

MEDIA RELEASE



WOOLWORTHS HOLDINGS LIMITED (SOUTH AFRICA) COMPLETES PAYMENT REVIEW

4 September 2020

Woolworths Holdings Limited South Africa (WHL) advises that following a review, it has identified underpayments affecting some team members within its David Jones and Country Road Group (CRG) businesses.

WHL apologises unreservedly to all team members impacted by this issue, and is committed to making full back-payments plus interest to all team members by mid-October.

Payment errors were identified as a result of system changes in late 2019. Following identification of these issues, WHL undertook a comprehensive audit of all payment processes across David Jones and the CRG brands.

This audit was completed earlier this month and identified integration errors within rostering and payroll systems as the cause of underpayments.

The total underpayment identified within David Jones was \$1.35 million within a six year period and has affected 6,200 team members. The majority of underpayments relate to superannuation entitlements.

Ian Moir, interim Chief Executive Officer, David Jones said: “Our team members should expect to be paid correctly. We deeply regret this has not occurred and apologise unreservedly to our team. We are now focussed on ensuring our team members are paid the money owing to them as quickly as possible.”

The total underpayment identified within CRG was \$2.36 million within a six year period and has affected 1,100 team members, mostly within the Politix business.

Scott Fyfe, Chief Executive Officer, Country Road Group said: “We sincerely apologise to all team members impacted by this issue, and are working hard to resolve the matter immediately. The cause of underpayment across the CRG brands was identified as poor systems integration, with the material impact coming from the acquisition of Politix in 2016. We’ve now completed a thorough review of systems and processes and taken the necessary steps across the Group to ensure these errors cannot be repeated.”

KPMG has advised on and supported the review process and WHL has advised the Australian Taxation Office, Fair Work Ombudsman and SDA of the outcomes.

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David Jones and Country Road Group team members have been advised of the issue, and repayment will be made to impacted employees by mid-October 2020. WHL is in the process of contacting former team members affected by the issue to ensure payment occurs as quickly as possible.

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For media enquiries please contact Angus Urquhart on 0437 518 713.

Woolworths Holdings Limited

Woolworths Holdings Limited (WHL) is one of the top 40 companies listed on the JSE Limited Securities Exchange (JSE) with operations across the southern hemisphere.

The Group consists of three major operating divisions:

- Woolworths South Africa (Woolworths or WSA) based in South Africa and operating across 10 countries in sub-Saharan Africa;
- David Jones (David Jones or DJ) based and trading in Australia and New Zealand; and
- Country Road Group (Country Road Group or CRG) based in Australia and trading in Australia, New Zealand and South Africa.