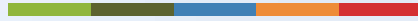


WOOLWORTHS GROUP



Live better
together

2021 CORPORATE GOVERNANCE STATEMENT

WOOLWORTHS GROUP LIMITED
ABN 88 000 014 675

Overview

Corporate Governance at Woolworths Group

Good corporate governance continues to be central to Woolworths Group Limited's (Woolworths Group or the Group) approach to creating sustainable growth and enhancing long-term shareholder value.

Our ambition goes beyond legal compliance. The Group's Purpose of 'We create better experiences together for a better tomorrow' shapes our commitment to better meet the needs of our customers, teams and key stakeholders.

Directors and team members are expected to act ethically and responsibly at all times, reflected by our Core Value of 'We do the right thing'.

Compliance with ASX Corporate Governance Principles

This Corporate Governance Statement describes the key corporate governance policies and practices of Woolworths Group during the 2021 reporting period through to the date of this report.

It has been approved by the Woolworths Group Board and is dated 26 August 2021.

Woolworths Group has followed each of the recommendations of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (fourth edition) (ASX Principles) throughout the period covered by this report.

Further information about Woolworths Group's corporate governance practices and copies of key governance documents referred to in this report are all available on the Group's website www.woolworthsgroup.com.au under the tab About Us/Corporate Governance.



The Board of Directors

A number of changes occurred across of the Board committees during the year.

Ms Jillian Broadbent retired from the Board at the 2020 Annual General Meeting (AGM), and Ms Maxine Brenner joined the Board in December 2020.

Accompanying the decision to appoint a Chief Risk Officer, the Board determined it would establish a standalone Risk Committee. A consequential review of Board committee responsibilities was undertaken, prompting changes to Board committee names and membership. Changes to Board committee chairs were also implemented in the period.

As a result, with effect from 1 May 2021, the Board has in place the following Board committees and membership:

DIRECTORS	MEMBER OF:					
	BOARD	AUDIT & FINANCE COMMITTEE ¹	RISK COMMITTEE ²	PEOPLE COMMITTEE ³	SUSTAINABILITY COMMITTEE	NOMINATION COMMITTEE
Gordon Cairns	●	●	●	●	●	●
Maxine Brenner	●	●	● ⁴	-	-	●
Jennifer Carr-Smith	●	-	-	●	●	●
Holly Kramer	●	-	●	-	● ⁴	●
Siobhan McKenna	●	●	-	● ⁴	-	●
Scott Perkins	●	●	●	-	●	●
Kathee Tesija	●	-	-	●	●	●
Michael Ullmer AO	●	●	●	●	-	●
Brad Banducci	●	-	-	-	-	-

LEGEND: ● Chair of Board/Committee ● Member of Board

Notes:

- 1 Formerly the Audit, Risk Management and Compliance Committee
- 2 The Risk Committee was established on 1 May 2021
- 3 Formerly the People Performance Committee
- 4 Ms McKenna, Ms Kramer and Ms Brenner commenced as chair of the respective Board committees on 1 January 2021 (with Ms Brenner commencing as Risk Committee Chair on this date to facilitate the establishment of the Risk Committee)

Details of director tenure and director attendance at Board and Board committee meetings held during the reporting period are provided on pages 44, 45 and 50 of the Directors' Report in the 2021 Annual Report.

The role of the Board

The Board's role is to represent the sustainable long-term interests of the Group and is accountable to shareholders for the strategic direction and performance of the Group.

The Board is conscious that creation of a sustainable growth strategy and enhancement of long-term shareholder value involves maintaining the trust and goodwill of the Group's customers, team members, suppliers and the communities in which the Group operates.

The Board has continued to oversee management in responding to the challenges presented by COVID-19 through our steadfast commitment to leading with purpose, executing with agility and our focus on putting customers and teams first.



The Board of Directors

Board responsibilities

The Board has reserved for itself the following responsibilities in the Board Charter:

Purpose and culture	Approve the Group's Purpose, Ways-of-Working and Core Values, and monitor its culture
Strategy	Review the Group's strategic direction and approve the strategic and business plan
Financial oversight	Adopt the annual budget, capital expenditure plan and three-year financial plan, and monitor the financial performance of the Group
Risk management framework	Oversee the Group's risk management framework, and satisfy itself (through the Board committees) that the framework deals adequately with the Group's material and emerging risks and compliance with statutory obligations
Financial and other reporting	Approve the Group's half-yearly and annual financial statements, and monitor and review management processes for the integrity of financial and other reporting
Board composition and performance	Determine Board's size and composition and evaluate the performance of the Board and individual directors on an annual basis
Leadership	Appoint the Chief Executive Officer (CEO) and his direct reports, evaluate their performance, oversee their development and actively challenge proposed business plans and actions
Succession and remuneration	Oversee CEO and executive succession and remuneration, and set Non-executive Director remuneration
Sustainability	Consider the social, ethical and environmental impact of the Group's activities and operations, set standards, and monitor compliance with the Group's sustainability goals and practices
Regulators	Monitor the conduct of the Group's relationship with key regulators and its compliance with the Group's regulatory obligations
Material transactions	Approve major expenditure and capital initiatives in excess of the authority levels delegated to the CEO
Corporate Governance	Review and approve the Group's corporate governance policies and practices
Shareholders	Oversee the Group's relationship with, and communications to, its shareholders

Relationship between the Board and CEO

The Board approves the Group's strategy, financial plan and the duties and responsibilities of the CEO.

The CEO is responsible for implementing strategy, and the day-to-day management and operations of the Group and, with the support of senior management, reports to the Board on the exercise of his or her delegated authority.

The Non-executive Directors (NED) of the Board regularly convene Non-executive Director sessions without the CEO or management present.

Chair

The directors have elected Gordon Cairns as Chair of the Board. The Chair is independent and non-executive. The role of the Chair is set out in the Board Charter and includes:

- Representing the Board to shareholders and communicating the Board's position.
- Leading the Board and facilitating and encouraging constructive discussion and debate.
- Assessing and agreeing to the development plans of Non-executive Directors.
- Monitoring the contribution of individual directors and providing annual feedback on their performance and effectiveness.
- The performance of the Chair is reviewed every year by the Board, with the assistance of feedback compiled by an external facilitator.

Board Structure










The Board is composed of a majority of independent Non-executive Directors who, with the CEO, have a mix of skills to provide the necessary breadth, depth of knowledge and experience to meet the Board's responsibilities and objectives.

The Board of Directors

Board skills and composition

The Board recognises that having a diverse range of different skills, backgrounds and experience among its directors is important for robust decision-making and the effective governance of the Group. An assessment of the optimum mix of these skills takes place at least once a year.

A summary of the key skills and experience of the current directors against those identified in the skills matrix is set out below:

SKILL/ EXPERIENCE	SUMMARY	DIRECTORS WITH SKILL/ EXPERIENCE
Retail Markets	Retail knowledge and experience of customer-led transformation in the food, drinks or general merchandise sectors	
Governance	Experience and a commitment to exceptional corporate governance standards	
Risk Management	Experience anticipating and identifying risks and monitoring the effectiveness of both financial and non-financial risk management frameworks and controls	
Strategy	Experience defining strategic objectives, assessing business plans, and driving execution in large, complex organisations	
Social Responsibility	Commitment to and experience in monitoring programs for social responsibility, carbon emissions reduction, proactive management of workplace safety, mental health and physical wellbeing, and responsible sourcing	
Digital, Data and Technology	Expertise and experience in adopting new technologies or implementing technology projects, digital disruption, leveraging digital technologies, or understanding the use of data and data analytics	
Financial Acumen	Understand financial drivers of the business, and experience implementing or overseeing financial accounting, reporting and internal controls	
People and Culture	Experience monitoring a company's culture, overseeing the operation of consequence management frameworks, overseeing people management and succession planning, and setting remuneration frameworks	
Regulatory and Public Policy	Expertise identifying and managing legal, regulatory, public policy and corporate affairs issues	

Board Diversity



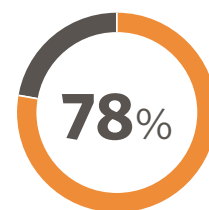
● Female **56%**
● Male **44%**

Board Tenure



● 0-3 years **22%**
● 3-6 years **56%**
● 6-10 years **22%**

Board Global Experience



International business experience and exposure to different political, cultural, regulatory and business environments



The Board of Directors

Board performance evaluation

The Board expects superior performance from each director. The Chair is responsible for the performance evaluation process to confirm this.

A review of the performance of the Board and Board committees occurs each year. Each director also undergoes an annual performance evaluation. For this reporting period, the annual review process was facilitated by an external advisor and included feedback from all directors and senior management who interact frequently with the Board and Board committees. The external facilitator selected for the F21 review also provides the growth and development review program for Woolworths Group management.

The process for conducting the review was agreed by the Board on recommendation from the Nomination Committee. The comprehensive review of the Board, Board committees and directors incorporated surveys, self-assessment questionnaires, stakeholder feedback and debrief sessions.

The Board was presented with a final Board performance report, including a summary of results and feedback, in July 2021.

The review of director performance is consequential. The Board considers how to leverage the feedback received throughout the review. External development coaching is offered to directors on a voluntary basis following conclusion of the F21 Board and committee review process.

Director appointment and election

All directors receive a letter of appointment that sets out their duties, the Group's expectations, and the terms and conditions of their appointment. Each director is engaged individually and not via a separate legal entity.

A director (other than the Managing Director) appointed to the Board must stand for election at the next AGM, and for re-election at the third AGM following their election. There is no limit on director tenure.

A recommendation that the Board supports an existing director standing for re-election is not automatic. Potential candidates for the Board as well as directors standing for re-election are all assessed considering a number of factors, including but not limited to:

- Skills, experience, expertise, personal qualities and attributes that will best complement the skill set and characteristics of existing directors and enhance Board effectiveness.
- Diversity (in its broadest sense) of Board composition.
- Capacity to devote the necessary time and commitment to the role.
- Potential conflicts of interest and independence.
- Other relevant information based on appropriate background checks, regulatory approvals and references.

The Notice of AGM sets out the Board's assessment of these matters for each director standing for election or re-election.

Board succession

The Nomination Committee discusses Board succession periodically, including in respect of the role of the Chair.

The Board regularly reviews the Board succession program, and has engaged with a search firm to identify suitable candidates who possess the desired skills and experience identified by the Nomination Committee for succession planning.

Director induction and development

Each new director is required to complete an induction program that includes a 'Woolies Welcome' where they spend time working in-store. The induction program also includes other site visits and meetings with the CEO, senior management and the Company Secretary to familiarise incoming directors with the business and Board practices and procedures. The process is periodically reviewed by the Board and was reviewed in the reporting period to facilitate the induction of Ms Brenner to the Board.

Directors also participate in continuing education, training and development programs. There is a mixture of internal and external training designed to improve the Board's and each individual director's strategic oversight capability and insight into the business. All directors (including non-Australian directors) also receive training on the Group's legal and governance framework.

The Group has continued its program of digital site visits and showcases, a program which was put in place in 2020 in response to COVID-19 to provide directors, particularly those based outside Australia and unable to travel, with better insights into innovation, key businesses or components of the Woolworths Group Ecosystem, emerging issues and site tours across the Group.

The Board of Directors

Director independence

The Board has determined that each director other than the CEO was independent throughout the reporting period. The Board reviews the interests notified by directors regularly, and formally assesses director independence annually.

Directors are considered to be independent where they are independent of management, and free of any business or other relationship that could, or reasonably be perceived to, materially interfere with their capacity to bring independent judgement to bear on issues before the Board and to act in the best interests of the Group and its shareholders generally.

As part of the formal independence assessment, the Board considered all business relationships and close personal ties between Woolworths Group, and any companies of which a director is an employee, director or substantial shareholder.

The Board is satisfied that all declared business relationships were either not material to both parties or the director was not involved in decisions about those relationships. Where there is an independence indicator, including any close personal relationships, the director is required to substantiate to the Nomination Committee that independence is not compromised.

The Board also formally reviews the non-Woolworths Group commitments of each director in the context of confirming their ability to continue to devote sufficient time to carry out their responsibilities. A director wishing to accept a major new role that could impact on their time commitment to Woolworths Group must notify the Chair in advance of accepting the appointment. The Board will then conduct a reassessment of that director's independence following any such appointment.

CEO and senior executive performance and remuneration

The Group undertakes appropriate checks before the appointment of all senior executives. The CEO and each senior executive have entered into a written contract with the Group, setting out the terms and conditions of his or her appointment, including remuneration entitlements and performance requirements.

The Group's assessment of remuneration reflects a relationship between management performance, consequence management and outcomes. The People Committee monitors the Group's progress against Short Term Incentive (STI) and Long Term Incentive (LTI) targets throughout the year. Events that could have a material impact on STI or LTI outcomes are discussed at the People Committee.

The following process was followed in relation to the reporting period, notably to prevent performance-based remuneration outcomes that reward conduct contrary to the Group's values or risk appetite, and in accordance with guidance from ASIC's Corporate Governance Taskforce and the ASX Principles:

- A written recommendation is made from the CEO in relation to each of his direct reports. This incorporates the CEO's assessment of the matters set out in a Remuneration Risk Review (see below) undertaken by the Chief Risk Officer (CRO) and the Chief Legal Officer (CLO).
- A written recommendation is provided by the Chair to the Board in relation to the CEO's performance, following People Committee discussion of the CEO's written self-assessment.
- No member of management, including the CEO, is present during discussion of their remuneration.
- A review is conducted of the Group's F21 performance against the performance measures set at the start of the year by the People Committee. An assessment is also made of relevant matters the People Committee and Board may consider to adjust the F21 STI or F19-21 LTI outcomes based on the Adjustment Principles previously endorsed by the Board and People Committee.
- A Remuneration Risk Review is presented to the People Committee (with all directors in attendance) of any other material matters that the CRO or CLO recommend the People Committee and Board may wish to consider in connection with the F21 STI and F19-21 LTI outcomes and vesting of the F19 Deferred STI. This provides the directors the opportunity to consider the application of malus or clawback to Group or individual outcomes or vesting.
- Before finalising any incentive outcomes, the People Committee (with all directors in attendance) reviews the final recommendations to be made to the Board, particularly taking into account the outcome of the Remuneration Risk Review, without any member of management present.

At the conclusion of the process the People Committee was satisfied there were no significant risk or compliance matters that should negatively impact on any senior executive's final F21 variable remuneration outcome, and that LTI and Deferred STI for each executive scheduled to vest in August 2021 should vest fully.

Further details are set out in the F21 Remuneration Report.

The Board of Directors

Conflicts of interest

Directors are not involved in decisions where they have, or could be perceived to have, a conflict of interest or a material personal interest.

Any director who considers they may have a conflict of interest or a material personal interest in any matter concerning the Group must declare it to the Company Secretary immediately.

The Company Secretary monitors all information coming to the Board and the Board committees. Potential conflicts are flagged with the affected director and the Chair.

Independent advice

The Board, Board committees and individual directors may seek external professional advice at the Group's expense. If appropriate, the advice may be made available to all directors.

Charters

The Board Charter sets out the role of the Board and how it exercises its powers and responsibilities. Certain authorities are delegated to the Board committees. The charter also defines the relationship and interaction between the Board and management, including the matters reserved to the Board.

The allocation of duties in the charters between the Board and Board committees was considered and where necessary reviewed during the reporting period. The Board committee charters are available on the Group's website www.woolworthsgroup.com.au under the tab About Us/Corporate Governance.

Company Secretary

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board and Board committees. All directors have access to the services and advice of the Company Secretary.



Board committees

There are five Board committees to assist the Board in exercising its responsibilities and to provide it with recommendations and advice:

- Risk Committee
- Audit and Finance Committee
- People Committee
- Sustainability Committee
- Nomination Committee

Each Board committee has a charter that defines its roles and responsibilities. Board committees report to and make recommendations to the Board. The Chair of each Board committee reports to the Board after each meeting. Clear communication and reporting is in place between the Board and Board committees. An overview of the members, composition and responsibilities of each Board committee is set out below:

RISK	AUDIT & FINANCE	PEOPLE	SUSTAINABILITY	NOMINATION
Each Board committee is delegated responsibility to oversee development, monitor execution and review effectiveness of frameworks, strategies and policies relating to:				
<ul style="list-style-type: none"> ▪ Risk appetite ▪ Risk leadership ▪ Material risks ▪ Regulatory compliance ▪ Group policy and governance 	<ul style="list-style-type: none"> ▪ Capital management ▪ External disclosure ▪ Systems of financial control ▪ Financial, accounting judgments and estimates ▪ Tax ▪ Treasury ▪ Audits (both internal and external) 	<ul style="list-style-type: none"> ▪ Reward and pay ▪ Purpose, ways-of-working and values ▪ Talent and workforce of the future ▪ People safety, operational H&S, holistic wellbeing 	<p>Woolworths Group's Sustainability Plan 2025 goals:</p> <ul style="list-style-type: none"> ▪ People: Human Rights, including our Responsible Sourcing program and Modern Slavery, and Reconciliation ▪ Planet: Environment, Climate Change, Food Waste ▪ Product: Sustainable Supply Chain, Food and Product Safety, Animal Welfare, Healthier choices, Packaging 	<ul style="list-style-type: none"> ▪ Board skills, diversity, and performance ▪ Director nomination, selection, induction, and education ▪ Board renewal and succession planning ▪ Board performance

The Board committees' membership consists of:

<p>Five Non-executive Directors (minimum three), majority are independent, including the Chair.</p> <ul style="list-style-type: none"> ▪ Maxine Brenner (Chair) ▪ Gordon Cairns ▪ Holly Kramer ▪ Scott Perkins ▪ Michael Ullmer 	<p>Five Non-executive Directors (minimum three), majority are independent, including the Chair, who has significant financial expertise and is not the Chair of the Board. At least one member must have relevant financial qualifications and experience.</p> <ul style="list-style-type: none"> ▪ Scott Perkins (Chair) ▪ Gordon Cairns ▪ Maxine Brenner ▪ Siobhan McKenna ▪ Michael Ullmer 	<p>Five Non-executive Directors (minimum three), majority are independent, including the Chair.</p> <ul style="list-style-type: none"> ▪ Siobhan McKenna (Chair) ▪ Gordon Cairns ▪ Jennifer Carr-Smith ▪ Kathee Tesija ▪ Michael Ullmer 	<p>Five Non-executive Directors (minimum three), majority are independent, including the Chair.</p> <ul style="list-style-type: none"> ▪ Holly Kramer (Chair) ▪ Gordon Cairns ▪ Jennifer Carr-Smith ▪ Scott Perkins ▪ Kathee Tesija 	<p>All Non-executive Directors, majority are independent, including the Chair.</p> <ul style="list-style-type: none"> ▪ Gordon Cairns (Chair) ▪ Maxine Brenner ▪ Jennifer Carr-Smith ▪ Holly Kramer ▪ Siobhan McKenna ▪ Scott Perkins ▪ Kathee Tesija ▪ Michael Ullmer
--	--	--	--	--

Risk management and assurance

Woolworths Group is committed to maintaining an effective system to address and proactively manage risk in accordance with relevant legislation, regulatory obligations, shareholder expectations and good corporate governance principles. This allows us to be at the forefront of delivering quality service to our customers, sustainable value to our shareholders and ensure we create better experiences together for a better tomorrow.

During the reporting period, the Group appointed a Chief Risk Officer who led a comprehensive review of existing Group risk policies and processes. The review focused on simplifying and developing a more effective risk framework which aligns to the Board’s risk appetite and international standards. A Risk Appetite Statement was approved by the Board in May 2021. Updates to the Group Risk Management Policy, Risk Management Framework and the introduction of a new Risk Assessment Standard were presented to the Risk Committee and approved by the Board in July 2021.

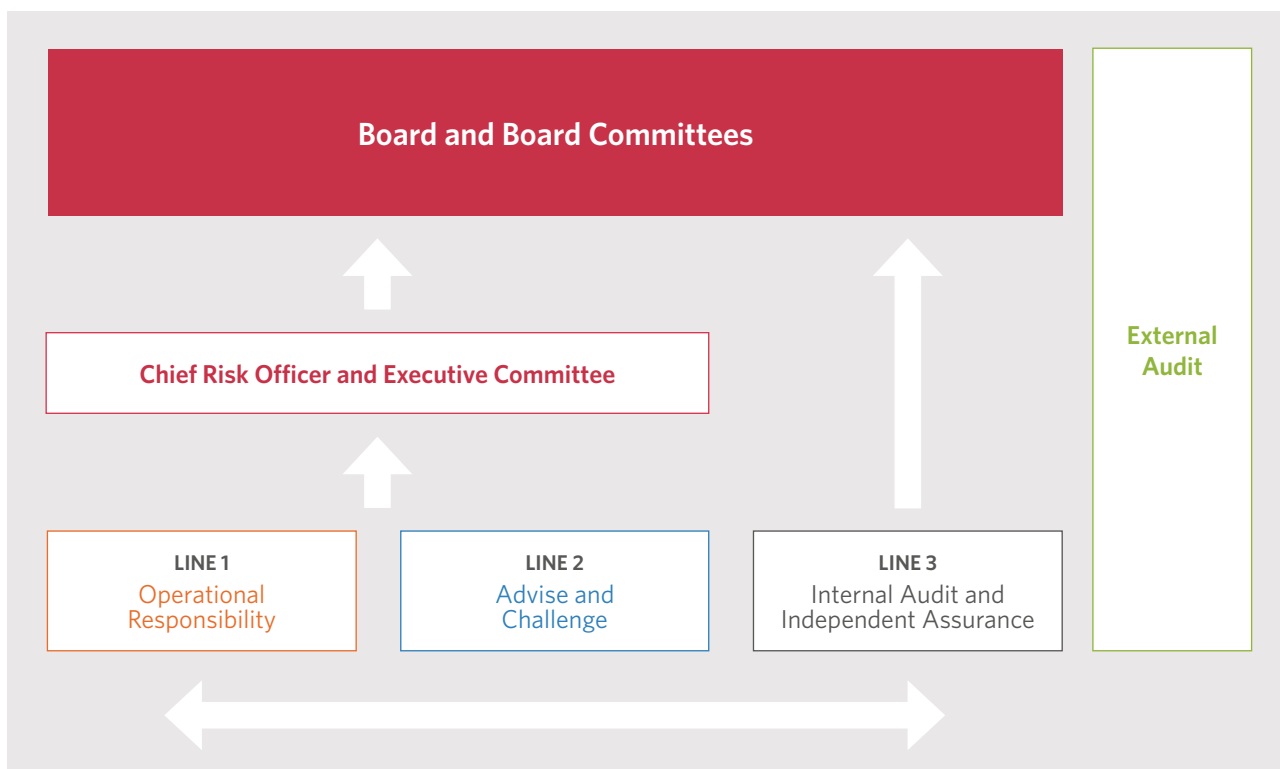
Material business risks

Woolworths Group is exposed to a range of strategic, operational, compliance and financial related risks associated with operating in a retail environment.

A summary of the Group’s material business risks and their mitigation plans is set out on pages 36 to 41 of the 2021 Annual Report.

Risk management oversight

The diagram below sets out an overview of risk governance and management at Woolworths Group together with key responsibilities of the Board, the Group Executive Committee, the Risk community, Internal and External Audit and the businesses. It is based on the three lines of accountability model, which is how risk is managed at Woolworths Group.



Risk management and assurance

Risk management framework and policy

Woolworths Group has a risk management framework which, together with the governance structure, is designed to provide a sound framework for managing the material risks of conducting business.

The risk management framework has regard to relevant regulations, standards and guidelines, including the ASX Principles and Recommendations and the standard ISO 31000 (2018) Risk management – guidelines.

Woolworths Group's risk management framework includes the Group Risk Management Policy, the updated Risk Management Framework (RMF) and Risk Assessment Standard (Standard). The Group Risk Management Policy reflects the overall principles of Woolworths Group's approach to risk management, and the roles and responsibilities for risk management within Woolworths Group. The RMF sets out the standards for identifying, assessing, responding, managing and reporting of risks impacting the success of strategic objectives and operating plans. It outlines the Group commitment and approach to ongoing, integrated and consistent risk management across the Group. The Standard includes the Group risk assessment criteria and provides further guidance for associated risk escalation protocols and proposed risk review frequencies. The Standard is to be used by risk owners and subject matter experts to assess all risks across the Group and ensure that the senior executives, the Board and Board committees have clear sight of material and emerging risks.

Woolworths Group looks to identify and implement opportunities to improve the RMF.

The updated RMF seeks to ensure:

- A mandate and commitment from the Board and senior management.
- A sound system of risk oversight, management and internal control, guided by the Board's stated appetite for and tolerance of risk.
- Opportunities (upside risks) are realised to support achievement of our vision, strategy and plans.
- Clearly articulated accountability and responsibility for managing risk.
- Effective decision making and considered risk taking.
- Appropriate culture, processes and structures required to support effective risk management.
- Risks are effectively identified, considered and responded to in an appropriate and timely manner.
- The most significant and material risks are prioritised and managed.

External auditor

Deloitte Touche Tohmatsu is Woolworths Group's external auditor. The Audit and Finance Committee makes recommendations to the Board on the selection, appointment, re-appointment or replacement of the external auditor. The external audit appointment is formally reviewed every three years and performance reviewed annually. The Board confirmed Deloitte's reappointment as external auditor in 2019.

Mr Andrew Griffiths continued as lead audit partner for Deloitte in F21, having been appointed in F17. In accordance with the regulatory requirements concerning auditor rotation, Mr Griffiths will stand down as lead audit partner at the 2021 AGM. Mr Tom Imbesi will replace Mr Griffiths from F22.

Details of the non-audit services provided by the external auditor over the reporting period are included in the Financial Statements. The Audit and Finance Committee has not set any nominal "cap" on the level of non-audit services to be performed by the external auditor, as it considers that this may restrict the ability of the Group to access the best advisers for the particular task. However, non-audit services above a certain level require the pre-approval of the Chair of the Audit and Finance Committee.

Deloitte Touche Tohmatsu has provided the required independence declaration to the Board for F21. The independence declaration forms part of the Directors' Report in the F21 Annual Report.

The Group does not invite any ex-Woolworths Group audit partners to be appointed as directors. If such a person was proposed for appointment in a management position, this would require Board approval.

The lead audit partner attends the Group's AGM and is available to answer questions from shareholders relevant to the audit.

Risk management and assurance

Internal audit

Woolworths Group has an independent internal audit function (Internal Audit) with a reporting line to both the CFO and Chair of the Audit and Finance Committee. Internal Audit provides independent and objective assurance services to management and the Board in relation to the internal controls, risk management framework and governance processes of Woolworths Group. It does so through:

- Performing audits in accordance with an Internal Audit Plan. The Plan is formulated using a risk-based approach and approved annually by the Audit and Finance Committee.
- Having direct access, and being accountable, to the Board through the Audit and Finance Committee, with the right to communicate to it in the absence of management.
- Regular reporting to the Audit and Finance Committee on the results of its audits and periodic reporting on the internal audit activity's purpose, authority, responsibility, and performance relative to the Plan.

The Audit and Finance Committee reviews and approves the Internal Audit Charter bi-annually. It also reviews the performance of the Chief Audit Executive and the Internal Audit function. This process was followed during the reporting period.

Assurances by management and corporate reporting processes

The Board received CEO and CFO certifications during the reporting period that complied with applicable regulatory requirements for the half and full year reports.

A thorough review process is undertaken to validate Woolworths Group corporate reports prior to public release, including the full year reports, half year reports and notice of meetings. The review process includes:

- An internal verification process conducted by the content owners then second peer reviews, with key information validated back to the source by the responsible Group internal teams.
- Engagement of an external proofreader to review documents with the aim of detecting any errors or identifying inconsistencies or transposition error within and between documents.
- Any material announcements require additional review and approval by the Board and or the Disclosure Committee.



Communications with Shareholders

Shareholder engagement

Shareholders and other stakeholders are informed of all material matters affecting Woolworths Group through ASX announcements, periodic communications and a range of forums and publications, available on the Group's website. Shareholders also have the option to utilise electronic communications.

The Group's website www.woolworthsgroup.com.au contains a range of information that may be useful to shareholders. Information most likely to be of interest to shareholders is available under the 'Investors' tab and includes the Group's published reports, share price updates, dividend history, presentations and webcasts, shareholder meeting details, material ASX announcements and answers to shareholders' frequently asked questions.

The Group provides regular email notifications of major events or periodic corporate reporting, including results announcements.

Other shareholder engagement activities include:

- The AGM, and for F21 an Extraordinary General Meeting (EGM) to approve the demerger of Endeavour Group Limited.
- A showcase from each business at the AGM (where possible subject to COVID-19 restrictions).
- The Annual Report.
- Regular releases of financial information, including quarterly sales and 1H and FY results.
- Access to listen live into every Group briefing to analysts. Recordings of past briefings are also available on the Group's website.
- Shareholder videos available on the Group's website.
- Publishing a transcript of the AGM and EGM on the Group's website.

Due to the prevailing COVID-19 situation, Woolworths Group will hold its 2021 AGM online, with facilities for shareholders to vote and ask question prior to or at the AGM.

The Group has an investor relations program to facilitate effective two-way communications with analysts, investors, proxy advisors and the media.

The Chair of the Board and the Chair of the People Committee meet with shareholders and proxy advisers at least twice a year to allow them to provide Board-level feedback on the Group's governance, and performance. The Chair of the Sustainability Committee and key members of management also engage with shareholders and proxy advisers following release of the Group's annual Sustainability Report.

The Group participates in a range of external investor surveys of Board effectiveness, governance and social responsibility.

Copies of any presentation or materials prepared for the purposes of briefing investors or analysts are released to ASX ahead of the presentation where it contains any substantive information not covered in a prior disclosure to the market.

Continuous disclosure

Woolworths Group has established processes to enable the Group to provide shareholders and the market generally with timely, direct and equal access to relevant information.

The Group's Continuous Disclosure Policy aims to:

- Achieve compliance with continuous disclosure regulatory requirements.
- Clarify accountability of Woolworths Group's senior executives.
- Promote investor confidence in the integrity of Woolworths Group and its securities.

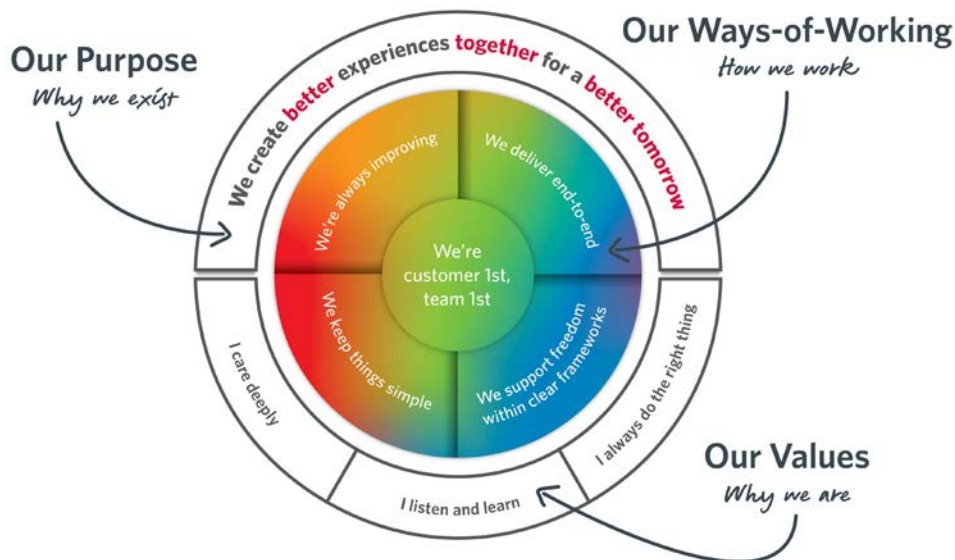
The Continuous Disclosure Policy prescribes which announcements require Board approval, and to involve the Chair of the Board or, in his or her absence, the Chair of the Audit and Finance Committee in Disclosure Committee discussions on matters that may be price sensitive.

The Board is provided with a copy of all material announcements, promptly, following release to the market.

The Disclosure Policy is available on the Group's website at www.woolworthsgroup.com.au under the tab About Us/ Corporate Governance.

Acting ethically and responsibly

Woolworths Group’s Purpose, Ways-of-Working and Core Values, together with its Code of Conduct and policy framework, define the standards of behaviour expected of all our team members.



Group Purpose

Woolworths Group is a diverse group of businesses on a journey to becoming a purposeful organisation. Our Purpose, ‘We create better experiences together for a better tomorrow’, was endorsed by the Board and creates the framework for how we operate, to be better for our customers, our team, the communities we serve, and our shareholders.

Woolworths Group is committed to improving understanding and continuing to implement the Group Purpose and Core Values across all of its team members and operations.

The Group continued to face a number of internal and external challenges that tested the resilience of the team in F21. Our Purpose guided the Group’s decision making throughout F21, including in the face of the ongoing disruption caused by COVID-19.

During the reporting period, the Group also commissioned an Independent Panel to review the Group’s proposal to develop a new Dan Murphy’s store in Darwin. Upon receiving the final report in late April 2021, senior management and the Board decided that Woolworths Group would not proceed with the proposal. The Independent Panel Review provided a number of recommendations to the Group, which the Group is reflecting on more deeply, including in consultation with others.

Led by our Purpose, the Group will continue to work to strengthen relationships with First Nations communities by listening to understand, and by having meaningful and equitable engagement through appropriate reconciliation actions.

Core Values

Who we are, and what sets us apart, is anchored by our Core Values. We care deeply, we listen and learn and we always do the right thing. Applying these Core Values to everything we do defines our behaviour and drives our ambition to be a trustworthy, innovative and responsible Australian company.

Ways-of-Working

How we work to live our Purpose is defined by our Ways-of-Working. Building from the F20 evolution of our Ways-of-Working, we continued to embed our ways of working across the Woolworths Group Ecosystem:

- We’re always improving.
- We deliver end-to-end.
- We support freedom within clear frameworks.
- We keep things simple.



Acting ethically and responsibly

Bringing it together

Woolworths Group's remuneration framework incorporates Ways-of-Working into our performance goals for all individuals. This helps to align team member performance and behaviours to the Group's purpose and strategy. The remuneration framework considers each team member's contribution to the Woolworths culture, expressed as our Ways-of-Working and Core Values.

Consequence management

The Board plays a significant role in setting the expectations of our team by monitoring that there are consequences for inappropriate behaviour. As outlined above, the People Committee oversees the Group's consequence management practices and its assessment of conduct risk when determining remuneration outcomes. The Board has the power to apply discretion to all remuneration outcomes.

Code of Conduct

The Code of Conduct applies to all directors, team members, contractors and consultants of Woolworths Group and sets out, amongst other things, the standards in accordance with which they are expected to act. The Code of Conduct confirms expected standards of honesty, integrity and fair dealing by all team members in their interaction with customers, suppliers, the community, competitors and each other in the performance of their duties and responsibilities.

The Code of Conduct is available on the Group's website at www.woolworthsgroup.com.au under the tab About Us/Corporate Governance.

Other policies

In addition to the Code of Conduct, the Group has a range of policies that define its commitment to good corporate governance and responsible business practices.

Relevant policies, including our Speak Up Policies and Fraud, Anti-Bribery and Corruption Policy, are available on the Group's website at www.woolworthsgroup.com.au under the tab About Us/Corporate Governance.

There are also numerous activities and compliance programs across the Group designed to promote and encourage the responsibility and accountability of individuals for reporting unethical practices.

Group sustainability

Woolworths Group's Sustainability Plan 2025 defines its guiding principles, goals and commitments to create positive change for our people, customers, communities and supply chains, as well as its responsibility to minimise the environmental impact of its operations. The Sustainability Plan is available on the Group's website at www.woolworthsgroup.com.au under the Sustainability tab.

We report our progress against our goals and commitments in our annual Sustainability Report. The 2021 Sustainability Report will be available on our website in early September 2021.

Woolworths Group's Modern Slavery Statement outlines the steps we have taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chains and is in line with the requirements of the Australian Modern Slavery Act. Our 2021 Modern Slavery Statement will be available on our website in early September 2021.

Woolworths Group considers climate change to be a material sustainability issue and we have aligned our emissions reduction targets to limiting global warming to 1.5 degrees. We assess our exposure to climate change risk by reference to the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures, and these disclosures are made in our annual Sustainability Report.



Diversity and inclusion

Woolworths Group values inclusion and diversity across all our businesses and we want to make team members feel valued, respected and empowered. The Group strives to celebrate diversity in all its forms to create a vibrant and inclusive place to work, where each and every team member can be at their best and contribute to diverse thinking. Customers should see a reflection of themselves and their communities in our team members.

The Group is working to attract and retain a diverse workforce with a positive customer focus by providing an inclusive, safe, equitable and engaging working environment. Strategies and goals to support a culture of inclusion and diversity are continually reviewed.

The Board is conscious of the positive impact that the Group's programs have had on the lives of individuals, families and their communities. The value that diversity brings to the business and our customers is critical to our Purpose. This is why Woolworths Group supports the Uluru Statement from the Heart and the recognition of Aboriginal and Torres Strait Islander peoples in the Australian Constitution.

One of the key focus areas of the Group's Sustainability Plan 2025 is the People Pillar, which demonstrates our commitment to caring for our team members by creating a great place for our teams to work. Over the last 12 months, the Group has made progress across a number of its diversity and inclusion goals under the People Pillar which align with the Group's commitment to becoming a truly inclusive workplace.

Three highlights are achieving Gold Tier status in the Australian LGBTQ Inclusion Awards for a fourth consecutive year, helping over 200 refugees from over 20 different cultural backgrounds secure employment opportunities through our Refugee Employment Program in partnership with Community Corporate Pty Ltd and the increase in the number of employment opportunities for Aboriginal and Torres Strait Islander peoples, with over 3,300 First Nations team members now having commenced employment since the inception of the Resourcing the Future program with many of the roles offered in regional or remote areas.

Woolworths Group's Diversity Policy and Sustainability Plan 2025 are available on the Group's website at www.woolworthsgroup.com.au under the tabs About Us/Corporate Governance, and Sustainability.

Achieve gender equity

Woolworths Group is committed to increasing female representation at all levels of management and across all functions of our business. This will increase attraction and retention of high performing women, provide aspirational role models, and move the Group closer to its goal of having a team that reflects its customer base and communities.

Sourcing and retention of key female talent remains a critical focus, particularly for senior executive roles and Group leadership. The Group's aim of achieving diversity of thought to all decision making forums includes the goal of a 40:40:20 balance. The 40:40:20 ratio is about aiming for diversity of gender in workplace leadership as well as gender balanced shortlists and interview panels. The ratio refers to 40% women, 40% men and 20% any gender.

A key enabler to gender equity is equal pay for equal work. Woolworths Group's Pay Parity Review methodology compares salaries of like-for-like roles of team members across the Group. This analysis helps identify gender pay gaps between male and female team members by grouping positions and career streams, and taking into consideration team member movements that can result in fluctuations in the gap. The Group's target is to remain below a statistically insignificant 1% gap and to report this annually after the remuneration review cycle.

In November 2020, the Group became signatories to the UN Women's Empowerment Principles in 2020. The Principles offer guidance to businesses on how to promote gender equity and women's empowerment in the workplace, marketplace and community. In continuing to make progress towards gender equity the Group was awarded the Workplace Gender Agency's Employer of Choice for Gender Equality Citation, becoming the first major food retailer to achieve the citation. The citation recognises active employer commitment and best practice in promoting gender equality and achieving gender equity in Australian workplaces.

Woolworths Group's workplace profile

Woolworths Group's workplace profile covering the 2020 calendar year, as prepared for the Group's WGEA assessment using the revised manager categories of the Workplace Gender Equality Agency (WGEA), is set out below¹.







	FEMALES AS A PERCENTAGE OF TOTAL
Board	56%
Key Management Personnel/KMP/HOB	33%
Head of Business	27%
Executives/General Managers	31%
Senior Managers	38%
Managers	43%
Team Members (Non Managers)	56%

¹ Data as at 1 January 2021. The new manager categories of Head of Business and KMP/HOB were introduced by WGEA in October 2020. The Key Management Personnel as captured in the Remuneration Report is reflected in the combined category of Key Management Personnel and KMP/HOB.

Working together to create a better tomorrow

Progress on our Sustainability Plan 2025

The Group’s diversity commitments made in the Sustainability Plan 2025 are listed below.

COMMITMENT	PROGRESS	COMMENTARY
 <h3>People</h3>		
Goal: Be a truly inclusive workplace		
<i>Using benchmarking tools administered by expert external organisations, we will validate our performance and hold ourselves to account. We aim to:</i>		
Create balanced leadership, bringing diversity of thought to all decision making forums, including 40:40:20 gender balance, improved cultural diversity of Aboriginal and Torres Strait Islander peoples representation.		Women represent 36% of senior leadership roles. We are currently working to establish a baseline for cultural diversity in leadership and Aboriginal and Torres Strait Islander peoples representation.
Achieve WGEA Employer of Choice for Gender Equality citation, Supported by gender pay parity for like-for-like roles.		The WGEA employer of choice citation was achieved in February 2021. We aim to maintain this ongoing. Our last pay parity review resulted in a statistically insignificant gap of less than 1%, which we will aim to maintain.
Implement our current Innovate-level Reconciliation Action Plan and continue our commitment to reconciliation by developing a Stretch RAP. This includes reaffirming our commitment to support the Uluru Statement from the Heart.		In June 2021 we delivered on the commitments made in our Innovate-level RAP. Work has commenced on the next phase of our commitment to Reconciliation.
Achieve Platinum Tier employer status in the Australian Workplace Equality Index (AWEI) for LGBTQ inclusion.		Our progress has been recognised by the Australian Workplace Equality Index awarding us Gold Tier Status for LGBTQ inclusion for the fourth consecutive year in 2021. We are now set to embark on a AWEI Platinum Project, with the objective to become an AWEI Platinum Employer for LGBTQ+ people.
Create and implement an Accessibility Action Plan and submit to the Australian Network on Disability Access and Inclusion Index, with year-on-year improvement.		Work on our Accessibility Action Plan will commence during F22.

○○○○○
Not yet commenced

●○○○○
Planning

●●○○○
Commenced

●●●○○
Progressed

●●●●○
Nearing completion

●●●●●
Achieved



WOOLWORTHS GROUP



www.woolworthsgroup.com.au