awareness and encourage our employees to prioritise their health and safety.

Occupational health and safety

The Group has made significant strides in occupational health and safety (OHS) management over the past few years, with dedicated management and employee engagement. Our key service providers in our occupational health and safety (OHS) management system include our safety systems technology service provider, our incident and compensation management service provider, our clinics (see [page 40](#)), and an external Occupational Medicine Practitioner (OMP). Our OMP, who is a GP that specialises in occupational health, keeps us updated on global and local health risks, such as viral developments, and wellness programmes.

We strive for continuous improvement and focus on reducing injuries in the workplace. Our commitment to occupational health and safety is absolute. Every loss of life is a tragedy and is unacceptable.

Our risk management approach

Shoprite implements a robust occupational health and safety management system that provides a framework, based on the requirements of ISO 45001:2018, for managing occupational health and safety (OHS) risks and opportunities. Our OHS management system is implemented across all business areas and is under the purview of a specialist team. The team reports to experienced and dedicated Health and Safety Managers, specifically one overseeing our supply chain operations and the other our retail operations.

We use a digital OHS management platform called Work Trainer through which we manage health, safety, and compliance activities. Our electronic OHS management system facilitates the dissemination of crucial OHS and compliance information across both our supply chain and retail networks. Furthermore, it supports the management of legal appointment letters, committee meetings, mandatory inspections, contractor management and incident reporting. It is firmly in place across all supermarkets, DCs and our franchises.



During the review period, we maintained the ISO45001 certification for the Block Meat Company.

More specifically within the retail division, our key OHS risks include contractor compliance, material hoist systems, electrical installations and use of moving or rotating machinery. In our supply chain division, the key risks are linked to transportation, including last-mile delivery, major hazard installations, fire hazards, material handling equipment and work performed at heights. Within our operating environments, the retail business primarily experiences trips and cuts, while the supply chain operations mainly report injuries related to material handling equipment. Our last-mile delivery incidents are mostly related to road transport accidents.

Nurturing a strong safety culture is a cornerstone of our preventative strategy. Our approach includes actively responding to both leading and lagging indicators with preventative and corrective actions; undertaking proactive and inclusive OHS and wellness communications; comprehensive and regulatory driven training; tracking and analysing both internal and external inspections across our various lines of assurance; and providing adequate and clear instruction.

The Shoprite Group continues to focus on its hazard identification and risk assessment (HIRA) programmes along side causation to prevent and reduce workplace incidents and accidents. The success of these measures can be seen in the reduced Lost Time Injury Frequency Rate (LTIFR).

Shoprite classifies safety incidents according to five levels of severity. These classifications are used to assign consistent response and communications.

In order to prioritise the level of intervention required, as well as ensuring accurate and realistic incident information is conveyed to the key internal stakeholders, all incidents and accidents have been categorised in terms of severity. The intent is to respond promptly and appropriately to each incident so that we can eliminate and/or mitigate the incident and accident root cause to prevent its recurrence. Emphasis is placed on incidents from level 3, which relates to lost time incidents. Lost-time incidents are those medical treatment incidents that result in an employee losing a shift. Lost time incident performance is measured with a globally recognised sample statistic known as the LTIFR.

This year our LTIFR improved from 6.71 to 5.56, with notable improvements in our supply chain division and butcheries. The common causes of lost-time injuries (LTIs) at our stores in South Africa were cuts and lacerations in the service departments, but this improved on the back of behaviour-based safety awareness training. In our supply chain division, the most common cause was material handling equipment-related incidents.

Notably, we significantly reduced our fatalities this year, due to the various safety controls deployed and maintained within our operations. Within the Pingo business (Sixty60 delivery drivers) we continued to introduce improvements, which are detailed on [page 39](#).

In terms of third-party public incidents in our stores in South Africa, the most common causes of these incidents were slips, trips and falls. Reductions were recorded for all public incidents.

While we are encouraged by performance improvements this year, we acknowledge ongoing opportunities to deepen our safety culture across the business.

Focus areas and developments

We roll out and update training programmes and wellbeing information regularly, facilitating continuous education and improvement. These programmes focus predominantly on proactive education, covering topics such as incident and accident prevention, regulatory compliance and operational safety. In FY 2025, 112 043 employees and contractors received health and safety training. This year we focused on OHS onboarding, LPG gas safety, and ergonomics in retail awareness.

At our main distribution campuses – Canelands, Centurion, Riverfields, Wells Estate and Basson – we have clinics that provide valuable on-site primary healthcare, medical fitness evaluations, emergency response services, chronic care and referrals to the employee assistance programme. During the year we partnered with Netclinic, and the transition has been well received. The Block Meat Company uses the clinical services of Working Knowledge International “WKI”.

These sites have health and safety permit offices which focus on contractor safety management.

To strengthen the safety culture in our DCs, we have started implementing a behaviour-based safety programme. The intention is to embed safety principles into the working culture, complementing Our Shoprite Leadership Way programme. The programme focuses on the positive reinforcement of compliant safety behaviours. We have refined our incident investigation methods to pinpoint specific behaviours leading to lost time incidents and incorporated this into our task observation processes.

The safety culture is further strengthened by daily leadership engagements, site inspections, audits and continuous risk assessment. The health and safety management system is continuously improving through the advent of the monthly technical committee meetings including enforcement services engagement, technical procedure development, systems management and serious incident inquests, which bring different stakeholders together across the Group.

Investing in our people continued

Our safety performance

	2025	2024
Employees		
Number of medical treatment cases (MTCs)	1 591	345
Total number of recordable injuries, including MTCs, LTIs and fatalities	3 478	2 501
Total recordable injury frequency rate (TRIFR)	10.25	7.79
Number of lost-time injuries (LTI)	1 883	2 154
Days lost due to injury	20 959	16 809
Lost-time injury frequency rate (LTIFR)	5.56	6.71
Permanent disabilities	4	8
Number of fatalities	0	2
Fatal injury frequency rate (FIFR)	0.000	0.006
Road transport fatality frequency rate (RTFFR)	0.000	0.000
Contractors		
Number of lost-time injuries (LTI) in operations which we control ¹	36	57
Number of fatal incidents in operation which we control	0	1
Road transport fatality frequency rate (RTFFR)	0.037	0.083

Definitions:

- RTFFR: fatalities per 1 million kilometres travelled.
- LTI: a work-related injury resulting in the employee/contractor being unable to attend work, or to perform the full duties of his/her regular work, on the next calendar day after the day of the injury, whether a scheduled work day or not.
- LTIFR and FIFR: number per 1 000 000 hours worked.
- TRIFR: number of recordable injuries (fatalities + lost-time injuries + medical treatment cases) per 1 000 000.
- Permanent disabilities: A permanent disability as defined in the Compensation for Occupational Injuries and Diseases Act (130 of 1993)
- Days lost due to injury: the total number of calendar days (not working days), from the day following that of the injury to the day on which the injured person is able to resume full duties of his/her regular work.

¹ This metric is limited to one key contractor.

Truck driver safety

The safety of our truck drivers is a top priority for the Group. We continue to strengthen our efforts, which include comprehensive defensive driving training and fleet maintenance. Our vehicles are equipped with fatigue management technology including multiple cameras that use algorithms and machine learning to interpret visual cues with real-time facial recognition for fatigue detection, along with audible alarm and seat vibration for fatigue-related risk mitigation. This system has effectively prevented numerous accidents.

In FY 2025, we had 1 497 drivers who underwent training totalling 28 518 hours across 7 812 different training programmes.

We hold regional competitions to select the top driver, culminating in a national event to determine the year’s best driver. The competition rigorously assesses contestants through written exams, yard tests, and road tests, overseen by a national safety organisation.



Investing in our people continued

Enhancing safety for Sixty60 delivery drivers

Sixty60 expanded its award-winning home delivery service to selected Shoprite supermarkets this year, following a successful pilot in Gauteng and the Western Cape. Checkers Sixty60 has continued to expand in response to increasing consumer demand for quick home delivery options.

This expansion meets customer need and has facilitated significant job creation through the addition of numerous motorcycle delivery drivers, each operating as an independent micro-entrepreneur, as well as in-store pickers.

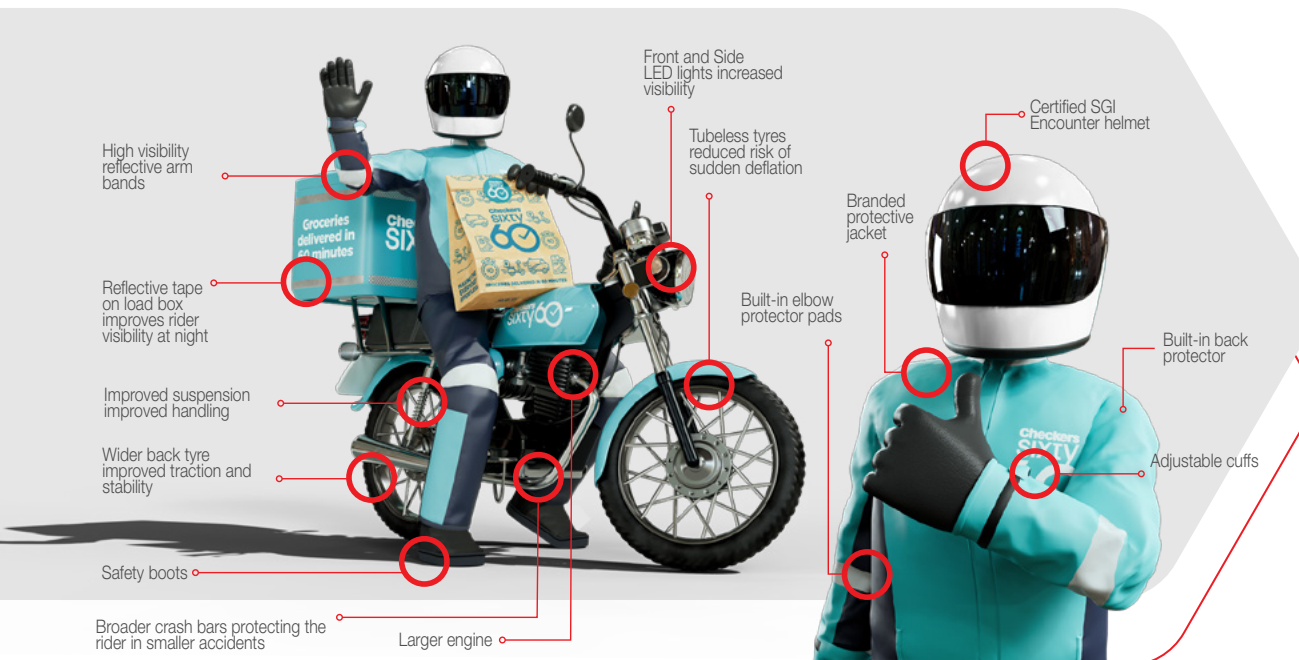
Sixty60 is now available in 694 locations across South Africa (including Checkers, Checkers Hyper, LiquorShop and Shoprite), with all deliveries managed by Pingo Delivery, the Group's on-demand delivery company.

Driver safety focus

With the growth in the fleet and operations, driver safety has become a paramount concern for the Shoprite Group. Recognising the inherent risks associated with road travel, the company has implemented comprehensive safety measures targeting asset, driver and system controls.

These measures include equipping bikes with larger engines, broader crash bars, reflector rings, mobile device holders, and providing drivers standardised safety gear such as helmets and protective jackets. Telematics helps to facilitate detailed accident root cause analysis.

By the end of FY 2025, major upgrades of Pingo motorbikes included quality control measures and managed maintenance programmes under the Shoprite Group's oversight.



Safety training and awareness

The Group has developed an occupational health and safety plan and Section 37(2) agreement that serves to establish a pragmatic framework for the identification, assessment, and control of occupational hazards and risks associated with Pingo's operations and its network of contracted drivers.

Drivers undergo a K53 rider test at induction followed by annual defensive driving courses and practical training sessions. Drivers are thoroughly vetted and vehicles are periodically reviewed with ad hoc compliance inspections. We provide ongoing behavioural training and awareness programmes to enhance driver safety, supported by our rider awareness and culture project. Monthly safety-themed content and videos are circulated among staff to foster a safety culture.

The company employs telematics to monitor driver behaviour, providing insights that help in safety enhancement. To protect our drivers, we do not incentivise or penalise them for number of trips, and in adverse weather conditions, we limit delivery slots.

Incident management and analysis

When accidents happen, Shoprite conducts in-depth root cause analyses to understand these incidents, distinguishing between controllable and uncontrollable factors such as third-party driver behaviour, weather conditions and road safety. Our goal is to prevent such tragedies from recurring and to ensure that every member of our team feels safe and protected.

In FY 2025, the Sixty60 RTFFR is 0.037 fatalities per one million kilometres travelled, a significant improvement on 0.083 in the prior year.

Optimising operations and scheduling

Optimising operations and scheduling Operational efficiency is a key area of focus. The Group uses forecasting models to predict hourly customer demand at each store, considering the impact of major promotions and pay day peaks to optimise capacity of available delivery slots. Driver safety is paramount, with capacity modelling ensuring adequate rest periods to prevent fatigue.

Additionally, the delivery operations design is to make it possible for drivers to complete deliveries well within a 30-minute return window to the store, thus maintaining efficiency without compromising safety, and there are no driver incentives for faster delivery nor punitive measures for late delivery.

Independent contractor status and benefits

Comprehensive insurance at favourable rates is made available to all drivers, including coverage for private hospital care, death, disability and funeral costs.

Creating jobs

Since inception in 2019, we have created a total of 6 778 employee jobs and 8 461 contractor jobs through Sixty60. This includes jobs created for drivers, store pickers and for Sixty60 personnel in the head office.



Investing in our people continued

Health and wellbeing

We conduct wellness programmes regularly because we want all our employees to feel supported with their health and wellbeing. The importance of mental health has grown in prominence and supporting mental wellbeing has become a particular focus.

We encourage employees to make use of our extensive company-funded 24/7 Employee Assistance Programme (EAP) which offers free, confidential counselling and advisory services to support our employees and their families. This encompasses several wellbeing dimensions including physical health, mental health, financial wellbeing, legal advice and trauma support. Noting that many of our employees are parents or caregivers, our EAP offers parenting support and direct access for employees' direct family members/children.

This year, 53 706 employees made use of the EAP and other wellbeing services compared to 33 875 employees in FY 2024. Our fourth annual EAP satisfaction survey showed high satisfaction with the EAP among 300 respondents, with 96.3% praising the support.

The Group encourages employees to undergo regular health screenings, including tests for blood pressure, glucose, cholesterol, body mass index, and HIV. Across South Africa, our MediRite Plus stores, as well as MediRite pharmacies located in Shoprite and Checkers supermarkets, offer wellness screenings that are covered by most medical aids.

Our HIV/Aids disease management programme provides proactive counselling and support to employees. Compliance with medication regimes is encouraged. In addition, post exposure prophylaxis (PEP), a course of medicines taken soon after possible exposure to HIV, is made available for employees and their families.

Our Employee Wellness Programme (EWP) features a dedicated wellness website offering a range of resources to support the physical, mental, and financial wellbeing of employees and their families. Our monthly newsletter highlights specific health topics, offering practical tips

and valuable insights, and this is complemented by additional wellbeing communication and initiatives.

The Group conducts regular campaigns and educational programmes to proactively target factors that may contribute to employee wellbeing. Our Wellness Day focus in FY 2025 covered health screenings, physical, mental and financial wellbeing, self-defence and substance abuse awareness.

Onsite counselling as a service for employees is made available on a regular basis across various locations where there are large concentrations of employees. In addition, our DC clinics cover various services including occupational medicals, primary health care and management of chronic conditions. Critical Incident Response (CIR) continues to support employees impacted by trauma in the workplace due to armed robberies, workplace injuries or workplace bereavement. A three-stage counselling approach is adopted to support impacted employees both immediately after an incident and for a number of weeks thereafter, with a further option to extend this to ongoing individual counselling via our EAP, if required. Trauma and critical incident training for Branch Management, including assistants and trainees, was introduced in FY 2025.

Proactive safety and community engagement

Acknowledging the potential challenges posed by service delivery protests, we have enhanced our security protocols to increase the protection and security of our stores and the wellbeing and safety of our team members. Riot walls have been built around our DCs to protect our assets and employees from any civil unrest.

We keep our employees updated on possible local disruptions and preparedness measures. Committed to community partnership, we proactively engage with nearby communities to understand and respond to their concerns where possible, aiming to pre-emptively resolve issues. Our early warning systems aid us in monitoring situations and managing risks efficiently.

During FY 2025, our neighbouring country, Mozambique, experienced nationwide socio-political unrest following the national elections which impacted five of the group stores. Security measures were activated resulting in no injuries reported to staff and customers.



Building an inclusive and ethical supplier base

As Africa's largest fast-moving consumer goods retailer, we embrace our prominent role in improving lives and promoting sustainable, inclusive supply chains. This involves supporting small, local suppliers to join the retail sector, strengthening local economies. We collaborate closely with all our suppliers to provide our customers with ethically produced quality goods that meet the highest health and safety standards.



Increasing local sourcing and supplier diversity

We rely on a diverse network of suppliers, working with both large and small businesses. By steadfastly upholding 'developing local' as one of our core values, we prioritise partnering with local suppliers, to support local economies. In South Africa, our focus lies on increasing expenditure with SMMEs, particularly black-owned and black women-owned businesses. As these businesses grow, more employment opportunities are created within communities.

Our extensive network and operational scale are catalysts for growing SMMEs into larger suppliers by offering market access opportunities. With 24 DCs strategically positioned across all provinces in South Africa, we facilitate streamlined local purchasing.

In South Africa, our five-year localisation strategy aims to expand our private label products. We give precedence to local suppliers to develop these ranges, except when they cannot meet our demand or if production is restricted by geography. In these cases, we continue to foster local economic growth by seeking partnerships with local SMMEs.

Value
impact
(FY 2025)

R146.5 billion spend on **B-BBEE-compliant businesses**
(FY 2024: R143.8 billion)

R1.4 billion of **fresh produce** procured annually is from **South African SMMEs**
(FY 2024: R1.2 billion)

R19.8 billion spend on **>30% black women-owned suppliers**
(FY 2024: R18.3 billion)

Directed 11.9% of **supplier spend to black-owned businesses** (FY 2024: 11.6%) and 8.8% to **black women-owned businesses** (FY 2024: 8.4%)

R26.8 billion spend on **>51% black-owned suppliers**
(FY 2024: R25.2 billion)

Building an inclusive and ethical supplier base continued



Thought leadership on SMME development in South Africa

The Shoprite Group commissioned research in FY 2025 to gain key insights into unlocking the potential of South Africa’s SMMEs. The research was conducted by World Wide Worx, gathering insights from 800 SMME owners nationwide. “The State of the SMME in South Africa” report, reveals the critical need for targeted support for female entrepreneurs and for improving access to markets and resources in underrepresented areas in the country. Gender-based challenges, as well as geographical barriers, make it very difficult to access infrastructure, funding, networks and markets. The report identified several actionable recommendations, including:

- Develop financial products and mentorship programmes tailored for female entrepreneurs
- Support start-ups through incubators, funding and simplified regulations
- Assist mid-sized enterprises by focusing on workforce development, technology and market expansion
- Invest in infrastructure and subsidies for SMMEs in underserved regions

This is the first time such research has been commissioned, with the aim to gain a clear understanding of the SMME landscape in South Africa and how best to continue to support them through Shoprite Next Capital (see details below). Focusing the research on unique factors, our thought leadership on the subject has gained recognition.

The Group has continued to achieve substantial improvements in its preferential procurement practices.

- Procurement from suppliers that are owned by historically under-represented groups recorded an annual increase of 6.4%. Our emphasis on securing B-BBEE certificates has led to a measurable increase in business with B-BBEE-compliant suppliers
- SMMEs on the ESD programme generated R46.8 million in sales this year (FY 2024: R21.3 million)
- Our spending with black women-owned SMMEs has risen by 9.8%, reaching R1.4 billion
- This year, 90.9% of our private label grocery products have been produced locally (FY 2024: 90.3%)
- In South Africa, approximately 23% of our growers are SMMEs, representing over R1.4 billion of the fresh produce we procure annually (FY 2024: R1.2 billion)

Preferential procurement	FY2025 (Rands billion)	% of total procurement	% year-on-year change
Spend on B-BBEE-compliant businesses	146.5	64.9	1.9
Spend on >51% black-owned businesses	26.8	11.9	6.4
Spend on >30% black women-owned businesses	19.8	8.8	8.6
Spend on >51% black-owned SMMEs	2.6	1.2	(4.6)
Spend on >30% black women-owned SMMEs	1.4	0.6	9.8



Building an inclusive and ethical supplier base continued

Shoprite Next Capital: Supporting small businesses in our supply chain

Facilitating small-business development in the retail sector, particularly of black- and women-owned businesses, is essential to grow our economy, drive employment and empower individuals.

We recognise the hurdles many small suppliers face in securing funding and scaling their operations to a sustainable level. Our approach is to actively seek out and support entrepreneurs who offer a unique product and operate a commercially viable small-scale business with an annual turnover of R5 million or less. We continue to explore opportunities with SMMEs for our Homegrown range, although it remains challenging for them to scale and meet national retailer requirements due to the cost of capital and general lack of support in South Africa.

Through Shoprite Next Capital, our dedicated ESD division created specifically to equip and assist small businesses with the tools and resources they need to succeed, we are committed to elevating the role of small and emerging suppliers within our business ecosystem. This vibrant collective of entrepreneurs enriches our product assortment with innovative offerings and serves as a catalyst for continuous product innovation on our shelves.

We assess potential small suppliers on innovation, quality, and value. Chosen entrepreneurs receive comprehensive support, including marketing opportunities, working capital at favourable rates, and assistance with packaging and labelling. We offer data sharing, tailored training and onboarding, and strategies for product and market expansion.

During FY 2025, CredX provided working capital assistance to 120 suppliers, while Shoprite Next Capital invested over R11 million in ESD, supporting 87 SMMEs. 27 new vendors were brought on board, bringing the total number of products to market to 402. Four vendors successfully completed the ESD programme.

The Group provided R1.7 million to two SMME landlords to repair facilities.

Since its launch in June 2022, Shoprite Next Capital has injected over R20 million in loans into small businesses, driving growth and preserving jobs. The Group is now focusing on the profitability of SMMEs, including programmes that respond to issues faced by entrepreneurs, as identified in our inaugural State of SMME Report. These programmes focus on financial health checks and financial acumen for SMMEs.

Supporting an SMME to help Shoprite Group recruit smarter

In FY 2025, we used our ESD support services to fund an SMME in meeting an important People Team need within the Group. We identified an SMME service provider to assist us in recruiting smarter, provided a loan, and rolled out a pilot in Gauteng, the Western Cape and KwaZulu-Natal.

The high-volume recruitment solution, namely HireRite, is now in national roll-out phase and has had significant milestones thus far. The national talent pool is an extraordinary 718 000 individuals strong. HireRite has appointed 1 204 candidates thus far.

A key objective of the programme is to appoint people within a 15 km radius of our facilities. By using QR code scanning in the recruitment process, we are able to pick up the geo-location of the potential employees. We are now able to hire people much closer to their homes, making it easier to get to work, translating into significant savings on transport costs. The current time-to-hire is 12 days. We look forward to maintaining this momentum.

Loans and support to small farmers

Our ESD programmes extend crucial support to small, emerging farmers by integrating them into seasonal growing programmes and providing access to our expansive distribution network. This provides them with a reliable route to market to help them grow sustainably.

In FY 2025 many of our small farmer suppliers were hard hit by extreme weather and climate change related impacts. Certain farms in Gauteng, for example, become waterlogged from the unseasonal heavy rainfall, impacting on production and supply, and the ability of farmers to repay loans. As a lender, this is an emerging risk for the Group and looking ahead, climate change and its impacts will need to be factored into the loan environment.

We supported four micro-farmers this year, three of which are women. See [page 51](#) for details under our Shoprite Foundation.



Inspiring entrepreneur success stories

Entrepreneur Zano Mnguni is expanding his 100% black-owned haircare business after striking a deal to supply selected Checkers and Checkers Hyper stores in Gauteng. Zee Afro Hair now supplies 34 stores and employs 8 people with plans to expand. After seeing an article about how Checkers supports small businesses, Zano Mnguni signed a deal with the Group in 2022. His range consists of five herbal products focused on hairline restoration and growth of natural hair.



Women in Wine, a small enterprise in South Africa fully owned, controlled, and managed by a broad base of women, has uncorked a new range of wines exclusively available at Shoprite and Shoprite LiquorShops nationwide. Founded by professional black women from diverse backgrounds in viticulture, Women in Wine marks a shift in the traditionally male-dominated wine industry, committed to opening doors for women, including vineyard workers and their families.



Building an inclusive and ethical supplier base continued

Expanding our 100% South African Homegrown product range

Small businesses play a key role in our 100% South African Homegrown private label, underscoring our commitment to promoting local products. Their integration is an essential part of our approach to enrich the variety and authenticity of our offerings. This programme supports emerging enterprises in gaining a foothold in the retail market. Through our 682 Shoprite supermarkets across the country, we provide participating SMMEs with broad distribution channels, which in turn helps to spur employment in their local communities.

Supplier of the Year awards

The Group’s annual Supplier of the Year awards acknowledge the significant contributions suppliers make to the Group’s success, assessing them in 12 different categories, such as service excellence and in-store support.

This year Pasta & Me, a 100% female-owned business founded by Aziza Parker, won the SMME award for its innovative approach to food affordability, offering a range of budget-friendly noodle meals that feed a family of four for just R20. Detpak SA received recognition for their sustainability efforts.

Ethical sourcing

We value transparency and accountability, collaborating with our suppliers to uphold high standards and enhance their social contributions.

Sourcing standards

The Group’s Supplier Code of Conduct outlines the ethical, social, and environmental criteria our suppliers must meet to collaborate with us. This Code applies to all current and prospective third-party trade and non-trade suppliers, including their subcontractors and others in our value chain, across the countries where we operate. It requires adherence to relevant local laws and the UNGC’s 10 principles. The Code encompasses, among others, expectations for safe working conditions, fair treatment of employees, ethical business practices, environmental stewardship, and transparent reporting of environmental

impact. It advocates for the humane treatment of animals and adherence to B-BBEE standards. We regularly update the Code to better align with our evolving internal and external operational contexts. The Code is distributed to all suppliers and is published on our website. Suppliers must sign our Supplier Code of Conduct as part of our vendor onboarding process.

For details on our Human Rights Policy and its applicability to our suppliers, see [link](#) page 20.

For details on responsible sourcing and how we assess our suppliers’ environmental practices, see [link](#) page 67.

Prioritising food safety, product quality

We are unwavering in our commitment to providing our customers with quality products that meet the highest food safety standards. This year the enhanced Enterprise Food Governance Framework was presented to the SEC (see [link](#) page 8 for the SEC report).

From farm to fork, our supply chain management and close cooperation with suppliers enhance compliance with both regulatory requirements and our stringent internal standards. We collaborate with various stakeholders to uphold food and product excellence, aligning with local regulations and international best practices.

Our internal private-label development is meticulous, from conception to market launch, managed by experts in food safety, compliance, and regulation. We conduct regular

factory inspections, using third-party service providers, and monthly product tests. We promote transparency through comprehensive ingredient lists and nutrition labelling. In FY 2025, 44 Private Label supplier inspections were conducted.

The Group enforces a rigorous supplier approval and compliance process to uphold food safety, quality, and regulatory standards. All suppliers must comply with Regulation R638 and Good Manufacturing Practices (GMP). Higher-risk products require GFSI-recognised certification, while regulated products comply with HACCP or ISO 22000. Compliance is monitored through document reviews, audits, product testing, and regular checks within stores and DCs.

Training in food safety is fundamental to our operations, protecting customers and enhancing staff expertise. This year we provided 108 363 hours of training on food safety. Internal Group-wide training (of regulation R638) was offered by our L&D department for branch managers and DC managers.

During the reporting period, 4 083 hygiene audits were conducted at store level, and there were no significant negative food safety audit outcomes.

We onboarded a new auditing service provider this year, which has enhanced real-time access to audit data. With live tracking on all the audits, any non-conformance can be dealt with quickly. We now have an incentive scheme for stores in place, which includes store hygiene scores with rewards provided to various management tiers at store and branch level. Since implementing this system, scores have increased. Every store is audited four times a year, and the average score of these audits is used to determine the bonus criteria.

During the review period, 45 product recalls occurred, of which 30 were private-label products and 18 were food-safety-related recalls. Our Quality Assurance team efficiently handled the recall/s and worked closely with the supplier/s to implement corrective actions, ensuring steps are taken to prevent recurrence. We follow strict protocols and standards for all recalls, with a focus on food safety.



Voluntary recall on cereal products

The Shoprite, Checkers, Usave and OK Foods supermarkets initiated a voluntary recall on certain cereal products in FY 2025. The action was prompted by inaccurate nutrition labelling by the supplier. While no complaints were received, we take our responsibility to consumers seriously and after numerous interventions with the supplier, decided to issue a voluntary product recall. Food safety risk was considered low. The Group is committed to maintaining the highest standards of food safety and our food scientists and technologists worked closely with the National Consumer Commission on this voluntary recall.

PILLAR 1

The Enterprise Food Governance Framework

(EFG) is built on the principles of FSSC 22000, ensuring end-to-end food safety through strong governance, risk-based controls, and a culture of continuous improvement.

PILLAR 2

Safe Sourcing and Supplier Assurance

All suppliers and manufacturing sites must meet defined food safety, compliance, and traceability requirements—both at onboarding and through ongoing evaluation.

PILLAR 3

Independent Verification and Oversight

Internal and third-party audits across stores, distribution centres, and manufacturing sites promote continuous compliance with food safety standards.

PILLAR 4

Risk Intelligence & Consumer Feedback

Customer complaints, trend data, and surveillance insights are used to detect emerging risks and strengthen preventative measures.

PILLAR 5

Governance, Improvement and Accountability

Clear governance structures enable data-driven decisions, corrective actions, and continuous improvement through regular performance reviews and leadership accountability.

Enhancing community livelihoods

To fulfil our purpose of uplifting lives every day, we commit to positively impact vulnerable communities. We prioritise our community engagement through our CSI programmes. Our strategy targets hunger and promotes food security, youth employment, education and SMME development, leveraging our scale for maximum impact.



Uplifting lives and building community resilience

Our CSI strategy and programmes are integral to our business, reflecting our purpose and values by actively promoting community wellbeing and sustainability. To achieve our purpose of uplifting lives every day, we have made it our responsibility to make a difference in the lives of the most vulnerable through our CSI programmes, as well as the Group's #ActForChange Fund, in partnership with community organisations.

Leveraging our extensive reach, in addition to our core business of providing affordable goods and services, we concentrate on four crucial areas:

- Hunger relief and food security:** Our contribution is intrinsic to our role as the largest food retailer on the continent. Our efforts include affordable pricing for essential food items (see page 23 for details), feeding programmes and supporting the development of community food gardens.
- Youth employment:** Through well-established targeted training programmes (the RRP and YES), we aim to equip young individuals with essential skills for employment, support our talent pipeline, and respond to a critical socio-economic challenge.

Value impact (FY 2025)

Invested over R469.7 million into communities, focusing on hunger relief, food security, youth training, education, and ESD**

Supported 138 ECD centres improving nutrition outcomes for 9 349 children (FY 2024: 124 centres, 8 490 children)

Served 222 349 meals per day (FY 2024: 195 659) to vulnerable communities through our CSI programmes

276 community food gardens supported in South Africa and 11 in Non-RSA operations, since inception of programme

- Local entrepreneurship / SMME development:** This area strengthens our value chain and supports the economic fabric of local communities through the growth of small enterprises. Our small business development programmes are reviewed on page 43 of this report.
- Education:** We invest in maths, science, technology and technical trades education to bridge the learning gaps at selected under-resourced schools, preparing learners for future-fit digital careers and in-demand artisanal trades.

The Group invested R469.7 million in CSI programmes in FY 2025 across these focus areas. Our beneficiaries encompass a wide range of non-profit organisations and vulnerable communities.

Looking ahead we will continue to further expand our CSI efforts within and outside South Africa with programmes including mobile soup kitchens, community food gardens, early childhood development, and surplus goods donations. Looking ahead, we aim to forge stronger partnerships with our suppliers and beneficiaries to amplify our impact in CSI.

CSI programme	FY2025	FY 2024
Community food gardens	287	248
Household food gardens	60	345
Surplus goods donations	R257.6m	R233.9m
Shoprite mobile soup kitchens	33	31
Shoprite mobile soup meals served	8.9m	7.9m
ECD centres supported	138	124
Meals delivered to ECD centres supported by the Group	1.9m	1.7m
ActForChange Fund collection	R179 977	R412 864

** Excludes: subsidies on R5 meals and products; staff training and bursaries, SMME payment terms.

Enhancing community livelihoods continued

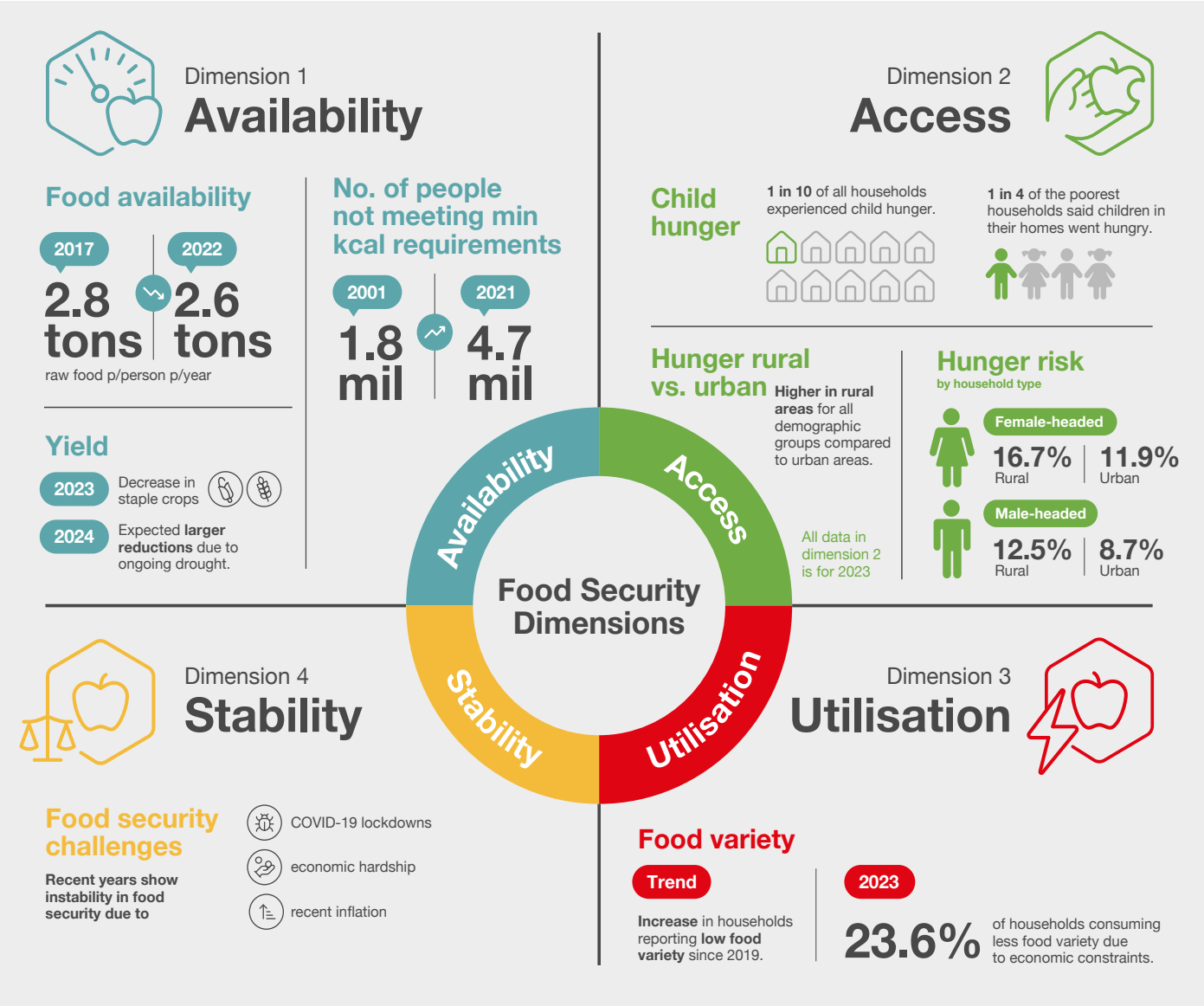
Hunger relief and food security

The Shoprite Group commissioned the South African Food Security Index 2024 to deepen understanding of food security in the country, highlight critical gaps, and support better decision-making. Developed by two economists from Stellenbosch University, the Index reveals that food security is at its lowest level in more than a decade.

Food security is shaped by four key dimensions: availability, access, utilisation, and stability. Child hunger remains a critical concern in South Africa, with as many as one in four children experiencing stunting due to inadequate nutrition. Among the poorest households, one in four reported that children in their care went hungry.

To address these pressing concerns and enhance food security for the poorest households, the report made the following key recommendations: prioritise nutrition support during the first 1 000 days of a child’s life, zero-rate VAT on essential food items – particularly those rich in protein – and expand support for food gardens.

Shoprite has aligned its efforts with these recommendations through a focus on affordability and accessibility – ensuring our most price-sensitive customers can put food on the table. Our interventions include low-cost products (such as our 1 964 subsidised R5 and R10 products), mobile soup kitchens, surplus food donations, ECD nutrition support, and community food gardens.



The findings of the Food Security Index validate the Group’s obsession with affordability and accessibility to enable our most price-sensitive customers to put food on the table. This will be achieved through a combination of our low-cost food products (including our R5 subsidised products), our Shoprite mobile soup kitchens and surplus food donation programmes which target nutrition via ECD programmes, and the development of community food gardens.

Redistribution of surplus food and goods donations

The Group’s surplus food donation programme is designed to redistribute food still suitable for human consumption to those in need instead of going to waste. If there is surplus food, it is donated to vetted charity organisations that are certified to serve food to people, ensuring safe handling and distribution. Our beneficiary organisations include community and disability care centres, aftercare facilities, shelters, old age homes, orphanages and soup kitchens, to name a few. We donate surplus pet food from Checkers and Petshop Science stores to animal rescue centres across South Africa.

We train our employees on the surplus goods donation policy and process to promote efficiency, food safety and traceability. Our scanning system simplifies bulk item logging for efficient donations.

The Group donates faulty appliances to Taking Care of Business (TCB), a non-profit social enterprise that equips unemployed people with the skills and resources to start their own appliance repair businesses.

Value impact (FY 2025)

Donated **R257.6 million worth in surplus food and goods** (FY 2024: R233.9 million)

3 432 employees completed surplus food donation awareness training (FY 2024: 3 128)

Enhancing community livelihoods continued

Disaster-relief efforts

We remain committed to assisting our communities during crises such as extreme weather, fire or social unrest. The number of weather-related disaster events responded to this year has risen with communities impacted by floods, fires and drought. These extreme weather events are on the rise, given climate change.

The extreme rainfall events in South Africa in FY 2025 elicited several unique relief efforts in heavily impacted communities. In close collaboration with relevant disaster relief organisations, the Shoprite mobile soup kitchens mobilised and served warm meals every day in the height of the floods. Beyond food assistance, we provide tailored aid such as hygiene packs and blankets.

Climate change has brought on an increase in the intensity and frequency of wildfires and fires that ravage and displace entire communities and informal areas. We continue to foster partnerships with Working on Fire, increasing our support through the provision of essential packs. We continue to facilitate training on fire safety within our ECD centres in partnership with fire and rescue services.

Fundraising

The #ActForChange Fund enables customers to contribute towards efforts to support communities. Financial donations can be made throughout the year at any Group store till, starting from as little as R5. Funds support communities in need across South Africa through reputable NGOs such as Gift of the Givers, Meals on Wheels, Operation Hunger, and SA Red Cross. During FY 2025, the fund received over R179 977 in contributions from customer donations (FY 2024: R412 864), which was matched by the Shoprite Group.

Customers can purchase goods for donation via the Checkers Sixty60 app and the Group refunds the delivery fee. This has led to significant support for those in need. For example, in April 2025, customers donated essential supplies and food to firefighters battling wildfires on Table Mountain.

Other Sixty60 campaigns include collections for Meals on Wheels during Mandela Day, where, in July 2025, over R569 435 worth of groceries were collected and matched by the Group, supporting vulnerable people in local communities.

In FY 2025, in-store fundraising events raised R1.4 million and donations in tins in aid of Childline amounted to R580 658.

Shoprite mobile soup kitchens

Our Shoprite mobile soup kitchen programme has been a cornerstone of Shoprite’s outreach since inception in 2007, steadily expanding its capacity, reach and positive impact. Our fleet of soup kitchens plays a crucial role in providing prompt hunger relief to local communities. Our soup kitchens serve over 8.9 million nutritious meals annually to diverse communities. Each meal consists of a cup of fortified soup served with two slices of bread.

The programme’s reach is extensive, underscoring our dedication to broad geographic coverage. Nevertheless, the demand for meals in communities continues to rise, surpassing our supply. We persist in broadening our reach throughout South Africa, Lesotho, Namibia, Zambia and Angola. We aspire to further extend our services to every country where we operate.

Aligned with our philosophy that we cannot do everything ourselves and that we are more impactful through partnerships, we continue to partner with the following suppliers for our mobile soup kitchens: RCL (Sunbake), Premier FMCG (Mister Bread, Blue Ribbon, BB Bread, Star Bakeries) for bread, Mars (Royco) for soup, Alhami for noodles and Versa Distribution for cups, UD, Toyota Hino, Scania, Volvo and GRW for trucks.

Value impact (FY 2025)

This year, we launched 4 new mobile soup kitchens, bringing the total to 33 soup kitchens that now operate in 5 countries

Our mobile soup kitchens provided more than 8.9 million meals throughout the year




Bringing relief to the Dakota Informal Settlement after devastating floods in KZN

Enhancing community livelihoods continued

Supporting ECD beneficiaries

Shoprite supports ECD centres in South Africa and in Lesotho, focusing on providing nutritious meals and offering practitioner training to enhance educational environments. Our practitioner training is aligned with the National Curriculum Framework to help ECD centres meet the standards required to get children ready for preschool.

<p>Focus area</p> <p>Nutritional support</p>	<p>Description</p> <p>We support the nutrition of children up to age five by providing them with a nutritious meal every school day, in partnership with The Lunchbox Fund, an NGO dedicated to meeting children’s dietary needs. Several of the ECD centres cater to children of our employees.</p>	<p>Value created</p> <p>Supported 138 ECD centres in South Africa and Lesotho, improving nutrition outcomes for 9 349 children, (FY 2024: 124 centres, 8 490 children)</p>
<p>Focus area</p> <p>Practitioner training</p>	<p>Description</p> <p>We run various training programmes to develop the skills of ECD practitioners and build the capacity of ECD centres. Partnering with the Early Care Foundation, we offer tailored training including the C.A.R.E. programme (children’s rights, nutrition, learning, classroom activities), Money Management (financial sustainability), Child Development (developmental milestones), Fire Safety (provided by Working on Fire) and First Aid training (provided by First Aid Fire and Safety Training (Pty) Ltd).</p>	<p>Value created</p> <p>Provided skills development training to 93 ECD practitioners (FY 2024: 134 practitioners)</p>
<p>Special project</p> <p>Replacing pit latrines</p>	<p>Description</p> <p>In partnership with the Development Bank of Southern Africa, Shoprite has replaced pit latrines with flushable toilets at schools in the Eastern Cape.</p>	<p>Value created</p> <p>Flushable toilets installed at 3 ECD centres</p>



Enhancing community livelihoods continued

Cultivating community food security

Investing in community and household food gardens is integral to our strategy for sustainable food security in vulnerable communities. During FY 2025, Shoprite has invested in 36 community gardens and distributed 60 household food garden kits.

Community gardens

Community and household food gardens help to increase food security and build resilience against climate change while building skills, creating income-generating opportunities, and further increasing employment opportunities within local communities.

Many community organisations including places of safety, old age homes, centres for persons with disabilities, and soup kitchens have food gardens supported by the Group. All gardens practise sustainable, permaculture-based farming. Our implementation partner, Food and Trees for Africa (FTFA) is a leading non-profit organisation with more than 30 years of experience in supporting food security and community development in South Africa and Africa.

They conduct community food garden assessments on our behalf and our investment is dependent on assessment criteria.

Community project members receive comprehensive training in organic farming, pest control, and water management, empowering them to create and maintain sustainable gardens

Food gardens produced a harvest of an estimated 106 595 kg during the review period (FY 2024: 88 427kg) and provided 3 593 community members with training opportunities in food gardening (FY 2024: 3 058).

There are currently 11 community food gardens in Non-RSA countries, including Lesotho, Eswatini, Botswana, Namibia, Zambia and Angola.



Suikerbossie Park garden was started in May 2022 to support a group of urban farmers who use the fresh produce in their own households or to support the broader community through a food security programme facilitated by the garden project.



Founded by Nomxoliswa Makhabane, Ekuqaleni Genesis Farm is transforming lives in Botleng, Mpumalanga. The garden produces enough fresh food for over 150 community members. Managed by a dedicated team of local community members, the garden has bolstered food security and provided gardeners with a source of income and purpose.

Value impact (FY 2025)

Since the programme's inception, we have invested in **276 food gardens in South Africa and 11 in Non-RSA countries** (FY 2024: 240 and eight).

Total investment into **food gardens** since inception is R72.6 million (FY 2024: R60.9 million).

We **invested in 36 additional food gardens** this financial year in South Africa (FY 2024: 33).

Our **food garden programmes** have indirectly impacted an **estimated 92 367 beneficiaries since inception** (FY 2024: 80 280 beneficiaries), with **11 039 beneficiaries** this financial year (FY 2024: 18 149).

Household food gardens: Our Garden in a Bucket campaign aims to provide community members with the resources and training needed to start or maintain a household food garden. The gardening kits contain a variety of seedlings, fertiliser, and gardening tools, enough resources to provide a family of four with one portion of vegetables for a year.

By sponsoring 60 household food gardens, we helped 240 household beneficiaries (FY 2024: 345 food gardens and 1 380 beneficiaries).



Shoprite extended its support in Groblersdal, Limpopo, by donating 60 'garden-in-a-bucket' starter kits to community members in the area to promote greater food security.

Planting trees: Our Trees and Gardens for Home campaign aims to create a greener environment, develop community skills, and contribute to mitigating the effects of climate change. The campaign provides community members with fruit trees and indigenous trees, along with the necessary training and tools to nurture the growth of trees.

Since inception in 2019, 2 620 trees have been donated to communities where our food gardens are based, including 600 during the review period (FY 2024: 500 trees). A total of 290 beneficiaries (FY 2024: 319 beneficiaries) each received one indigenous and one fruit tree.

Enhancing community livelihoods continued

Market days: The success of our market days continue to grow each year, providing our community gardens with the opportunity to sell their fresh, organic produce directly to our customers at selected Checkers and Shoprite stores.

In October 2024 and April 2025, 110 community food gardens located in South Africa, Lesotho, Botswana and Namibia participated in the market days campaign. This provides small-scale farmers with the opportunity to generate an income, develop critical business and retail skills, and engage directly with local customers.



The Mangaung community garden enables Dikonyana Community Based Care Centre to feed 130 people daily. Any surplus produce is sold, with proceeds reinvested into the garden. Dikonyana is a regular participant in the market day. The Shoprite Group has supported the garden with fencing, shade netting and a water harvesting system.



Fostering youth employability

We are dedicated to fostering the retail aspirations of South African youth through various development programmes. Our key programmes are the RRP and the YES programme, in collaboration with government and labour. This year, we facilitated the training of 6 012 unemployed youth through these programmes, with a total investment of R1.2 billion over the past five years.

Our investments in youth development aim to attract and cultivate individuals who align with our employment equity goals and represent diverse backgrounds. We offer comprehensive study bursaries in various academic fields (see [📄](#) page 33 for details).

Retail Readiness Programme

The Group’s RRP is one of South Africa’s largest retail skills programme, training young individuals aged 18 to 34 without prior work experience. Participants undergo two weeks of classroom training, where the focus is on sales skills and customer services, followed by five weeks in-store. This is an entry level programme and youth are taken straight from matriculation. Operating in major metro areas to enhance accessibility, it offers NQF level 3 qualifications upon completion.

Retail Readiness Programme	2025	2024
Unemployed youth trained	3 349	3 112
Participants who completed the programme	81.0%	86.0%
Number of participants offered jobs within the Group	1 083	1 111
Average absorption rate	32.3%	36.0%
Investment per year	37.1m	R35.2m
Investment since inception	657.7m	R620.5m

YES programme

The YES programme offers 12 months of on-the-job training, preparing participants for careers in retail or entrepreneurship. The Shoprite Group is one of the largest participants in the country.

Participants are paid a stipend, and the YES programme strategically provides employment opportunities across Group activities, including supplier development, retail operations and Packa-Ching. Some of our Sixty60 delivery service drivers are part of the YES programme. Since its inception, the programme has placed over 14 871 employees across various business units.

YES programme	2025	2024
Unemployed youth trained	2 663	2 934
Number of participants offered jobs within the Group	5 778	4 254
Investment per year	92.4m	R94.9m
Number of unemployed youth placed at Group supplier development programmes	0	104
Number of unemployed youth placed at our retail operations	2 646	2 239
Number of unemployed youth placed at OUTsurance	0	537
Number of unemployed youth placed at Packa-Ching	17	51

Enhancing community livelihoods continued



Shoprite community network

This programme has been running for more than 19 years and is another way that the Group assists communities. Through advertising via community radio stations, the public can nominate any community development centre or community project, including local sports teams, to receive a R12 000 injection from the Shoprite Group.

Empowering entrepreneurs using retail supply chain waste

The Group partners with Taking Care of Business (TCB), which empowers entrepreneurs. Through its Repair Programme, unemployed community members are trained to repair faulty appliances. Participants earn an income from selling repaired items and offering repair services, with training including financial literacy, business management, and life skills. This approach reduces waste by diverting appliances from landfills. The Group supports TCB by donating faulty appliances at 20 of our Checkers stores nationwide. In FY 2025, we donated appliances worth over R6.9 million to the cause.

We donate imperfect garments from our Uniq clothing by Checkers stores to Taking Care of Business, engaging skilled unemployed individuals to mend and resell them in their local communities.

Shoprite Foundation interventions

During the reporting period, the Shoprite Foundation has undertaken various projects to support community development, education and empowerment:

- Robotics labs:** The Foundation invested over R4.5 million in FY 2025 to equip two fully functional robotics labs at Cingani High School and Soqhayisa Senior Secondary School in Motherwell, Eastern Cape. Focused on Grades 8 and 9 learners, the labs (supported by Sifiso Edtech) will provide foundational knowledge and skills in robotics, coding, mechanical design and digital literacy competencies. This will equip learners with the skills to navigate an increasingly automated and tech-driven job market. Twenty-five teachers from the two schools have received extensive training in robotics and coding.
- Mandela Day – bringing virtual reality experience to schools:** As part of the Shoprite Foundation's Mandela Day celebrations, 1 200 learners from Mveledzandivho Primary School in Soweto, Gauteng were treated to their first-ever virtual reality experience. There is much work to be done to enable all learners to engage with technology in schools, which is why the Group focuses on bridging educational gaps at under-resourced schools by supporting activities that prepare young people for future-fit careers, including AI and the integration of digital into our everyday lives. As part of a month-long campaign, we donated school jerseys and essential items to a further 2 558 learners in 9 other primary schools across South Africa.
- Collaboration with the Trevor Noah Foundation:** Collaboration with the Trevor Noah Foundation: Provided winter school uniforms to learners at five under-resourced Soweto schools, helping them to stay warm and focused during the winter months.
- Technical skills development:** The Foundation has renovated consumer studies labs in order to provide learners with the necessary equipment needed to develop cooking skills, which can be utilised for entrepreneurial activities. To help reduce the shortage of technical artisans, like plumbers and electricians, and high youth unemployment, the Foundation sponsors schools specialising in technical skills. This includes supporting the Oosrand Secondary School with agricultural tunnels where learners are able to apply practical farming skills to their agricultural studies knowledge. Learners are then able to apply these practical farming skills outside the school environment for subsistence farming.



Robotics labs equip a next generation with future-fit education.

Supporting sustainable transformation

The Shoprite Group actively contributes to sustainable transformation in South Africa – the process of advancing economic growth, social equity, and environmental protection in a manner cognisant of historical inequalities to promote inclusive development for all.



Our commitment and demonstrated results in these areas are central to our continued success and value proposition. Our policies and strategies demonstrate a firm commitment to aligning with the principles of the B-BBEE framework, engaging in efforts that tackle some of South Africa's pressing social issues. Governance of our B-BBEE strategy is overseen by the Group's B-BBEE Committee and the SEC.

We are committed to driving economic transformation both internally and externally, through our core business activities and socio-economic development spending. Our internal strategy drives growth from within by promoting a sense of ownership among employees, developing their skills, and retaining talent. Outside our organisation, we support the advancement of SMMEs, train unemployed youth, and partner with communities to develop practical, lasting solutions for their challenges. These efforts contribute to the ongoing development of the retail sector.

Our key focus areas in driving sustainable transformation

- Employee ownership:** The Shoprite Employee Trust (SET), holding 40 million Shoprite Checkers shares worth R8.9 billion, has to date distributed over R701.5 million to South African employees. The SET rewards qualifying South African employees with annual distributions based on dividends from Shoprite Holdings. In FY 2025, 98.4% (FY 2024: 98.3%) of the South African beneficiaries within the Trust were black and 69.0% (FY 2024: 69.0%) black women, reinforcing our commitment to transformation. Employees outside South Africa receive a cash equivalent bonus. In FY 2025, we launched a new SET bursary programme, which benefits the children of SET beneficiaries who are Shoprite Group employees (refer to [page 53](#)).
- Employment equity and inclusive growth:** Our Employment Equity Policy directs our hiring and promoting strategies to support equitable growth. We prioritise internal promotions and integrate employment equity into our appointment processes, including disability programmes. Additionally, we offer targeted learning and development opportunities to all employees, supporting sustainable employment and community development where our employees live and work (refer to [page 31](#)).
- Skills development for unemployed youth:** Our training programmes, focused on youth with 59.0% of participants under 35, aim to enhance employability in the retail sector by providing practical skills. Activities such as the Group's Retail Readiness Programme (RRP), YES and accredited training are significant in reducing youth unemployment. Additionally, our bursary programmes develop specialised skills essential for an effective pipeline (refer to [page 33](#)).
- Supplier development and market access opportunities:** Our supplier development and preferential procurement policies, which focus on black-owned and black women-owned SMMEs, provide crucial retail market access and drive transformation beyond our operations. Additionally, through Shoprite Next Capital, we support entrepreneurs with marketing, working capital, packaging, labelling, data sharing, and expansion opportunities to foster the growth of SMME suppliers (refer to [page 41](#)).
- Socio-economic development in our communities:** Our CSI programmes focus on enhancing community resilience through various programmes with a focus on contributing to hunger relief and promoting food security. Key activities include donating surplus food, developing food gardens, deploying mobile soup kitchens, and supporting ECD centres to positively impact the communities we serve (refer to [page 48](#)). In addition, the Shoprite Foundation undertakes a variety of projects aimed to support community development, education, and empowerment (refer to [page 51](#)).

Supporting sustainable transformation continued

Our Shoprite Holdings and Shoprite Checkers B-BBEE scorecards reflect our progress in promoting transformation.

B-BBEE scorecards: Shoprite Holdings and Shoprite Checkers Limited

Element	Weighting	Shoprite Holdings		Shoprite Checkers	
		2025	2024	2025	2024
Ownership	25	13.43	11.97	22.52	21.81
Management control	19	10.72	9.97	11.42	9.63
Skills development	20	11.26	14.89	11.26	14.89
Enterprise and supplier development	46	28.07	27.71	27.98	27.71
Socio-economic development	5	5.00	5.00	5.00	5.00
Total (including bonus)	120	68.48	69.54	78.18	79.04
Participation in YES programme	One additional level	Yes	Yes	Yes	Yes
Final B-BBEE status		Level 6	Level 6	Level 4	Level 4



Shoprite Employee Trust delivers over R805 million to employees and launches bursary benefits

The Shoprite Employee Trust, holding 40 million Shoprite Checkers shares worth R8.9 billion, has to date distributed over R701.5 million to South African employees and provided equivalent benefits to employees outside South Africa. After seven distributions, the Trust has reached over 138 573 employees throughout South Africa and Africa, recognising their essential role in the company’s success and investing in a committed, long-term workforce. In March 2025 we launched a new SET bursary programme providing significant opportunities for the children of Shoprite Group employees to pursue further studies at a tertiary institution. This unique bursary programme supports the family of our SET beneficiaries, in line with our SET tagline ‘investing in you’. To date we have offered a total of R1.8 million to qualifying individuals.



I’m so grateful my beneficiary got the Shoprite Employee Trust bursary. She’s studying Nursing and Midwifery at Western Cape College of Nursing and the support really helped. I couldn’t afford it alone. Thank you Shoprite.

Thandokazi Ntontela - Sixty60 Customer Representative

Anathi Mehlomakhulu - Bursary Recipient

05

OUR ENVIRONMENTAL IMPACT

We are committed to decreasing our environmental footprint by promoting responsible resource use and enhancing efficiency. Informed by insights from local and global trends and best-practice guidelines, our strategies include embracing renewable energy, water conservation, waste management, sustainable packaging, and encouraging sustainable practices across our supply chains while safeguarding biodiversity. We invest further in strengthening water security and climate resilience within local communities. Our reporting has been informed by the GRI, IFRS sustainability standards (IFRS S1 and IFRS S2) and the CDP.

Reducing environmental impacts	55
Climate change and energy	56
Water security and wastewater	60
Waste and recycling	62
Sustainable packaging	64
Biodiversity and responsible sourcing	66



RECYCLABLE PACKAGING ACROSS PADKOS RANGE

Over the past two years, the Shoprite Group transitioned its private label Padkos range and soup pouches to recyclable mono-polymer packaging — diverting 83 tonnes of plastic from landfill each year. Achieving recyclability without compromising food safety or quality required extensive testing over four years. The shift forms part of the Group’s 2025 target for all private label packaging to be reusable, recyclable or compostable. All packaging includes clear on pack recycling labels (OPRLs) to support easy waste separation for customers at home.

Reducing environmental impacts

Our environmental sustainability strategy reflects our commitment to managing our most material impacts, risks and opportunities.

These material issues define our key focus areas: climate change and energy; water security and wastewater; waste; biodiversity and responsible sourcing; and sustainable packaging.

We demonstrate this commitment by setting clear targets, tracking progress consistently, and reporting transparently in line with established industry benchmarks. Our proactive work on climate change and water management has received external recognition.

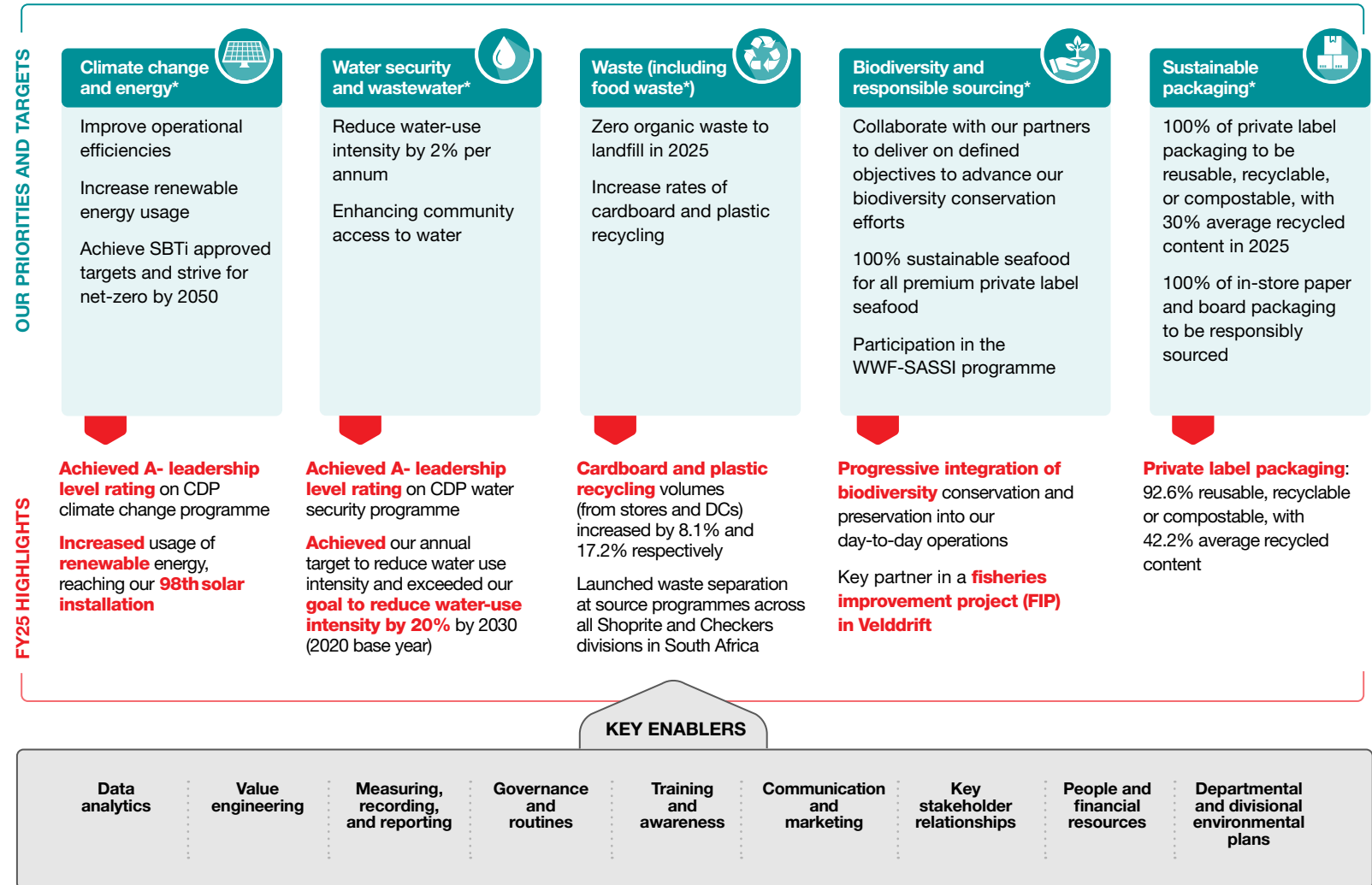
Supporting these focus areas, our strategy leverages key enablers to deliver on goals and targets. These include data analytics tools, governance processes, stakeholder engagement, employee training, and communication and reporting platforms. Strong stakeholder relationships and strategic partnerships shape our approach and help drive positive impact at scale.

Linking environmental performance to executive remuneration (see page 84 of IR)

The Group assigns a 20% sustainability weighting to STI incentives, comprising:

- Renewable energy consumption (10%)
- Waste recycling (plastics and cardboard) (5%)
- Sustainable packaging (reusable, recycled, and compostable materials) (5%)

Our environmental focus areas



* Position statements exist for all material environmental areas, available on our website: <https://www.shopriteholdings.co.za/governance/our-position-statements.html>

Climate change and energy

The Group recognises the impacts of climate change on its direct operations and supply chain, and has adopted the UNFCCC goal of limiting global warming to 1.5°C to guide its response to this challenge.



Value impact
(FY 2025)

Renewable energy consumption has reached **7.2%** of total electricity consumed (FY 2024: 6.5%), which is **28.9% of our 2030 target**

98 rooftop solar systems across **92 sites**, with **86 in South Africa** and **6 in Namibia**; installed capacity of **41 999 kWp**

Scope 1 and 2 emissions intensity, measured as tonnes of CO₂e per square metre, **decreased by 11.5%** compared to the previous year

The Group has **442 RSA growers** and **647 non-RSA growers** in its **Freshmark division**, creating supply chain resilience

Climate change is one of the biggest challenges facing the world. The Group recognises its effects will directly and indirectly impact our business and the communities in which we operate. Supporting the UNFCCC goal of limiting global temperature rise to below 1.5°C above pre-industrial levels, our climate strategy focuses on reducing our GHG emissions and continuously improving energy efficiency within our operations, and in our supply chain through supplier engagement, as well as strengthening the resilience and adaptive capacity of our operations and neighbouring communities.

This year represents our 15th consecutive submission to the CDP, with our climate change disclosure score remaining at the leadership level of an A- category ranking (FY 2024: A-). This marks the Group's third inclusion on the climate change A-list for our environmental leadership and best practice in strategy and action, maintaining our leadership position as South Africa's premier retailer for corporate disclosure, transparency and performance on climate change. For more information, visit our website to access our CDP climate change response report.

Our Scope 1 and 2 emissions, as well as our use of renewable electricity, undergo third-party verification, with details available in our CDP climate change response.

The South African Climate Change Act 22 of 2024 came into effect in FY 2025 to enable a long-term, just transition to a low-carbon and climate-resilient economy and society. Climate targets on a sector basis will be established, but there is no direct impact on us as a business, as the intention of the Act is already covered by our approach to climate change and energy.

Climate-related physical risks: An increase in the severity and frequency of extreme weather events, such as droughts, floods, and storms, can impact the Group's operations, supply chains, and physical assets. Likely increases in the cost of procuring fresh produce, and potential damage to stores and DCs from extreme weather, pose financial risks. In FY 2025, excessive rainfall, especially inland in the heart of South Africa's production area, created some fresh produce scarcity (see [□](#) page 58 for details), but the business managed to adapt.

Climate-related transition risks: The Group is contributing to climate change mitigation by using more renewable energy and enhancing energy efficiency. The carbon tax was implemented in South Africa in 2019 and applied to Scope 1 (stationary and mobile combustion) emitters only during the first phase (1 June 2019 to 31 December 2022).

Currently, a carbon tax rate of R0.11 per litre of petrol and R0.14 per litre of diesel is already included in the Group's costs as part of the national fuel levy. As the R159 to R190 per metric ton CO₂e is only applicable to Scope 2 emissions, Shoprite uses this price as part of its feasibility studies when looking at various energy-saving activities such as replacing fluorescent lighting with LEDs, installation of rooftop solar PV systems at stores, renewable electricity wheeling, and refrigeration efficiencies, for its South African operations.

Responding to the climate challenge, we have committed to the following:

- **Emissions reduction:** We are enhancing energy efficiency across our stores, DCs and transportation network, and increasing the use of renewable energy sources to lower GHG emissions.
- **Science-based targets:** We have set medium- and long-term science-based targets for reducing GHG emissions and for increasing our use of renewable energy. We are aiming to be net zero by 2050.
- **Climate resilience:** Building climate resilience is crucial for protecting our operations from severe climate events. We assess climate-related risks and opportunities, implementing strategies to mitigate these risks while taking advantage of opportunities identified, spanning from procurement to waste management.
- **Adaptive capacity:** We are strengthening adaptive capacity within our operations and supply chain to promote responsible business continuity.
- **Stakeholder engagement and collaboration:** We are working with regulators, suppliers, NGOs, and other organisations, and communicating with employees, customers, suppliers and investors to foster shared knowledge and collective action on climate issues.
- **Responsible disclosures:** We report transparently on our climate strategy, targets, performance, and our plans for risk mitigation and adaptation.

Climate change and energy continued

Shoprite Group emission reduction targets and interventions

SBTi-approved company-wide targets	Interventions	Challenges
Absolute emissions reduction Reduce absolute Scope 1 and Scope 2 GHG emissions by 42% by 2030 (2020 base year)	A combination of energy-saving measures (including LED lighting replacements), PV installations, renewable electricity procurement, and improvements in refrigeration systems and supply chain logistics.	High initial costs of implementing renewable energy solutions and upgrading existing infrastructure. Sourcing of additional renewable electricity to meet our targets (such as via wheeling). Complexity of supply chain logistics and the need for continuous technological innovation.
Use of sold products' emissions Reduce absolute Scope 3 GHG emissions from use of sold products by 25% by 2030 (2020 base year)	Various efforts are underway to provide customers with lower electricity consumption appliances. Other opportunities relate to recycling, reusing, diverting waste from landfills, and helping customers reduce their emissions.	Varying awareness levels among customers and higher upfront costs. National grid decarbonisation in South Africa. Effective recycling and waste diversion programmes require substantial logistical coordination and active consumer participation.

The above will support us in ultimately achieving **net-zero emissions by 2050**

Group GHG emissions*	2025 tCO ₂ e	2024 tCO ₂ e	% of total emissions
Scope 1	637 711	748 589	3.9
Scope 2	1 643 846	1 617 885	10.0
Scope 3	14 236 968	14 416 349	86.2
Total GHG emissions	16 518 525	16 782 823	100

* Our GHG inventory has been developed in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. For details on emissions factors used, see our CDP response for FY 2025, available on our website: <https://www.shopriteholdings.co.za/sustainability.html>



Climate change and energy continued

Reducing value chain impacts

Scope 3 emissions from value chain activities make up 86.2% of our total greenhouse gas emissions. The majority (66.6%) of our Scope 3 emissions come from the use of products we sell, primarily appliances such as kettles, hot plates and fridges used by our customers. We are committed to reducing these emissions by 25% by 2030 from a 2020 baseline. Changing the lightbulbs category from incandescent lightbulbs to only selling LED, initially in response to customer preference, but now regulated, has helped us reach our target.

To reduce emissions, we offer customers a selection of appliances that use less electricity than standard models. The Group is capitalising on increasing market demand for sustainable products, potentially increasing revenues. We are further pursuing opportunities upstream and downstream to promote more recycling and reuse, keeping waste out of landfills.

We engage with our suppliers through the annual Shoprite Supplier Sustainability Survey to gain a better understanding of their sustainability-related efforts, including climate change mitigation and adaptation.

By leveraging data analytics, we continue to reduce emissions in our logistics performance.

Adapting to extreme weather impacts on our fresh produce supply chain

Climate change and associated extreme weather pose a significant risk to Freshmark’s fresh produce procurement. Freshmark works to mitigate this by implementing advance seasonal planting programmes and contracts with growers, providing market indications and weekly demand forecasts based on historical data and trends to secure product availability across seasons and spread risk. Despite these efforts, the process has become increasingly complex.

Examples in FY 2025 include a late cold spring that delayed the Western Cape summer fruit season, causing missed sales. Conversely, hail was very low in central areas. From early January to March 2025, excessive continuous rain across several inland South African regions prevented short-term harvesting, disrupted longer-term planting cycles leading to potential future supply constraints, and increased pest and disease pressures. In contrast, the Western Cape had a perfect summer with no rain until late March, resulting in great sales for summer fruits, particularly watermelons.

To mitigate these significant risks and challenges, Freshmark employs several strategies:

- Spreading risk is paramount, involving the use of growers in different growing areas, regions and microclimates. To further spread risk, there is never an item in a store where only one grower is used.
- The Group has three times more growers than other retailers in South Africa, partly due to having DCs in provinces such as the Free State and Limpopo. This allows for sourcing within a province to supply stores in the province, enhancing supply chain resilience. In FY 2025, the Group had 442 growers in South Africa and 647 non-RSA growers.

- Procurement outside a specific region is pursued when necessary due to climate conditions. Supplier performance during growing cycles, influenced by factors such as rain, hail, and cold/heat, determines their risk profile for the next year. If a supplier poses a risk due to continuous weather impacts, some of their volumes can be mitigated and shifted to other growers in different areas.
- We plan to use weather radar data and the WRI Aqueduct Water Risk Atlas to identify high-risk areas for our suppliers to better manage supply risks such as floods, hail and drought.

This approach of diversified supply sourcing from different parts of the country helps mitigate supply constraints caused by extreme weather and changing seasons. Despite the challenges posed by extreme weather events and short-term supply constraints this year, our risk mitigation strategies enabled the Group to secure sufficient product supply. This, in turn, helped to drive volume growth, even when products became scarce and less available.



Performance summary (FY 2025)

The Group’s overall Scope 1 and 2 emissions decreased by 11.5% from the previous year

Due to the lack of load-shedding in South Africa this year, our Scope 1 emissions reduced

Renewable energy consumption increased, with an additional 25 675 MWh of renewable electricity consumed

Solar PV systems on trailers resulted in savings of 6 000 tCO₂e

Energy resilience

The Group’s electricity mix consists of 92.8% non-renewable and 7.2% renewable sources of electricity. Energy consumption encompasses electricity usage in stores, DCs, offices and transportation (both mobile and stationary combustion).

Energy resilience is critical for our operations. The situation with load-shedding improved in South Africa this year, requiring less use of diesel generators to combat the interruptions, leading to a reduction in our Scope 1 emissions.

All our large-format stores now have generators, which minimises disruption. For our smaller stores, we are exploring back-up battery solutions.

Our energy resilience plan aims to decrease grid dependence by enhancing energy efficiency and increasing renewable energy installations at our operations (see renewable energy section below). The increase of renewable electricity available via the national grid is central to the achievement of our climate transition plan.

Energy-efficiency measures

We pursue environmentally friendly technologies for more efficient resource use, aiming to cut GHG emissions. We begin with proof of concept and testing, advancing to pilot projects, and finally, a company-wide rollout upon successful outcomes.

We employ extensive smart metering to measure energy consumption across our operations. This year, we rolled out an upgraded online, real-time visibility system to enhance the accuracy and timeliness of monitoring electricity usage to help pinpoint opportunities to reduce our impacts.

- **Energy-efficient lighting:** By replacing conventional fluorescent lamps with energy-efficient LEDs in all our South African stores and DCs, we have cut the energy demands for lighting, which previously accounted for about 20% of our annual electricity consumption, by 108 106 MWh. We continued to roll out LEDs across the business, and aside from Angola, we have retrofitted lighting in stores across all of our non-RSA countries. All new stores use LEDs.

Climate change and energy continued

- Sustainable backup power:** We are exploring sustainable alternatives to diesel generators for backup power, with inverter and battery solutions. In FY 2025, we trialled a large-scale battery energy storage system large enough to power a supermarket, and a generator monitoring system that promotes energy efficiency.
- Refrigeration impacts:** As mean temperatures increase due to climate change, the Group’s air-conditioning and refrigeration systems face increased demand. This highlights the imperative for adopting more sustainable alternatives to manage the growing load effectively, as well as respond to regulatory changes.
 - We aim to reduce refrigeration-related impacts at the store level, which account for 40 - 50% of annual energy consumption. Transitioning to energy-efficient refrigeration technologies can have a large effect on total store electricity consumption.
 - We are exploring various interventions, starting with simpler measures such as retrofitting open refrigerated and freezer cabinets with doors, upgrading DC fans to electronically commutated fans, installing capacity control on refrigeration systems and optimising refrigerated cabinet set points.
 - All our DCs and most of our plug-in refrigeration cabinets use natural refrigerants.
 - Many interventions proposed for retrofitting various systems require significant investment and will be implemented in line with our store refurbishment cycle over the next two to four years.
- Equipment and fixtures improvements:** We are making incremental improvements in fixtures and equipment, such as introducing induction stoves for energy savings.

Renewable energy use

We obtained 7.2% of our electricity from renewable sources, surpassing our annual target, and we are on track to meet our 2030 absolute Scope 1 and Scope 2 GHG emissions reduction target. We consumed 151 243 MWh of renewable energy (FY 2024: 125 567 MWh), which reduced our emissions by 137 026 tCO₂e (FY 2024: 123 684 tCO₂e). We reached our 98th solar installation this year.

We have been involved in wheeling efforts in Nelson Mandela Bay since 2016, enabling us to buy electricity produced by renewable energy from an independent power producer (IPP), using the national grid to transmit the electricity from its source to our operational sites. Our Brackenfell Home Office was one of the first businesses to wheel renewable electricity through Cape Town’s energy grid.

Significant advances are possible with this approach, but they hinge on increased cooperation among different groups, including Eskom, municipalities, and landlords, to enable a national wheeling framework.

We recognise that the most significant impact on our emissions reduction would come from the decarbonisation of the national power grid.



Our **renewable energy** is harnessed through **solar PV systems**
We have **98 rooftop solar systems across 92 sites, with 86 in South Africa and 6 in Namibia**
On **average, 13% of the electricity used** in our **DCs** is from **renewable energy**
We plan to **fit additional solar panels on suitable rooftops** and carports wherever feasible
To date we have **installed 1 397 solar PV panels on our trailer roofs**, saving 6 000 tCO₂e.

Reducing transportation fleet impacts

Our strategy to enhance fleet energy efficiency includes optimising routes and networks, sourcing locally, expanding our network of DCs, improving truck efficiency, and training drivers in safe and fuel-efficient driving.

We opened up two new major DCs in FY 2025, bringing centralised DCs to our stores in the Eastern Cape and Gauteng areas.

We have focused on equipping trailers with solar PV panels and as trailers are introduced, they are fitted. This allows our trucks to preserve power while stationary, using solar energy to run a nitrogen unit, which in turn provides cooling to the trailer, tailgate lifts, and the lock and camera systems on refrigerated trucks, which saves 3.2 litres of diesel per trailer each day. To date, we have fitted solar PV systems on 1 397 trailers, resulting in a reduction of approximately 6 000 tCO₂e.

We have 885 fuel-efficient trucks and have upgraded more than half of our fleet with 430 Euro 5-compliant trucks that are designed to emit fewer GHGs and increase fuel efficiency. Our fuel efficiency has improved by 3.4% due to driver training and fleet improvements. With the increase in our Euro 5-compliant fleet makeup, we have reduced nitrogen oxide (NOx) emissions by 60% and particulate generation by 80%.

We continue to trial an electric delivery vehicle that can be recharged using our solar installation as well as an electrically operated trailer, powered by kinetic energy of its axle. Benefits include significant fuel savings, day and night deliveries due to the quietness of the trailer, and time savings, as recharging the battery through the e-axle increases the range and prevents unscheduled stops.

Through reverse logistics, we have further cut our supply chain’s environmental impact, saving 2 598 tCO₂e this year, an increase from 2 218 tCO₂e in FY 2024. Reverse logistics involves taking products from their endpoint back into the supply chain, either to get more value from them or to dispose of them responsibly. This contributes to a more circular and efficient process. In FY 2025, our fleet covered 157.2 million kilometres, with 2.5 million kilometres dedicated to reverse logistics, achieving a 25.4% growth in backhauling trips.

Diesel consumption for our trucks and trailers increased to 46.0 million litres (FY 2024: 41.4 million litres) due to the addition of more trucks and stores in operation. Although this increase is noted, overall consumption is lower than it would have been without various interventions, such as optimising fuel efficiency. The exact extent of this reduction is not known.

We use nitrogen as a natural refrigerant and in FY 2025, 278 trailers were fitted with nitrogen cooling systems.



Water security and wastewater

We are committed to reducing our water consumption and collaborating with key stakeholders to safeguard this precious resource and build resilience to water security challenges.



Value impact (FY 2025)

Continued our efforts to **reduce water-use intensity** in our stores and DCs

Frequently tested **water quality** in our **fresh produce** supply chain in **high-risk areas**

More than **79.1%** of our **large-format** stores now have **backup water tanks** installed

Supported **community water resilience** with **53 PlayPumps** in communities across South Africa, **benefiting over 17 734 people**

Our **R1 per litre water offering** is now **available** in most of our **Shoprite and Checkers stores**

Operating across countries with acute water security issues, we recognise the intensifying impact of climate change. The Group upholds the human right to clean water, essential for both economic and ecosystem vitality. Our operations depend on a reliable water supply, primarily for food preparation, hygiene and sanitation. Our supply chain partners, such as farms and manufacturers, depend critically on water availability and accessibility.

The Group continues to lead on corporate disclosure, transparency and performance on water security. We achieved 'A-' Leadership Level Rating by CDP for our environmental leadership and best practice in strategy and action. This marks the Group's fifth inclusion on the water security A-list since 2020. For more information, visit our website to access our CDP water security response report.

Our water-related risks

The Group undertakes a water-related risk assessment within its Enterprise Risk Management Framework, using the WRI Aqueduct Water Risk Atlas for detailed analysis across all facilities. This tool assesses risks considering water availability and quality, ecosystem effects, and regulatory factors at a catchment level. It helps the Group understand the implications for commodities and materials, ensuring a responsive approach to water management. Our water withdrawal from water-stressed areas is 73.2% compared to 72.0% the previous year.

Principal water-related risks include an increase in the severity and frequency of extreme weather events and natural catastrophes, impacting on the business and suppliers, and suppliers' ability to supply products affected by water availability and quality.

To reduce the risk of product supply disruption, we are diversifying our fresh produce and product supply from other regions in the country to promote continuous supply of goods (see [page 58](#) for details). We collect information on water-related risks from our suppliers annually to understand supply chain vulnerabilities. This year, we focused particularly on water quality with our growers.

In FY 2025, water accessibility from municipal supply became a higher risk, increasing costs and impacting trade. We have reduced this risk through the installation of water back-up systems.



Ensuring water quality in our fresh produce supply chain

The 2023 Blue Drop Report issued by the South African Department of Water and Sanitation (DWS) provides an assessment of drinking water quality across the country. The report indicates an overall decline in water quality excellence between 2014 and 2023, and an overall increase in the number of water supply systems in a critical state of performance. These findings are important for our Freshmark business. Most of our fresh produce growers irrigate from rivers, dams and boreholes. In areas in close proximity to informal settlements, there is a risk that boreholes may be contaminated and water quality compromised. As part of our due diligence, we require that growers in high-risk areas conduct more frequent testing of the quality of their water.

These water supply system risks emphasise the importance of making quality water available at an affordable price to customers, especially in high-risk areas. See [page 13](#) for details on our R1 per litre water option.

Water security and wastewater continued

Water resilience and optimisation

At our stores, DCs, and offices we depend primarily on municipal water sources that typically draw from surface waters such as rivers, lakes, and dams.

To strengthen operational resilience, we have installed 2 205 back-up water tanks and 2 276 water pumps across 72.3% of our facilities to safeguard against water outages and maintain continuity during disruptions. We have boreholes at 204 sites to source groundwater, accounting for 3.8% of our total water consumption (1.3% in FY 2024), and plan to install additional boreholes at other sites where they are needed. More than 72% of our large-format stores now have backup water tanks installed.

In cases of severe water shortage, we arrange water tankers to transport water to our facilities. In FY 2025, we did this in Gauteng after identifying a risk through our meter system. In our Canelands DC in Durban, we are now completely self-sustaining, having achieved full off-grid water supply, which reduces pressure on the municipal load.

To monitor water usage efficiently, we use a centralised system connecting smart water meters. During the review period, we added 243 smart water loggers to our operations, bringing the total to 796. In terms of our stores, 40.7% now have smart meters in place. This gives us visibility on where we have the largest consumption. These devices are crucial for precise monitoring of water consumption and discharges at a site level. The meters enable quick leak detection, facilitating rapid repairs that significantly enhance water conservation.

We have made significant progress in reducing our water-use intensity in recent years. In FY 2024, we achieved our goal to reduce water-use intensity by 20% by 2030, using 2020 as a base year, and we continued our efforts in FY 2025.

In South Africa, all our wastewater is processed by municipal treatment facilities. Before discharge, wastewater from our stores and DCs is pre-treated on-site.

Our employees receive training in wastewater management and the maintenance or pre-treatment equipment.

Water	2025	2024
Total consumption (kℓ)	4 346 480	4 277 637
Total: Water-use intensity (kℓ/m²)	0.715	0.767

Community water resilience

As a water-scarce country, South Africa faces ongoing water shortages driven by shifting weather patterns, infrastructure challenges, and persistent droughts.

Enhancing community access to water not only builds resilience but contributes to economic stability. To further this objective, we install and upkeep water ‘PlayPumps’ in the communities in which we operate. PlayPumps, akin to ‘merry-go-rounds,’ harness the energy generated by children playing on them to pump water from boreholes into reservoirs. This provides a reliable source of clean water and a playful activity for children. We have increased the availability of clean drinking water in rural communities by expanding our support of ‘PlayPumps’ to 53 sites across South Africa, benefiting over 17 734 people.

Water infrastructure and water conservation training is provided through our community food garden programmes (see [📄](#) page 49 for details), and we assess their water infrastructure needs and provide further assistance as needed, including repairing water systems, supplying water tanks, implementing rain harvesting, or installing boreholes.



A percentage of proceeds from the sale of 500ml and 1.5L Eastern Highlands bottled water sold in all Shoprite and Checkers supermarkets nationally is donated to the Act for Change Water Fund, an activity of the Group that was set up to assist water relief efforts in communities where it is needed most. In FY 2025, we used the funds to sink a borehole in a school in KwaZulu-Natal.

Further supporting water security, we sell reverse osmosis-treated municipal water at R1 per litre in the majority of our Shoprite and Checkers stores. The water is regularly tested on-site, as well as subjected to independent laboratory analysis, to assess and confirm its safety for consumption. Customers can refill their own water containers, offering an affordable option, particularly in areas with unreliable water supply.

Most stores have installed large back-up water tanks that typically provide water for 2 days to maintain continuous trade and service to customers in the event of a water supply disruption. When necessary, water is purchased in bulk to replenish supplies and maintain continuity.

We are aware that our customers and communities face tremendous difficulties during water supply outages, so we have equipped our stores to make water available at the lowest prices. This becomes increasingly important in areas where water quality is an additional challenge.

Waste and recycling

The Group strives to reduce and manage its waste streams to minimise effects on human health and the environment, and to promote the concept of the circular economy to eliminate or repurpose ‘waste’ into new resources.



Launched waste separation at source systems across all Shoprite and Checkers divisions in South Africa, **furthering our efforts** to achieve **zero organic waste** to landfill in 2025, and continued to progress to **halve food waste by 2030**, using FY 2020 as a base year

Value impact
(FY 2025)

Plastic recycling increased by 17.2% year-on-year, surpassing a **target of 4%**, and **cardboard recycling increased by 8.1%** against a target of 4%

Converted 1 911 tonnes of food into feed for approximately 10 000 cattle daily

Supported 18 entrepreneurs who collected **8.9 million kilograms of recyclable materials** and, to date, **gave back R32.5 million to the communities they operate in**

We have implemented best practice strategies to minimise waste by focusing on reduction, reuse and repurposing strategies, successfully diverting more than 93 278 tonnes of waste from landfills this year, an improvement from the 80 709 tonnes last year. Our objectives include rescuing edible food, preventing non-edible organic waste going to landfill, enhancing the sustainability of our packaging (see page 64 for details), and increasing plastic and cardboard recycling rates.

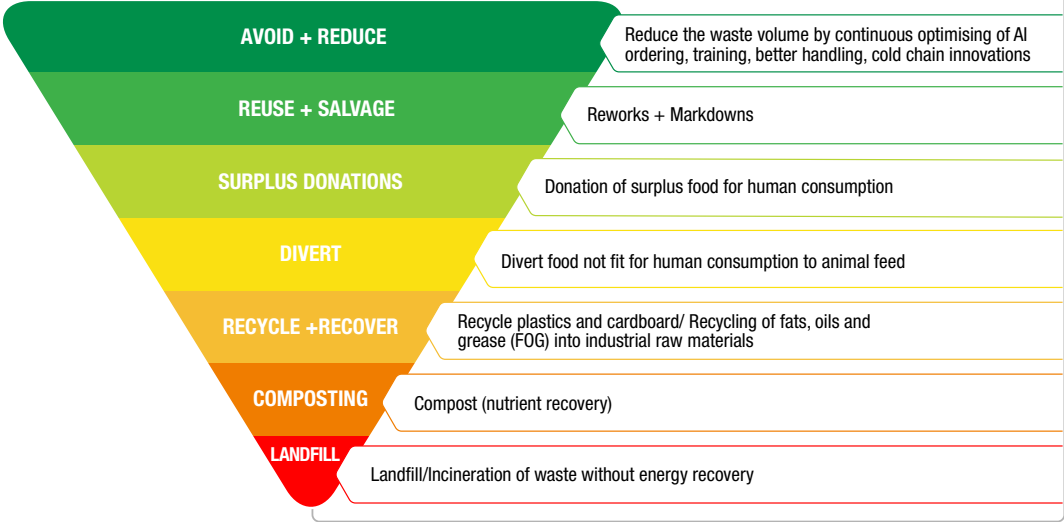
Our most advanced waste management practices are implemented at our DCs, where most of the waste is diverted from landfills, and we have achieved almost zero organic waste sent to landfill. All cardboard and plastic packaging from the stores are returned to the DCs, where they are sorted and processed using on-site baling systems. All our new DC developments are pre-planned with recycling equipment.

With strong leadership commitment, we have made good progress in deploying dedicated bins and specific processes for waste separation at the source, complemented by focused

training programmes. By enhancing the separation of organic and non-organic waste in our stores and divisional offices, this reduces the risk of contamination of our recyclables and allows us to divert more waste from landfill. By year-end, we successfully established separation at source systems at all our stores, helping us to achieve our goal of zero organic waste to landfill by 2025. We are now focusing on augmenting and strengthening our waste-related data to identify further opportunities to refine and enhance our processes.

We successfully diverted 84.8 tonnes of electronic waste and 19 339 tonnes of organic waste from landfills this year, surpassing last year's 70 tonnes for e-waste and 12 765 tonnes for organic waste. Hazardous waste is disposed of properly and responsibly. Enhanced operational efficiency measures have led to increased recycling of secondary packaging materials like cardboard and plastic from our stores and DCs. Plastic recycling increased by 17.2%, surpassing a target of 4%, and cardboard recycling increased by 8.1% against a target of 4%. Moreover, with IT advancements and store backing, we have increased surplus goods donations by 10.1%.

Shoprite waste reducing activities



Waste and recycling continued



Dealing with problematic waste streams

While cardboard and plastics make up the majority of our waste, certain products come in forms that cannot be recycled. These include yoghurt lidding films, polony casings, and margarine wrap. We are proactively tackling the issue of non-recyclable items, concentrating our research and development (R&D) efforts on viable alternatives (see [page 64](#) for details on our approach to sustainable packaging). We keep in touch with our suppliers on an ongoing basis to identify packaging improvements and proactively make suggestions. If no alternatives can be found, we find ways to repurpose the waste.

Reducing food waste

The Group recognises the extensive impact of food waste, beyond the immediate social concerns of hunger-stricken areas. It encompasses loss of vital resources like water, energy, land, and labour, and adds to greenhouse gas emissions due to the disposal of food waste in landfills.

Combating food waste in South Africa requires a broad approach, involving efforts from farms and manufacturers to retailers and households, as well as the redistribution of food to those in need. We are committed to this cause as a core signatory of the CGCSA's food loss and waste voluntary agreement.

Operationally, we adhere to a hierarchy in managing food waste, prioritising prevention by refining our forecasting and stock replenishment processes. Using technology and data analytics, we identify and tackle areas within our operations that are prone to food waste. We successfully expanded the use of our Luminate replenishment system by launching it in our Freshmark division in FY 2025, optimising the replenishment of fruit and vegetables to supermarkets and reducing product wastage through AI and analytics.

This system further supports procurement by providing buyers with demand forecasts, helping growers reduce food waste. Additionally, we recover a significant percentage of surplus goods in Shoprite and Checkers through reworked products.

Surplus food fit for human consumption is provided to registered organisations, (details on [page 64](#)) while food that is not fit for human consumption is repurposed for animal feed and composting, diverting waste from landfills. This includes dried goods such as rice, pasta, maize products, cereal products, flour, chips, snacks and seeds, which are used to supplement the Group's animal feed formula, maintaining high-quality feed for our feedlots.

We converted 1 911 tonnes of food waste into animal feed this year, providing fodder for approximately 10 000 cattle daily.

Community recycling programme

Many communities face challenges with responsible waste disposal due to inadequate waste management services. The Packa-Ching recycling programme, facilitated by Polyco, improves access to recycling facilities and encourages proper waste disposal, directly benefiting numerous communities. Packa-Ching nurtures entrepreneurship, rewarding individuals who gather recyclables with immediate cashless payments for various materials like plastics, glass, cans, and paper.

Packa-Ching's approach promotes community empowerment with locally owned and operated mobile units. Since inception in 2017, it has expanded to 23 units serving 679 communities and 102 schools, particularly where recycling services are scarce. Packa-Ching has created more than 104 new jobs via the Group's participation in this programme through YES learnerships. Through our support, Packa-Ching compensates and educates its workforce, equipping them for future opportunities in waste management. In FY 2025, we supported 18 entrepreneurs who contributed to the collection of 8.9 million kilograms of recycled materials.

To date, the programme has redistributed over R32.5 million to waste entrepreneurs and rerouted more than 8.9 million kilograms of waste from landfills.



Innovative recycling

We use recycled plastic crates to transport produce, cutting down our use of cardboard boxes. In our fresh produce business, we have a pool of over 1.9 million crates that we manage between our own operations and our growers, applicable across all of our non-RSA businesses as well.

Checkers initially created shopping trolley baskets from 100% recycled plastic but shifted to using 50% recycled content to improve their durability. We are increasingly using recycled plastic shelving at our facilities, sourced from various recycling streams including domestic, business, and institutional collections. Made from recycled polyolefin thermoplastic, these shelves exemplify durability and require no maintenance, providing a safe and enduring solution.

In collaboration with a local supplier, we enrich our product offerings with a variety of children's toys, such as building blocks and vehicles, consciously made predominantly from recycled materials.

At two of our DCs, we operate biodigester bins to process wet and organic waste efficiently.

Sustainable packaging

Packaging plays an important role in protecting products. In the case of food, plastic packaging maintains critical food safety and hygiene levels, helps in the preservation of food, and in reducing food waste. However, packaging waste, particularly plastic, can be a significant environmental problem, especially when not reused or recycled. We are dedicated to working with our suppliers to reduce plastic waste and to promote a sustainable circular approach.



Value impact
(FY 2025)

99.3% of our in-store packaging is reusable, recyclable, or compostable, with an average recycled content of 82.4%

We launched South Africa's first **recyclable 7kg potato bags** in Shoprite and Checkers stores

We encourage **bag reuse with our 100% recyclable Planet bags**, issuing R524 611 in rebates

Over the past year there has been renewed attention on a global treaty to end plastic pollution; our position is to embrace the circular economy concept, incorporating all aspects of the value chain. A closed-loop system for packaging treats it as a valuable resource that can be used, reused, collected and recycled.

Our efforts are particularly concentrated on increasing recycled content and the recyclability of our private label product packaging, which makes up a significant part of our business. Our target is for 100% of private label packaging to be reusable, recyclable or compostable, with an average of 30% recycled content in 2025.

A key enabler to all our packaging improvements is a monthly Sustainable Packaging Forum, attended by all business units, as well as the Deputy CEO, Chief Sustainability Officer, Buyers and Packaging team. We track progress against our targets and drive projects across all business units.

Our packaging strategy is customised to South Africa's specific context, prioritising local effectiveness and job creation. We engage with key stakeholders in the plastics, glass, metal and paper recycling industry and follow the Recyclability by Design Guidelines and legislation as published by the Department of Forestry, Fisheries and the Environment of South Africa (DFFE) when developing new packaging formats for products.

Our aim is to develop packaging that is easy to recycle, rather than add complexities to existing efficient recycling operations in the industry.

We uphold and support the government's Extended Producer Responsibility (EPR) regulations, now in its fourth year, which motivate the industry to advance the collection and recycling of packaging waste.

We continued to develop the expertise of our packaging team and collaborate with regulators and suppliers. We achieved our target in FY 2025 for our in-store packaging formats, such as carrier bags and fresh food packaging, which make up around a third of our private label packaging.



Under South Africa's EPR regulations, the Group has contracted Producer Responsibility Organisations (PROs) to manage its post-consumer packaging waste. These bodies are responsible for collection and recycling of post-consumer waste on behalf of producers, who pay EPR fees based on packaging volumes placed on market. Shoprite sits on the board of a PRO and actively supports efforts to channel these funds into recycling infrastructure and sustainable packaging innovation across South Africa.

99.3% of in-store packaging is classified as reusable, recyclable or compostable, with 82.4% average recycled content.

We continue to work on the packaging of our private label products, which is currently at 92.6% recyclable, reusable and compostable with a 42.2% average recycled content.

A key enabler in achieving our sustainable packaging goals is the strong engagement with our packaging suppliers. Significant progress has been made with our Padkos private label range, where we have successfully rolled out recyclable packaging for all 148 products. Developing this recyclable packaging, keeping it high-quality, food-safe, and fit-for-purpose required many rounds of testing over an extended period.

In FY 2025, we moved from black PET trays to clear alternatives. Additional efforts are underway to improve packaging in the non-food space, including appliances, Petshop items, toys for kids under the Little Me banner, as well as the UNIQ clothing range. Battery packs have been transitioned from PVC to PET plastic blisters.

Sustainable packaging continued



South Africa’s first recyclable 7kg paper potato bags

The Shoprite Group has become the first South African retailer to roll out a fully recyclable 7kg potato bag. This innovative packaging was developed in-house by a team of employees as part of a leadership development programme. Traditional potato paper bags have a moisture-resistant inner layer that is not recyclable through existing recycling facilities, contributing significantly to landfill waste. The new recyclable paper bag was developed in collaboration with a paper supplier, using a new semi-wet-strength formulation that is recyclable in South Africa. This new bag passed local recyclability and shelf-life tests and was rolled out by Shoprite and Checkers supermarkets from May 2025. In the last financial year, we sold 971 tonnes of potato bags. This highlights the impact of this innovation, projected to divert millions of bags from landfill. The new bag can be processed at any low-consistency pulping mill nationally.

As part of the development process, we mapped the value chain, engaged with a paper mill, manufacturers, and recyclers. The paper mill is the same mill that produces the base material for our Sixty60 paper bags, making these potato bags fully circular.



Our R&D efforts focus on the functional, commercial, and environmental practicality of new packaging solutions. We conduct thorough trials and analysis and do not compromise on our quality standards. While sustainability is a critical factor in our decision-making process, we will not compromise on food safety, quality and shelf-life. Certain product lines, such as Simple Truth and Oh my Goodness!, which contain no preservatives and require packaging with higher barrier properties, continue to present challenges in finding food-safe and fit-for-purpose sustainable alternatives. Other problematic plastic packaging includes polony casings, which need to withstand high temperatures in the manufacturing process, yoghurt lidding film, and vienna sausage and cheese packaging. We have trialled alternatives for cling film used in our fresh produce space and meat market, but products tend to wilt or condense on the inside. These remain ongoing discussions with PROs and industry.

While our packaging is becoming more recyclable, a challenge remains in ensuring that it is collected and recycled at scale, due to the lack of infrastructure in South Africa. We continue to pay EPR fees intended to support waste collection and recycling initiatives. We actively participate in PRO working groups and collaborate with other brand owners and packaging suppliers to find solutions.

We make recycling easier for consumers by ensuring accurate labelling to communicate clearly whether packaging is reusable, recyclable or compostable. We engage with our local and international suppliers to maintain correct OPRLs on our product packaging.

Given that our Group is not vertically integrated with its own manufacturing sites, it remains imperative that we continue to work closely with our packaging suppliers on innovation and sustainability.

Redesigned Ubrand thin bleach bottle

We made significant improvements this year with our award-winning thin bleach bottle, which exemplifies our focus on ‘circular functionality’ and collaboration. Moulded by Bowler Packaging using 100% post-consumer recycled HDPE, this bottle contains zero virgin plastic and its production is powered by solar energy. The design prioritises safety with a child-safe cap and includes braille embossing. Usave secured the overall winner position at the 2024 South African Plastic Recycling Organisation (SAPRO) Awards for this bottle, which received gold in the rigid plastic category. The product won another gold in the household products packaging category at the same awards, and the POLYCO award at the 2024 Institute of Packaging SA Gold Pack Awards. This affordable bleach product sets a benchmark for sustainable and functional packaging solutions.



Recyclable and reusable shopping bag options

Across our operations, we offer shopping bags that are recyclable and reusable, made entirely from post-consumer recycled materials, encouraging customers to make sustainable choices. Additionally, we promote the reuse of bags through our Planet bags, which are composed of 100% recycled and recyclable plastic, complemented by our rebate programme.

This year, we issued 532 616 rebates totalling R524 611 (FY 2024: R715 223). The bulk of the plastic we recycle is transformed into our carrier bags, while recycled cardboard is used for our Sixty60 paper delivery bags. These delivery bags are recyclable and made from 100% recycled FSC-certified paper, sealed with fully recyclable labels. The same bags are being used with the launch of Shoprite Sixty60 this year. Customers are encouraged to return these bags, and we have seen an increase in customers reusing them for purposes like covering school books.

Shopping bags	2025	2024
Total number of recyclable shopping bags sold	753.3m	769.0m
Recycled plastic used in recyclable shopping bags (tonnes)	10 213	10 363
Total number of reusable bags sold (Planet bags)	294 277	739 095
Value of rebates on reusable bags (Planet bags)	R524 611	R715 223

Biodiversity and responsible sourcing



We recognise the urgent challenge of biodiversity loss and the importance of healthy ecosystems – on land and below water – in supporting our business, both directly and through our supply chain. The Group depends on critical ecosystem services such as pollination, soil health, climate regulation, fresh water, and abundant fish and marine life. We work with our suppliers and partners to reduce environmental impact, manage risk, and support healthy ecosystem functioning at various key stages across our value chain.

As a responsible retailer, the Shoprite Group is aligned with the UN SDGs, where many goals highlight the importance of biodiversity and healthy ecosystems, particularly SDG 14 (Life Below Water), and SDG 15 (Life on Land). Our biodiversity and responsible sourcing position statement commits us to:

- mainstream biodiversity into our direct operations to acknowledge dependencies and reduce ecological impact;
- implement a mitigation hierarchy for biodiversity loss – avoidance, minimisation, restoration, or rehabilitation – and adopting a ‘no net loss’ or ‘net gain’ approach for our operations where suitable;
- partner with suppliers and other organisations to promote responsible sourcing of key agricultural, aquatic, and forestry products;
- establish ongoing objectives to decrease biodiversity loss and improve responsible sourcing practices;
- share information related to responsible sourcing with employees and customers to build knowledge and create awareness; and
- report and be transparent about our efforts and performance.

We support the Kunming-Montreal Global Biodiversity Framework (GBF), which marks a global consensus to safeguard Earth’s biodiversity, setting a clear agenda for countries and businesses alike to take decisive action. South Africa has committed to this framework, and the private sector is expected to help meet the GBF targets, particularly the ‘30 by 30’ target – protecting 30% of lands and waters by 2030 – which is viewed as critical to mitigating biodiversity loss and climate change.

Value
impact
(FY 2025)

Advanced the integration of **biodiversity conservation in our day-to-day operations by reducing food waste**, conserving water, **safeguarding water quality**, and ensuring responsible sourcing practices

Supported **25 SMME growers in South Africa** to get localg.a.p certified

Made good progress on our **fisheries improvement project (FIP)** for a South African mullet species

Biodiversity and responsible sourcing continued

Understanding our biodiversity impacts

In 2022, the Group conducted a foundational pilot biodiversity footprint assessment, adhering to the Biological Diversity Protocol, and focused on the direct biodiversity impacts of 10 of the Group’s largest sites, including DCs, shopping centres and vacant land. The desktop analysis found that 82% (206.08 ha) of the footprint had negative biodiversity implications, while 18% (46.27 ha) contributed positively. The results indicate that most of these sites fall within endangered or critically endangered ecosystems, emphasising the need for conservation efforts beyond the Group’s immediate operational boundaries, and for enhanced focus on the biodiversity impacts of our supply chains and products sold.

Taking action to conserve biodiversity

The support from EWT has enabled us to make informed decisions and promote greater biodiversity awareness and mainstreaming within our direct operations. We are integrating biodiversity conservation and preservation into our day-to-day operations through our focus on reducing food waste, increasing renewable energy usage, conserving water, and safeguarding water quality.

Building upon our initial work with EWT, we continue to engage to bridge identified gaps and advance our biodiversity conservation efforts.

The partnership continues to focus on the following specific objectives:

- completing and updating the Group’s biodiversity footprint accounts and creating biodiversity action plans for direct operations and selected commodities
- exploring contributions to the GBF, specifically the 30x30 target, and creating a stewardship plan for ecosystems around the Group’s headquarters
- benchmarking and improving biodiversity management, including workshops, e-learning for our employees on biodiversity, and communicating these efforts effectively to stakeholders

In particular, we will continue working on Target 15 (Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts) of the Kunming-Montreal GBF.

Assessing our suppliers’ environmental practices

We promote collective responsibility for sustainable practices across our supply chain and the Group’s Supplier Code of Conduct outlines the environmental criteria our suppliers must meet to collaborate with us.

Annually, we carry out a Supplier Sustainability Survey to enquire into our suppliers’ environmental efforts, with a particular focus on climate change, water and waste management, and sustainable packaging. The survey solicits information about environmentally friendly products, sustainability strategies, and the management of energy, emissions, water, and waste. It examines advancements in packaging sustainability, responsible material sourcing, participation in environmental activities, and broader corporate social responsibility engagement. The goal is to evaluate current practices and encourage environmental impact reductions.

Most of our suppliers have embraced policies for responsible sourcing and sustainable packaging. Where there are shortfalls, the Group offers support to elevate their practices to expected levels.

Data gathered from the survey informs our strategy to understand supplier-related environmental risks. This year marked the completion of our fifth survey from 234 suppliers (FY 2024: 204).

Promoting ethical and environmental standards in our agriculture supply chain

We support sustainable agriculture in South Africa through our membership of the Sustainable Initiative of South Africa (SIZA) and by mandating our fresh produce suppliers to obtain a good agricultural practice certification through localg.a.p. brand or GLOBALG.A.P., which supports the quality, safety and sustainability of the produce on our shelves. GLOBALG.A.P. features rigorous sustainability criteria on biodiversity, water, plastics, pest management and more.

All our growers in South Africa have been localg.a.p or GLOBALG.A.P. certified. For SMME growers, the cost of certification can be prohibitive; our approach is to support these growers by covering the cost of the audit assessments. In this way, we are supporting SMME suppliers in overcoming barriers to market access and helping SMMEs begin their sustainability journey. We financially supported 25 SMME growers across all provinces in FY 2025 to get localg.a.p. certified, investing a total of R237 367.

SIZA provides agricultural stakeholders within South Africa with a platform to conduct ethical and environmentally sustainable trade. It promotes transparency in our supply chain and helps us focus on continuous improvement. The SIZA Environmental Assurance Model is based on eight principles, including healthy soil practices, water-use efficiency, prevention of contamination of soil and water bodies, and restoration of natural ecosystems.

These agricultural standards emphasise the reduced and safe usage of agrochemicals, effective waste management, and the preservation of soil and water resources.

The Group’s Supplier Code of Conduct outlines the ethical, social, and environmental criteria our suppliers must meet to collaborate with us. See [📄](#) page 16 and 44 for details.



Urban Grown is a 100% black female-owned company in Gauteng, South Africa, supplying fresh produce and value-added lines into Freshmark. Since FY 2022, the Group has supported Urban Grown to achieve localg.a.p. certification, growing more types of vegetables, as well as value-added processing facilities to support stringent food safety requirements for cutting, dicing and slicing. Our contributions have taken the annual business turnover to over R6.5 million.

Biodiversity and responsible sourcing continued

Sourcing sustainable seafood

Through our participation in the WWF-SA SASSI programme, we demonstrate our commitment to the sustainability of seafood and collaborate with SASSI to implement responsible sourcing strategies. We target 100% sustainable seafood for all premium private label seafood. Annually, we train our SMME suppliers in sustainable fishing practices.

We are actively working towards closing the gap in our sustainable seafood target. FY 2025 was the second year of our partnership with WWF-SA, DFFE, our suppliers, and small-scale fishers on an FIP for a red-listed mullet species on South Africa's west coast, aiming to restore its status to the green list. The projected outcomes for the FIP include:

- completing a comprehensive inclusive stock assessment with accurate reflection of the entire fishery;
- demonstrating successful piloting of less destructive fishing gear that facilitates stock recovery and has less impact on endangered, threatened and protected (ETP) species;
- identifying and mapping the spatial fishing patterns, fishing effort distribution and the overlap with adjacent protected areas; and
- co-developing draft harvest control rules with clear and concise fishery specific objectives to be integrated into a comprehensive fishery management plan.

The FIP made considerable progress in a number of areas this year, with some challenges. It will be registered on the Fishery Progress website for transparency and regular public reporting in FY 2026.



Value impact
(FY 2025)

67% of our premium private label seafood was aligned with **SASSI's green rating** (FY 2024: 71%)

We use **100% certified** responsibly sourced paper and board in our in-store packaging

Product offerings with sustainable attributes

We are expanding our range of sustainable products in response to strong consumer demand, supporting customers who prioritise responsible choices. Awareness has led many suppliers to adopt more environmentally friendly practices. We endorse these efforts with environmental marketing campaigns that highlight sustainable options in our private label ranges and beyond.

We made progress in the following areas:

- **Sustainable seafood:** In FY 2025, 67% of our premium private label seafood was aligned with SASSI's green rating (FY 2024: 71%), an indication of the sustainability of the species and stock, although this is subject to variation as species classifications change. Some of our seafood range is MSC Chain of Custody certified.
- **Responsible palm oil and cocoa:** Our premium label ranges such as our Forage and Feast line use only responsibly sourced palm oil and cocoa to support anti-deforestation efforts.
- **Forestry products:** All paper and paperboard packaging used in our delis, bakeries, and fresh fish departments carry Forest Stewardship Council (FSC-N003745) or Sustainable Forestry Initiative certifications. We plan to conduct a comprehensive risk assessment of forest-related risks for other commodities and will report these findings in upcoming CDP Forest disclosures.
- **Animal welfare:** We offer a choice of dairy-free alternatives and organic or free-range eggs, and free-range chicken at Checkers FreshX meat markets. We are aligned with the national industry associations on animal welfare practices. The Group's Supplier Code of Conduct promotes the humane treatment of animals.
- **Sustainable fashion:** Our UNIQ clothing line features items made from organic cotton and recycled materials. We are in the process of setting a baseline and targets to increase sustainable attributes in our clothing offerings.

06

APPENDICES

Provides a detailed ESG performance data table and reviews our performance against the GRI and SASB sustainability disclosure standards.

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SHOPRITE WINS GRAND PRIX FOR SUSTAINABILITY EXCELLENCE

On 13 June, Shoprite won the Special Recognition Grand Prix for Sustainability Excellence at the Brand Africa 100 | South Africa's Best Brands Awards. The award highlights the Group's leadership role in aligning business strategy with South Africa's sustainable development goals through purpose-led innovation, climate action, and social impact. The independent panel recognised our role as the country's largest private employer, our substantial community investment, surplus food distribution, renewable energy adoption, and supply chain innovation.

Sustainability/ESG data table

Group footprint

Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Property					
Total number* of stores (#)	2 863	3 031			FB-FR-000.A
Number of stores in South Africa (#)	2 595	2 676			
Number of stores in Angola (#)	26	40			
Number of stores in Ghana (#)**	7	7			
Number of stores in Eswatini (#)	42	46			
Number of stores in Lesotho (#)	26	34			
Number of stores in Botswana (#)	25	41			
Number of stores in Zambia (#)	45	51			
Number of stores in Malawi (#)**	4	5			
Number of stores in Namibia (#)	89	105			
Number of stores in Mozambique (#)	15	26			
Total area retail space (m²)	5 164 813	4 937 095			FB-FR-000.B
Total number of distribution centres (#)	29	32			FB-FR-000.A
Total area of distribution centres (m²)	950 098	819 711			FB-FR-000.B
Transport					
Total number of trucks (#)	1 078	1 111			
Number of Euro 5 compliant trucks introduced (#)	186	201			
Total number of trailers (#)	1 539	1 492			
Number of trailers with solar PV panels (#)	1 397	1 488			
Number of vehicles in commercial fleet (#)	2 617	2 603			FB-FR-000.C
Tonne-kilometres travelled (tonne-kilometres)					FB-FR-000.D

* Store numbers and retail space in the table above exclude OK Franchise stores
** Discontinued operations
Blank cells denote that data was unavailable at the time of reporting

Governance

Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Board composition and diversity					
Number of Board members (#)	13	13			
Executive Directors (#)	2	2	G1.3	2-9	
Non-executive Directors (#)	1	1	G1.3	2-9	
Independent Non-executive Directors (#)	10	10	G1.3	2-9	
Board tenure					
1 month to 3 years	4	9	G1.3	2-9	
4 – 8 years	8	3	G1.3	2-9	
9 – 34 years	1	1	G1.3	2-9	
Gender diversity					
Male (%)	62	62	G1.1	2-9	
Female (%)	38	38	G1.1	2-9	
Racial diversity					
Black (%)	38	38	G1.1	2-9	
White (%)	62	62	G1.1	2-9	
Age					
35 – 45 years (#)	0	0	G1.1	2-9	
46 – 55 years (#)	1	3	G1.1	2-9	
56 – 65 years (#)	7	6	G1.1	2-9	
65+ years (#)	5	4	G1.1	2-9	
Average age (years)	64	63	G1.1	2-9	
Board attendance					
Audit and Risk Committee (%)	93	100			
Social and Ethics Committee (%)	100	95			
Remuneration Committee (%)	100	100			
Nomination Committee (%)	100	100			
Finance and Investment Committee (%)	97	88			

Sustainability/ESG data table continued

Governance continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Anti-corruption and ethical behaviour					
Total number of incidents of corruption confirmed during the year (#)	19	13	G3.1b	205-3	
Number of issues raised through the whistleblowing facility (#)	517	475	G3.1c		
Lobbying and political contributions					
Total amount of political contributions made per political party (ZAR)	0	0	G3.2a		
Incidents					
Number of significant ESG-related incidents, including incidents of legal non-compliance and directives, compliance notices, warnings or investigations, and any public controversies (#)	0	0	G4.1		
Total number and monetary value of fines, settlements, and penalties paid in relation to ESG incidents or breaches, including individual and total cost of the fine, settlements and penalties paid (# and ZAR)	0	0	G4.2		
Tax contributions					
Total value paid in taxes (Rands billion)	12.5	11.7	G5.1b		
Profit taxes (Rands billion)	3.2	3.3	G5.1b		
Property taxes (Rands million)	40	41	G5.1b		
Product and services taxes (Rands billion)	6.6	6.0	G5.1b		
Planet taxes (Rands million)	0.2	0.2	G5.1b		
People taxes (Rands billion)	2.6	2.4	G5.1b		
Employment Tax Incentive scheme: amount claimed for qualifying employees (Rands million)	261	259.9			
Employment Tax Incentive scheme: Average number of qualifying employees	30 119	27 682			

Blank cells denote that data was unavailable at the time of reporting

Social					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Labour					
Total permanent contract employees (#)	165 190	156 911	S1.5a	2-7	
Total temporary contract employees (#)	3 749	3 305	S1.5a	2-7	
Employees with disabilities (#)	346	299	S1.1a	405-1	
Payroll 99 workers (third-party contracted) who are not employees (#)	15 469	15 494	S1.5b	2-8	
Total number of employees (#)	168 939	160 216	S1.5a	2-7	
Gender diversity (permanent employee headcount)					
Total male employees (#)	63 028	57 208	S1.1a	2-7	
Total full-time male employees (#)	31 210	29 902	S1.1a	2-7	
Total part-time male employees (#)	31 818	28 987	S1.1a	2-7	
Total female employees (#)	105 911	99 703	S1.1a	2-7	
Total full-time female employees (#)	36 219	35 326	S1.1a	2-7	
Total part-time female employees (#)	69 692	66 001	S1.1a	2-7	
Racial diversity (permanent employee headcount – RSA business)					
Black employees (%)	97.5	96.9	S1.1a	405-1	
White employees (%)	2.5	3.1	S1.1a	405-1	
Age distribution of employees					
<30 years (%)	39.6	39.5	S1.1a	405-1	
>30 to 50 years (%)	54.5	54.6	S1.1a	405-1	
>50 years (%)	5.9	5.9	S1.1a	405-1	
Average age of workforce (years)	33.4	33.4	S1.1a	405-1	

Sustainability/ESG data table continued

Social continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Labour continued					
Employee turnover					
New employees (#)	8 723	6 490	S2.3a	401-1	
Voluntary turnover rate (%)			S2.3b	401-1	
Involuntary turnover rate (%)	6.5	6.5	S2.3b	401-1	
Full-time employee turnover rate (excluding management) (%)	13.0	13.3	S2.3b	401-1	
Group staff turnover (%)	23.6	23.7	S2.3b	401-1	
Management turnover (%)	9.3	10.5	S2.3b	401-1	
Part-time employee turnover (%)	32.5	32.2	S2.3b	401-1	
Employee remuneration and pay equality					
Total spend on employee remuneration and benefits (Rands billion)	20.3	19.2	S2.4a		
Average hourly wage (ZAR)	37.69	34.29			FB-FR-310a.1
Percentage of in-store and distribution centre employees earning minimum wage (%)					
– South Africa (%)	6.0	6.4			FB-FR-310a.1
– Angola (%)	0.3	0.0			FB-FR-310a.1
– Botswana (%)	0.0	22.2			FB-FR-310a.1
– Ghana (%)	0.0	0.0			FB-FR-310a.1
– Lesotho (%)	6.3	1.0			FB-FR-310a.1

Blank cells denote that data was unavailable at the time of reporting

Social continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
– Malawi (%)	43.8	0.0			FB-FR-310a.1
– Mozambique (%)	10.8	45.2			FB-FR-310a.1
– Namibia (%)	29.0	10.0			FB-FR-310a.1
– Eswatini (%)	13.7	0.0			FB-FR-310a.1
– Zambia (%)	0.0	0.0			FB-FR-310a.1
Employees covered by collective bargaining agreements					
Employees that are union members (RSA) (%)	29.5	28.5	S1.4b	2-30	BF-FR-310a.2
Number of trade unions with recognised agreements (RSA) (#)	5	6	S1.4b		
Employees that are union members (Non-RSA) (%)	43.8	42.5	S1.4b	2-30	FB-FR-310a.2
Number of trade unions with recognised agreements (Non-RSA) (%)	8	7	S1.4b		
Days lost to industrial action (#)	2.5	<1	S1.4c		
Number of work stoppages (#)	6	2			FB-FR-310a.3
Total workdays idle from work stoppages (#)	2.5	2hrs			FB-FR-310a.3
Employee training and development					
Total number of employees benefiting from training (#)	183 717	166 242			
Total number of male employees benefiting from training programmes (#)	67 269	58 670			
– Black males (%)	88.6	97			
– White males (%)	11.4	3			
Total number of female employees benefiting from training programmes (#)	116 448	107 572			
– Black females (%)	91.4	98.8			
– White females (%)	8.6	1.2			

Sustainability/ESG data table continued

Social continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Labour continued					
Employee training and development continued					
Total training spend (Rands billion)	1.1	0.8			
Actual expenditure on training previously disadvantaged individuals as a percentage of total payroll spend (RSA) (%)	5.5	4.8			
Total training spend per employee (ZAR)	5 814	4 691			
Total training hours (million hours)	5.2	3.6		404-1	
Average hours of training undertaken by employees (hours)	28.2	21.8		404-1	
Investment in bursaries (ZAR)	14.1	19.6		404-1	
Average training hours (management) (#)	50.6	44.9		404-1	
Average training hours (staff) (#)	25.0	19.2		404-1	
Average training hours (men) (#)	26.8	22.2		404-1	
Average training hours (women) (#)	30.0	21.6		404-1	
Health and safety					
Employees					
Number of MTCs	1 591	345			
Total number of recordable injuries (#)	3 478	2 501		403-9	
Total recordable injury frequency rate (TRIFR)	10.25	7.79		403-9	
Total number of lost time injuries (LTIs) (#)*	1 883	2 154		403-9	
Lost time injury frequency rate (LTIFR)*	5.56	6.71		403-9	
Total number of work-related fatalities (employees) (#)	0	2	S3.1a	403-9	
Fatal Injury Frequency Rate (FIFR) (1 000 000 labour hours)	0.000	0.006		403-9	
Road transport fatal frequency rate (RTFFR) – Logistics (1 000 000 km travelled)	0.000	0.000		403-9	
Contractors					
Number of lost time injuries (LTIs) (#)*	36	57			
Number of fatal incidents in operations which we control	0	1		403-9	
Road transport fatality frequency rate (RTFFR) (1 000 000 km travelled)	0.037	0.083		403-9	

* Calculated over 1 million hours worked

Social continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Socio-economic impact					
New jobs created (#)	8 723	6 490	S2.3		
Jobs created by Sixty60 since launch (#)	15 239	11 681			
Jobs supported in supply or distribution chain (including dependent contractors) (#)	9 187	9 018	S2.4b		
Jobs supported in supply or distribution chain (group employees)	701	1 167			
Jobs supported in supply or distribution chain (contractors)	8 486	7 851			
Procurement budget spent on local suppliers (% of spend)	98.2	98.6	S2.4c	204-1	
Total monetary value of direct financial assistance received from government in all regions (ZAR)			S2.4e		
Number of suppliers or enterprises supported from defined vulnerable groups	SR pgs 41-43				
Description of the availability of products and services for those on low incomes	SR pgs 22-25				
Economic Contribution					
Revenue (Rands billion)	256.7	236.3*			
Operating costs (Rands billion)	50.8	47.5*			
Spend on employee wages and benefits (Rands billion)	20.3	19.2			
Payments to providers of capital (Rands billion)	5.9	4.6			
Community investment (Rands million)	469.7	437.6			

Blank cells denote that data was unavailable at the time of reporting

* Restated

Sustainability/ESG data table continued

Social continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Products: Safety, sustainability and innovation					
Percentage of revenue from eggs that originated from a cage-free environment					
Product recalls (food safety recalls) (#)	0	1	S4.1b		FB-FR-250a.2
Units recalled (food safety recalls) (#)	0	8 580	S4.1b		FB-FR-250a.2
Drug recalls issued (#)	16	15	S4.1b		
Private-label product recalls (% of total number of units recalled)		100			FB-FR-250a.1
High-risk food safety violation rate (rate)	0.00	0.00			FB-FR-250a.1
Corporate social investment					
Total CSI spend (Rands million)	469.7	437.6	S2.4a		
Total investment into communities as % of NPAT (RSA)	6.4	6.9			
Total investment into communities (includes hunger relief, youth employment, ESD and education) (RSA only) (Rands million)	453.4	423.1	413-1		
Total investment into communities (includes hunger relief, youth employment, ESD and education) (Non-RSA) (Rands million)	16.3	14.5	413-1		
CSI spend: food security and hunger relief (RSA) (Rands million)	267.0	241.4			
CSI spend: food security and hunger relief (Non-RSA) (Rands million)	13.7	12.3			
Meals served per day to vulnerable communities through all CSI programmes (#)	222 349	195 659			
Surplus food donations (tonnes per year)	4 420	4 408			
Surplus non-food donations (tonnes per year)	390.1	321			
Total value of surplus donations (Rands million)	257.6	233.9			

Blank cells denote that data was unavailable at the time of reporting

Environment					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Energy					
Total energy consumed (MWh)	2 770 331	2 752 792	E1.2	302-1	FB-FR-130a.1
Grid electricity (%)	92.8	93.5	E1.2	302-1	FB-FR-130a.1
Self-generated renewable energy (%)	0	0	E1.2	302-1	FB-FR-130a.1
Purchased renewable energy (%)	7.2	6.5	E1.2	302-1	
Energy from fuels (%)	24.3	30.25	E1.2	302-1	
Total electricity consumed (MWh)	2 097 248	1 920 104		302-1	
Total energy consumption per GLA (MWh/m²)	0.456	0.493		302-1	
Total energy consumption per turnover (kWh/R)	0.011	0.011		302-3	
Total diesel usage (litres)	62 537 110	79 304 200			
Fleet fuel consumed (GJ)	59 820 252	40 119 717		302-1	FB-FR-110a.1
Fleet fuel renewable (%)	0	0		302-1	FB-FR-110a.1
Greenhouse gas and other air emissions					
Total Scope 1 GHG emissions (tCO ₂ e)	637 711	748 589	E1.1a	305-1	IFRS S2
Total Scope 2 GHG emissions (tCO ₂ e)	1 643 846	1 617 885	E1.1a	305-2	IFRS S2
Total Scope 3 GHG emissions (tCO ₂ e)	14 236 968	14 416 349	E1.1a	305-3	IFRS S2
Scope 3 –					
Category 1 (Purchased goods and services) (tCO ₂ e)	2 997 733	2 784 594	E1.1b	305-3	IFRS S2
Category 2 (Capital goods) (tCO ₂ e)	68 131	61 446	E1.1b	305-3	IFRS S2
Category 3 (Fuel and energy-related activities) (tCO ₂ e)	516 797	483 224	E1.1b	305-3	IFRS S2
Category 4 (Upstream transport and distribution) (tCO ₂ e)	200 346	200 573	E1.1b	305-3	IFRS S2
Category 5 (Waste generated in operations) (tCO ₂ e)	13 559	13 428	E1.1b	305-3	IFRS S2
Category 6 (Business travel) (tCO ₂ e)	3 444	4 062	E1.1b	305-3	IFRS S2
Category 7 (Employee commuting) (tCO ₂ e)	110 862	103 836	E1.1b	305-3	IFRS S2
Category 9 (Downstream transportation and distribution) (tCO ₂ e)	20 725	11 359	E1.1b	305-3	IFRS S2
Category 11 (Use of sold products) (tCO ₂ e)	9 477 851	9 943 130	E1.1b	305-3	IFRS S2
Category 12 (End-of-life treatment of sold products) (tCO ₂ e)	530 791	490 960	E1.1b	305-3	IFRS S2
Category 13 (Downstream leased assets) (tCO ₂ e)	115 018	116 259	E1.1b	305-3	IFRS S2

Sustainability/ESG data table continued

Environment continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Category 14 (Franchises) (tCO ₂ e)	181 710	203 458	E1.1b	305-3	IFRS S2
Total GHG emissions (Scope 1, 2 and 3) (tCO ₂ e)	16 518 525	16 782 823	E1.1a	305-1,2,3	IFRS S2
GHG emissions intensity – Scope 1 (tCO ₂ e/m ²)	0.105	0.134	E1.1c	305-4	
GHG emissions intensity – Scope 2 (tCO ₂ e/m ²)	0.270	0.290	E1.1c	305-4	
Gross global Scope 1 emissions from refrigerants (tCO ₂ e)	457 957	525 993			FB-FR-110b.1
Carbon footprint (Scope 1 and 2) (market-based) (tCO ₂ e)	2 281 558	2 366 474		305-1	
Carbon footprint (Scope 2 emissions) (location-based) (tCO ₂ e)	1 780 872	1 741 568		305-2	
Carbon footprint (Scope 2 emissions) (market-based) (tCO ₂ e)	1 643 846	1 617 885		305-2	
Scope 1 and 2 per GLA (tCO ₂ e/m ²)	0.375	0.424		305-4	
Scope 1 and 2 per turnover (tCO ₂ e/R'000)	0.009	0.010		305-4	
Scope 2 per GLA (location-based) (tCO ₂ e/m ²)	0.293	0.312		305-2	
Scope 2 per GLA (market-based) (tCO ₂ e/m ²)	0.270	0.290		305-2	
Scope 2 per turnover (kWh/R)	0.008	0.008		305-2	
Percentage of refrigerants consumed with zero ozone-depleting potential (% by weight)	51.1	45.8			FB-FR-110b.2

Blank cells denote that data was unavailable at the time of reporting

For the basis for measurement for information categories of Scope 3 emissions and basis for measurement for information provided by entities in the value chain, see our CDP report section C7

Environment continued					
Key performance indicator	2025	2024	JSE	GRI	IFRS/SASB
Water					
Total water consumption (MI)	4 347	4 278	E2.1a	303-5	
Percentage municipal water (%)	96.2	98.7		303-5	
Percentage other water consumption (%)	3.8	1.3	E2.1b	303-5	
Groundwater usage (MI)	164.8	56	E2.1b	303-3	
Total water withdrawal from all areas with defined water stress (MI)	3 180	3 081	E2.1a	303-3	
Fresh water consumption intensity (kl/m ²)	0.715	0.767	E2.1c		
Waste					
Total solid waste generation (tonnes)			E4.1a	306-3	
Waste recycled (tonnes)			E4.1a	306-4	
Waste reused (tonnes)			E4.1a	306-4	
Waste to landfill (tonnes)			E4.1a	306-4	
Total waste recycled (tonnes)			E4.1a	306-4	
Total cardboard reused and recycled (Group) (tonnes)	63 950	59 186			
Total paper recycled (Group) (tonnes)	960	850			
Total plastic recycled (Group) (tonnes)	9030	7 705			
Total hazardous waste generation (tonnes)			E4.1b	306-4	
E-waste recycled and donated (tonnes)	80.7	69		306-4	
E-waste repurposed (tonnes)	4.1	0.96		306-4	
Mixed disposed (processed) (tonnes)	0	0		306-4	
E-waste disposed (landfill) (tonnes)	0	0		306-4	
Food waste to animal feed (tonnes)	10 261	7 527		306-4	
Cardboard repurposed (tonnes)	651	1 946		306-4	
Organic waste to composting (tonnes)	3570	4 395		306-4	
Food waste to energy (tonnes)	0	0		306-4	
Used cooking oil recycled (tonnes)	1 088	846		306-4	

Sustainability/ESG data table continued

Qualitative indicators	JSE	Comment
Workplace health and safety	S3.1c	Refer to link page 40 for access to non-occupational healthcare services provided to employees and workers
Biodiversity footprint	E3.1d	Refer to link page 66 for mechanisms to manage biodiversity and ecosystem impacts across the value chain (e.g. policies, targets, certifications, audits)
	E3.1e	Refer to link page 66 for results of processes related to identifying and managing the organisation’s biodiversity footprint
Supply chain (environmental)	E5.1	Refer to link page 66 for mechanisms to identify and address significant environmental impacts across the supply chain
Economic contribution	S2.4b	Refer to link page 73 for number of jobs supported in supply or distribution chain Refer to link page 41 for number of suppliers/enterprises supported from defined vulnerable groups (SMMEs) Refer to link page 52 for nature of economic development in areas of high poverty Refer to link page 22 for availability of products and services for those on low incomes Refer to link page 31 and 49-51 for enhanced skills and knowledge in a professional community or geographic location
Economic contribution	S2.4d	Refer to link page 35 for description of significant infrastructure investments and services supported
Atmospheric pollution	E4.3a	Refer to CDP Climate C7 for air emissions across the value chain; nitrogen oxides (NOx)

GRI Index

The Shoprite Group has reported in accordance with the GRI Standards for the period July 2024 – June 2025. The GRI performance indicators included in this table reflect those topics that are material to the Group and its stakeholders. In line with GRI principles, we focus on reporting on those topics that represent Shoprite’s most significant impacts on the economy, environment and people, including impacts on their human rights. Topics that are not deemed material are not included.

GRI 1: Foundation 2021 used.

Key:

Sustainability Report 2025 = SR

Integrated Report 2025 = IR

Annual Financial Statements = AFS

CDP Climate Change Response 2025 = CDP Climate

CDP Water Security Response 2025 = CDP Water

GRI standard	Disclosure number	Disclosure title	Disclosure (page)	Direct answer or omission
GRI 2: General Disclosures 2021				
The organisation and its reporting practices	2-1	Organisational details	SR: 3-5,84	
	2-2	Entities included in the organisation’s sustainability reporting	SR: 2	
	2-3	Reporting period, frequency and contact point	SR: 2,84	
	2-4	Restatements of information	IR: 53-57	
	2-5	External assurance	SR: 2,9,20,44	
Activities and workers	2-6	Activities, value chain and other business relationships	SR: 4-5 IR: 13-19	
	2-7	Employees	SR: 71	2-7-e is omitted as it is deemed not applicable. Shoprite employee data unaffected by seasonal fluctuations.
	2-8	Workers who are not employees	SR: 71	We cannot provide the exact number of non-employees due to the complexity and size of our business model. We only report on the employees in payroll 99 (contracted by third parties, such as the contractors at our DCs).
Governance	2-9	Governance structure and composition	SR: 15-17 IR: 68-75	
	2-10	Nomination and selection of the highest governance body	IR: 68-75	
	2-11	Chair of the highest governance body		Independent.
	2-12	Role of the highest governance body in overseeing the management of impacts	SR: 8-9, 15-16 IR: 71-74	
	2-13	Delegation of responsibility for managing impacts	IR: 65-68	
	2-14	Role of the highest governance body in sustainability reporting	SR: 8-8, 15-16	
	2-15	Conflicts of interest	SR: 16-17 IR: 70	
	2-16	Communication of critical concerns	SR: 8-9,10-12,16,19	
	2-17	Collective knowledge of the highest governance body	SR: 16 IR: 70-71	
	2-18	Evaluation of the performance of the highest governance body	IR: 70	
	2-19	Remuneration policies	IR: 76-106	
	2-20	Process to determine remuneration	IR: 89-97 SR: 16,35-36	
	2-21	Annual total compensation ratio		We do not currently report this, but will look to reporting on this in the future.

GRI Index continued

GRI standard	Disclosure number	Disclosure title	Disclosure (page)	Direct answer or omission
GRI 2: General Disclosures 2021 continued				
Strategy, policies and practice	2-22	Statement on sustainable development strategy	SR: 14	
	2-23	Policy commitments	SR:16-17,20,29,33,35,36,46,52	
	2-24	Embedding policy commitments	SR: 16-17,20,29,33,35,36,46,52	
	2-25	Processes to remediate negative impacts	SR: 17,37-40,55-68	
	2-26	Mechanisms for seeking advice and raising concerns	SR: 17	
	2-27	Compliance with laws and regulations	Throughout SR	No instances of non-compliance, nor fines relating to non-compliance during the reporting period.
	2-28	Membership associations	SR: 63,65,67,68	
Stakeholder engagement	2-29	Approach to stakeholder engagement	IR: 24-27	
	2-30	Collective bargaining agreements	SR: 36,72	
GRI 3: Material Topics 2021				
Disclosures on material topics	3-1	Process to determine material topics	SR: 2 IR: 3	
	3-2	List of material topics	SR: 14,19	
	3-3	Management of material topics	SR: 18-20,22-53,54-68	
Economic performance				
Topic disclosures	201-1	Direct economic value generated and distributed	IR: 8 AFS	
	201-2	Financial implications and other risks and opportunities due to climate change	CDP Climate C3	
	201-3	Defined benefit plan obligations and other retirement plans	IR Remuneration report: 85-87	
	201-4	Financial assistance received from government		None.
Market presence				
Topic disclosures	202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	SR: 35 (discussion on entry level wage and fair pay analysis)	We report on the entry-level wage to the minimum wage for employees, but not by gender. In terms of living wage, we report on our internal process to define fair pay but cannot report on a living wage until the sector has agreed on a methodology and definition for this.
	202-2	Proportion of senior management hired from the local community		Data not currently available.
Indirect economic impacts				
Topic disclosures	203-1	Infrastructure investments and services supported	SR: 35	

GRI Index continued

GRI standard	Disclosure number	Disclosure title	Disclosure (page)	Direct answer or omission
	203-2	Significant indirect economic impacts	SR: 6,41-44,45-53	
Procurement practices				
Topic disclosures	204-1	Proportion of spending on local suppliers	SR: 6,41-43,73	
Anti-corruption				
Topic disclosures	205-1	Operations assessed for risks related to corruption	IR: 74	
	205-2	Communication and training about anti-corruption policies and procedures	SR: 17	
	205-3	Confirmed incidents of corruption and actions taken	SR: 71	
Anti-competitive behaviour				
Topic disclosures	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		None
Tax				
Topic disclosures	207-1	Approach to tax	IR: 75	
	207-2	Tax governance, control, and risk management	IR: 75	
	207-3	Stakeholder engagement and management of concerns related to tax	IR: 26	
	207-4	Country-by-country reporting	AFS	
Materials				
Topic disclosures	301-2	Recycled input materials used	SR: 6,64-65	
Energy				
Topic disclosures	302-1	Energy consumption within the organisation	SR: 6,55-59,74	
	302-2	Energy consumption outside the organisation	CDP Climate C7	
	302-3	Energy intensity	SR: 74	
	302-4	Reduction of energy consumption	SR: 55-59	
	302-5	Reductions in energy requirements of products and services	SR: 56-58	
Water and effluents				
Topic disclosures	303-1	Interactions with water as a shared resource	SR: 60-61, CDP Water C3 and C9	
	303-2	Management of water discharge-related impacts	SR: 61, CDP Water C3 and C9	
	303-3	Water withdrawal	SR: 61,75, CDP Water C9	
	303-4	Water discharge	CDP Water C9	

GRI Index continued

GRI standard	Disclosure number	Disclosure title	Disclosure (page)	Direct answer or omission
	303-5	Water consumption	SR: 6,60-61,75, CDP Water C9	
Biodiversity				
Topic disclosures	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Partial data is available. We are working on systems to allow full reporting in the future, and to align with GRI's new Biodiversity Topic Standard
	304-2	Significant impacts of activities, products and services on biodiversity	SR: 6,67-68	
	304-3	Habitats protected or restored		Data not currently available. We plan to implement processes that will enable future reporting
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Data not currently available. We plan to implement processes that will enable future reporting
Emissions				
Topic disclosures	305-1	Direct (Scope 1) GHG emissions	SR: 6,55-59,74-75	
	305-2	Energy indirect (Scope 2) GHG emissions	SR: 6,55-59,74-75	
	305-3	Other indirect (Scope 3) GHG emissions	SR: 6,55-59,74-75	
	305-4	GHG emissions intensity	SR: 6,56,75	
	305-5	Reduction of GHG emissions	SR: 6,55-59,74-75	
	305-6	Emissions of ozone-depleting substances (ODS)	SR: 75, CDP Climate C7	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SR: 59,76, CDP Climate C7	Reporting requirements (a)(ii-vii) omitted as not applicable due to insignificant emissions, except for NOx, which is reported in our CDP report
Waste				
Topic disclosures	306-1	Waste generation and significant waste-related impacts	SR: 6,62-65,75	
	306-2	Management of significant waste-related impacts	SR: 62-65,75	
	306-3	Waste generated	SR: 75	
	306-4	Waste diverted from disposal	SR: 6,62-65,75	
	306-5	Waste directed to disposal	SR: 75	
Supplier environmental assessment				
Topic disclosures	308-1	New suppliers that were screened using environmental criteria	SR: 67	The Shoprite Group expects compliance with its Supplier Code of Conduct and implements an annual supplier survey that covers environmental criteria
	308-2	Negative environmental impacts in the supply chain and actions taken		The Shoprite Group expects compliance with its Supplier Code of Conduct and implements an annual supplier survey that covers environmental criteria. We do not currently report on the survey results, but will look to doing so in the future

GRI Index continued

GRI standard	Disclosure number	Disclosure title	Disclosure (page)	Direct answer or omission
Employment				
Topic disclosures	401-1	New employee hires and employee turnover	SR: 6,30,36,72	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR: 35 IR: 96	
	401-3	Parental leave		In line with legislation
Occupational health and safety				
	403-1	Occupational health and safety management system	SR: 37-39	
	403-2	Hazard identification, risk assessment, and incident investigation	SR: 37-39	
	403-3	Occupational health services	SR: 40	
	403-4	Worker participation, consultation, and communication on occupational health and safety	SR: 37-40	
	403-5	Worker training on occupational health and safety	SR: 37-40	
	403-6	Promotion of worker health	SR: 40	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR: 37-39	
	403-8	Workers covered by an occupational health and safety management system	SR: 37	
	403-9	Work-related injuries	SR: 6,37-40,73	
	403-10	Work-related ill health	SR: 40	
Training and education				
Topic disclosures	404-1	Average hours of training per year per employee	SR: 73	
	404-2	Programmes for upgrading employee skills and transition assistance programmes	SR: 31-34	
	404-3	Percentage of employees receiving regular performance and career development reviews		All permanent employees
Diversity and equal opportunity				
Topic disclosures	405-1	Diversity of governance bodies and employees	SR: 33,71 IR: 68-69	
	405-2	Ratio of basic salary and remuneration of women to men		Data not available
Non-discrimination				
Topic disclosures	406-1	Incidents of discrimination and corrective actions taken	SR: 18,17,33	The Shoprite Group does not currently publish specific data on such incidents
Freedom of association and collective bargaining				
Topic disclosures	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		None that we are aware of. For our supply chain we have not conducted a formal assessment on this
Child labour				
Topic disclosures	408-1	Operations and suppliers at significant risk for incidents of child labour		None that we are aware of. For our supply chain we have not conducted a formal assessment on this

GRI Index continued

GRI standard	Disclosure number	Disclosure title	Disclosure (page)	Direct answer or omission
Forced or compulsory labour				
Topic disclosures	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		None that we are aware of. For our supply chain we have not conducted a formal assessment on this
Security practices				
Topic disclosures	410-1	Security personnel trained in human rights policies or procedures	SR: 17	
Local communities				
Topic disclosures	413-1	Operations with local community engagement, impact assessments, and development programmes	SR: 45-53	
	413-2	Operations with significant actual and potential negative impacts on local communities		The Shoprite Group mitigates potential negative impacts through community engagement, environmental assessments, and CSI programmes, ensuring responsible operations and positive local development
Supplier social assessment				
Topic disclosures	414-1	New suppliers that were screened using social criteria		The Shoprite Group expects compliance with its Supplier Code of Conduct but does not conduct formal social screenings
	414-2	Negative social impacts in the supply chain and actions taken		The Shoprite Group expects compliance with its Supplier Code of Conduct but currently does not formally identify or respond to any specific social impacts in the supply chain
Public policy				
Topic disclosures	415-1	Political contributions		None
Customer health and safety				
Topic disclosures	416-1	Assessment of the health and safety impacts of product and service categories	SR: 44	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SR: 44	
Marketing and labelling				
Topic disclosures	417-1	Requirements for product and service information and labelling	SR: 11,23,26,27,44	
	417-2	Incidents of non-compliance concerning product and service information and labelling		None
	417-3	Incidents of non-compliance concerning marketing communications		None
Customer privacy				
Topic disclosures	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		The Shoprite Group prioritises privacy but does not currently disclose data on breaches

Employee profile by region

■ Discontinued operations

■ 2025

■ 2024

South Africa	Angola	Botswana	Eswatini	Ghana
TOTALFEMALEMALE	TOTALFEMALEMALE	TOTALFEMALEMALE	TOTALFEMALEMALE	TOTALFEMALEMALE
Number of employees	Number of employees	Number of employees	Number of employees	Number of employees
150 14895 52354 625	3 4641 5651 899	1 578874704	1 331819512	653344309
142 03891 29650 742	3 1701 4361 734	1 442784658	1 301790511	635339296
Number of permanent contract employees	Number of permanent contract employees	Number of permanent contract employees	Number of permanent contract employees	Number of permanent contract employees
146 55293 68152 871	3 3301 4891 841	1 576873703	1 331819512	653344309
139 12989 85349 276	2 7961 2571 539	1 442784658	1 301790511	635339296
Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees
3 5961 8421 754	1347658	211	000	000
2 9091 4431 466	374179195	000	000	000
Number of full-time employees	Number of full-time employees	Number of full-time employees	Number of full-time employees	Number of full-time employees
55 6093 0 22725 382	3 4641 5651 899	999537462	509258251	529257272
53 65829 44424 214	3 1701 4361 734	918496422	501247254	477228249
Number of part-time employees	Number of part-time employees	Number of part-time employees	Number of part-time employees	Number of part-time employees
94 53965 29629 243	000	579337242	822561261	1248737
88 38061 85226 528	000	524288236	800543257	15811147

Lesotho	Malawi	Mozambique	Namibia	Zambia
TOTALFEMALEMALE	TOTALFEMALEMALE	TOTALFEMALEMALE	TOTALFEMALEMALE	TOTALFEMALEMALE
Number of employees	Number of employees	Number of employees	Number of employees	Number of employees
1 324788536	343172171	970503467	4 7702 9341 836	4 3582 3891 969
1 337783554	351168183	1 234635599	4 6252 8961 729	4 0832 2001 883
Number of permanent contract employees	Number of permanent contract employees	Number of permanent contract employees	Number of permanent contract employees	Number of permanent contract employees
1 323787536	343172171	968503465	4 7602 9341 826	4 3542 3891 965
1 337783554	351168183	1 231634597	4 6122 8951 717	4 0772 2001 877
Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees	Number of temporary/fixed-term contract employees
110	000	202	10010	404
000	000	312	13112	606
Number of full-time employees	Number of full-time employees	Number of full-time employees	Number of full-time employees	Number of full-time employees
342177165	268128140	890471419	2 5221 4341 088	2 2971 1651 132
336175161	275127148	1 161610551	2 5481 4631 085	2 1841 1001 084
Number of part-time employees	Number of part-time employees	Number of part-time employees	Number of part-time employees	Number of part-time employees
982611371	754431	803248	2 2481 500748	2 0611 224837
1 001608393	764135	732548	2 0771 433644	1 8991 100799

Administration

Shareholders’ diary

June

Financial year end

August

Reviewed results

September

Full year financial results announcement and presentation
Payment of final ordinary dividend

October

Publication of Integrated Report and Notice of Annual General Meeting

November

Annual General Meeting

December

End of financial half-year

March

Interim results announcement and presentation

April

Payment of interim ordinary dividend

Please consult our website www.shopriteholdings.co.za for the latest published diary dates.

Executive Directors

PC Engelbrecht (CEO), A de Bruyn (CFO)

Independent Non-executive Directors

WE Lucas-Bull (Chairman), P Cooper, L de Beer, GW Dempster, NN Gobodo, MLD Marole, SN Maseko, H Mathebula, PD Norman, EA Wilton

Non-executive Director

CH Wiese

Alternate Non-executive Director

JD Wiese

Company Secretary

LM Goliath

Registered office

Cnr William Dabbs Street and Old Paarl Road, Brackenfell, 7560, South Africa
PO Box 215, Brackenfell, 7561, South Africa
Telephone: +27 (0)21 980 4000
Website: www.shopriteholdings.co.za

Transfer secretaries

South Africa

Computershare Investor Services (Pty) Ltd
Private Bag X9000, Saxonwold, 2132, South Africa
Telephone: +27 (0)11 370 5000
Facsimile: +27 (0)11 688 5238
E-mail: web.queries@computershare.co.za
Website: www.computershare.com

Namibia

Transfer Secretaries (Pty) Ltd
4 Robert Mugabe Avenue
(Entrance from Dr. Theo-Ben Gurirab Street), Windhoek, Namibia
PO Box 2401, Windhoek, Namibia
Telephone: +264 (0)61 227 647
E-mail: ts@nsx.com.na

Zambia

ShareTrack Zambia
Spectrum House, Stand 10 Jesmondine, Great East Road, Lusaka, Zambia
PO Box 37283, Lusaka, Zambia
Telephone: +260 (0)211 374 791/794
Facsimile: +260 (0)211 374 781
Mobile fixed lines: MTN +260 960 640 613
AIRTEL +260 777 774 775
E-mail: sharetrack@scs.co.zm
Website: www.sharetrackzambia.com

Sponsors

South Africa

Nedbank Corporate and Investment Banking, a division of Nedbank Limited
135 Rivonia Road, Sandown, Sandton, 2196
Telephone: +27 (0)10 223 2448
E-mail: nedbanksponsor@nedbank.co.za
Website: www.nedbank.co.za

Namibia

Old Mutual Investment Services (Namibia) (Pty) Ltd
Mutual Tower, 223 Independence Avenue, Windhoek, Namibia
PO Box 25549, Windhoek, Namibia
Telephone: +264 (0)61 299 3008
E-mail: NAM-OMInvestmentServices@oldmutual.com

Zambia

Pangaea Securities Ltd
1st Floor, Pangaea Office Park, Great East Road, Lusaka, Zambia
PO Box 30163, Lusaka 10101, Zambia
Telephone: +260 (0)211 220 707/238 709/10
Facsimile: +260 (0)211 220 925
E-mail: info@pangaea.co.zm
Website: www.pangaea.co.zm

Auditors

Ernst & Young Inc.
3 Dock Road, V&A Waterfront, Cape Town, 8001, South Africa
Telephone: +27 (0)21 443 0200
Facsimile: +27 (0)21 443 1200
Website: www.ey.com/en_za

For verification of 5 key indicators
Motlanalo Inc.
13 Hans van Rensburg Street, Polokwane, 0700, South Africa
Telephone: +27 (0)10 448 7793
Website: www.motlanalo.co.za

Glossary

24/7	Twenty-Four Hours A Day, Seven Days A Week	IFRS	International Financial Reporting Standards	SACCAWU	South African Commercial, Catering And Allied Workers Union
AFS	Annual Financial Statements	IPP	Independent Power Producers	SASB	Sustainability Accounting Standards Board
AI	Artificial Intelligence	IR	Integrated Report	SASSA	South African Social Security Agency
ARC	Audit And Risk Committee	<IR>	Integrated Reporting Framework	SASSI	Southern African Sustainable Seafood Initiative
B-BBEE	Broad-Based Black Economic Empowerment	ISO	International Organization Of Standardization	SBTi	Science Based Targets Initiative
BUSA	Business Unity South Africa	IT	Information Technology	SDG	Sustainable Development Goals
C.A.R.E.	Children's Rights, Nutrition, Learning, Classroom Activities	IUCN	International Union For The Conservation Of Nature	SEA	Supplier Engagement Assessment
CDP	Carbon Disclosure Project	IUU	Illegal, Unreported And Unregulated	SEC	Social And Ethics Committee
CEO	Chief Executive Officer	JSE	Johannesburg Stock Exchange	SET	Shoprite Employee Trust
CFO	Chief Financial Officer	King IV™	King IV™ Code On Corporate Governance 2016	SIZA	Sustainable Initiative Of South Africa
CGCSA	Consumer Goods Council Of South Africa	KPI Key	Performance Indicator	SMME	Small, Medium And Micro-Enterprise
CGSO	Consumer Goods And Services Ombud	LED	Light-Emitting Diode	SOx	Sulphur Oxides
CIR	Critical Incident Response	localg.a.p.	Local Good Agricultural Practices	SR	Sustainability Report
CMMI	Capability Maturity Model Integration	LTI	Lost-Time Injuries	SRD	Social Relief Of Distress
COO	Chief Operating Officer	LTI	Long-Term Incentives	STI	Short-Term Incentives
CSI	Corporate Social Investment	LTIFR	Lost-Time Injury Frequency Rate	TCB	Taking Care Of Business
CSO	Chief Sustainability Officer	LuSE	Lusaka Stock Exchange	TCFD	Task Force On Climate-Related Financial Disclosures
CV	Curriculum Vitae	MSC	Marine Stewardship Council	TLIC	Talent And Learning Investment Committee
DC	Distribution Centre	MTC	Medical Treatment Cases	TRIFR	Total Recordable Injury Frequency Rate
DEI	Diversity, Equity And Inclusion	NGO	Non-Governmental Organisation	UN	United Nations
DFFE	Department Of Forestry, Fisheries And The Environment	NOSTOP	Never Overthink Situations Transfer Opportunities Passionately	UNFCCC	United Nations Framework Convention On Climate Change
EAP	Employee Assistance Programme	NOx	Nitrogen Oxides	UNGC	United Nations Global Compact
ECD	Early Childhood Development	NPAT	Net Profit After Tax	USSD	Unstructured Supplementary Service Data
EDI	Executive Deferred Incentives	NPO	Non-Profit Organisation	WOF	Working On Fire
EE	Employment Equity	NQF	National Qualifications Framework	WRI	World Resources Institute
EPR	Extended Producer Responsibility	NSFAS	National Student Financial Aid Scheme	WWF	World Wide Fund For Nature
ERM	Enterprise Risk Management	NSX	Namibian Stock Exchange	YES	Youth Employment Services
ESD	Enterprise And Supplier Development	ODS	Ozone Depleting Substances	ZAR	South African Rand
ESG	Environmental, Social And Governance	OECD	Organization For Economic Cooperation And Development	Units of Measurement:	
ETP	Endangered, Threatened And Protected	OHS	Occupational Health And Safety	GJ	Gigajoule
EVP	Employee Value Proposition	OMP	Occupational Medicine Practitioner	kℓ	Kilolitre
EWP	Employee Wellness Programme	OPRL	On-Pack Recycling Label	Mℓ	Megalitre
FB-FR SASB	Food Retailers Standard Code	PEP	Post Exposure Prophylaxis	kWh	Kilowatt-Hour
FIFR	Fatal Injury Frequency Rate	PET	Polyethylene Terephthalate	MWh	Megawatt-Hour
FIP	Fisheries Improvement Project	PM	Particulate Matter	tCO2e	Tonnes Of Carbon Dioxide Equivalent
FSC	Forest Stewardship Council	PRO	Producer Responsibility Organisation	km	Kilometres
FTFA	Food And Trees For Africa	(Pty) Ltd	Proprietary Limited	m²	Square Metres
FY	Financial Year	PV	Photovoltaic		
GBF	Global Biodiversity Framework	PVC	Polyvinyl Chloride		
GHG	Greenhouse Gas	QCTO	Quality Council For Trade And Occupations		
GLA	Gross Leasable Area	R&D	Research And Development		
GLOBALG.A.P.	Global Good Agricultural Practices	RRP	Retail Readiness Programme		
GRI	Global Reporting Initiative	RSA	Republic Of South Africa		
HIV	Human Immunodeficiency Virus	RTFFR	Road Transport Fatal Frequency Rate		