

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

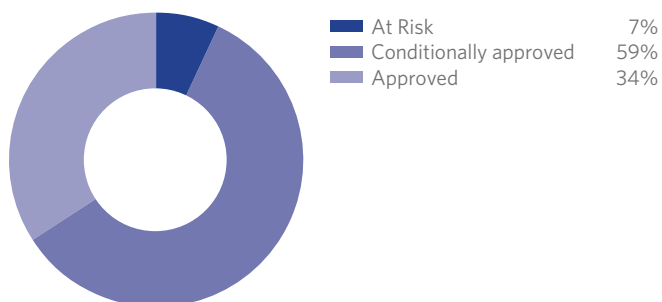
¹⁴ Excludes ALH Venue and Support Staff

¹⁵ Before significant items

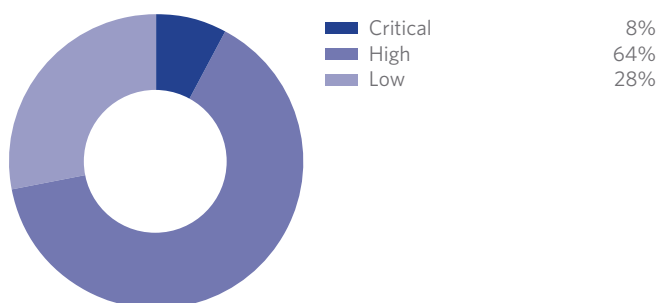
¹⁶ Before significant items

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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.