



WOOLWORTHS LIMITED



**CORPORATE RESPONSIBILITY REPORT
2015**

CONTENTS

Corporate Responsibility Highlights for 2015	1
Sustainability Strategy 2007-2015 - The Results	2
CEO's Statement	5
People	6
Planet	9
Prosperity	12
Australian Food and Petrol	14
Woolworths Liquor Group	20
New Zealand Supermarkets	22
General Merchandise	24
Hotels	25
Home Improvement	26
Sustainability Metrics	27
Workplace Metrics	29
Corporate Responsibility Governance	34
United Nations Global Compact	36
Global Reporting Initiative	37
Independent Assurance Statement	40
Store Analysis	41
Glossary	42
Company Directory	45

SCOPE OF REPORT

Unless otherwise stated, this report covers all of our operations in Australia and New Zealand for the 2015 financial year (1 July 2014 to 30 June 2015). Only workplace metrics (excluding Safety) are included for global sourcing offices in China, Bangladesh and Thailand. With only 25% ownership and no operational control of Gage Road Brewery, there is no information reported for this business.

Corporate Responsibility Highlights for 2015

For a fifth consecutive year, Woolworths has been recognised as a Sustainability Leader in the Dow Jones Sustainability Indices, Food and Staples Retailing sector. We are the only Australian retailer on the global sector leaders list.

PEOPLE



PLANET



PROSPERITY



<p>197,426 employees</p>	<p>42% reduction in carbon emissions from facilities, with emissions now below those of our 2007 baseline</p>	<p>\$114 b and 771,000 jobs in indirect contribution to the Australian economy</p>
<p>74,848 young employees¹</p>	<p>91% of Sustainability Strategy 2007-2015 targets and commitments completed</p>	<p>\$7.4 b paid in wages</p>
<p>39% of management positions held by women</p>	<p>\$172 m operational cost savings from \$137 million investment in energy efficiency</p>	<p>\$1.8 b paid in dividends to shareholders</p>
<p>1,953 indigenous employees²</p>	<p>60,000 tonnes of food waste diverted from landfill</p>	<p>\$36 m contributed to community partners</p>
<p>\$28.2 m invested in staff training</p>	<p>246,659 tonnes of material recycled or diverted from landfill</p>	<p>\$2.4 b in taxes paid</p>

¹ Young employees are aged under 25 years

² Employees self-declare if they are indigenous in our engagement survey; this result excludes Woolworths Liquor Group, ALH Group and BIG W

Sustainability Strategy 2007-2015 – The Results

91% of targets
and commitments
achieved

Woolworths Limited launched an industry leading Sustainability Strategy eight years ago, with ambitious targets and commitments to transform itself into a more sustainable business. The strategy focused on improving the efficiency of our operations, reducing waste and meeting customers' expectations about responsible sourcing.

The strategy set Woolworths as a leader amongst peers and the retail industry.

Woolworths successfully completed 31 or 91% of the 34 key targets and commitments in the strategy. Two of the three remaining commitments were found to be unnecessary.

Our main achievements were:

- 42% reduction in carbon emissions from facilities based on projected growth levels
- 25%, or greater, reduction in carbon emissions per square metre in new supermarkets
- 30% reduction in company car fleet emissions
- 200 million litres of annual water saving by the target date of 2010
- Implementation of key policies for ethical sourcing, palm oil, seafood, timber, paper and animal welfare

Despite the overall success of the strategy, our ambitious commitment to achieve zero food waste to landfill was not met. However, our focus to divert food to charities, farmers programs, commercial composting and waste to energy prevented 60,000 tonnes of food waste from being dumped in landfill in 2015. We have renewed this commitment through to 2020 and have launched a new partnership with OzHarvest, to further develop opportunities to reduce waste.

As our strategy timeline nears completion, Woolworths understands that despite our significant achievements we must maintain a focus on improvement.

Adopting a model that encourages a prosperous business, community and supply chain, our new Corporate Responsibility Strategy will address the themes of People, Planet and Prosperity. This basic structure best fits a business like Woolworths.

Target	Status	Comment
Carbon emission reductions from facilities		
40% reduction in carbon emissions by 2015 (based on projected growth levels), bringing our emissions back to 2006 levels	✓	Achieved 42% reduction in emissions through a 32.3% reduction through energy efficient technology and inclusion of the 11.11% Renewable Energy Target.
25% reduction in carbon emissions per square metre for new sustainable store designs compared with business as usual designs	✓	Have maintained a minimum 25% reduction in emissions per square metre since 2012. Emission reduction for supermarkets built in 2015 is 30.4%.
All new Woolworths Supermarkets opening from September 2008 to conform to our sustainable design guidelines	✓	Sustainable engineering design was implemented in 2008.
Work with the Green Building Council to develop a star-rating tool for supermarket interiors	✗	In 2010, further investigation showed minimal benefit in developing this tool, particularly with Woolworths' progress with investment in energy efficiency.
Develop an ecological footprint calculator for evaluation of supermarket interior design and fit-out	✗	In 2010, it was decided that internally developed project modelling and investment in energy efficiency made this target redundant.

Sustainability Strategy 2007-2015 - The Results

Target	Status	Comment
Carbon emission reductions from transport		
25% reduction of carbon emissions per carton delivered by Woolworths owned trucks by 2012	✓	Achieved a 25.6% reduction in emissions by 2012. Outsourced these operations in 2013.
30% reduction on 2006 levels of carbon emissions from a company car fleet of 3,100 cars, by 2010	✓	Achieved a 30% reduction in emissions by 2012. Fleet was significantly larger than forecast.
Establish accurate baseline data in 2008 for all modes of transport	✓	Achieved in 2008, with accurate data available for Woolworths-owned fleet and improved accuracy for third party logistics providers.
Establish a forum with major transport suppliers to develop a low carbon strategy for our third party distribution network	✓	Active participation in industry forums, including the Road Transport Authority's Green Truck Partnership.
Conduct a comprehensive study on biodiesel availability in Australia, including quality, vehicle compatibility and cost impacts	✓	In 2008, Woolworths sponsored the CSIRO Future Fuels Forum on alternative fuel research.
Trial the use of hybrid powered trucks for home deliveries	✓	A hybrid truck was trialled in 2009. The vehicle remains part of our fleet but the business case of fuel savings versus capital cost does not justify further investment at this time.
Water efficiency		
Develop a more complete baseline of water usage	✓	Corporate Water Tree developed in 2010, mapping out water use in the business.
Roll out the Water Wise project nationally for all of our Australian Supermarkets	✓	Completed in 2008, with all Australian Supermarkets and BIG W stores using water efficient fittings and practices.
Reduce water use by at least 200 million litres by 2010	✓	Target achieved in 2010. Results have declined but water saving was delivered in 2015.
Ethical sourcing		
Develop and implement an ethical sourcing policy	✓	Implemented in 2008 and supported by a factory audit program.
Identify sustainable sourcing gaps and develop appropriate policies	✓	Have introduced sustainable sourcing policies for palm oil, seafood, timber and paper products and animal welfare.
Conduct staff training and capacity building for our buying teams to help them understand issues and types of third party certifications	✓	Training has been provided to staff on ethical sourcing, compliance and sustainable product development.
Packaging		
Establish a supplier forum to work together on more sustainable packaging	✓	Forums were held in 2008 and 2009 and included topics like improved labelling.
Establish more comprehensive baseline data for packaging of Own Brand products, including information on material consumption, recycled content, recyclability	✓	Woolworths has collated packaging information on 34% of our Own Brand products, which used more than 32,300 tonnes of packaging material.
Review Own Brand procurement policy and supplier guidelines	✓	Sustainable Packaging Guidelines were developed and implemented in 2011.
Conduct an audit of compliance with the Environmental Code of Practice for Packaging (ECOPP) and ISO 14021 for Own Brand products	✓	Audit was conducted in 2008.
Trial the use of the Packaging Impacts Quick Evaluation Tool (PIQET) for Own Brand products	✓	Trial was conducted in 2008. Woolworths now uses this tool to compare the impacts of different packaging solutions.
Report annually to the Australian Packaging Covenant (APC) and in the Woolworths Corporate Responsibility Report	✓	Woolworths has been reporting annually on packaging since 2008.
Provide training to 50 suppliers by 2008	✓	Facilitated training sessions and forums on PIQET, sustainable packaging guidelines and labelling.
Use PIQET to evaluate 20 Own Brand products by 2010	✓	Woolworths has conducted PIQET assessments on meat trays, wine bottles and our packaging team uses PIQET to compare packaging options.
Continue to replace waxed cardboard and polystyrene boxes with reusable produce crates, increasing crates from 1.7 million to 3.4 million	✓	Achieved in 2009. The reuse of these crates in 2015 saved 50.7 million boxes from being used.

Sustainability Strategy 2007-2015 - The Results

Target	Status	Comment
Waste minimisation		
Zero food waste to landfill by 2015 (where receiving facilities are available)	∅	Implemented programs that have diverted an estimated 60,000 tonnes of food waste from landfill. More than half of the waste stream is still waste food and we have recommitted to this target for 2020.
Reduce the amount of flexible plastic in the waste stream to less than 1% by 2010	✓	Achieved in 2015, with this material comprising 0.9% of the waste stream.
Reduce the amount of recyclable cardboard in the waste stream to less than 1% by 2010	✓	Achieved in 2014, with 0.96% of this material in the waste stream. The result for 2015 was 1.08%.
Increase the number of Sydney stores using EarthPower from 53 to 100 by 2010	✓	140 Supermarkets in Sydney send food waste to EarthPower, for conversion into fertiliser and generation of electricity.
Identify organics recycling technologies, similar to EarthPower, for recycling source separated waste from Supermarkets outside of Sydney, and determine commercial feasibility	✓	Achieved. Food waste diversion programs have been trialed and implemented in most states, with key programs in Adelaide, Perth, Newcastle and Wollongong.
Implement a waste audit program for stores and distribution centres	✓	Achieved. An annual waste audit program is tracking trends in food waste and recyclable materials in the waste stream.
Continuing phase-out of polystyrene	✓	Polystyrene boxes have been phased out for all produce, except for broccoli where it significantly improves shelf-life. We are also phasing out the use of polystyrene trays in pre-packaged meat and organic produce.
Implement a staff education program to encourage greater recovery of plastic and cardboard	✓	The Eco Ambassador Program ran for a number of years, including awareness on recycling practices.

Icon	Definition
✓	Target has been achieved at some stage during the strategy's timeline.
✗	Target has been cancelled as it was deemed not required after further investigation.
∅	Did not achieve the target.

CEO's Statement

Financial year 2015 has been one of significant change at Woolworths Limited. However, as always, we remain absolutely committed to doing the right thing; by our people, by the planet and by the communities in which we operate.

The extent of our commitment is reflected in the fact that for a fifth consecutive year, Woolworths has been recognised as a Sustainability Leader in the Dow Jones Sustainability Indices, Food and Staples Retailing sector. We are the only Australian retailer on the global sector leaders list.

HIGHLIGHTS

As Australia's second largest private sector employer and New Zealand's largest private sector employer, Woolworths makes a substantial contribution to employment and the economy.

In Australia, we employed 197,426 people in 2015, including 74,848 young employees under the age of 25 years. For these young people, Woolworths often provides the launch pad to their working lives and sets them up for successful careers, be they in retail or further afield.

In addition to direct employment and the \$7.4 billion paid in wages in 2015, our business activities indirectly contributed \$114 billion and 771,000 jobs across the Australian economy.

Importantly, safety rates at work improved with a Lost Time Frequency Rate of 10.51, a reduction on 2014. Pleasingly, more than 1,200 of our sites did not record a lost time injury during the year.

We continued to reduce our carbon footprint and reduced food waste to landfill by 60,000 tonnes during the year.

Over the year, Woolworths contributed almost \$36 million through community programs with our community partners across Australia and New Zealand.

A strong focus has been assisting Australians struggling with the impacts of natural disasters. Since 2010 working with our customers we have contributed more than \$28 million to The Salvation Army.

SUSTAINABILITY STRATEGY 2007-2015

This year our Sustainability Strategy 2007-2015 comes to an end. We launched this industry leading Sustainability Strategy eight years ago with ambitious targets. The strategy focused on improving the efficiency of our operations, reducing waste and meeting customer expectations about responsible sourcing.

Woolworths successfully completed 31 out of the 34 key targets and commitments in the Strategy. Of the remaining three, two of these three commitments were found to be unnecessary.

One of Woolworths' key and most challenging targets from 2007 was reducing carbon emissions from stores, distribution centres and offices by 40% (compared to projected growth levels) by 2015. Our goal was to bring our emissions from facilities back to the baseline year of 2006-2007, despite growing our business. An overall reduction of 42% surpasses our ambitious target. Our carbon reduction initiatives have delivered an estimated saving of \$172 million so far. In addition, this year we have increased our distributed solar power generation capacity to 1.2 megawatts.

It is also important to be open and transparent about where we failed to meet our targets. We did not meet our commitment to zero food waste by the end of 2015. However, we recently recommitted to this target by 2020 and put steps in place to achieve this goal including an exciting new partnership with Australia's leading local food rescue organisation, OzHarvest. This partnership will enable us to divert even more surplus food from landfill and further help Australians in need, addressing the broader issues of food waste, sustainability and food security.

I am very proud of the work the team has done to make Woolworths a more sustainable business over this period.

SETTING OUR FUTURE CSR STRATEGY

To build on the good work of the 2007-2015 Sustainability Strategy, we are currently working on setting our goals and commitments for the next five years to 2020.

Woolworths believes shared prosperity is an essential ingredient of our success. We look forward to updating you on our progress in 2016.

Woolworths is a signatory to the United Nations Global Compact (UNGC). UNGC signatories embrace a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. In this report, we share our performance against the UNGC core values.



GRANT O'BRIEN

Managing Director and Chief Executive Officer

People

Our customers expect a consistently great shopping experience with the best range of products at unbeatable prices in a convenient location.

Our employees expect us to provide them with a safe workplace, where they are treated with respect and where they have the potential to grow in their careers.

DIVERSITY

1,953 indigenous employees³

6,725 employees with a disability⁴

39% of management roles are held by women

Woolworths values diversity and aims to create a vibrant and inclusive workplace. We want our employees to feel valued at work, regardless of their gender, age, ethnicity, beliefs, disability, sexual orientation or gender identity.

Representation of women

More than half of our workforce are women, we are committed to improving the representation of women in executive and management roles.

Last year, we reached our target to have 33% of leadership roles (within two levels below our CEO) filled by women, a year ahead of the commitment we made to the Australian Securities Exchange (ASX).

Women hold 39% of management positions in Woolworths, with the majority of these roles based in operations. Increasing female representation at this level of management is important to improving our overall gender equality in the business.

Our CEO, Grant O'Brien, is a member of the Male Champions of Change, a group of 22 CEOs committed to achieving change on gender equality issues in organisations and communities. As part of his commitment, Woolworths has launched new workplace flexibility program, WoWFlex, which currently covers more than 550 employees. This pilot program focuses on encouraging flexible work and is supported by a new flexibility policy and an activity-based working model.

The average gender pay gap at Woolworths is less than the average national gender pay gap. We do have more work to do to improve this and close the gap. Woolworths is reviewing remunerations for a number of levels of employment, to identify gaps and to set appropriate targets for improvement.

Indigenous employees

In keeping with the commitment outlined in our Reconciliation Action Plan, we continue to focus on closing the gap between indigenous and non-indigenous Australians through employment strategies.

To create the best opportunities for employment, we work with external partners on community-based pre-employment programs. Through a combination of soft skills training, in store work experience and ongoing mentoring, 84% of program participants successfully reach 26 weeks of employment. Other pathways to employment include internships and the Graduate program.

Woolworths continued its membership of the Business Indigenous Network, coordinated through the Business Council of Australia. This network creates opportunities for the increased participation of indigenous people in the workplace.

Woolworths continues to work with Supply Nation, a body dedicated to growing diversity within the supply chain. In 2015 we supported two indigenous suppliers, Young Guns Container Crew, a Labour hire company, and Message Stick communications.

Employees with disabilities

Supporting people with a disability to find employment continues to be a priority. For example, we continue to support all of our potential employees by working closely with the Australian Network on Disability to ensure our new recruitment system is disability friendly.

We continue to be a gold member of the Australian Network on Disability and our Group Head of Safety and Health is a member of the board of this organisation.

Woolworths is working to provide employees with training in Auslan (Australian Sign Language), the language of the deaf community in Australia. This will enable co-workers, supervisors and managers to communicate better with hard of hearing colleagues and customers. This work is being championed by Drisana Levitzke-Gray, the Young Australian of the Year and Woolworths Workplace Advocate.

Age diversity

Woolworths provides many young people in Australia and New Zealand with a great start to their careers, with more than 74,000 of our employees under the age of 25. We also value the experience of older workers with more than 18,000 employees over the age of 55.

ENGAGEMENT AND VALUING OUR PEOPLE

Engagement

This year, our employee engagement survey is being conducted in three phases and only the first phase has been completed. We had a participation rate of 80%, and an overall⁵ engagement score of 66%, which decreased by 2% compared to the previous year.

This result falls below industry standards and our leaders continue to work with employees to better understand how we can increase engagement and make Woolworths a great place to work.

³ Employees self-declare if they are indigenous in our engagement survey; this result excludes Woolworths Liquor Group, ALH Group and BIG W

⁴ Employees self-declare whether they have a disability in our employee engagement survey. A rewording of this question to include an example of visual impairment may have skewed the result if employees who wear glasses answered this incorrectly

⁵ Excluding Woolworths Liquor Group, ALH Group and BIG W

People

Parental leave

We continue to offer paid maternity leave to eligible Australian-based employees, which includes six weeks paid maternity leave, two weeks' return-to-work bonus and up to 104 weeks unpaid parental leave. All employees are eligible if they have completed 12 months of continuous service prior to taking the leave or if they qualify as an eligible casual employee.

	2014		2015	
	Accessed Parental Leave	Returned from Parental Leave	Accessed Parental Leave	Returned from Parental Leave
Female	2,179	1,958	2,023	1,775
Male	21	20	14	15
Total	2,200	1,978	2,037	1,790

TRAINING

780,000 hours of training
2,000+ courses
\$28.2 million invested
2,480 trainees and apprentices⁶

Woolworths provides a great opportunity for our employees to build a career. We use a mix of learning opportunities, including formal training (in 'classrooms' or online), on-the-job experience, mentoring and coaching.

Retail Edge

Retail Edge is an innovative retail program providing employees the opportunity to develop their retail skills. The program is offered to current retail operations team members and is completed as part of a traineeship that combines both on-the-job and off-the-job training.

With a flexible online approach, employees can complete learning at a time that is most suited to them. The program has a high focus on recognising the trainee's current skills and abilities.

On completion of the traineeship, participants gain a nationally recognised qualification in Retail Operations or Retail Management. Since the program started in 2013 we have had 2,008 employees participate in Retail Edge.

Frontline Leadership Program

In 2014, we launched a Frontline Leadership Program within the Logistics division to invest in our leaders, support engagement and build a high performance culture. We partner with an external provider to provide participants with a Certificate IV in Frontline Leadership and an experience that is engaging, challenging, thought provoking and fun.

We have two program streams to achieve our vision of creating confident and professional frontline leaders. The first stream is a state-based program launched last October for our existing Team Leaders. Our plan is to up-skill all of our Team Leaders and have the program become a pre-requisite to any frontline leadership position.

The second stream is a pipeline program for future leaders launched this year. The outcome is that we now have a pool of diverse, mobile talent who are equipped to step into a leadership role and perform. To date, 67 current and future leaders have completed the program.

Graduate Program

The Woolworths Graduate Program offers recently graduated university students the opportunity to participate on a structured development program with our business. Graduates are recruited both internally and externally for programs in their chosen field and rotate through various business units and functions. They are supported by both on and off-the-job development over the two or three year program.

The program welcomed 67 new graduates who started in February 2015, with a total of 116 graduates currently participating in the programs.

The 2016 Graduate Recruitment Campaign has seen an increase in Graduate and Internship opportunities across our business with 100 roles available. New streams have been introduced including Data, Business Consulting and Procurement.

SAFETY AND HEALTH

Destination ZERO is our vision for safety and health in Woolworths. It means a journey towards becoming one of the world's safest places to work and shop.

At the time of preparing this report, Woolworths has reported a Lost Time Injury Frequency Rate (LTIFR) of 10.51, which is a reduction compared to the restated LTIFR for 2014⁷. Of note, more than 1,200 of our sites did not have a lost time injury during the year.

Employees report incidents, injuries and near misses through our incident reporting systems.

Next year, Woolworths will be reporting Total Recordable Injury Frequency Rate (TRIFR), this will replace the New Claims Frequency Rate (NCFR). The TRIFR for 2015 was 20.19.

⁶ Excludes New Zealand Supermarkets and ALH Group

⁷ LTIFR continues to update after the reporting period to capture any delays in reporting

People

Health and wellbeing

All Good

Woolworths continues its commitment to encourage and support our employees to make healthier decisions by providing information and a culture that promotes healthy behaviours.

The key strategies of the program are to:

- Encourage employees to understand their health status through either face-to-face or online health assessments
- Educate employees on the impact of their health status and provide options of how that might be different
- Support an employee when they choose to take a journey through access to programs

As part of the program development, Woolworths undertook a research project in the Victorian regional city of Ballarat. The 'Positive Change Project' was conducted over 12 weeks to determine the primary drivers in taking up and maintaining a healthy lifestyle. Involving 120 employees split into high and low touch groups, the program provided various levels of support and information to examine the impact on key physical and mental health measures, staff engagement, biological age and ongoing commitment to change.

Results were very encouraging with all members of the 'high touch' program, who had access to one-on-one support, achieving significant benefits whilst moderate change was achieved in the 'low touch' group, who relied on online tools. Learnings from the program are being assessed as part of the broader commitment to employee wellness.

Employee Assistance Program

Employees experience stressors at work and at home that can impact their wellbeing. Woolworths provides access for all staff to our Employee Assistance Program, where they can connect with a confidential counselling service through Converge Australia for both personal and work-related issues.

Planet

Our aim is to do more with less by using the natural resources of our plant more efficiently.

RESOURCE EFFICIENCY TREND

	2011	2012	2013	2014	2015
Carbon Intensity ⁸ (t CO ₂ -e/\$m EBIT)	881	838	841	793	808
Energy Intensity ⁹ (GJ/\$m EBIT)	3,325	3,227	3,097	3,019	3,100
Water Intensity ¹⁰ (kL/\$m EBIT)	560	600	600	655	655
Waste Intensity ¹¹ (T/\$m EBIT)	45	38	36	28	29

CARBON EMISSIONS - FACILITIES

Energy Efficiency

42% reduction in carbon emissions

One of Woolworths' key and most challenging targets from 2007 was reducing carbon emissions from stores, distribution centres and offices by 40% (compared to projected growth levels) by 2015. Our goal was to bring our emissions from facilities back to the baseline year of 2006-2007, despite growing our business.

An overall reduction of 42% surpasses our ambitious target.

Setting this target eight years ago, when very few of our peers had made similar commitments, gave the business the focus to investigate, develop, trial and implement energy efficiency innovation that was ahead of many retailers.

Use of low greenhouse gas emitting refrigerants, efficient redesign of customer-facing refrigeration cases, large scale adoption of efficient fluorescent light and then LED lighting, and improved energy management systems also delivered an estimated reduction in carbon emissions of more than one million tonnes, or the equivalent of operating an estimated 405 supermarkets as carbon neutral.

We implemented four new projects this year which have reduced energy use by 16,573MWh and carbon emissions by 15,646 tonnes.

The energy use and carbon emissions data was prepared in accordance with the National Greenhouse and Energy Reporting Technical Guidelines.

Reducing our cost of doing business

Improving the efficient use of resources and minimising waste continue to be effective business practices in reducing operational costs.

Woolworths has reached a transition period for energy efficiency and low carbon technology projects. Our original initiatives focusing on refrigeration, air-conditioning and lighting have delivered estimated operating cost savings of \$172 million, from \$137 million in capital investment.

Our next phase of energy efficiency, dubbed Project Enlighten, focuses on lighting technology and has the potential to save \$100 million in operational costs annually when fully implemented. With current capital investment we expect to deliver \$24 million in annual savings by the end of 2016.

Renewable energy

Solar energy generation is another aspect of this project. In the last few months of the financial year we invested in the installation of 25 solar panel systems, of differing capacities, across all mainland states and territories and on the roof of Supermarkets, BIG W and Liquor stores, and Petrol sites. All up, these sites have a capacity of more than 1.2MW.

150MWh of renewable energy generated at Woolworths' sites in 2015

⁸ Scope 1 and 2 carbon emissions only, from stationary sources

⁹ Energy use from stationary sources only

¹⁰ Estimated water use from Australian Supermarkets only

¹¹ Waste to landfill from Australian Supermarkets, New Zealand Supermarkets and BIG W

Planet

CARBON EMISSIONS - TRANSPORT

Company car fleet

Woolworths continues to achieve its commitment of reducing the carbon footprint of its company car fleet. Fuel efficiency remains a criterion during the selection of vehicles for our fleet and our emissions are now 46.7% below our 2007 baseline.

Emissions from company cars (tonnes of CO₂-e)

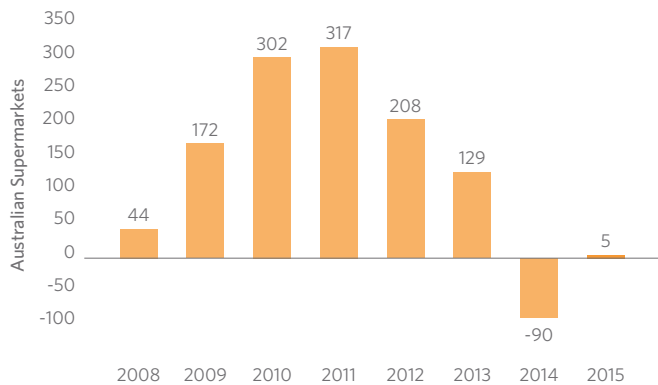
Country	2013	2014	2015
Australia	14,992	9,939	8,654
New Zealand	1,936	1,898	1,926
Total	16,928	11,837	10,580

WATER

We used an estimated 2.46 gigalitres (GL) of water in our Australian Supermarkets during the year. This estimate was based on a small sample space of metered water use in stores.

In 2014, we had a higher average store water usage. Our Engineering Maintenance and Services team investigated and addressed any leaks or operational practices that contributed to this.

Water savings from Water Wise Project (ML)



PACKAGING

50.7 million boxes not used due to the use of 3.4 million reusable produce crates

Packaging plays a key role for retailers and brand owners. Significant resources have been invested in growing, processing and transporting the products that are on our shelves, ensuring all products are protected from the supply chain through to the pantries of our customers.

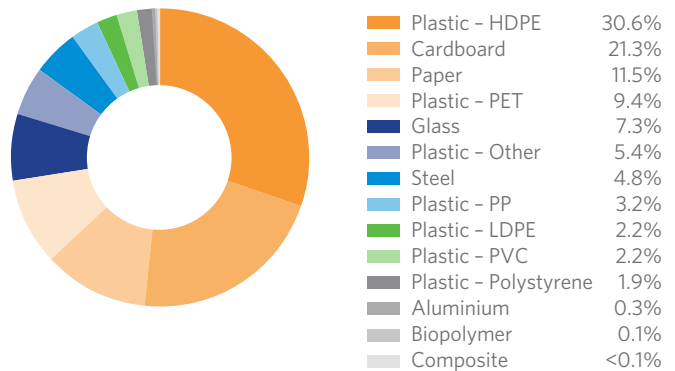
When designing the packaging of its Own Brand products, Woolworths considers the product's protection, while also considering packaging accessibility, recyclability, recycled content and messaging.

Material use

Woolworths has reviewed the packaging material of more than 3,000 Own Brand products. The products account for more than 34% of Own Brand sales and required the use of more than 32,300 tonnes of packaging materials.

High Density Polyethylene (HDPE) continues to be the most common material, due to use in two and three litre milk containers. Cardboard and paper are the next most commonly used packaging material, driven by egg cartons and Homebrand Frozen Peas. Approximately 19.5% of the packaging used contains post-consumer recycled content.

Packaging used in Australian Supermarkets



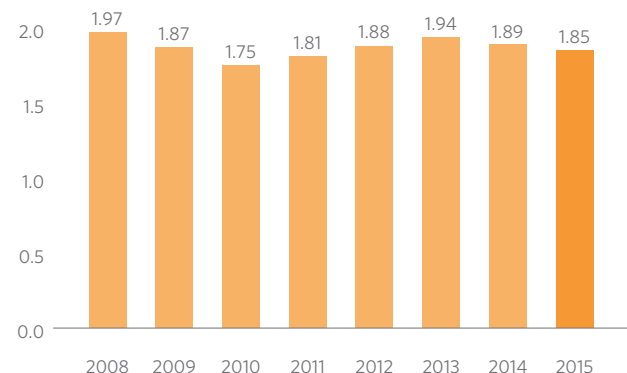
Note: Data is only for Australian Supermarkets Own Brand products that have been reviewed.

Switching from glass to plastic for Own Brand Olive Oil

During the year, we reviewed the packaging used for our Homebrand and Select range of Olive Oils. Traditionally packaged in glass bottles, we changed to a PET bottle and reduced the weight of packaging by up to 94%. The change to this range is expected to deliver an overall saving in packaging weight of 1,130 tonnes per year.

Through previous use of the Packaging Impact Quick Assessment Tool (PIQET), we found that the construction and use of PET bottles generally has a lower environmental impact than bottles made from glass.

Plastic bags per customer transaction



Note: Trend is for Australian Supermarkets only.

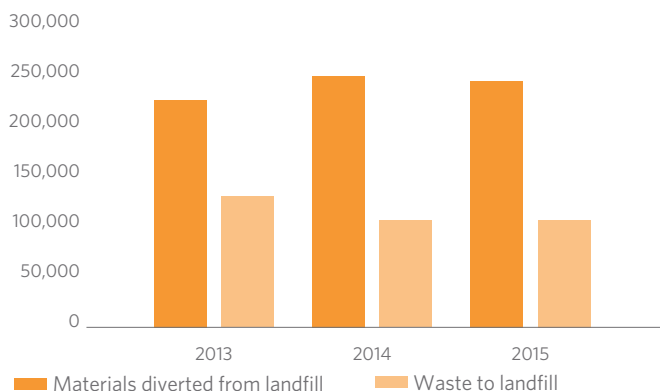
Planet

WASTE AND RECYCLING

Managing waste is a key focus for the business. We are committed to key targets of zero food waste to landfill and increasing recycling rates, both of which will also help the business reduce operational costs.

For 2015, waste disposed to landfill has increased slightly by 0.4% and the volume of material recycled or diverted from landfill has decreased by 1.8%.

Waste and recycling trends (tonnes)



Note: Waste to landfill data only from Australian Supermarkets, New Zealand Supermarkets and BIG W.

Waste audits

During our annual waste audits of 27 Australian Supermarkets, we identified that we had fulfilled one of our original sustainability targets of reducing the volume of plastic film in our waste stream to less than 1% by weight (0.9%). The volume of recyclable cardboard in the waste stream increased slightly from 0.96% the previous year to 1.08% this year.

The volume of food waste in this audit remained static at 57%. Our initiatives to address food waste are outlined in the Australian Food and Petrol section.

Food waste

We estimate that we have reduced our food waste to landfill by more than 55,000 tonnes during the year. Although this is short of the ambitious target we set for the close of 2015, our commitment to this target over the years has realised significant improvements.

If the food in our Supermarkets cannot be sold, Woolworths is committed to directing food waste to other forms of beneficial reuse. Initiatives to reduce shrink (loss) in store have generated an estimated \$65 million in savings, whilst more than \$12 million of savings in waste management costs have been delivered through food rescue, farmers programs and commercial composting.

We are implementing new waste management contracts during the coming year which we expect will divert a further 10,000 tonnes of food waste from landfill.

Packaging stewardship

We commenced a trial of the Redcycle recycling program for the collection of flexible plastic packaging. This soft plastic material is used to package many frozen products and bakery items and cannot be recycled through Australia’s kerbside recycling program.

This material is currently collected in dedicated bins at the front of 100 Supermarkets (half in Sydney and the other half in Melbourne), and the material is sent to an Australian processor to make plastic park furniture. Since implementation we have collected 71.5 tonnes of plastics, or 18 million pieces of packaging.

DEFORESTATION

By 2020, we aim to have zero net deforestation from commodities sourced for our Own Brand products.

Palm oil

We have maintained a strong focus on our commitment to use only sustainable palm oil in Own Brand food products by the end of 2015. We have converted all our existing baseline of Own Brand food products to certified sustainable palm oil. In 2015, these products used 6,210 tonnes of sustainable palm oil. We use palm oil that has been certified sustainable under the Roundtable on Sustainable Palm Oil’s (RSPO) identity preserved, segregated or mass balance models.

Our requirements for sustainable palm oil have been incorporated in our Brand Guidelines covering all new product development and we have labelled palm oil in 99% of our Own Brand food products where they contain palm oil as a direct ingredient.

Paper and timber

All of our Own Brand tissue, toilet paper and kitchen towel products are sourced from independently certified, sustainable sources.

Catalogues are a key marketing tool for our business and during the year we produced almost 1.36 billion catalogues across our brands in Australia and New Zealand. All of the 54,160 tonnes of paper used to make these catalogues came from certified sustainable sources, either through the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certifications (PEFC).

Within our business we use FSC certified office paper, procuring more than 286,000 reams of paper. The decrease in paper use compared to previous years has been realised via initiatives like the implementation of ‘follow-me-print’ functions in printers (staff must swipe their card and wait for their printing, rather than print and forget) and increased mobility through digital devices.

MICROBEADS

Microbeads are micro-plastic particles (0.1-0.5 millimetres in size) added as exfoliating agents to personal care products.

These micro-plastics are too small to be filtered out by many municipal wastewater treatment plants, and can wash directly into our fresh water systems. Many treatment plants divert wastewater directly into local rivers during heavy rain, which puts microbeads directly into the environment.

We are committed to minimising environmental impacts of Woolworths Own Brand products. We have been working with our suppliers to phase out the use of plastic microbeads in our Own Brand skin care and body wash products by the end of 2015.

Prosperity

Prosperity of our business is linked to the prosperity of our suppliers and the communities we serve and we contribute by creating jobs, economic activity, shareholder value and investing in our communities.

\$114 billion and 771,000 jobs in indirect contribution to the Australian economy (flow-on from the value of sales and construction spend)
Ranked 18th in global retailing (based on 2013 sales revenue)¹²

JOBS AND EMPLOYMENT

Every day, another young Australian – and New Zealander – gets a great start at Woolworths.

197,426 employees
74,848 young employees¹³
\$7.4 billion paid in wages
\$2.4 billion in taxes paid

In 2015, more than 43,000 talented people joined the business in Australia, New Zealand and other international sourcing offices. More than 23,000¹⁴ of these were young people, many getting their first start in the workforce with us.

Woolworths Limited is the second largest private sector employer in Australia and the largest in New Zealand.

We also operate small offices in China, Bangladesh and Thailand.

We have committed to growing our business, and with growth comes new opportunities for employment.

INVESTORS

\$1.8 billion paid in dividends to shareholders
\$60.7 billion in sales
\$3,748.4 million EBIT¹⁵
\$2,453.3 million net profit after tax¹⁶

Woolworths continues to deliver strong returns to investors, with a 1.5% increase in our full year dividend.

SUPPLIERS

Suppliers are a critical stakeholder for the business, whether we are stocking their brands in our stores or if they are a supplier of products under our own brands. We must balance providing value to our customers with a fair return to suppliers.

Advantage Report

Last year we disclosed results from the Advantage Group's independent supplier survey. The 2015 report assessed retailer performance from quantitative and qualitative research, which included survey responses from 283 suppliers and a further 350 interviews.

Of the 17 retailers that were rated, Woolworths' overall performance moved from 4th in 2014 to 6th this year. Category and business development, and supply chain management remain core strengths for the business, and we are even more focused on the better execution of marketing plans and improving supplier relations.

Better conditions for workers in our supply chain

We uphold human rights for our employees and those working in our supply chain.

For instance, we have a long-established ethical sourcing policy, which enacts the International Labour Organisation (ILO) conventions and the UN Global Compact's core values of human rights, labour standards, the environment and anti-corruption.

We expect all our suppliers to comply with our ethical sourcing policy, which has a compliance audit program for factories making our Own Brand products. Production facility audits are prioritised based on human rights risks of countries as well as product categories.

Experienced third-party certification bodies conduct these audits for us and rate factories as approved, conditionally approved or at risk. Factories at risk or with critical corrective actions can't start production for Woolworths until they take corrective action and resolve critical non-conformances.

Woolworths has committed to further transparency regarding our supply chain and will soon be disclosing details for factories that BIG W sources from in all high risk countries.

¹² Deloitte, Global Powers of Retailing 2015

¹³ Young employees are aged under 25 years

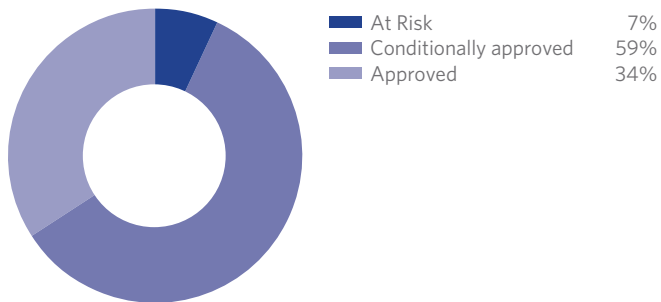
¹⁴ Excludes ALH Venue and Support Staff

¹⁵ Before significant items

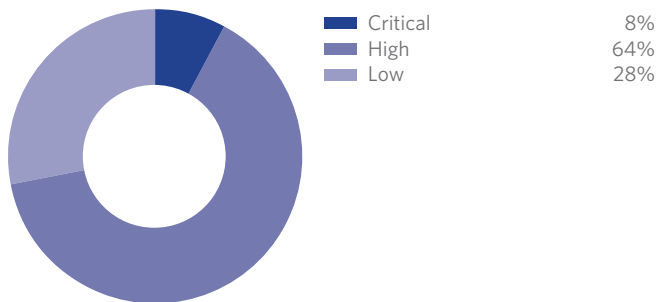
¹⁶ Before significant items

Prosperity

Ethical audit status per sites



Corrective Action Plan severity per non-conformance



Protecting seasonal migrant workers in Australia

Many of our produce suppliers in Australia need the help of seasonal migrant workers to meet their labour demand during peak harvest. Woolworths expects all suppliers to comply with the workplace laws and ethical standards for all their workers.

We have reiterated in writing to all our meat and produce suppliers that we expect full compliance with Australian workplace laws and they must take responsibility for ensuring their suppliers and labour hire companies are also legally compliant. We have made the consequences of non-compliance very clear.

We believe that Australia has a strong rule of law and well-established independent agencies like Fair Work Australia that monitor and enforce the laws much more effectively than is possible for private sector companies. However, we acknowledge there are issues with some unscrupulous labour hire companies and accept our role as part of the supply chain in working with key industry bodies and other stakeholders to improve labour practices in the supply chain.

To this end, Woolworths has joined a working group convened and led by the National Farmers Federation (NFF) and the Produce Marketing Association (PMA) developing a best practice scheme for agricultural employment. Woolworths is very supportive of a proactive and unified industry approach led by agricultural peak bodies. This is an issue that requires multi-stakeholder collaboration between Government, regulators, producers and retailers and we are happy to be part of the solution.

COMMUNITY

Many Australian and New Zealand communities have a Woolworths business in their town centre. This provides us with the opportunity to engage with our customers, employees and suppliers to raise awareness of and contribute vital funding to charitable organisations and community programs.

Woolworths has a public target to give the equivalent of at least 1% of pre-tax profits to the communities in which we operate. Our 2015 pre-tax contribution was 0.7%.

Woolworths has reviewed its community investment program and will initiate a new focus for supporting national and local initiatives in the coming year.

Total community contribution	\$35.97 million
Cash donations	\$12.2 million
In kind	\$4.6 million
Staff time	\$5.8 million
Leverage	\$13.3 million

Disaster relief

Woolworths has a great track record in helping communities recover from natural disasters such as droughts, floods, cyclones and bushfires.

The Salvation Army has been Woolworths' partner for Natural Disaster Relief since 2010. During that time, Woolworths has contributed more than \$28 million to the Salvos to help communities adversely affected by various natural disasters. This contribution includes cash donations from the business, in-kind materials and fund raising.

	Contribution	Event
2011	\$21.5m	Qld floods and Cyclone Yasi
2012	\$1.45m	Tasmanian bushfires, Qld and NSW floods
2013	\$5.51m	Blue Mountains bushfires, Qld and NSW drought
2015	\$0.27m	Hunter Valley storms

In addition to our assistance for Natural Disaster Relief, we have supported the Red Shield Appeal for the last two years by facilitating fundraising in front of our stores. The Salvos raised \$329,200 at our Supermarkets, BIG W and Masters stores during their 2015 appeal.

Avner Pancreatic Cancer Foundation

Woolworths and its suppliers have supported the Avner Pancreatic Cancer Foundation since establishment of the foundation in 2008.

The Avner Foundation is the only foundation in Australia exclusively focused on pancreatic cancer research and seeks to break through 40 years of minimal progress by doubling the number of people who survive pancreatic cancer by 2020. Pancreatic cancer has a five year survival rate of only 6% and a median survival of three to six months.

We support a number of annual fundraising events including the 'Put your foot down' walks and the 'Best Things in Life' dinners. The Avner Foundation is also supported by Coca-Cola Amatil through sales of specially marked Deep Spring water sold exclusively at Woolworths Supermarkets.

Last year a group of Woolworths staff and suppliers, participated in a three day, 300km charity bike ride. The 'Woolies on Wheels' initiative took us to towns like Bathurst, Orange and Cowra, raising awareness and more than \$400,000 for the Foundation.

Australian Food and Petrol

Woolworths is Australia's largest supermarket chain, operating 961 supermarkets and 516 petrol sites across Australia. We rely on more than 115,000 hard working employees in stores and support offices to provide our customers with superior service, range, value and convenience.

PEOPLE

With almost 18 million customers visiting our supermarkets every week, we must meet the expectations of these customers and look after our employees.

All customers are driven by certain key factors when deciding what they are going to buy and who they will buy it from. Great value, good quality products, enjoyable shopping experience, convenience and choice will determine whether a customer shops with your business and considers returning.

Value

In the second half of the year, we invested \$200 million into lowering prices in our Australian Supermarkets.

During the year, we have seen a 2.8% deflation in prices. Compared to our main competitor, internal price comparisons of 17,000 products show price parity since June. Data from Nielsen Homescan research showed that we are cheaper across almost 9,000 key items in the last financial quarter of 2015 and materially cheaper on 10,000 items online.

Choice

Supermarkets represent the core of our business and we are focused on delivering a full range of products, providing choice and convenience for our customers. Our commitment to improving labelling and increase transparency is designed to give our customers the right information so they can choose food that is healthier, and is ethically and sustainably sourced from farms with high animal welfare standards.

Health and nutrition

We are the largest retailer of fresh food in Australia and one of the largest in New Zealand.

We acknowledge that we sell a full range of groceries, including items considered treats which should be eaten in moderation.

For our Own Brand products we have undertaken a range of initiatives to improve their nutritional value, while also making sure that the labelling is clear for our customers to make informed decisions about the products they purchase.

Health Star Rating

In June 2014, Woolworths was the first Australian retailer to adopt the Australian Federal Government's voluntary Health Star Rating System, as part of our commitment to helping customers make healthier choices.

The system allows customers to make quick and easy comparisons between packaged foods within a category, based on their nutritional profile. The more stars, the healthier the choice.

Customers will now find star ratings appearing on a range of products on our shelves including all of our Own Brands: Homebrand, Select, Macro, Free From, Gold, Created with Jamie, and our newest addition, Cooking with Kylie Kwong.

Since the scheme was rolled out, approximately 19% of our Own Brand portfolio has now applied the star rating. As a result, we are on track to have the Health Star Rating system across all of our products within four years – significantly ahead of the Government's five year timeframe.

In July 2015, the Federal Government announced that more than 1,000 products on the shelves of Australian supermarkets were using the Health Star Rating. At that time, approximately 400 of Woolworths Own Brand products included a Health Star Rating, meaning we are a significant contributor to the progress of this program.

Woolworths employees were educated on how to use and understand the Health Star Rating system through training conducted via our Nutrition Academy and internal communication channels. Our website provides educative material for our customers.

Food and Health Dialogue

Woolworths has been working towards the Australian Government's Food and Health Dialogue targets to reduce sodium and saturated fat in nominated food categories since it was established in 2009.

To date, we have met our commitments in over 90% of the nine categories included in the reformulation program. For instance, 100% of our Own Brand breads and breakfast cereals, and the majority of our soups, simmer sauces, savoury pies and processed meats have reached the target set. We are also well underway with sodium reduction in savoury crackers, potato/corn and extruded snacks and cheese, and on track to meet the respective deadlines for these categories in December 2015 and March 2017.

Australian Food and Petrol

No Artificial Flavours, No Artificial Colours

Where possible we are continuing our work to eliminate artificial colours, flavours, preservatives (including sodium benzoate) and MSG from our Own Brand food products. To date, we have reformulated nearly 500 of our Own Brand products in accordance with our brand guidelines.

Our reformulation work continues, alongside our commitment to use natural ingredients where possible.

Macro reformulation

Since the start of the year, our product reformulations of the Macro range have removed a total of 5.5 tonnes of salt and 20.5 tonnes of saturated fats from the range. Key steps to achieving this included:

- Switching to organic sunflower oil for the Macro Chip range, reducing the fat content by 20%
- Reducing the saturated fat content in the Macro Apricot and Herb Chicken by 31%
- Our Macro Beef Chipolatas now contain 47% less sodium and the Mini Macro Beef Meatballs have 61% less sodium
- New Macro dips have removed 28 kilograms of salt and 23.5kg of saturated fat from the marketplace each week

Animal welfare

Animal welfare is an integral part of our responsible sourcing strategy. We know it is important to our business and our stakeholders. Our entire Own Brand range will be produced to high standards of animal welfare and we have made a number of specific animal commitments for pigs and poultry.

Animal products sales trends

	% increase of volumes in 2014	% increase of volume in 2015	% of total category volumes in 2015
Macro free range chicken	28.54	-2.64	12.09
Free range eggs	9.84	8.52	39.97
Barn laid eggs	0.41	8.15	10.68
Organic eggs	0.90	6.92	2.72

Eggs

Woolworths has committed to phasing out cage produced eggs and to stop using them as an ingredient in our Own Brand products where egg is a defined ingredient.

Since we announced this intention, we have phased out all Own Brand caged eggs from our stores and have actively promoted cage-free egg alternatives through our pricing, improved shelf space and highlighting cage-free alternatives to customers in our publications, e.g. Woolworths Fresh magazine.

Less than 47% of all eggs sold in our Australian Supermarkets were produced in caged farm operations. This means that more than half of the eggs we sell are bought by customers who prefer cage-free production.

Chicken meat

By December 2014, Woolworths fulfilled its commitment to source all Own Brand fresh chicken from farms that are Royal Society for the Prevention of Cruelty to Animals (RSPCA) Approved (or equivalent). Meat chickens raised on RSPCA Approved farms have more space than conventional chickens to move around, have a longer dark period so they can rest properly, and are provided with environmental enrichment such as straw to peck at and perches to sit on.

Under the scheme, maintaining good quality litter bedding material (provided to the birds for comfort) through control of temperature, humidity and ventilation is essential.

In 2015, 12.1% of Woolworths Own Brand chicken sales were Macro free range (approved by Free Range Egg and Poultry Australia, FREPA).

Our welfare commitment for chicken extends to the chicken used as a defined visible ingredient (e.g. chicken pieces) in our Own Brand food products. We have committed to only using RSPCA Approved (or equivalent) chicken in our Own Brand products - where chicken is a defined ingredient.

Pork

Throughout 2015, we have been working in collaboration with our fresh pork suppliers to develop our future Pig Welfare Blueprint. The Blueprint development included an end-to-end review of animal husbandry and welfare in the different pork production systems. The overall aim is to give clear future direction to our suppliers on our sustainable welfare requirements. The Pork Welfare Blueprint will be launched before the end of 2015.

All our Own Brand fresh pork is sourced from farms that only use gestation stalls for less than 10% of the sow's gestation period. Our commitment to offering a range of higher welfare pork in all states has been achieved. We also have our own range of Macro free range pork¹⁷ in most states, and we are working closely with a supplier in WA to complete our national coverage. This will be available before the end of 2015.

Genetically modified (GM) food

Woolworths Own Brand products do not use genetically modified (GM) ingredients.

Our requirements on GM ingredients are communicated to our Own Brand suppliers in our Brand Guidelines and Woolworths Quality Assurance (WQA) standard.

Farmers and workers in developing countries

Agricultural commodities such as tea, coffee and cocoa have been known to have practices of child labour and forced labour deep within the supply chain beyond our direct suppliers. In these instances we look for independently certified products such as Fairtrade™, Rainforest Alliance and UTZ certified.

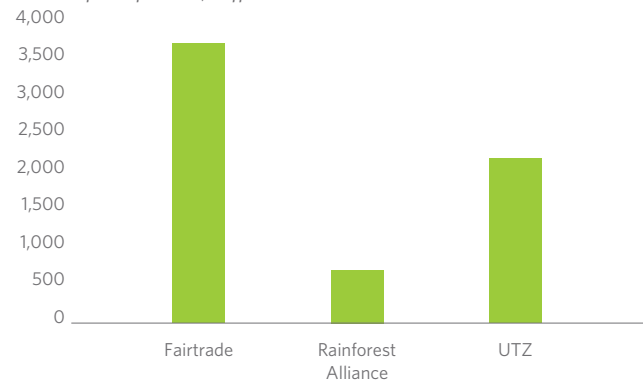
These certification schemes aim for better prices and acceptable working conditions for farmers and workers in the developing world. We offer our customers a wide range of certified products in our Own Brand, as well as other popular brands in the tea, coffee and chocolate categories. We are continually looking to move our Own Brand products to these independently certified sources.

¹⁷ Australian Pork Industry Quality (APIQ) Assurance Scheme

Australian Food and Petrol

Demand for certified products continues to increase and we're selling various certified tea, coffee and chocolate categories in our Own Brand, and in many popular consumer brands.

Tonnes of certified tea, coffee and chocolate in 2015



PLANET

Responsible sourcing

Sustainable seafood and fish

In March 2011, Woolworths announced its long-term goal of only sourcing sustainable seafood. This means sourcing wild caught seafood from stocks that are in abundance using methods that don't damage ocean habitats or catch large volumes of non-target species or 'bycatch'. Furthermore, it means sourcing farmed seafood from aquaculture systems that don't destroy coastal habitats or depend on overfished wild caught fisheries as feed.

In 2015, an estimated 8,340 tonnes of seafood sold at seafood counters in our Australian Supermarkets was certified sustainable by credible third parties, including 2,390 tonnes certified by the Marine Stewardship Council (MSC) and the remainder through one of the aquaculture certification programs.

All of our Own Brand canned tuna is either 'pole and line' caught or caught without the use of fish aggregating devices (FADs). A fish aggregating device is a man-made object used by fisherman to attract fish. This approach can also attract other endangered animals, such as turtles and dolphins, increasing the chance of 'bycatch'. Removing the FADs can significantly reduce the bycatch of turtles, sharks, dolphins and juvenile tuna.

We sold 237 tonnes of MSC certified canned tuna and salmon through our Australian stores in 2015.

Food waste

Woolworths set an ambitious target to remove food waste from its waste stream by 2015, and a significant amount of progress has been made thus far.

Since making this commitment in 2007, we have continued to divert food waste to other beneficial means of reuse. Most of our solutions to reduce food waste are supported by successful partnerships with external parties.

Our food relief partners include Foodbank Australia, OzHarvest, Fareshare, SecondBite and many local groups who work hard to collect food and turn it into meals for those in need. By working alongside these charitable organisations, Woolworths can continue to support local communities by helping feed people who often go without.

We have also recently launched a new food rescue partnership with OzHarvest, which will allow for further diversion of food to those in need.

In 2015, we provided 2,127 tonnes of food (equivalent of 2.8 million meals) to Foodbank Australia, 235 tonnes (470,000 meals) to FareShare and 594 tonnes (1.2 million meals) to SecondBite.

AVOIDANCE

Stock management processes and the diligence of our staff limit the over-ordering of stock, and discounting of products as they approach their use by date.

FOOD RESCUE

We partner with local food relief charities to take food that cannot be sold, but is safe to eat, to produce meals for those in need.

FARMERS PROGRAM

We have successful partnerships, with local farmers who collect food waste for stock feed or on-farm composting.

COMMERCIAL COMPOSTING

We have food waste diversion programs with a number of commercial composting and worm farm operations across Australia.

WASTE TO ENERGY

EarthPower is a facility we have been working with since 2006, which takes food waste and converts it into fertiliser and green energy.

LANDFILL

When all other alternatives have been exhausted, our last resort is to send food waste to landfill.



Australian Food and Petrol

PROSPERITY

Suppliers

The success of our business depends on the success of our suppliers and the long-term sustainability of their businesses. To serve our customers well, we know we need to work with our suppliers closely and collaborate more effectively.

Woolworths was the first national retailer to commit to the new Grocery Code of Conduct, so we have commenced the process of complying with the Code and improving overall relationships with suppliers.

Processes and documentation have been updated, with all terms of trade now compliant with the code, and a restructured online Vendor Guide including a number of Code undertakings, such as:

- Publishing future category review dates
- Shelf layout principles
- Processes for reviewing ranges
- Our Own Brand policies

More than 800 buying and product development staff have been trained on the Code and have been issued with appropriate guidelines.

Woolworths will continue to work on its strengths in the supply chain and with category/business development. Our Mercury2 project involves improving the speed and flow of products from supplier to customer, which improves availability and quality, and reduces costs and time.

One project reduced the lead time for case-ready meat in far North Queensland by four days, and by one day for South Australia and the Northern Territory. This increases the freshness and shelf life of the product for customers and reduces loss. Other projects improved the shelf life of poultry by up to three days and that of berries by up to two days.

Local Sourcing

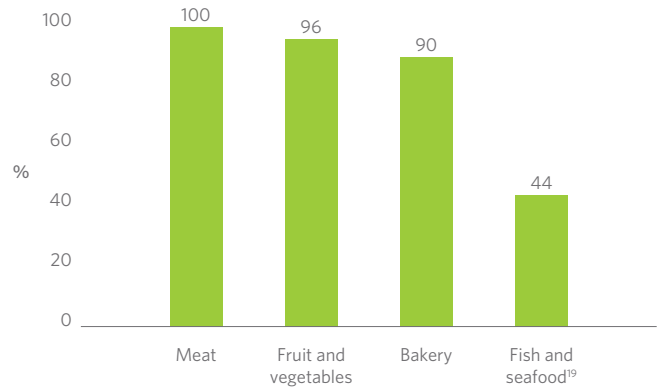
Our customers are always looking for good quality products at the best possible price, and they also want to support local suppliers. Research has shown that 86% of customers¹⁸ believe that locally produced foods should be more readily available in their supermarkets.

What is local? Often the type of product being bought dictates our expectation of what is a local product. Bakery products and eggs are expected to come from the local town or region that the shopper is from, whilst dairy products, meat and fresh fruit and vegetables are expected to come from within the state. National sourcing of products such as wine, beer, spreads or confectionary items is considered local by our customers.

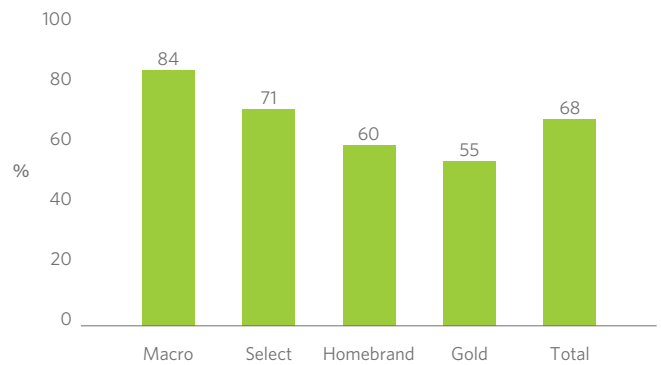
The majority of our Own Brand products, under our well known brands of Homebrand, Select, Macro and Gold, are locally produced.

Our efforts to deliver locally sourced products are not limited to a national focus. We have a team dedicated to increasing choice for our customers by sourcing products from local suppliers in each state and showcasing them in our stores. Jonny's Popcorn Delights is one such success story.

Australian sourced – fresh (in Australian Supermarkets)



Own Brand grocery – Australian sourced (in Australian Supermarkets)



Jonny's Popcorn Delights

Local Adelaide business, Jonny's Popcorn Delights, has grown from the stalls of Rundle Street Market to the shelves of Woolworths stores throughout South Australia and the Northern Territory.

Jonny's Popcorn Delights is owned and run by South Australian couple Jonny Forster and Ian Wright, both professional ballroom dancers who first discovered kettle-cooked popcorn in 2008 whilst competing in the United States. They fell in love with the variety of flavours they discovered and the traditional method of making popcorn that is rarely seen in Australia.

Seventy Woolworths stores in South Australia and 10 stores in the Northern Territory now carry two flavours, Caramel Popcorn and Sweet and Salty, as part of Woolworths' Local Sourcing program. In half a year we have sold almost 85,000 packs to a growing number of fans of the product.

¹⁸ Survey of 1,065 Woolworths Everyday Rewards cardholders

¹⁹ Includes seafood sourced from Australian waters but processed overseas

Australian Food and Petrol

Farmers' Own milk

Farmers' Own milk is a range of full cream and low fat homogenised milk, and full cream unhomogenised milk that Woolworths buys direct from local farmers rather than through a processor.

After its initial trial in late 2013 with farmers in the Manning Valley (NSW), we now have Farmer's Own milk offers from farmers in the Margaret River region (WA), the Otways region (Vic) and the Sunshine Coast hinterland (Qld), bringing millions of litres of milk from 16 local farmers to hundreds of stores in their states.

Under this brand, we have sold \$16 million of milk from the 10 million litres that was bought directly from farmers.

Thanks to this commitment, some of these farmers have been able to invest in improving their farms, installing state-of-the-art robotic milkers and upgrading calf rearing facilities.

We will be launching this brand into South Australia and Tasmania during the year, growing our partnerships by up to 25 farmers.

'The Odd Bunch'

An estimated 25% of edible fresh fruit and vegetables are thrown away, due to visual imperfection or cosmetic damage, every year in Australia.

Supermarkets set high quality standards for produce as we know that is what our customers prefer, but our national roll-out of 'The Odd Bunch' program challenges that trend.

Through the program, we offer produce that doesn't look perfect, but still tastes great, is nutritionally the same and comes at a discounted price. We moved quickly on this program, getting the offer into all stores, with 31 products in the range and specific labelling to engage our customers with the offer.

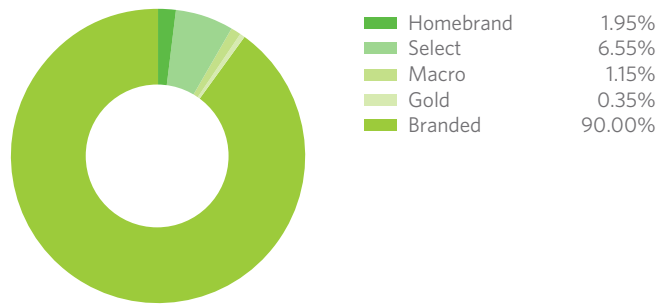
'The Odd Bunch' has been bought by 12% of our customers and 21% of them had not bought those products with us before. This has delivered 20,000 tonnes of produce sold which might have otherwise been wasted.

This initiative is a prime example of creating shared value where farmers benefit from more of their crop being sold, Woolworths benefits from sales and a more diverse offer, and customers benefit from a cheaper choice of healthy fresh produce.

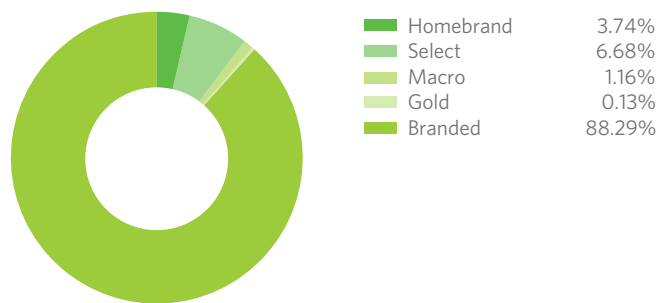
Range

On top of considerations of price and quality, many customers are brand loyal. Own Brands are a common offer for most retailers around the world, and Woolworths does offer a competing range of grocery products, but nationally recognised brands still comprise most of our range.

Grocery - branded and Own Brand shelf keeping units (SKUs)



Grocery - branded and Own Brand sales



Community investment

Total investment	\$25.8 million
Cash	\$8.4 million
Customer fundraising	\$11.2 million
Staff time	\$5.8 million

Woolworths Supermarkets continues to support a broad range of charity partners, from national campaigns to local community groups.

Agricultural shows

Nationwide, we support the state Agricultural Societies to deliver agricultural shows in cities and towns. These shows, apart from being a lot of fun, expose the public to the farmers who grow the food that our customers want.

More than \$2.7 million is invested in these shows.

Australian Food and Petrol

Taronga Zoo

We are nearing the end of our three year partnership with the Taronga Conservation Society. Our partnership with the popular Zoo includes sponsoring the Great Southern Ocean precinct and the sustainable seafood 'Fish for Good' program.

Due to their assistance in developing the fun facts and important information in our 'Super Animals' collectible program, we donated money for every album sold.

Total investment in the year added up to \$1.5 million, which helps the Zoo in its many conservation projects.

Families of our Armed Services

Woolworths partnered with Legacy, the Returned and Services League (RSL) and Camp Gallipoli to fundraise through stores and sponsor programs that support serving and ex-service Australian Defence Force personnel. During the year that the nation recognised the centenary of ANZAC tradition, we raised more than \$2.8 million.

Woolworths Agricultural Business Scholarships

Each year, the Woolworths Agricultural Business Scholarships provide a selection of young scholars with a rare insight into all aspects of the food chain, from producer to supermarket to the customer's plate.

The 12 day course offers participants the chance to gain a broad, practical and academic perspective on the business of agriculture from key industry leaders and senior Woolworths managers.

The course covers a broad range of topics including business strategy, supply chain management, and sustainability and environmental issues, and assists those who are studying or working in agriculture to accelerate their careers.

More than 200 individuals have graduated from the program over the past nine years, and another 25 participants joined us again in August 2015.

Our Supermarkets people nominated the charity they wanted to support in each state

State	Charity	Contribution
NSW/ACT	Variety, the children's charity	\$2,256,000
QLD	Children's Hospital Foundation	\$676,000
SA/NT	Royal Flying Doctor Service	\$257,000
VIC/TAS	Royal Children's Hospital Foundation	\$1,604,000
WA	Telethon	\$576,000

Woolworths Liquor Group

Woolworths Liquor Group continues to be the national leader in drinks retailing, offering our customers a choice in formats: Dan Murphy's (Destination), BWS (Convenience) and The Wine Quarter (Online).

PEOPLE

Customers

Most customers are on the lookout for a quality product at a good price, and our stores deliver that. One thing we also provide is responsible ranging, marketing and sale of liquor products.

Charter for ranging alcohol

The process of selling alcoholic products to our customers actually starts early, when we are first looking at a product that we might want to put on our shelves. We have 10 principles that are used to screen a product, helping determine whether it is suitable, non-offensive and does not appeal to minors.

Principle 1	Principle 2	Principle 3	Principle 4	Principle 5
The product should not have the potential to appeal to minors.	The product should not have an appearance that could potentially lead to confusion with confectionery or soft drinks.	The product should not have an appearance which may lead to confusion about its alcoholic nature or strength.	The product should not draw any association with drug culture, narcotics or other illicit drugs or drug paraphernalia.	The product should not encourage illegal or immoderate consumption such as binge drinking, drunkenness or drink-driving.
Principle 6	Principle 7	Principle 8	Principle 9	Principle 10
The product should not suggest any association with dangerous, violent, aggressive or antisocial behaviour.	The product should not suggest that consumption can lead to social, sporting or sexual success.	The product should not feature imagery or language that could be deemed offensive on cultural, religious, ethnic or gender grounds.	The product should not suggest that any physical or mental health benefit can be obtained by consumption.	Ready to drink products containing more than two standard drinks per single serve container will not be ranged by Woolworths Liquor Group.

Responsible marketing

DrinkWise Australia

Woolworths Liquor Group (WLG) is a supporter of programs run by DrinkWise Australia, an independent, not-for-profit organisation for healthier and safer drinking. Founded on industry leadership and community partnerships, DrinkWise develops and runs national information campaigns. We provide financial support and promote DrinkWise social marketing campaigns in our stores.

A DrinkWise program that was launched in 2014 on 'How to Drink Properly' has been recognised internationally. First recognised with Silver at the Spikes Asia Award in 2014, it was further acknowledged with another Silver award in the Youth Marketing category of the 2015 Asia Pacific Effie Awards.

Within three months of its launch, the 'How to Drink Properly' campaign had encouraged a third of the respondents in the 18-24 age group to drink less on a night out, and 81% of young adults were now thinking about the effects of moderation.

We contributed more than \$375,000 towards DrinkWise during the year, and through our BWS brand, we donated television advertisement spots for its 'Never Miss a Moment' campaign.

Woolworths Liquor Group

Alcohol Beverages Advertising Code

We follow the Alcohol Beverages Advertising Code (ABAC) and abide by the ABAC adjudication process to ensure our Exclusive Brand products comply with the code. Our previously mentioned principles for ranging alcohol support our efforts to comply.

Responsible service of alcohol (RSA)

We train our staff on the responsible service of alcohol and they receive regular refresher training. We feel that the many programs we run surpass our regulatory requirements to not supply alcohol to minors or those already intoxicated.

Many of our RSA programs were developed by our business and have since been adopted by industry. The programs include:

- ID25 – asking customers to provide identification if they appear younger than 25
- ‘Don’t buy it for them’ – awareness of the dangers of supplying alcohol to minors
- School uniform policy – refusing to sell alcohol to a customer in school uniform, even if they are 18 or older
- Special event preparation – additional training for staff leading into events like Schoolies week

PROSPERITY

Suppliers

Good Buyer Principles

Our business has implemented its Good Buyer Principles, which sets out the standards our buyers should follow when dealing with suppliers. We require that all parties act with fairness and transparency when they deal with each other.

Principle 1: Fair and clear relationships

Principle 2: Clarity in marketing and promotional activity

Principle 3: Open, honest and early communication

Principle 4: Protection of intellectual property

Principle 5: Dispute resolution

These principles support our agreement with the Winemakers Federation of Australia, which represents all Australian wine makers.

Supplier Portal

Our Supplier Portal (wlgpartners.com.au) is openly accessible to new and existing suppliers who are looking to sell their products nationally. It is also flexible enough to assist a small boutique producer seeking to range their products in a local store.

Community

White Ribbon

Total community investment by Woolworths Liquor Group = \$898,000

White Ribbon is a global male-led movement to end men’s violence against women. White Ribbon Australia aims to engage boys and men to change the attitudes and behaviours that lead to and perpetuate men’s violence against women.

Woolworths has White Ribbon Ambassadors in our liquor team. Ambassadors are encouraged to be the faces and leaders of the campaign, by living the White Ribbon Oath: never to commit, excuse or remain silent about violence against women.

In 2015, we raised more than \$158,000 to support White Ribbon through merchandise sales in BWS and Dan Murphy’s stores.

Jawun

WLG has partnered with the Jawun Indigenous Community Secondment Program (Jawun) for a number of years, to help indigenous communities through skilled corporate secondees. Established in 2001, Jawun is a small not-for-profit organisation that supports innovative programs of change in indigenous communities. Jawun means ‘friend’ or ‘family’, an honour in the language of the Kuku Yalanji people from Mossman Gorge in Cape York, Queensland.

Our secondees have found themselves helping organisations from Arnhem Land, to the Goulburn-Murray Region, to Redfern in Inner Sydney. Stepping out of roles that include Online Fulfilment, Advertising, HR and Area Management, our people each spent six weeks assisting organisations in areas of tourism, health and education.

New Zealand Supermarkets

Countdown is the main brand for Progressive Enterprises Limited's owned and operated stores, with 177 supermarkets throughout New Zealand. We are one of New Zealand's largest employers, and we partner with thousands of suppliers and farmers, and with dozens of local and national charities.

PEOPLE

Customers

Value

Our Price Lockdown and Price Drop campaigns continue to be drivers of savings for customers and sales growth for the business. The Countdown Supermarkets food price index has shown price deflation of 0.2% for the year, with deflation in Grocery and Bakery in particular.

Choice

HeartSAFE

In New Zealand, Woolworths is committed to HeartSAFE, a voluntary collaboration that brings together the food industry, the Heart Foundation and other food experts to set targets for sodium reduction in high-volume, lower-cost foods.

To date, over 90% of our breakfast cereals and processed meats have met the HeartSAFE targets, and we are well underway to reducing our bread sodium content to further align with lower Australian targets. Sodium is also being reduced in a further seven categories. We are on track to deliver these commitments in the next two years.

Employees

Partnering with Work & Income

In May 2014, Countdown began a partnership with government agency Work & Income New Zealand (WINZ) to support people in accessing employment and fostering retail careers. Since then, we have seen a total of 382 people take up roles in Countdown, Fresh Choice and Super Value stores throughout New Zealand.

The partnership with WINZ continues to grow in regional centres with the addition of new store openings.

PLANET

Countdown has maintained its focus on contributing to the Group's targets and commits to reducing carbon emissions, improving recycling and reducing waste.

Carbon emissions

Facilities

Since 2007, the business has grown its physical presence by 37% (including new stores and expansion during refurbishments), but the implementation of energy efficiency and low carbon technology has resulted in carbon emissions increasing by only 1.8% above its baseline emissions.

During 2015, whilst increasing our store footprint by 3.1%, we have managed to reduce:

- Carbon emissions by 2%
- Natural gas use by 7%
- Emissions from refrigerant loss by 2%

Transport

Countdown uses third-party transport providers to transport goods from distribution centres to stores. By working with our transport providers to improve our logistics network and planning, we have reduced truck fuel usage by 3.5% from the previous year.

PROSPERITY

Jobs and employment

Our business provides employment opportunities for thousands of New Zealanders from all walks of life. More than 18,000 of the best retailers in the country work for our business. We value the contribution of youth, with more than 6,000 young employees, and of experience, with more than 500 employees working for us for longer than 25 years.

During the year, we opened five new stores and re-opened another, with more than 400 people working in locations such as Orewa, Hauraki Corner and Vogeltown. Over the last three years, we have invested more than \$485 million in new stores.

New Zealand Supermarkets

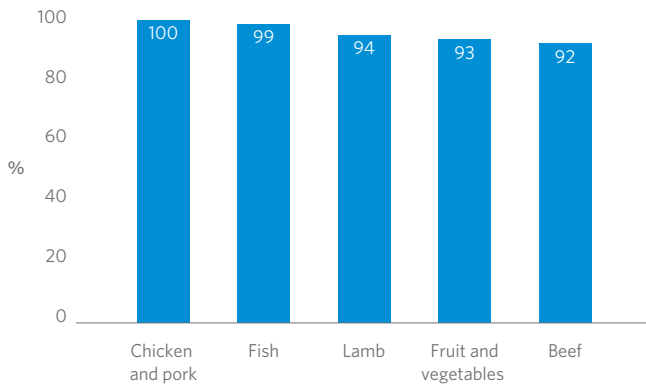
Suppliers

New Zealanders want to spend their money on locally grown produce or locally made products.

Working with more than 4,000 local farmers and suppliers, we deliver a great choice of locally produced meat, fruit, vegetables and fish.

Our locally produced Own Brand products are also popular with local shoppers, with 76% of Own Brand sales produced by New Zealand companies.

New Zealand sourced – fresh (in NZ Supermarkets)



Note: Fruit and vegetables exclude produce that cannot be commercially grown in New Zealand.

Community

Countdown will also review its community investment strategy in the coming year, but in the meantime we continue to provide valuable support to charities and programs.

Total community investment in NZ	NZ\$7,060,000
Meals for those in need	1,018,000

Countdown Kids Hospital Appeal

Since 2007, our annual Countdown Kids Hospital Appeal, which involves in-store fundraising initiatives, has raised NZ\$8.2 million for children’s hospital wards around the country. Almost NZ\$1.3 million was raised in this year’s appeal, thanks to the generosity of our customers, staff and suppliers.

“We have been grateful beneficiaries of funds from the Countdown Kids Hospital Appeal for several years, and it’s impossible to say how many children have benefited. It would not be overstating things to say there are children in our community who are alive and well because of that support. How do you put a price on that? And it is all thanks to the shoppers who support the appeal, and Countdown staff, who don’t always get the thanks they deserve when so much of the money donated is raised by them. It’s an awesome campaign and we would be lost without it – and Countdown.”

**Pam Tregonning, Executive Director,
Middlemore Foundation**

Countdown food rescue

Countdown also follows a preferred hierarchy of preventing food waste, with food rescue to charities and partnership with local farmers to supplement stock feed.

The Salvation Army has been the largest beneficiary of the food rescue program, receiving more than NZ\$2.1 million worth of groceries. Other charities, like Kaibosh, Fair Food and O800 Hungry have also benefited from the total NZ\$3.5 million of food donated.

Local farmers have also been collecting food from our stores that cannot be sold or donated to charities, and we estimate that around NZ\$1.2 million in food has been donated for stock feed.

“Last year, Salvation Army food banks received more than NZ\$2 million worth of food donated from Countdown’s stores and customers through their Food Rescue Programme. These generous donations made a significant contribution to the food parcels we distributed to individuals and families in need last year. We are especially grateful for Countdown’s additional support at Christmas, which almost doubled donations to our Light Up Someone Else’s Christmas Appeal. Extra donations at such a vital time of the year made a real difference to Kiwis struggling to cope with added expenses during the holiday season. Thanks to everyone at Countdown for your wonderful support over the four years of our partnership!”

**Major Pamela Waugh,
National Secretary for Social Services, The Salvation Army**

General Merchandise

BIG W and EziBuy continue to provide Australians and New Zealanders with value choices for branded and Own Brand general merchandise. BIG W operates 184 stores and EziBuy has five stores in New Zealand. Both businesses have a strong online presence.

PEOPLE

Customers

Animal welfare

Our customers expect that all of our Own Brand products will be produced to high standards of animal welfare.

Animal testing

BIG W does not use animal testing in its Own Brand products, particularly in the area of personal care and cosmetics.

Angora

Most practices for the sourcing of Angora wool from rabbits have poor standards of welfare for the animal, so BIG W and EziBuy have committed to not selling any products made from Angora wool.

PROSPERITY

During the year we opened two new BIG W stores, creating 196 new jobs in the communities of Torrensville, SA and Warnbro, WA.

Ethical sourcing

The most material issues for BIG W are the labour conditions and protection of human rights in our supply chain. BIG W seeks to ensure that the people who are making the products we sell are being treated fairly.

Our long running Ethical Sourcing Policy and its supporting Factory Audit program assess the workplace standards in our first tier suppliers, identify issues and, where required, raise a corrective action that the supplier must address.

Bangladesh

We are a signatory to the Accord on Bangladesh Fire and Building Safety, an independent agreement designed to make all garment factories in Bangladesh safe workplaces. The program involves independent safety inspections of factories, with retailers assigned to take the lead on following up on corrective actions.

Our factory list in Bangladesh is published on our website (woolworthslimited.com.au/page/A_Trusted_Company/Responsible_Sourcing/Labour_Practices_in_our_global_supply_chain/), and we are building on this to provide greater transparency of our supply chain.

Uzbek cotton

In the previous year we collaborated with the Walk Free Foundation, The Salvation Army and the Uniting Church to develop a policy and implementation plan for stopping cotton sourced from Uzbekistan being used in our products.

As we were concerned about the systemic use of child and forced labour in harvesting cotton in this country, our Uzbek cotton policy has now been built into the specifications for our softgoods. Our BIG W suppliers have been notified that they cannot use Uzbek cotton in our products.

Community

Our BIG Heart Appeal continues to be the main avenue for contributing to the community. The Appeal supports the Sydney Children's Hospital in Randwick (NSW), The Royal Children's Hospital Foundation (Qld), the Bone Health Foundation Inc (SA), The Royal Children's Hospital (Vic) and the Princess Margaret Hospital Foundation.

Hotels

ALH Group operates 331 licensed venues and 558 retail liquor outlets across Australia. We are a market leader offering a diverse array of hospitality experiences, including sports bars, bistros, restaurants, cafes, retail liquor, accommodation, nightclubs, electronic gaming and wagering.

PEOPLE

Responsible gambling

ALH Group is committed to providing responsible gambling in our venues.

We want to ensure that our hotels provide a safe and supportive environment, where our customers make informed decisions about gambling, and provide timely, appropriate assistance and information.

We have developed and distributed a responsible gambling pocket guide to every one of our gaming staff.

ALH Group has a hotel and gaming charter that clearly demonstrates our commitment to responsible gambling.

ALH Group complies with, and seeks to exceed, all applicable responsible gambling legislative requirements in each state and participates in many state and local government gambling working groups to assist in identifying and developing appropriate responsible gambling initiatives.

Responsible Gambling Ambassador

ALH Group works with David Schwarz, a well-known former professional footballer and reformed problem gambler, as its Responsible Gambling Ambassador. David provides employee education and customer awareness about the importance of 'asking for help if your gambling becomes a problem' Most importantly, David is available for our staff to discuss any gambling problems they or their families and friends may be experiencing.

ALH Group hotels' operating standards are well in excess of legislative requirements. To build on our existing commitment to be Australia's most responsible operator of hotels, ALH Group is particularly focused on three areas: setting limits, staff education and training and partnerships

Voluntary pre-commitment (setting limits)

Pre-commitment is a cornerstone of our responsible gambling plan moving forward. It is our intention to have pre-commitment functionality on every gaming machine in Victoria, New South Wales, Queensland and South Australia by the end of 2015. This will mean that our hotels will have pre-commitment functionality installed years ahead of planned legislation in most jurisdictions in Australia.

Staff education and training

A key focus is our e-learning module providing staff the skills to approach and interact with customers who may be indicating signs of problems with their gambling, and how our self-exclusion program operates.

Community partnerships

We partner with agencies such as Gamblers' Help in each state. We want ALH Group staff to learn from these agencies how best to promote the message of responsible gambling. We have established partnerships with The Salvation Army, gambling research experts and mental health organisations. This recognises that problem gambling is a complex issue and requires a multi-level approach.

This additional three point plan coupled with our Hotel and Gambling Charter and David Schwarz program will help us continue to be a leader in responsible gambling initiatives, and will ensure safer environments for all.

Responsible service of alcohol

ALH Group believes that individuals have the right to choose to consume alcohol in licensed venues as a form of social activity. We have a responsibility to deliver best practice in terms of our service of alcohol and to set a positive example to our customers and to other licensees.

To prevent underage drinking in our venues we require valid proof of age to be presented by young adults on our premises.

PROSPERITY

Community

ALH Group is proud of its involvement in the community, with hotels often being a community hub and meeting place. ALH Group works closely with many charitable organisations, financially supporting a diverse range of worthwhile causes ranging from seriously ill children to services supporting the families of armed services personnel.

In 2015, we contributed a total of \$1.51 million to worthwhile organisations that include Very Special Kids, the Leukaemia Foundation, Bravehearts and The Salvation Army.

Home Improvement

Our Home Improvement division operates under two main brands, Masters Home Improvement and Home Timber and Hardware. Our presence in this sector continues to grow, with the operation of 58 stores under the Masters brand, and Home Timber & Hardware operating 44 stores and wholesaling to 452 stores under the brand.

PEOPLE

Our Masters and Home Timber and Hardware stores continue to be popular employment choices with older workers and tradespeople who are not yet ready to retire. More than 1,250 (14%) of our Home Improvement workforce are older workers.

PLANET

Deforestation

The sustainable sourcing of timber and panel products is the most material environmental issue for this business. Sourcing timber from sustainably managed forests that are certified by the Forest Stewardship Council (FSC) continues to be a priority. We also source timber products which are certified by the Programme for the Endorsement of Forest Certifications (PEFC) and have a range that has been DNA-tested to check whether it has come from legally logged forests.

Proportion of timber and panel range that is certified or tested

FSC certified	67.5%
PEFC certified	3.9%
DNA-tested	1.1%

The business complies with the requirements of the Illegal Logging Prohibition Act 2012.

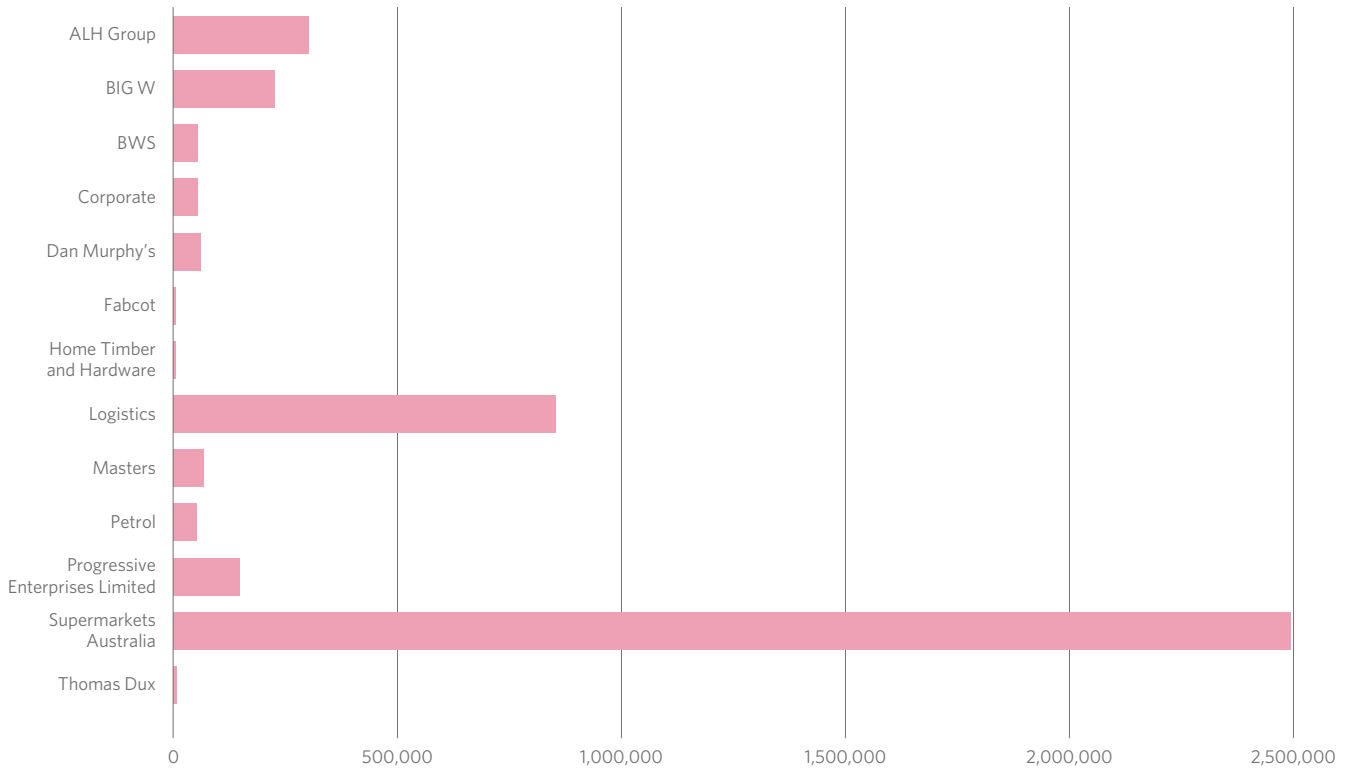
PROSPERITY

Masters is Australia's fastest growing hardware store and during the year we opened nine new stores. The division created more than 1,200 new jobs over the same period.

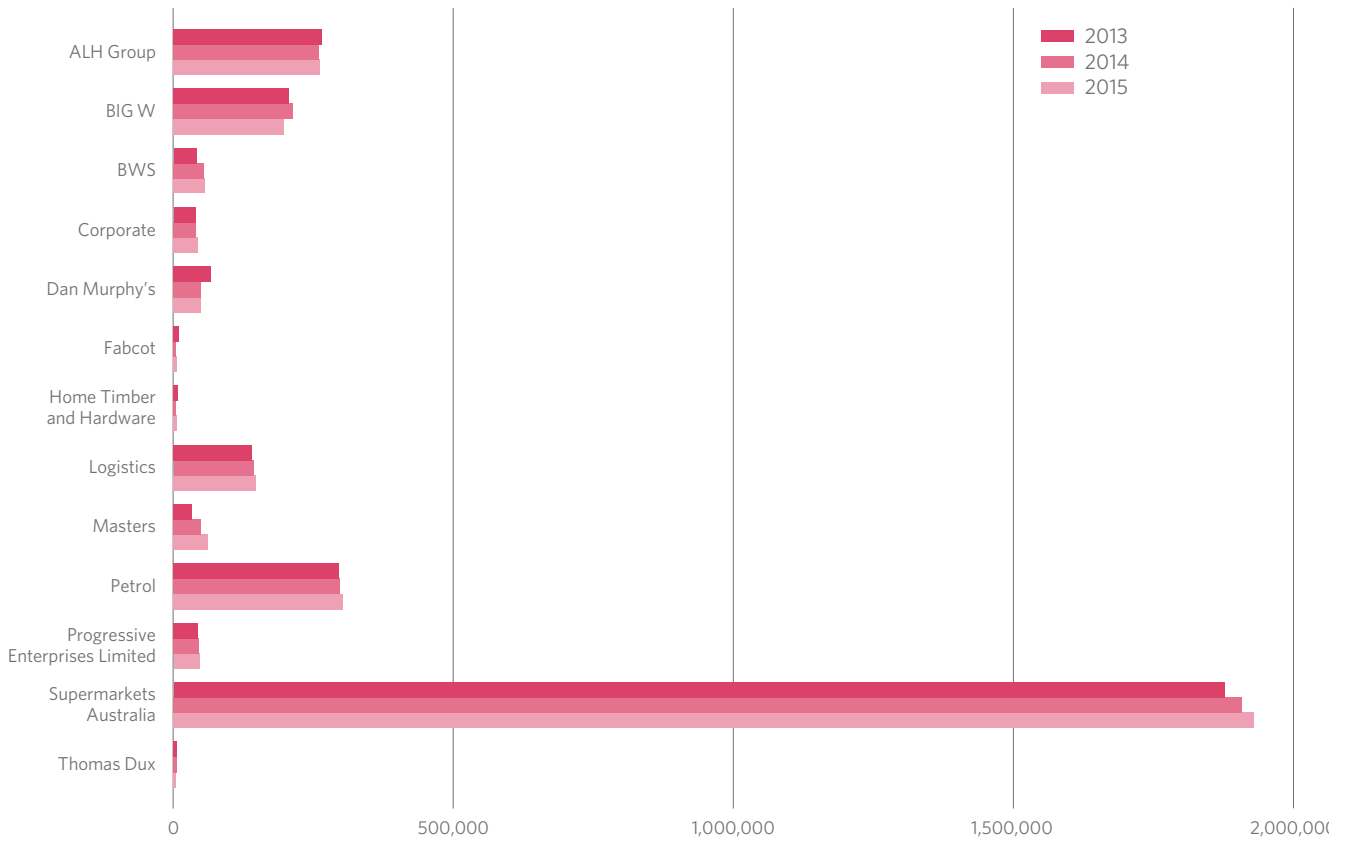
Our Masters business continues to operate at a loss as it builds a sufficient store footprint to match operating costs. The new stores built this year, and two refurbished stores, have a new format and range and are delivering average sales that are 30% higher than those of our original stores.

Sustainability Metrics

Total carbon emissions by division for 2015 (tonnes CO₂-e)



Electricity use (MWh)



Sustainability Metrics

Emissions from facilities

	Scope 1	Scope 2	Scope 3	Total
ALH Group	19,471	236,040	35,204	290,714
BIG W	16,174	169,203	31,737	217,114
BWS	3,675	43,027	6,356	53,058
Corporate	369	37,238	5,696	43,303
Dan Murphy's	5,912	47,279	6,541	59,732
Fabcot	51	4,646	648	5,345
Home Timber and Hardware	155	3,872	604	4,632
Logistics	1,205	128,152	18,342	147,699
Masters	131	57,028	7,872	65,032
Petrol	2,452	41,555	5,902	49,909
Progressive Enterprises Limited	63,683	39,120	17,990	120,793
Supermarkets Australia	409,605	1,690,810	339,118	2,439,534
Thomas Dux	1,575	5,052	703	7,330
Grand total	524,459	2,503,023	476,712	3,504,194

Transport emissions by use (tonnes CO₂-e)

End use	Australia	New Zealand
Business travel	9,115	2,072
Home delivery	1,176	
Logistics 3rd party rail	128,133	
Logistics 3rd party road	547,593	20,803
Trolley collection	14,184	

Materials diverted from landfill (tonnes)

	2013	2014	2015
Australia			
Food waste to composting or energy	7,390	14,655	17,359
Food to charity	1,198	1,381	2,956
Cardboard	186,152	201,165	192,170
Plastic film	7,564	7,869	7,028
Polystyrene	70	16	3
Other	302	205	131
Total (Australia)	202,677	225,290	219,647
New Zealand			
Cardboard	23,243	24,546	25,324
Plastic film	972	977	1,253
Food waste to farmers	752	827	807
Food to charity			509
Other	422	430	435
Total (NZ)	25,390	26,781	27,012
Total (Group)	228,066	252,071	246,659

Workplace Metrics

INCLUSIVE

Non-executive Directors on the Board of Directors

	Female	Male	Total
<25	0	0	0
25-<35	0	0	0
35-<45	0	0	0
45-<55	1	1	2
55-<65	1	2	3
>65	1	1	2
Total	3	4	7

Female representation by employment category²⁰

Executives	Senior Managers	Managers	Office/Support	Technicians and Trades	Sales	Other
32.8%	27.8%	39.3%	57.9%	21%	55.7%	56.2%

Ratio of basic salary and remuneration of female to male employees by employment category

	Average Annualised Salary	Ratio to Average
Non-managerial Female	\$40,170	98.2%
Non-managerial Male	\$41,786	102.2%
Average Salary	\$40,894	
Managerial Female	\$70,342	93.9%
Managerial Male	\$77,848	103.9%
Average Salary	\$74,938	

TRAINING AND DEVELOPMENT²¹

Training hours by category and gender

Training Type	Female	Male	Total
Induction	153,925	142,760	296,685
Systems and General	256,499	183,904	440,403
Management Development	17,425	29,929	47,354
Executive Development	1,096	2,856	3,952
Total Training	428,945	359,449	788,394
Average Hours	4.8	4.6	4.7

Average training hours by employment category

Employment Type	Total Hours	Average Hours Per Employee
General	753,048	4.8
Management	31,412	1.8
Executives	3,935	30.7

²⁰ Excludes employees not located in Australia, figures are current as at 31 March 2015, data sourced from FY15 WGEA Report

²¹ Detailed breakdown of training excludes ALH Group, Pinnacle, Ezibuy, Home Timber and Hardware Distribution Centre Award Employees, Global Sourcing, RetailFM and New Zealand Supermarkets Employees. Some training data from these divisions has been included in total hours and costs

Workplace Metrics

RESPECT AND DIGNITY**Discrimination**

We expect our employees to treat each other, our customers and our suppliers with respect and dignity. We train our employees on these expectations, but sometimes we do have issues which escalate to external jurisdictions. Nine employee claims were lodged in Australia at discrimination tribunals (both State and Federal) during the year. Three of these claims were resolved within the financial year and the remainder are either now resolved or we are working towards a resolution.

Employees trained and hours of training on human rights policies

	Number of Employees	Total Hours
Training on policies and procedures	64,589	29,668

Freedom of association

We have longstanding relationships with the unions that represent our employees, and 77.4% of our workplace is covered by Enterprise Bargaining Agreements (EBAs).

Workforce represented by EBAs

	EBA Employees	Total Employees	%
ALH Group	0	11,439	0
Progress Enterprises Limited	14,917	17,873	83.4
Woolworths Limited	137,348	167,361	82.1
Home Timber and Hardware	125	125	100
RetailFM	230	277	83
Pinnacle	211	351	60.1
Total	152,830	197,426	77.4

WORKFORCE AND TURNOVER

Headcount by division

	2014			2015		
	Female	Male	Total	Female	Male	Total
Supermarkets	63,220	50,348	113,568	61,934	49,307	111,241
Progressive Enterprises Limited	10,345	7,675	18,020	10,241	7,632	17,873
Petrol	1,797	1,823	3,620	1,865	1,894	3,759
Convenience Stores	107	120	227	226	316	542
Thomas Dux	229	244	473	183	209	392
BIG W	14,946	7,111	22,057	15,142	7,130	22,272
EziBuy	444	108	552	458	100	558
Woolworths Liquor	3,439	6,325	9,764	3,374	6,159	9,533
Woolworths Liquor Group	1,781	3,253	5,034			
Pinnacle	113	238	351			
The Wine Quarter	235	373	608			
ALH Retail (BWS)	699	1,594	2,293			
ALH Retail (Dan Murphy's)	611	867	1,478			
Group Retail Services	1,683	7,534	9,217	1,670	7,620	9,290
Corporate	1,124	976	2,100	989	913	1,902
Corporate	985	722	1,707			
RetailFM	22	185	207			
Global Sourcing	117	69	186			
Home Improvement	3,382	4,218	7,599	3,893	4,966	8,859
Masters	2,894	3,077	5,971			
Home Timber and Hardware	488	1,141	1,628			
ALH Venue and Support	6,649	4,790	11,439	6,477	4,728	11,205
Total	107,365	91,277	198,642	106,452	90,974	197,426

Workplace Metrics

Headcount by employee type

	2014			2015		
	Female	Male	Total	Female	Male	Total
Full-time	26,672	35,231	61,903	26,471	34,847	61,318
Part-time	52,460	29,525	81,985	52,670	30,183	82,853
Casual	28,155	26,448	54,603	27,311	25,944	53,255
Total	107,287	91,204	198,491	106,452	90,974	197,426

Headcount by region

	2014			2015		
	Female	Male	Total	Female	Male	Total
Australian Capital Territory	1,327	1,619	2,946	1,302	1,560	2,862
New South Wales	29,779	26,192	55,971	29,569	26,258	55,827
Northern Territory	989	815	1,804	961	822	1,783
Queensland	22,467	17,595	40,062	22,150	17,753	39,903
South Australia	6,118	6,044	12,162	6,065	5,862	11,927
Tasmania	2,864	2,363	5,227	2,806	2,319	5,125
Victoria	23,296	21,942	45,238	22,865	21,373	44,238
Western Australia	9,575	6,810	16,385	9,906	7,209	17,115
New Zealand	10,833	7,827	18,660	10,695	7,731	18,426
India	3	12	15			
China	114	57	171	124	70	194
Bangladesh				4	16	20
Thailand				5	1	6
Total	107,365	91,277	198,641	106,452	90,974	197,426

Workforce by age

	2014			2015		
	Female	Male	Total	Female	Male	Total
<25	36,900	39,023	75,923	36,286	38,562	74,848
25-<35	21,541	23,709	45,250	21,343	23,749	45,092
35-<45	18,766	13,543	32,309	18,541	13,540	32,081
45-<55	18,372	8,902	27,274	18,160	9,028	27,188
55-<65	10,280	5,079	15,359	10,561	5,068	15,629
>65	1,506	1,020	2,526	1,561	1,027	2,588
Total	107,365	91,277	198,641	106,452	90,974	197,426

Workplace Metrics

Turnover by region

	Total Terminations			% Turnover		
	Female	Male	Total	Female	Male	Total
Australian Capital Territory	265	405	670	19.9%	24.8%	22.6%
New South Wales	4,819	5,527	10,346	15.8%	20.0%	17.8%
Northern Territory	435	391	826	44.8%	47.5%	46.0%
Queensland	5,322	4,918	10,240	23.7%	27.2%	25.2%
South Australia	1,207	1,330	2,537	19.6%	21.7%	20.7%
Tasmania	427	451	878	14.9%	18.8%	16.7%
Victoria	4,013	4,712	8,725	16.9%	20.8%	18.8%
Western Australia	2,861	2,585	5,446	29.0%	35.8%	31.9%
New Zealand	2,476	2,269	4,745	23.8%	30.6%	26.6%
China	47	25	72	38.2%	36.9%	37.7%
Bangladesh	1	1	2	26.1%	6.7%	10.7%
Thailand	0	0	0	0.0%	0.0%	0.0%
Total	21,873	22,614	44,487	20.2%	24.1%	22.0%

Turnover by age

	Total Turnover			% Turnover		
	Female	Male	Total	Female	Male	Total
<25	10,847	11,878	22,725	29.9%	30.8%	30.4%
25-<35	4,913	5,964	10,877	22.3%	23.9%	23.1%
35-<45	2,716	2,382	5,098	14.1%	16.4%	15.1%
45-<55	1,948	1,309	3,257	10.4%	13.7%	11.5%
55-<65	1,131	792	1,923	10.7%	14.9%	12.1%
>65	318	289	607	20.7%	27.5%	23.5%
Total	21,873	22,614	44,487	20.2%	24.1%	22.0%

Workplace Metrics

SAFETY PERFORMANCE*Divisional Lost Time Injury Frequency Rate (LTIFR)*

Division	2015 LTIFR (per million hours)	Female Composition (%)	2015 LTIFR (per 200,000 hours)
Australian Supermarkets	12.32	61	2.46
Logistics	17.24	14	3.45
BIG W	3.36	77	0.67
Petrol	3.06	85	0.61
Liquor – BWS	6.87	79	1.37
Liquor – Dan Murphy's	6.29	47	1.26
Liquor – Pinnacle Group and The Wine Quarter	2.95	50	0.59
Woolworths Liquor	5.5	59	1.1
Corporate	1.53	43	0.31
Progressive Enterprises Limited	8.76	N/A	1.75
Woolworths Group ²²	10.51	56	2.1

Group LTIFR, New Claims Frequency Rate (NCFR) and Occupational Disease Rate

	2013 ²³	2014 ²³	2015
LTIFR (million hours)	12.33	12.2	10.51
Change in LTIFR compared to previous year	5.12%	-1.05%	-13.85%
LTIFR (200,000 hours)	2.47	2.44	2.1
NCFR (million hours)	31.95	29.01	24.8
Change in NCFR compared to previous year	-26.18%	-9.2%	-14.51%
NCFR (200,000 hours)	6.39	5.8	4.96
Occupational Disease Rate (200,000 hours)	1.8	1.79	1.57

Other Safety and Health Key Performance Indicators

	2013	2014	2015
Employee work-related fatalities	Zero	Zero	Zero
Contractor fatalities	Zero	Zero	Zero
Other fatalities ²⁴	2	2	Zero

²² 2013 and 2014 numbers are restated after the reporting period to capture any delays in reporting²³ Excludes ALH and Home Improvement²⁴ Customers or visitors

Corporate Responsibility Governance

We've set targets and made commitments to be a responsible and sustainable business – this can only be achieved with the support of our people at all levels of our business.

As any business should, Woolworths gives priority to issues that are material to the business and which align with our strategic pillars. The Destination ZERO safety strategy and the Sustainability Strategy 2007-2015 provide the direction and focus for practices, policies and investment.

GOVERNANCE, THE BOARD AND DIRECTORS

Corporate governance is at the core of Woolworths' and the Board's approach to the enhancement of shareholder value and the protection of shareholder funds. Integral to shareholder value is protecting and enhancing our reputation, which is why the Board oversees the company's approach to corporate responsibility and sustainability.

The Woolworths Board has a Board Sustainability Committee, which meets quarterly, and reviews performance on issues of Safety and Health, Sustainability and Community Investment.

Information on our Board of Directors and the Board Charter is at: woolworthslimited.com.au/page/Who_We_Are/Directors_and_Management/Board_of_Directors/

The relevant Committees are covered in: woolworthslimited.com.au/page/Who_We_Are/Corporate_Governance/Committees_of_the_Board/

There is more information in the corporate governance statement in our 2015 Annual Report: woolworthslimited.com.au/annualreport/2013/downloads/WoolworthsLimited_AnnualReport_2013_CorporateGovernance.pdf

RISK MANAGEMENT FRAMEWORK

The continued growth and success of Woolworths depends on the ability of our company to understand and respond to the challenges of an uncertain and changing world. As a large, dispersed and complex organisation, this uncertainty generates risk, with the potential to be a source of both opportunities and threats. By understanding and managing risk, the company provides greater certainty and confidence for all its stakeholders. Our risk management policy is in the same location as our governance framework, referred to previously. See: woolworthslimited.com.au/page/Who_We_Are/Corporate_Governance/Risk_Management/

MATERIALITY

With Woolworths' original Sustainability Strategy drawing to a close, work has commenced on preparing a broader Corporate Responsibility Strategy through to 2020. To prepare this, we had an independent assessment conducted to review our key material sustainability issues.

The assessment was based on the AccountAbility AA1000 Assurance Standard (2008) principle of materiality and guided by their Five Part Materiality Test, to identify and prioritise issues relevant to:

- Financial impacts
- Policy-related performance
- Business peer-based norms
- Stakeholder behaviour and concerns
- Societal norms

During the assessment, we considered all of our business divisions and a broad range of external stakeholders, including consumers, customers, employees, government, investors, peers and suppliers. Essential information was obtained through sources that included customer insights, employee surveys, strategic priorities and targets, the Advantage Report, traditional and social media reviews and industry sustainability benchmark indices.

Rank	Woolworths Limited 2015 Material Sustainability Issues
1	Supplier relationships, communication and collaboration
2	Employee conditions, wellbeing and communications
3	End to end reduction of waste (incl. packaging)
4	Labour rights in the supply chain
5	Low price and value for money model
6	Environmentally responsible sourcing
7	Energy and emissions
8	Understanding and responding to customer needs
9	Product quality, safety, availability and range
10	Partners in the community

Corporate Responsibility Governance

The issues were classified as either 'Material', of 'High Stakeholder Interest', of 'High Woolworths Interest' or none of these.

The Materiality Assessment identified the Group-wide Material Sustainability Issues listed in the table on the previous page.

The assessment also identified some divisional specific issues, which have been addressed in the report, e.g. local sourcing for supermarkets, responsible service of alcohol for Woolworths Liquor Group and responsible gaming for ALH Group.

SENIOR MANAGEMENT

The Chief Executive Officer chairs a quarterly Safety and Health Executive Committee which is attended by the Heads of Business and provides management oversight of the effectiveness of the divisions' implementation of the Safety and Health vision, principles, policy, standards, strategy and initiatives, risk processes, resources, information, compliance and assurance.

Each division has a Safety and Health Committee that meets monthly to review safety and health. In addition to this, there are site-based Safety and Health Committees comprised of management and workers.

TRANSPARENCY AND REPORTING

Woolworths uses the globally recognised reporting framework developed by the Global Reporting Initiative (GRI). The GRI reporting framework sets out the principles and indicators that organisations can use to measure and report their economic, environmental, and social performance. This report was prepared in accordance with the 'core' principles of the GRI G4 guidelines.

We continue to report to the Carbon Disclosure Project (CDP), an investor-driven disclosure initiative enabling companies to report on risk identification and mitigation processes related to climate change.

We also participate in the Dow Jones Sustainability Indices (DJSI), a global index that tracks the financial performance of leading sustainability-driven companies. We continue to benchmark strongly against our peers in the food and staples retailing industry.

DJSI	2012	2013	2014	2015
Overall score	76	77	76	77
Economic dimension	79	79	82	77
Environmental dimension	78	80	76	76
Social dimension	70	73	69	77

ANTI-CORRUPTION

All our employees commit to our Code of Conduct to maintain the highest legal, moral and ethical standards in our dealings with customers, suppliers, employees and local communities. This code outlines how employees can meet the highest standards through their everyday behaviours and choices.

All forms of bribery, including facilitation payments, are prohibited, whether they take place directly or indirectly through another party.

We're committed to continuous improvement, transparency and accountability. We don't tolerate workplace misconduct under any circumstances and we need our trade partners to work with us to stamp out any and every instance. We have clear, long-standing and accepted procedures for trade partners to report any issues. However, we recognise there is always opportunity to strengthen our systems. Our Speak Up service is available for trade partners to use when normal escalation methods have been exhausted or are inappropriate.

POLITICAL DONATIONS

Woolworths prepares for legislative and regulatory reforms through direct engagement with political parties and elected representatives in Australia and New Zealand. Our policy is that any political contributions require board approval. Woolworths adheres to all relevant political disclosure laws and regulations and strives to make contributions in a bipartisan manner.

This year, political contributions in Australia totalled \$27,500, which represented our membership fee for the Federal Labor Business Forum for the 2014 financial year. In New Zealand, we did not make political donations or attend any political functions.

PRIVACY POLICY

We're committed to meeting the National Privacy Principles for the Fair Handling of Personal Information, which sets standards for the collection, use and disclosure, access, storage and destruction of personal information that we collect as part of our business operations.

Our respect for our customers' right to privacy of their personal information is paramount. We have policies and procedures to ensure that all personal information, no matter how or where it's obtained, is handled sensitively, securely, and in accordance with the National Privacy Principles. See woolworthslimited.com.au/page/Privacy_Policy/ for our privacy policy.

United Nations Global Compact

Woolworths Limited addresses the 10 accepted principles of the UNGC in the following manner.

Principles	Actions
Human Rights	
Principle 1 - Protection of Human Rights	Ethical Sourcing Policy and audit program, Page 12
Principle 2 - No Complicity in Human Rights Abuse	Ethical Sourcing Policy and audit program, Page 12 Freedom of Association, Page 30
Labour	
Principle 3 - Freedom of Association and Collective Bargaining	Ethical Sourcing Policy and audit program, Page 12 Freedom of Association, Page 30
Principle 4 - Elimination of Forced and Compulsory Labour	Ethical Sourcing Policy and audit program, Page 12
Principle 5 - Abolition of Child Labour	Ethical Sourcing Policy and audit program, Page 12
Principle 6 - Elimination of Discrimination	Diversity and Equal Opportunity, Page 12
Environment	
Principle 7 - Precautionary Approach	No explicit reference to precautionary approach. Approach to Risk Management, Page 34
Principle 8 - Environmental Responsibility	Environment, Page 9
Principle 9 - Environmentally Friendly Technologies	Technology addressing climate change, water conservation, transport and packaging, Pages 9-11
Anti-Corruption	
Principle 10 - Work Against Corruption	Anti-Corruption, Page 35

Global Reporting Initiative

GRI	Description	Page
G4-1	Statement from the Chairman and CEO	5
G4-3	Name of the organisation	Front Cover
G4-4	Primary brands, products, and/or services	9, 11, AR 31
G4-5	Location of organisation's headquarters	42
G4-6	Number of countries where the organisation operates	Scope
G4-7	Nature of ownership and legal form	AR 123-124
G4-8	Markets served	40, AR 31
G4-9	Scale of the reporting organisation	5, 12
G4-10	Total workforce	30-31
G4-11	Collective bargaining agreements	30
G4-12	Describe the organisation's supply chain	12-13, 17, 24
G4-13	Significant changes during the reporting period	AR 22
G4-14	Addressing precautionary principle	9-11, GRI Index
G4-15	External corporate responsibility charters	5-6, 8, 11, 14-15, 20-21, 24, 35-36
G4-16	Memberships in associations	6, 20, 24, GRI Index
G4-17	Entities included in the organisation's consolidated financial statements	AR 116, 120
G4-18	Process for defining report content	2, 6, 9, 12, 34-35
G4-19	Material aspects identified when defining the report content	2, 34
G4-20	Material aspect boundary inside the organisation	Scope
G4-21	Material aspect boundary outside the organisation	6, 10-13
G4-22	Explanation of restatements	7, 33
G4-23	Significant changes from previous reporting periods	AR 97
G4-24	List of engaged stakeholders	6, 12-14, 17-19, 20, 22, 34
G4-25	Basis for identification and selection of stakeholders	34
G4-26	Approaches to stakeholders	6, 12
G4-27	Key topics and concerns for stakeholders	6-19, 22-24, 34
G4-28	Reporting period	Scope
G4-29	Date of most recent previous report	27 November 2014
G4-30	Reporting cycle	Annual
G4-31	Contact point for the report	45
G4-32	GRI Index for comprehensive disclosure	37-39
G4-33	Policy on seeking external assurance for the report	35, 39
G4-34	Governance structure	34, CGS
G4-56	Values, principles, standards and norms of behaviour	35, CGS 6
	Disclosure on Economic Management Approach	12, 17
G4-EC1	Direct economic value generated and distributed	1, 12-13
G4-EC2	Financial implications of climate change.	9
G4-EC3	Defined benefit plan obligations	GRI Index, AR 68
G4-EC4	Significant financial assistance received from government.	GRI Index
G4-EC5	Ratios of standard entry level wage compared to local minimum wage	GRI Index
G4-EC6	Proportion of senior management hired from the local community	GRI Index
G4-EC7	Infrastructure investments and services for public benefit	13
G4-EC8	Indirect economic impacts	12
G4-EC9	Proportion of spending on local suppliers	13
	Disclosure on Environmental Management Approach	2, 9-12, 16-17, 25-28, AR 24
G4-EN1	Materials used by weight or volume	10-11
G4-EN2	Percentage of materials used that are recycled input materials	10
G4-EN3	Energy consumption	9, 27
G4-EN4	Indirect energy consumption	GRI Index
G4-EN5	Energy Intensity	9
G4-EN6	Reduction of energy consumption	9
G4-EN7	Reduction in energy requirements of products and services	9

Global Reporting Initiative

GRI	Description	Page
G4-EN8	Total water withdrawal by source	10
G4-EN9	Water sources significantly affected by withdrawal of water	GRI Index
G4-EN10	Percentage and total volume of water recycled and reused	GRI Index
G4-EN11	Operations in or near areas of high biodiversity value	GRI Index
G4-EN12	Description of significant impacts on biodiversity in protected areas	GRI Index
G4-EN13	Habitats protected or restored	GRI Index
G4-EN14	IUCN Red List Species	GRI Index
G4-EN15	Direct greenhouse gas emissions (Scope 1)	9, 27-28
G4-EN16	Energy indirect greenhouse gas emissions (Scope 2)	28
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	28
G4-EN18	Greenhouse gas emissions intensity	9
G4-EN19	Reduction of greenhouse gas emissions	9
G4-EN20	Emissions of ozone-depleting substances	GRI Index
G4-EN21	NOx, SOx and other significant air emissions	GRI Index
G4-EN22	Total water discharge by quality and destination	GRI Index
G4-EN23	Total weight of waste by type and disposal method	11, 28, GRI Index
G4-EN24	Total number and volume of significant spills	GRI Index
G4-EN25	Hazardous wastes	11, 28, GRI Index
G4-EN27	Mitigating impacts of products and services	9, 11
G4-EN29	Fines for non-compliance with environmental laws	GRI Index
G4-EN30	Impacts of transporting products and other goods	28
G4-EN31	Total environmental protection expenditure	9
G4-EN32	Percentage of new suppliers screened using environmental criteria	GRI Index
G4-EN33	Environmental impacts in the supply chain	11-13
G4-EN34	Grievances about environmental impacts	GRI Index
	Disclosure on Labour Management Approach	6-7, 12, 29-30
G4-LA1	Employee turnover	12
G4-LA2	Benefits for full-time employees	AR 106-111
G4-LA3	Retention rate after parental leave	7
G4-LA4	Minimum notice periods for significant operational changes	GRI Index
G4-LA5	Workforce represented in joint management worker health and safety committees	GRI Index
G4-LA6	Rates of injury, occupational disease, lost days and absenteeism	33
G4-LA7	High incidence or risk of disease related to occupation	GRI Index
G4-LA8	Health and safety topics covered in formal agreements with trade unions	GRI Index
G4-LA9	Average hours of training per employee	29
G4-LA10	Career and skills management	7
G4-LA11	Employee performance and career development reviews	GRI Index
G4-LA12	Governance bodies and breakdown of employees relating to diversity	29
G4-LA13	Ratio of basic salary of men to women by employee category	29
G4-LA14	Percentage of new suppliers screened using labour practices criteria	GRI Index
G4-LA15	Labour practices impacts in the supply chain	12-13
G4-LA16	Grievances about labour practices	GRI Index
	Disclosure on Human Rights Management Approach	6, 12-13, 30
G4-HR1	Significant investment agreements that include human rights clauses	GRI Index
G4-HR2	Employee training on human rights	30
G4-HR3	Number of incidents of discrimination	30
G4-HR4	Risks to right to exercise freedom of association and collective bargaining	12-13, 24
G4-HR5	Risks of incidents of child labour	12-13, 24
G4-HR6	Risks of incidents of forced or compulsory labour	12-13, 24
G4-HR8	Incidents involving rights of indigenous people	GRI Index
G4-HR9	Operations subject to human rights reviews	GRI Index
G4-HR10	Percentage of new suppliers screened using human rights criteria	7
G4-HR11	Human rights impacts in the supply chain	24
G4-HR12	Grievances about human rights impacts	12-13, GRI Index

Global Reporting Initiative

GRI	Description	Page
	Disclosure on Society Management Approach	12-13, 17, 35
G4-SO1	Operations with local community engagement and development programs	GRI Index
G4-SO2	Operations with significant negative impacts on local communities	20-21, 25
G4-SO3	Assessments of operations for risks related to corruption	35, GRI Index
G4-SO4	Communication and training on anti-corruption policies	GRI Index
G4-SO5	Actions taken in response to incidents of corruption	GRI Index
G4-SO6	Value of political contributions	35
G4-SO7	Legal actions for anti-competitive behaviour	GRI Index
G4-SO8	Significant fines or sanctions for non-compliance with laws	GRI Index
G4-SO9	Percentage of new suppliers screened using society criteria	GRI Index
G4-SO10	Society impacts in the supply chain	GRI Index
G4-SO11	Grievances about impacts on society	GRI Index
	Disclosure on Product Responsibility Management Approach	14-15, 21, 35
G4-PR1	Significant product categories which health and safety is assessed	15, GRI Index
G4-PR 2	Non-compliance regarding health and safety impacts of products	GRI Index
G4-PR 3	Product information and labelling	14-15, GRI Index
G4-PR 4	Non-compliance regarding product labelling	GRI Index
G4-PR 5	Surveys measuring customer satisfaction	GRI Index
G4-PR6	Sale of banned or disputed products	24, GRI Index
G4-PR7	Non-compliance with regulations and voluntary codes concerning marketing	GRI Index
G4-PR8	Complaints regarding breaches of customer privacy	35, GRI Index
G4-PR9	Monetary value of significant fines	GRI Index

Independent Assurance Statement



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Independent limited assurance statement to the Directors of Woolworths Limited in relation to the 2015 Corporate Responsibility Report

We have undertaken a limited assurance engagement on the subject matter detailed below (the ‘Subject Matter’) presented in Woolworths Limited’s (‘Woolworths’) 2015 Corporate Responsibility Report in order to state whether anything has come to our attention that would cause us to believe that the Subject Matter has not been reported and presented fairly, in all material respects, in accordance with the reporting criteria described below (‘Reporting Criteria’).

Subject Matter and Reporting Criteria

The Subject Matter and Reporting Criteria for our limited assurance engagement for the year ended 30 June 2015 is as follows:

Subject Matter	Reporting Criteria
<p>Selected Sustainability Indicators</p> <p>The FY2015 performance data in respect of Woolworths’ Sustainability Indicators as referenced in the table contained in section Global Reporting Initiative within the 2015 Corporate Responsibility Report.</p> <ul style="list-style-type: none"> • Economic performance: <ul style="list-style-type: none"> ○ Direct economic value generated and distributed [G4 -EC1] • Materials: <ul style="list-style-type: none"> ○ Materials used by weight or volume [G4-EN1] ○ Percentage of materials used that are recycled input materials [G4-EN2] • Energy: <ul style="list-style-type: none"> ○ Energy consumption within the organisation [G4-EN3] ○ Energy consumption outside the organisation [G4-EN4] ○ Energy intensity [G4-EN5] ○ Reduction in energy consumption [G4-EN6] • Water: <ul style="list-style-type: none"> ○ Total water withdrawal by source [G4-EN8] • Emissions: <ul style="list-style-type: none"> ○ Direct greenhouse gas (GHG) emissions (Scope 1) [G4-EN15] ○ Energy indirect greenhouse gas (GHG) emissions (Scope 2) [G4-EN16] ○ Other indirect greenhouse gas (GHG) emissions (Scope 3) [G4-EN17] ○ Greenhouse gas (GHG) emissions intensity [G4-EN18] ○ Reduction of greenhouse gas (GHG) emissions [G4-EN19] • Grievance mechanisms: <ul style="list-style-type: none"> ○ Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms [G4-EN34] ○ Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms [G4-LA16] ○ Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms [G4-HR12] ○ Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms [G4-SO11] • Employment: <ul style="list-style-type: none"> ○ Total number and rates of new employee hires and employee turnover by age group, gender and region [G4-LA1] ○ Return to work and retention rates after parental leave, by gender [G4-LA3] 	<p>Woolworths’ definitions and approaches as described in section Corporate Responsibility Governance of Woolworths’ 2015 Corporate Responsibility Report.</p>

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Subject Matter	Reporting Criteria
<ul style="list-style-type: none"> • Occupational health and safety: <ul style="list-style-type: none"> ○ Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region, and by gender [G4-LA6] ○ Workers with high incidence or high risk of diseases related to their occupation [G4-LA7] • Investment: <ul style="list-style-type: none"> ○ Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained [G4-HR2] • Non discrimination: <ul style="list-style-type: none"> ○ Total number of incidents of discrimination and corrective actions taken [G4-HR3] • Anti-corruption: <ul style="list-style-type: none"> ○ Communication and training on anti-corruption policies and procedures [G4-S04] • Public policy: <ul style="list-style-type: none"> ○ Total value of political contributions by country and recipient/beneficiary [G4-S06] 	
<p>GRI G4 Sustainability Reporting Guidelines</p> <p>FY15 Corporate Responsibility Report in accordance with the core criteria option (the ‘GRI self-declaration’) prepared in accordance with the requirements of the G4 Sustainability Reporting Guidelines (“GRI Guidelines”).</p>	<p>The GRI Guidelines and related information, publicly available at GRI’s global website at www.globalreporting.com, in particular the requirements to achieve the GRI Self Declaration</p>

Woolworths’s responsibilities

The Directors of Woolworths are responsible for the preparation and presentation of the Subject Matter in the 2015 Corporate Responsibility Report in accordance with the Reporting Criteria. This responsibility includes establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter in the 2015 Corporate Responsibility Report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate reporting criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

Deloitte’s Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Deloitte’s responsibilities

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with Australian Standards on Assurance Engagements ASAE 3000 ‘Assurance Engagements Other than Audits or Reviews of Historical Financial Information’ (ASAE 3000), issued by the Australian Auditing and Assurance Standards Board in order to express a conclusion whether, based on the procedures performed and the evidence obtained, anything has come to our attention that causes us to believe that the Subject Matter has not been prepared and presented in all material respects in accordance with the Reporting Criteria. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter is free from material misstatement.

A limited assurance engagement in accordance with ASAE 3000 involves identifying areas where a material misstatement of the Subject Matter information is likely to arise, addressing the areas identified and considering the process used to prepare the Subject Matter in the 2015 Corporate Responsibility Report. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.



The procedures we performed were based on our professional judgement and consisted primarily of:

- Review of Woolworths' processes relating to stakeholder identification, engagement and responsiveness, including an assessment of stakeholder engagement outcomes and how this process and the outcomes have been presented in the 2015 Corporate Responsibility Report
- Review of Woolworths' process to identify and determine material issues to be included in the 2015 Corporate Responsibility Report with examination of underlying assessments and evidence on a sample basis
- Interviews with a selection of Woolworths executives and senior management, including Woolworths sustainability management team concerning the overall governance structure, corporate sustainability strategy and policies used for managing and reporting sustainability performance across the business
- In respect of the Selected Sustainability Indicators
 - interviews with a selection of Woolworths management responsible for the Selected Sustainability Indicators to understand the compilation and review processes
 - applying analytical and other review procedures including assessing relationships between the reported information and other financial and non-financial data
 - examination of evidence for a small number of transactions or events
 - analysing and inspecting on a sample basis, the key systems, processes and procedures and controls relating to the collation, validation, presentation and approval process of Selected Sustainability Indicators included in the 2015 Corporate Responsibility Report
 - review underlying evidence on a sample basis to corroborate that the information is prepared and reported in line with the relevant reporting criteria.
- Comparison of the content of Woolworths' 2015 Corporate Responsibility Report against the criteria for a GRI self-declaration

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express an opinion providing reasonable assurance about whether the Subject Matter in the 2015 Annual report has been properly prepared and presented, in all material respects, in accordance with Reporting Criteria.

Inherent limitations

Non-financial information, including the Subject Matter may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating and sampling or estimating such information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The Subject Matter should be read in the context of Woolworths' Reporting Criteria as set out in the 2015 Corporate Responsibility Report.

Limitations of use

This report is made solely to the directors of Woolworths in accordance with our engagement letter dated 28th September, for the purpose of providing limited assurance over Woolworths 2015 Corporate Responsibility Report. We disclaim any assumption of responsibility for any reliance on this report or on the Subject Matter to which it relates, to any person other than the directors of Woolworths or for any purpose other than that for which it was prepared.

Matters relating to electronic presentation of information

Our limited assurance engagement included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of the 2015 Corporate Responsibility Report after the date of this assurance statement.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter has not been properly prepared and presented, in all material respects, in accordance with the Reporting Criteria for the year ended 30 June 2015.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

PR Dobson
Partner
Sydney, 27 October 2015

Store Analysis

Five Year Summary

Productivity	2015	2014	2013	2012 ²⁸	2011 ²⁸
Stores (Number)					
Supermarkets					
New South Wales and Australian Capital Territory ²⁵	292	282	271	262	255
Queensland ²⁵	230	225	209	203	194
Victoria ²⁵	234	224	221	214	203
South Australia and Northern Territory ²⁵	82	80	78	78	76
Western Australia ²⁵	92	89	88	85	83
Tasmania ²⁵	31	31	30	30	29
Supermarkets – Australia²⁵	961	931	897	872	840
New Zealand Supermarkets	177	171	166	161	156
Total Supermarkets	1,138	1,102	1,063	1,033	996
Thomas Dux	9	11	11	11	11
Freestanding Liquor	359	349	339	329	305
Attached Liquor ²⁶	527	509	490	477	457
ALH Group Retail Outlets	557	544	526	507	488
Summergate	2	-	-	-	-
Caltex/WOW Petrol	-	131	131	132	132
WOW Petrol – Australia	516	502	482	467	449
Total Supermarkets, Liquor and Petrol	3,108	3,148	3,042	2,956	2,838
General Merchandise					
BIG W	184	182	178	172	165
EziBuy	5	4	-	-	-
Dick Smith Electronics	-	-	-	-	390
Tandy	-	-	-	-	4
Total General Merchandise	189	186	178	172	559
Hotels including clubs (ALH Group)	330	329	326	294	282
Home Timber and Hardware ²⁷	44	28	26	21	19
Masters	58	49	31	15	-
Total continuing operations	3,729	3,740	3,603	3,458	3,698
Discontinued operations²⁸					
Dick Smith Electronics	-	-	-	347	-
Tandy	-	-	-	1	-
Total Group	3,729	3,740	3,603	3,806	3,698

	2015	2014	2013	2012 ²⁸	2011 ²⁸
Area (sqm)					
Supermarket Division (Australia) ²⁹	2,617,924	2,522,981	2,413,527	2,318,756	2,202,620
Supermarket Division (New Zealand) ³⁰	397,889	386,818	372,373	351,744	333,274
General Merchandise Division ³¹	1,055,231	1,042,927	1,016,086	1,107,732	1,086,082

²⁵ The 2014 Australian Supermarkets store numbers by State and Territory have been reclassified to conform with the 2015 store profile

²⁶ Attached Liquor stores were previously not reported separately

²⁷ Previously known as 'Danks'

²⁸ See Note 2 on page 122 of the 2015 Annual Report

²⁹ Supermarkets Division (Australia) excludes Langton's, Cellarmasters, Petrol, Wholesale and ALH Group retail (BWS)

³⁰ New Zealand Supermarkets excludes Gull and franchise outlets. Sales per square metre is presented in New Zealand dollars

³¹ Includes BIG W, EziBuy, Dick Smith and Tandy. Excludes Woolworths India

Glossary

Carbon dioxide equivalent (CO₂-e)

A standard measure used to compare the emissions from various greenhouse gases based on their global warming potential. For example, one tonne of methane emissions is equivalent to 21 tonnes of carbon dioxide emissions.

EBIT

Earnings Before Interest and Tax – total earnings before provisions are deducted. This measures a company's performance and is often used in preference to net profit as it excludes the effects of borrowings and tax benefits and adjustments.

Forest Stewardship Council (FSC)

FSC is an independent, not-for-profit organisation which promotes responsible management of the world's forests. fsc.org or fscaustralia.org.au

Lost Time Injury

An LTI is an injury or illness that results in an employee being unable to work a full scheduled shift (other than the shift during which the injury occurred).

ML

Megalitres or million litres.

Mt

One million tonnes or megatonnes, equates to one billion kilograms.

MWh

Megawatt hours is a unit of measurement for electricity use, referring to the amount of electricity need to supply power to 1,000 homes for one hour.

National Greenhouse and Energy Reporting (NGER) Act 2007

NGER establishes a national framework for Australian corporations to report greenhouse gas emissions, reductions, removals and offsets, and energy consumption and production. climatechange.gov.au/reporting/publications

NPAT

Net Profit After Tax indicates what the company earned after all expenses have been accounted for.

Programme for the Endorsement of Forest Certification (PEFC)

The PEFC is an independent, non-profit organisation that promotes sustainably managed forests through independent third-party certification. pefc.org

Scope 1 emissions

Direct greenhouse gas emissions from sources owned or controlled by the company, such as combustion facilities (e.g. generators) and combustion of fuels in company-owned or company-controlled transport (e.g. cars and trucks).

Scope 2 emissions

Indirect greenhouse gas emissions from the generation of purchased electricity, heat, cooling or steam. Purchased electricity is defined as electricity that is bought or otherwise brought into the organisational boundary of the entity.

Scope 3 emissions

Other indirect greenhouse gas emissions that are a consequence of a company's activities, but that arise from sources that other entities own or control. Scope 3, like Scope 2, is a category of indirect emissions and covers all other indirect emissions from sources that are not owned or controlled by a company, but that occur as a result of its activities. Examples include emissions from waste disposed to landfill.

Company Directory

Registered Office

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Company Secretary

Richard Dammary

Share Registrar

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GPO Box 2975
Melbourne VIC 3001
Tel: 1300 368 664
Web: www.computershare.com.au

Auditor

Deloitte Touche Tohmatsu
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Tel: (02) 9322 7000
Web: www.deloitte.com.au

Woolworths Corporate Responsibility

Armineh Mardirossian
Head of Corporate Responsibility

