

Woolworths Group Annual General Meeting 2022
Wednesday, 26 October 2022

00:00:01

GORDON CAIRNS:

Good morning, everyone. My name is Gordon Cairns. I'm the Chair of Woolworths Group. And I'd like to welcome you to the 2022 Annual General Meeting of Woolworths Group. I look forward to engaging with you during the course of today's AGM. Now before I start today, I'd like to introduce Tommy Coghill, to deliver Welcome to Country. Tommy's Aboriginal family connections extend across the greater Brisbane region. This is the first time Tommy has joined us at our Annual General Meeting, and I thank him for making the time to join us today. Incidentally, Tommy used to work for Woolworths, which I discovered today. And if I prevail on him, he might even play the didge for us. So Tommy, welcome.

00:00:59

(MUTED APPLAUSE)

(BACKGROUND CHATTER)

THOMAS COGHILL:

Hello and welcome. Thank you for that introduction. For those who don't know me, my name is (INDIGENOUS NAME). It's a Yagara language name that was given to me by the Yagara elders, and translated from Yagara direct to English, meaning 'battle axe belonging to Yah' or 'Jah', it's the Hebrew name of the Creator. I'm also known as Thomas of the Coghill family, and Thomas of the Bonner family. And I'm a descendant of the Yagara language-speaking nation. I'm a descendant of the Yagara language-speaking nation through two family lineages, that belong to two different clans. On my father's side, we can trace our ancestry back to Grandfather Multuggerah. And Grandfather Multuggerah was a recorded patriarch in the 1800s, early 1800s, and his stomping grounds, or where he was from, were the plains from Ipswich out to the foothills of Toowoomba and Warwick, such as Gatton, Rosewood, Laidley and Helidon. Grandfather Multuggerah was also recorded to lead the battle at One Tree Hill, which is Mount Tabletop. And it was against the early convict settlers when they had a battle out there. One of Grandfather Multuggerah's direct descendants is my grandfather Neville Bonner, and Neville Bonner was the first Aboriginal Senator of Australia, and he identified as a Jagera man, which is the, belonging to the western clans of the Yagara language-

speaking nation. When my dad speaks about Grandad, he says that, Granddad was born in the traditional fashion, on a traditional birthing grounds, which is an island situated on the Tweed River, and it was shared by Kumbangerai, Yugambah and Bundjalung people. Dad also said that Granddad grew up with song and dance and he also was the lead rower when they went out to hunt turtle and dugong out in the bay, indicating practicing his old customs, and also indicating leadership skills. On my mother's side we can trace our ancestry back to Grandfather Mookin. Grandfather Mookin was another patriarch that was recorded in the late 1800s, and Grandfather Mookin was born in a traditional fashion as well, a full-blood from this area, and he could speak at least 15 different Aboriginal languages throughout the South-East corridor. Grandfather Mookin was also the last message stick carrier of the Yagara language-speaking nation. And at that time, the authorities knew that he could speak 15 different languages, and also could read and write English, in the early 1900s. Because of that, they made him the first official Mayor of Barambah. Those who don't know where Barambah is, it's commonly known as Cherbourg today, and it's an Aboriginal mission located northwest of Ipswich.

00:03:33

That's what qualifies me to speak on Country. What is a Welcome To Country? Prior to settlement, we used to have a lot of festivals throughout this region. Two that spring to mind is the (INDIGENOUS TERM) Festival, which is held on North Stradbroke Island. (INDIGENOUS TERM) is the mullet. And also a more well-known festival known as the Bunya Nut Festival, which was held in Kabi country, or Kabi Kabi country. And that area is where the Glasshouse Mountains is. When we held these festivals, they'll send out their invitation, and these festivals were invitation-only. It'll extend past Yagara country. And those who were invited, they'll send forth their message stick carrier to ask us for permission to travel through Yagara country, to attend these festivals. Once they send forth their message stick carrier and ask for permission, we'll grant them permission, and then conduct a Welcome To Country ceremony, which is just laying down the law of the land of Yagara country. We'd also immediately follow-up with a Smoking Ceremony, which we call (INDIGENOUS NAME). To my best of my knowledge, the origin of the Smoking Ceremony or the (INDIGENOUS NAME) is, it's a spiritual ceremony. Being the oldest culture in the world, it's probably the first spiritual ceremony, and it's designed to get rid of a particular spirit. And that particular spirit is called (INDIGENOUS TERM). It's a negative spirit. And that leaves the room open for the good (INDIGENOUS TERM) to come and join us.

What is the country I'm welcoming you to? Is Yagara (INDIGENOUS NAME). Yagara (INDIGENOUS

NAME) is Yagara country, and that extends from the mouth of the Brisbane River. It has two central locations, a gathering points, on the north banks of that river where Botanical Gardens is located, is known as Meanjin. Meanjin means the 'tip of the spear', or the 'spike of the spear'. Our second location, a gathering point, is where we stand today. This place is known as Kurilpa, means the 'place of the water rat', and essentially it goes from the Kangaroo Point Cliffs, down to Davies Park at West End. We still gather here once a year to celebrate our annual NAIDOC festivities, and also to, for 'Sorry' business for elders of Brisbane. You follow the Brisbane River, or in our language, we call it 'Maiwar'. You follow it as it branches into Ipswich, and then the plains from Ipswich out to the foothills of Toowoomba and Warwick. That's our western border. Our southern border is the Logan River itself, which begins at Beaudesert, travels through parts of Logan. Logan's traditional Yagara name is (INDIGENOUS NAME). It means 'dwelling place of the South'. You follow Logan River out to the bay, Moreton Bay. In our language we call it Quandamooka, and it means 'dolphin storm'. And there's a dream time story that's attached to that area, that developed that landscape. Our northern border is the Caboolture River. Kabul', meaning Carpet Snake, and 'Tur', meaning 'belonging to'. We have the Turrbal (INDIGENOUS NAME) connection. These are northern clans that belong to the Yagara language-speaking nation as recorded, and also they belong to the Kabi Kabi people as well. That's the extent of Yagara country, or Yagara (INDIGENOUS NAME). Yagara would like to acknowledge our neighbouring language-speaking nations, to the north, north of the Caboolture River is the Kabi Kabi people. West to the Toowoomba range is the Wakka Wakka People. South of the Logan River is the Yugambah people, and East of the Bay of Quandamooka is the Jandai people. Yagara would like to also acknowledge our Torres Strait Islander community here, living on Yagara (INDIGENOUS TERM), and also our South Sea Islander community here living on Yagara (INDIGENOUS TERM). All that being said, I would like to welcome you on behalf of my two family lineages, the Moretons and the Bonners. And that's to, sorry I've left something out about Grandfather Mookin. Grandfather Mookin, this is a bit of local knowledge as well. Our Grandfather Mookin was the first mayor of Barambah, Cherbourg, and that's two and a half hours' drive from north west of Ipswich. This area was, before it was called 'Brisbane', and when it collectively, the township came together in the 1920s, this area was considered Moreton. Still on the north side, it's considered the Moreton region. It began as a penal colony for convict settlers that re-offended. The prime real estate where they were headed for was New South Wales. Those families that re-offended, they got, they couldn't send them back to England, so they sent them to this region here. And that's where the Moretons get our last name from. Charlie Moreton is Grandfather Mookin, when he became Mayor it was 'Mookin', and then when he became mayor they changed it to Charlie of Moreton, and then later on, Charlie Moreton. That's the extent of Yagara country. I'd like to

welcome you on behalf of my two family lineages, the Bonners and the Moretons. In the old tongue is (SPEAKS INDIGENOUS LANGUAGE), which means 'Hello', and 'Welcome'. I welcome you. And also a good (INDIGENOUS TERM). A good spirit. I'd just like to make you feel welcome by playing this instrument in front of me. Throughout Australia and the world is commonly known as didgeridoo. To the Yagara people and surrounding clans, we call this instrument (INDIGENOUS TERM). It's not traditional from this area. Where we believe that it originated from is the Yirrkala people in the Northern Territory, and they call this instrument 'Yidaki', or 'Yirdaki'. And how we got it was through the trade routes that went along the coastlines of the east coast of Australia. And we traded the fire sticks or the 'booree' or the (INDIGENOUS TERM), from North Stradbroke Island. When we received this instrument, we also received the law of this instrument. And the law of this instrument is, this is strictly a men's instrument, and a men's instrument only. Women are forbidden to play this instrument or even touch this instrument. Also saying that, women have their own instrument in this area, which is a (INDIGENOUS TERM) skin drum, or a possum skin drum, that they stretch over their legs and play to the rhythm of the beat. And men are forbidden to play that instrument, or even touch that instrument. I'd like to welcome you. I like to play this instrument to make you feel more welcome here on Yagara (INDIGENOUS NAME). Traditionally we would have the smoking ceremony, then we would break into song and dance. But I think from the crowd, I wouldn't want to get youse up to do a song and dance. So, instead I'll play this instrument for you, and hopefully makes you feel welcome.

(PLAYS DIDGERIDOO)

(APPLAUSE)

Thank you. On behalf of the Yagara language-speaking nation, and my two family lineages, the Moretons and the Bonners, I'd like to thank you for inviting me out here, Woolworths Group. And I used to work for Woolworths, a couple of years ago, as a night fill at Everton Park. And thank you for inviting me out here, and I hope you've learnt something about the Yagara language-speaking nations.

(SPEAKS INDIGENOUS LANGUAGE). Welcome to Yagara country. Thank you.

(APPLAUSE)

00:12:54

GORDON CAIRNS:

Thank you, Tommy. That was very special. Thank you.

I would also like to acknowledge the traditional owners of this special place where the Brisbane Convention and Exhibition Centre is located. The Yuggara, and the Turrbal Peoples. I pay my respects to elders past, present and emerging, and recognise their enduring contribution to the culture and spirit of the land. I would also acknowledge Woolworths Group ongoing support for the Uluru Statement from the Heart. We are delighted to offer Woolworths Group shareholders the option of participating in today's meeting in person and online. I encourage shareholders to use the various platforms available to participate in the meeting today. Our Group Company Secretary has informed me that a quorum is present, so I now declare our 2022 AGM, open. For those attending in person. I'd like to outline the emergency procedures for this venue. Please take a moment to identify the emergency exit closest to you. In the event of an emergency, one of two alarms may sound. The alert alarm is a series of warning beeps. If this alarm sounds, please stand for further instructions from the BCEC wardens. If the evacuation alarm sounds a whooping alarm, all occupants will be directed by the BCEC wardens to leave the nearest emergency exit quickly and calmly. Everyone must follow the directions by the BCEC wardens to the nearest and most appropriate assembly point. You're asked to remain at this location until the BCEC staff advise you it is safe to return to the venue. If we are required to evacuate, please leave your voting handsets and smart card on the chair.

I would also like to acknowledge the traditional owners of this special place where the Brisbane Convention and Exhibition Centre is located. The Yuggara, and the Turrbal Peoples. I pay my respects to elders past, present and emerging, and recognise their enduring contribution to the culture and spirit of the land. I would also acknowledge Woolworths Group ongoing support for the Uluru Statement from the Heart. We are delighted to offer Woolworths Group shareholders the option of participating in today's meeting in person and online. I encourage shareholders to use the various platforms available to participate in the meeting today. Our Group Company Secretary has informed me that a quorum is present, so I now declare our 2022 AGM, open. For those attending in person. I'd like to outline the emergency procedures for this venue. Please take a moment to identify the emergency exit closest to you. In the event of an emergency, one of two alarms may sound. The alert alarm is a series of warning beeps. If this alarm sounds, please stand for further instructions from the BCEC wardens. If the evacuation alarm sounds a whooping alarm, all occupants will be directed by the BCEC wardens to leave the nearest emergency exit quickly and calmly. Everyone must follow the directions by the BCEC wardens to the nearest and most appropriate assembly point. You're asked to remain at this location until the BCEC staff advise you it is safe to return to the venue. If we are required to evacuate, please leave your voting handsets and smart card on the chair.

00:14:44

I'd now like to briefly introduce my colleagues on the stage today. Starting on my right is Managing Director and Chief Executive Officer, Brad Banducci. Next to Brad is Holly Kramer, who is the Chair of our Sustainability Committee. Holly is standing for re-election at this meeting, and she will address the meeting later today. Next to Holly is Siobhan McKenna, Chair of our People Committee. Today we sadly say farewell to Siobhan, who will retire as a Director of the Woolworths Group, after close to seven distinguished years on the board. Siobhan has made a superb contribution to the board, including as Chair of the People Committee, and retires with our sincere thanks, and best wishes for the future. Next to Siobhan is Scott Perkins, Chair of our Audit Committee. And on my far right, after Siobhan, is Maxine Brenner, Chair of our Risk Committee. Starting on my left is Kate Eastoe, our Group Company Secretary. Next to Kate is Jennifer Carr-Smith, who is standing for re-election at this meeting. Next to Jennifer is Kathee Tesija, who is also standing for re-election at this meeting. And you will hear from both Jennifer and Kathee later today. And finally, on my far right is Phil Chronican. Also in attendance today, sitting in the front row is Tom Imbesi and (UNKNOWN), the company's Lead Audit Partners from Deloitte, and members of the Group Executive Team, including Chief Financial Officer Stephen Harrison, and Chief Legal Officer Bill Reid.

I'd now like to talk through the procedural matters for this meeting. They are lengthy, I apologise. They are lengthy, but important. Instructions to assist you to navigate the online platform are available in the Notice of Meeting, and the Online Portal Guide, both of which are available on the AGM page of our website. The Notice of Meeting also sets out the business of the meeting, and the explanatory information for each resolution. If you are having trouble using the online platform, please check the Online Portal Guide, or call Lumi, on +61 2 8075 0100. Let me repeat that. +61 2 8075 0100. And the number is shown on the screen of your webcast. If we experience a significant technical issue, or in the event we are required to evacuate this building, I will suspend the meeting until we are able to recommence, or if we are unable to recommence within a reasonable time, I will adjourn the meeting to another day and time. We will provide shareholders with details of the announcement of the adjournment via the ASX and our website.

Those of you participating online today will see a split screen with your instructions on the left and the broadcast and presentation slides on the right. You can maximise the broadcast window by clicking on the full screen icon on the top right hand side of the window. Now to voting. To vote at today's meeting you need to be registered as a shareholder, and this includes body corporate

representatives and attorneys or as a proxy. We will vote on each resolution by way of a poll. The final votes for and against each resolution will be released to the ASX after the meeting has closed. For those participating online, you can vote by clicking on the voting tab at the top of the screen, which will open a list of all resolutions and their voting options. You can vote for, against, or abstain. By selecting the option for each resolution once the poll is open. If you change your mind and wish to change your vote, simply select another option. If you wish to cancel your vote, please press cancel. There is no need to press a submit or send button. Your vote is automatically counted. Once again, you can vote at any time while the poll is open. If you've got multiple holdings, you'll need to log in separately with each individual holding to lodge your vote.

For those in the room eligible to vote, you will vote using electronic voting handsets. Those of you entitled to vote should have received a handset, a plastic smartcard and instructions on how to submit your vote. If you have not already done so, please insert the smart card into the top of the handset, with the barcode at the bottom, and facing towards you. Your name should now be displayed across the top of the screen of your handset. If you're voting and do not have a handset or your name is not displayed on your handset, please raise your hand now, and one of the assistants will help you. Let's give a few moments to see if anyone needing help. No? OK. Using your handset. Select one to vote for, two to vote against, or three if you wish to abstain from voting on any resolution. Confirmation that your vote has been received will appear on the screen.

You can change your vote at any time while the poll is open. If you wish to cancel your vote and have no selection recorded, press the X button.

Press the Green Square to move on to the next resolution or the Red Triangle to return to the full list of resolutions.

Only shareholders or proxy holders may ask a question during today's meeting, and I will ask that all questions be directed to me. To allow me to get through the questions submitted and to give shareholders an opportunity to voice the largest range of questions, I've asked the moderator to take the following steps for the smooth functioning of the meeting. Firstly, shareholders who have not already asked the question on the relevant item of business will be prioritised. Secondly, if there are multiple questions that are substantially identical, one of those questions will be read and answered. Finally, we will conduct the meeting in a responsible manner and ask the shareholders are respectful when asking questions, as we will be, when we answer them. There are two ways to ask

questions by using a microphone in the auditorium or written an audio question submitted via the online platform. For those attending in person, please see the attendant at the microphone nearest you. We have two fixed microphone stands in the middle of the auditorium for ease of access. In the interest of giving all shareholders a fair opportunity to have their questions addressed, I ask all shareholders to please, please, please, ask one question at a time. And please limit your questions to one question per item of business. If you've got more than one question to ask, for those of you in the room, please ask the initial question and then see the microphone attendant for another turn, if we have time. For online attendees, please separately submit each question. If you're asking your question as a representative of an organisation or group of shareholders, please include that information in your question. To submit a written question, click the 'messaging' tab at the top of the screen. Type out your written question, and select the send icon. To submit an audio question, select the 'Home' tab, and allow the 'Asking Audio Questions' instruction. Enter the requested details and click submit request to join the audio questions queue. Shareholders will be able to listen to the meeting while waiting to ask their question. If you do have questions, I encourage you to submit them as soon as possible. A member of our Internal Communications Team here at Woolworths Group will read aloud questions to the meeting. I will deal with questions in accordance with the item of business that they refer to.

Every year, we receive a number of questions about individual customer service, product, or store-related matters. For those in the room, you can chat to one of our Customer Service Team Members in the foyer area, after the meeting finishes. For those of you online, if you submit a question about a individual customer, or administrative share register matter, I've asked the team to inform you that the best way to get resolution of your matter is through our Customer Service channels, or through the Share Registry. Those contact details can be found in the Notice of Meeting, and also on the Group website.

00:23:34

GORDON CAIRNS:

Now ladies and gentlemen, onto my final AGM address as Chair of Woolworths Group. I've enjoyed every minute of the last seven years, and I've tried to give it my best. There were lots of things that with the benefit of hindsight, I would've done differently. And there are some things that I am immensely proud of. But, I will allow others and history to judge which was which. But I do know

that whatever we did achieve was never down to me as an individual, but to the collective contribution of the Woolies Team. And I want to take this final opportunity to say a few thank yous. Firstly, to you, as shareholders, who appointed me to the board and have continued to put up with me and support me through the last seven years. I hope I have lived up to your confidence in me in always representing your voice to the board, at the board table, and focusing on creating shareholder value. Secondly, I wanted to thank all 200,000 Woolies Team Members, who have been magnificent in their response to bush fires, droughts, COVID, the war in Ukraine, with supply chain disruptions, and now significant inflation. They are the real heroes, and their stories deserve to be told here today. Next, I wanted to thank my board colleagues for their unwavering support, who through their words and actions, have made me a better leader, but more importantly, a better person. Finally, some special mentions, if I may. First to the Company Secretarial Team, Kate, Michelle, Amanda, and Virginia. Whose efficiency and dedication made me look so much better, and made my job so much easier. Secondly, to Melinda, who's been my EA for over 20 years. Whose professionalism, values and care, made me a better Chair. And finally, to my wife Jane, who's here today, who believes in me, by the way, I'm losing my voice 'cause I had an operation on my throat. Who believes in me and whose wise counsel taught me that the Chair of Woolies is what I do, not who I am. So, thank you for your attention. I now invite Brad to address the meeting.

00:26:12

BRAD BANDUCCI:

Thank you Gordon, and good morning everyone. I would also like to acknowledge the traditional owners of the land, the Yagara and Turrbal peoples. I pay my respects to Elders past, present, and emerging, and recognise their enduring contribution to the culture and spirit of the land. I also acknowledge Woolworths Group's support for the Uluru Statement of the Heart. The F22 Financial Year marked the third year of challenging operations for our Group. The disruption from both the Delta and Omicron variants materially impacted operations across our supply chain, and stores. And resulted in elevated levels of team absenteeism, particularly in the first half of F22, and the start of the second half. This was further compounded by inclement weather and flooding events, including the severing of the railway line to both Western Australia and Queensland.

These disruptions led to an inconsistent customer experience and material incremental costs, particularly in the first half. What cannot be faulted, however, is the continued amazing effort of our team, and the way they have responded to each new challenge. I couldn't be prouder of the

resilience of our team and the continued focus on our customers and the communities we serve, which is reflected in our customer care scores remaining at record highs, along with our reputation score, which stood likewise. Looking forward, we have a renewed customer-first/team-first focus, and are working hard to get back to providing the consistently good customer and team experiences for which we want to be known.

Our Group's financial performance in F22 reflects the challenges I have just described. However, we had a strong Christmas trading period, and the Group's underlying operating performance improved steadily over the second half, with a gradual return to a more stable operating rhythm. On our continued operations before significant items, Group sales for the full year grew by 9.2% to \$60.8 billion, or 5.1%, excluding the recent acquisitions of PFD and Quantum. Group sales in the second half increased by 10.5% with improved momentum in all segments other than New Zealand Food. It was another record year for e-commerce, with Group e-commerce sales increasing by 39% to \$6.3 billion, and sales penetration reaching a record 11% during the year.

Group EBIT before significant items for the F22 financial year declined by 2.7% after that difficult first half, where EBIT declined by 11%. EBIT growth was much improved in H2 and increased by 8.1%, driven by 9.7% growth in Australian Food. Group net profit after tax before significant items increased by 0.7% due to lower finance costs and income tax expense. Reflecting the Group's financial strength, we were able to return a total of \$3.2 billion to shareholders in F22, which includes the successful \$2 billion share buyback in October last year. The Woolworths Group Board declared a final dividend of 53 cents per share, bringing the F22 total dividend to 92 cents per share, excluding the 17 cents related to Endeavour Group in the prior year. The total dividend has increased in line with earnings. Turning to current trading, sales in the first eight weeks of F23 for Australian Food were down 0.5%, as recycled two consecutive years of elevated sales growth. On the other hand, BIG W sales growth has been very strong in the first eight weeks, increasing by just under 30% as we cycle store closures in the same period last year. In New Zealand, sales declined by 1% in the first eight weeks. And we said in August that New Zealand EBIT for H1 was expected to be materially below the prior year, reflecting the residual operating impacts of COVID, the growing impact of inflation, and the challenges of commissioning new processing and supply chain assets in a very competitive trading environment. Further detail on our first quarter trading performance will be shared next Thursday when we release our Q1 results to the market.

In the last 18 months, the shape of our Group has changed significantly, as our food and everyday needs ecosystem continues to evolve, with each segment continuing to reinforce the others with a customer-first/team-first focus at the centre. Despite the operating challenges during the year, we made good progress on our Group's strategic agenda. As part of our cornerstone B2C food segment, we focused on reimagining the retail experience as we rolled out our core value and up-store segmentation across Woolworths stores, Woolworths supermarkets and Metro stores, each with unique features tailored to the local community and their needs. We'll also continue to roll out our direct-to-boot offer in both Australia and New Zealand, to provide customers more convenient pickup solutions. In F22, we had an average of over 19 million customer visits per week across our Group digital platforms. As more and more customers continue to visit our websites and apps, we continue to improve our digital platforms to provide better and safer online experiences, to provide our 13.7 million Everyday Rewards members with more every day, we are focused, focused on personalising value for our members, and introducing new services such as the launch of Everyday Pay in May, which supports QR code payments within the Everyday Rewards app. While we are working hard to embed our position as Australia and New Zealand's largest first-party e-commerce retailer, we're also focused on growing our third-party marketplace presence through Everyday Market, and more recently through the acquisition of MyDeal. The share of sales through marketplaces in Australia is well below other mature countries. And the addition of MyDeal to the Group in September expands our marketplace ambition, particularly in furniture, homewares and in extended range of everyday needs. Unfortunately, a little over a week ago, we were informed that MyDeal's customer relationship management system or CRM system had been compromised, impacting 2.2 million MyDeal customers. We unreservedly apologise for the considerable concern that this has caused our affected customers. Importantly, no payments, driver's licence or passport details were accessed. There was also no compromise of any Woolworths Group platform as the MyDeal data is on a completely separate platform. We took swift action once notified of the breach, completing an assessment of what had occurred, notifying affected MyDeal customers, the ASX, media, and the Office of the Australian Information Commissioner, and importantly, shut down opportunities for further unauthorised access. While this was an isolated incident, we take cybersecurity and data privacy for the entire Group very seriously. And we need to remain vigilant when it comes to the protection of our customer's data. Moving on to B2B. PFD sales improved, sales momentum improved over the year as COVID restrictions eased and operating conditions improved. While PFD was the biggest contributor to sales and EBIT in Australian B2B, all of our B2B businesses delivered sales growth over the prior year. The establishment of our retail platforms, moving on to that, continues to grow, to gather pace. We launched wiq in April last year, which

brings together the best of Woolworths Group and Quantium, to create a leader in retail advanced analytics. Retail media is also an important opportunity for the Group. Retail media business Cartology has doubled its revenue since its establishment in F20. Cartology recently expanded across the Group. It's completing its first full year in New Zealand, and launching in BIG W this current financial year. In July, we announced a proposal to acquire out-of-home media screen specialists, Shopper Media Group. Shopper Media currently operates over 2,000 screens in over 400 shopping centres, which will be highly complementary to Cartology's existing in-store screen network. And supports our ambition to become the trusted media partner of choice for brands and retailers alike. Primary Connect is another key retail platform for the Group. And during the year, we materially progressed our multi-year supply chain transformation. We have opened six major facilities since June last year, including in Queensland, our Heathwood chilled and frozen DC, which opened ahead of schedule in H1, and a new state-of-the-art Auckland Fresh DC, which opened in June of this year. Construction is also well underway at our automated e-store in Auburn, which will materially increase our e-commerce fulfilment capability and capacity in Western Sydney, as well as our new regional and national distribution centres in Moore Park, in Sydney.

Our stakeholders have told us that they want us to remain focused on creating a better tomorrow. And we are able to make, we were able to make good progress on our sustainability agenda during the year. Our Total Recordable Injury Frequency Rate, or TRIFR, was down 9% compared to the prior year. We also maintained our Gold Tier status as part of the Australian Workplace Equality Index LGBTQ+ Inclusion Awards, for the fourth consecutive year. We continued our focus on the planet with Scope One and Two emissions, now down 31% since 2015. In F22, on the topic of product, we continued to improve the quality of our data. One of the areas of focus has been plastics. And we can now confirm that we have removed over 10,000 tonnes of virgin plastics from our own branded products through target initiatives, more than a 20% reduction relative to our F18 baseline. We recognise there is much, much more to do. And we remain motivated to be a leader in sustainability. And I encourage you to visit our Sustainability Team Members in the foyer space, after the meeting, to learn more about our various commitments to a better tomorrow.

As we move further into F22, and for those of you are not aware, we are now 60 days to Christmas. We expect the operating environment to remain challenging, but we are extremely focused on returning to our consistently good customer and team experience. We are very conscious of the challenges of inflation and cost of living pressures for our customers. We know value remains more

important than ever. And we need to make sure all of our customers in Australia and New Zealand get their Woolies' worth in the upcoming festive season, and in the year ahead.

In closing, I would like to take this opportunity to acknowledge Siobhan McKenna and her contribution to the Group ahead of her retirement from the Board, after today's meeting. Siobhan joined our board in 2016, and during this time has been a major contributor to the transformation of Woolworths Group. Most recently, as Chair of the People Committee. On behalf of the entire Woolies team, we thank you Siobhan for your commitment to building a better Woolies. And we wish you all the best as you embark on future endeavours. Finally, I would like to acknowledge Gordon's pivotal time as Woolworths Group's Chair. For the last seven years, Gordon has been a critical part of the transformation journey of Woolworths Group. Gordon championed purpose, or long-term purpose, or noble purpose, as he likes to call it, for the Group. He was a strong supporter of the key investment in our customers and team and our infrastructure, which has driven sustainable value for all of our stakeholders. The shape of our Group changed materially during his time at the helm through the exit for Masters and petrol, the successful demerger of Endeavour Group, and the recent acquisitions of PFD and Quantum. Even more importantly, during this time, we also materially changed a physical store footprint, with Gordon offering suggestions on every aspect of this footprint (LAUGHTER), including the colour of the in-store tiles. (LAUGHTER) And you were right on most things, but not this one, Gordon. (LAUGHTER)

He was a huge champion and driver behind us building Australia and New Zealand's largest one PE e-commerce business, and the embark, the embarkation on the transformation of our supply chain, the benefits of which will be realised in many years, for many years to come. While all of this is an impressive legacy, the welfare of our team has always been paramount to Gordon, as has his unwavering commitment to always do the right thing. This was evident in the way we navigated COVID, but also in the way we responded to the painful discovery of team underpayments. On behalf of our Exco, our team, and fellow board members, I want to thank Gordon for his stewardship challenge, and most importantly, for truly living our global, our noble purpose of creating better experiences together. You have made Woolworths a better place. Thank you, Gordon, and I now pass it back over to you.

(APPLAUSE)

00:40:51

GORDON CAIRNS:

Wow, Brad. That was very unexpected. Thank you for that. We will now turn to the formal items of business for this meeting. The items of business for today's AGM are set out in the Notice of Meeting. As set out in the Notice of Meeting, I intend to vote all open proxies in favour of each resolution. Lucy Chiu from our Share Registry Link Market Services will act as Returning Officer for the poll. The five resolutions to be voted on are all supported by your Board. The first item of business is to receive the Financial Report, and the reports of the Directors of the External Auditor, for the year ended 26th June 2022. There is no vote on this item. A copy of these statements and reports was published in the 2022 Annual Report and sent to those shareholders who requested copies. Shareholders have also had the opportunity to view the statements and reports, including the 2022 Sustainability Report on the Woolworths Group website. I now invite questions on the financial statements and reports.

Microphone one.

SPEAKER:

Chair, I'd like to introduce Mr Mitchell.

MR. MITCHELL:

Thank you.

GORDON CAIRNS:

Welcome, Mr. Mitchell.

MR. MITCHELL:

Thank you very much. I've been a shareholder since 1993.

GORDON CAIRNS:

You've done well.

MR. MITCHELL:

And since that time, I've seen a steady rise in share price and dividends. And I'd like to thank the Board and the management past, present and emerging for making my retirement all that much

more comfortable.

(LAUGHTER)

Certainly have my Woolies worth.

(LAUGHTER)

I'd also like to acknowledge the present custodians of our land. This nation of hard-working, enterprising men and women, past, present and emerging, who through their enterprise, entrepreneurship, have made Australia one of the best countries in the world in which to live. And to a more serious matter, my query is in relation to balance sheet figures. I noticed that inventories, which I take to be all the stock on the shelves, the tomatoes, the tins of soup et cetera, et cetera, is roughly about \$3,600 million. But I also noticed that our trade payables are \$5,200 million, according to the notes.

If trade payables, according to the notes are \$5,200 million which means really that what we owe on our goods far exceeds the value of those goods. And it gives me the impression that possibly the stock on the shelves hasn't been paid for. And also, I think it's very cunning that our suppliers are providing us with the working capital for our trading. Perhaps the Chief Financial Officer, Steve Harrison, might be able to put me on the right track in that regard.

GORDON CAIRNS:

Well, thank you, first of all, for your very kind comments about Woolworths as a shareholder. I can endorse those comments, because I'm a significant shareholder as well and I am very confident that in your continued retirement that the Woolworths shares will do the world of good. So thank you for that. In terms of Working Capital, I think you'll appreciate that all retailers have negative Working Capital, where we obviously pay our suppliers in 30 days or whatever and we get an immediate payment for the goods that we sell. So we're in a fortunate position that we have negative Working Capital. On the issue of inventory, I'd also like to make the observation that because of the supply chain issues that we have, we've actually had to increase the amount of inventory so that we don't run out of stock at the store level. So you're quite right, that has seen an increase in our inventory levels, which has also had a knock on effect in other areas. But all in all, Steve, did you want to add anything to the commentary? Turn the microphone on.

STEPHEN HARRISON:

Hello, can you hear me? No, Gordon, I think you've covered most of it. My only comment would be to just highlight how seriously we take our commitments to paying our suppliers on time and under the Payment Times Reporting Scheme, we're one of the top listed companies in Australia in terms of our on time payment to suppliers.

GORDON CAIRNS:

We also have an obligation to pay the smaller ones, a legal obligation to pay the smaller ones. But thank you for your comments. Next question from microphone one again.

SPEAKER:

Chair, I'd like to introduce Paul Donohue from the Australian Shareholders' Association.

GORDON CAIRNS:

Welcome, Paul.

PAUL:

Thank you.

GORDON CAIRNS:

And we had a wonderful meeting with your colleagues in Sydney and they said lots of nice things about us, so I'm looking forward to that continuing.

PAUL:

Indeed. Can I start by passing on their congratulations on your retirement and their appreciation of all the effort you've put in during your tenure and the participation in the process of shareholder engagement. Much appreciated.

GORDON CAIRNS:

And thank you also to the ASA for your participation in our governance. You do a great job.

PAUL:

So, the Shareholders' Association, today we hold 2.8 million votes from 955 shareholders. The

question I have is on cybersecurity. So Brad touched on that in his address. So just a bit more detail perhaps. There have been some serious cybersecurity incidents recently with Optus, Telstra, Medicare, which is getting worse and My Deal, all the subject of data breaches. Last week the AFR reported that Woolworths knew back in May that some aspects of My Deals technology ecosystem required investment. Can you tell us how advanced that program of remediation was at the time of the data breach? And how long will it take until My Deals systems are secured to the level your IT Security teams would recommend?

GORDON CAIRNS:

Yeah. Thank you for that question. I might reiterate the points that Brad made early on, then turn it over to him. Just to give you some context here. We noticed the breach on the 14th of October in the CRM system. 24 hours later it was shut down and we notified the impacted customers, of which there were 2.2 million. And as Brad said, we notified all of the relevant authorities. So we, as again reported in the press, when we were doing our due diligence, we had identified that it was an issue there and we were working assiduously on it. I can also reiterate, as Brad said, that no passwords, no payment details and no IDs were leaked as a result of that. So our experts in the cyber area are working very closely with the My Deal team and have been from the get go to bring it up to the Woolworths standards. Brad, do you want to...

BRAD BANDUCCI:

Yes, thanks. Thanks. Thanks, Gordon. And I think it's a great and very pertinent question for every corporate in Australia. We were weeks away from all the remedial action being done to lift it to the standard we would expect at Woolworths. So it wasn't that it was a poor standard. There were things to be done. But as a major public company, we are gonna be targeted and so to lift to that standard. In our learnings, clearly, we would have, going forward if we ever found ourselves in this situation again, we would make sure that at the point of completion, it was at our standard, not the work was underway to get it to our standard. So it has been a real, real lesson for us. That said, the team has responded very rapidly on all the things that Gordon has said and also we felt we were in a good place in Woolworths in terms of the standard we set, but we are now doubling down on reviewing everything again to really lift our overall standard. Again, it shouldn't be a topic that every one of our shareholders talks. Would you mind if I elaborate?

GORDON CAIRNS:

Oh no, please go through.

BRAD BANDUCCI:

But only because it should be one of the key questions elaborated on today. We doubled our spend on cyber between F18 and F21 and then we doubled it again between F21 and F23. We have over 120 specialists working in cyber in our business today, as well as the core IT team. And actually, most of the risks come back to core IT and unauthorised user access or someone finding someone's password and being an unauthorised user. So we have about 120 people in there today. Our pure spend on cyber in the budget this year is just over \$60 million plus well over between 10 and \$20 million of CapEx. So it is a big issue. We all need to take concern sort of seriously. We're doubling down our efforts and we've learnt a lot through the My Deal experience, including, as I say, this one fundamental issue that if you're a public company, in particular, if you're Woolworths, the standards over there and we should have moved more quickly to have addressed what was well underway.

PAUL:

Thank you very much.

GORDON CAIRNS:

Thanks, Paul. No, microphone two. Any more from microphone one? Any more online? Yep.

SPEAKER:

Chair, this is a question from shareholder Jonathan Tyler.

GORDON CAIRNS:

Thank you, Luke.

SPEAKER:

Why does Woolworths not use June 30 as financial year end, with the 52 week financial year period and a change in year end date? Some years like 2019 result in a 53 week financial period, making comparison with the surrounding 52 week financial period very challenging.

GORDON CAIRNS:

Thank you for the question online. Well, we actually adjust for that week when we make the comparison, so we try and help out on that basis. I think the answer as to why it doesn't always fall on the 30th of June is that we work a cycle throughout the year in the way that products are bought and the way we report to the Board. And it's normally a four-week cycle, so it's not going to end on

the 30th of June every day. But let me, you know, we've got a CFO here who might have a better answer to my answer.

STEPHEN HARRISON:

No, that's right, Gordon. We operate on a weekly and monthly cycle and we close our period on the last Sunday of June. And so periodically you end up with a 53rd week. But as you've rightly pointed out, we adjust for that.

GORDON CAIRNS:

Yeah.

BRAD BANDUCCI:

This would be what most retailers, particularly in food, do globally just because of the complexity of actually closing in the middle of a trading week.

SPEAKER:

Chair, this question is from shareholder Josephine Wiseman. Why is the five-year summary omitted from the annual report?

GORDON CAIRNS:

Thank you, Josephine. Well, two answers to your question. One is we put a five-year summary in the REM report. So I actually point you to that, if you were looking for the five-year summary and we have to put that five-year summary in the REM report. But also in addition to that, in order not to cloud up the annual report with more and more information, it's actually on the website. So I would strongly suggest that you have a look at the website. And if that doesn't answer your question on the five-year summary, then by all means come back to us.

SPEAKER:

Chair, this is a question from shareholder, Russell Patterson. What regular testing of security of customer data and IT systems are performed and how often are these tests done?

GORDON CAIRNS:

So, thank you for that question. We exercise ongoing due diligence and we have a proactive program and we're constantly evolving our processes and controls on the digital (INAUDIBLE) environment as the digital environment becomes more and more complex. So I think the short summary answer is

we're always on. We have to be eternally vigilant 24/7 and we have a robust program around secure development, API security, which seems to be the issue at Optus and penetration testing. And we action high-severity vulnerabilities immediately. In light of the learnings from Optus and My Deal we're reviewing all our data sets and retention policies, as Brad said and this will continue to be our priority as we remain ever vigilant. And the final thing I'd say is we have a, I mean, other chairmen have said this at their AGM. This is an area that we have to be absolutely vigilant all the time. And you can't relax. And we've got a first-class team of people, as Brad said, we've made a significant investment in this area. They work with the government on this. So what I want to do is reassure you that we're doing everything that's humanly possible.

SPEAKER:

Chair, this question is from shareholder Stuart Brew. What does B2B and B2C mean? Not in the glossary of annual reports.

GORDON CAIRNS:

That's a good pickup. B2B means business to business. So in other words, if a PFD business is calling on Guzman and Gomez, which is just along the road, that's B2B, Guzman and Gomez is a fast food business and PFD is a business. So that's business to business. And then B2C is business to consumer. So if you think about the supermarket environment where the business customers come in.

SPEAKER:

Chair, this is a question from shareholder Josephine Wiseman. Why are substantial shareholders not listed in top larger shareholders? Where are they included?

GORDON CAIRNS:

What we do in our annual report is we list the top 20 shareholders. Some of them are custodians. Some of them are major shareholders. And actually, that's the appropriate way to list it.

SPEAKER:

Chair, this is a question from shareholder Jonathan Tyler. Why does Woolworths Insurance provide new customers with a substantial discount, encouraging continuing customers to shop around and either take out a new policy with Woolies as a new customer or go elsewhere? Is this commonly called lazy tax, financially disadvantaging customers who trust you and automatically renew, without comparing prices, in line with the Woolworths ethical standards?

GORDON CAIRNS:

Well, I don't accept. I'm sorry, I don't accept it's unethical and I would encourage you to shop around. Absolutely. And I can assure you that we all times try to give the best offer that's possible. There is no intent behind this to short-change our customers.

SPEAKER:

Chair, I'm just checking there are no further questions.

GORDON CAIRNS:

OK. Thank you. Thank you, Luke. No questions from one, no questions from microphone two. No more online questions. OK, that concludes the discussion on item one. Thank you ladies and gentlemen. I confirm that the financial report and the reports of the directors and external auditor for the year ended the 26th of June 2022 have now been received. I'll now move to the re-election of Board-endorsed Non-Executive Directors Jennifer Carr-Smith, Holly Kramer, and Kathee Tesija. A separate resolution will be put for each Director. The Board follows a structured, externally facilitated process to assess the skills and experience of directors, both individually and collectively. This input is combined with the outcome of the annual External Board Performance evaluation, when determining whether to support the re-election of existing directors. Having followed that process, the Board, other than each candidate in respect of their own candidacy, unanimously recommends that shareholders vote in favour of Jennifer, Holly, and Kathee's re-election to the Woolworths Group Board.

So I will start with agenda item 2(a), the resolution to elect Jennifer Carr-Smith as a Director. Jennifer retires by rotation at this meeting and offers herself for re-election. Before turning to questions, I'd like to invite Jennifer to say a few words in relation to her re-election.

JENNIFER CARR-SMITH:

Thank you, Gordon and good morning, everyone. It's been a pleasure and a privilege to serve on the Woolworths Group Board for the past three years and I appreciate the opportunity to present myself as a candidate for re-election. While none of us could have foreseen the challenges the company and the uncertainty that the world would face over the last few years, I'm incredibly proud to have worked with my fellow directors and with the Woolworths management team to deliver best in class customer experience, thoughtful care for our team and sustained value for our shareholders. I'm

particularly proud of the work our sustainability committee has undertaken and the progress we have made across all topics on the agenda. This is leading the way in Australia and New Zealand and also across the global business community. I'm excited about the further developments of our Woolworths ecosystem and look forward to working with Brad and the executive team to develop and execute on our strategic agenda. As a Non-Executive Director, I bring 25 years of experience in retail, e-commerce, operations and digital innovation as a former CEO and COO of both large and small organisations. I also have experience across the food sector, including in protein and dairy organisations. In addition, along with my colleague Kathee, I also bring an international United States perspective to contribute to a variety of topics. Since retiring from my executive career, I have participated in several boards, but currently, Woolworths Group is my primary commitment. I can assure you I have the time, capacity, passion and energy to continue to serve and meet my board and committee obligations. Thank you for your support for my re-election.

00:59:53

GORDON CAIRNS:

Thank you, Jennifer. I now invite questions on Resolution 2(a), the re-election of Jennifer Carr-Smith. I take silence as golden. That concludes the discussion on Resolution 2(a). Thank you, ladies and gentlemen. The proxies received for this resolution are now shown on the presentation slide on your screen online, or on the screen behind me. After I close the polls at the end of the meeting, votes cast today will be added to these votes and proxies and the final result will be lodged with the ASX later today. I set out in the Notice of Meeting, I intend to vote all open proxies in favour of this item.

I will now move to agenda item 2(b), the resolution to elect Holly Kramer as a Director. Holly retires by rotation at this meeting and offers herself up for re-election. Before turning to questions, I'll also invite Holly to say a few words in relation to re-election. Holly.

HOLLY KRAMER:

Thank you, Gordon. And I would firstly like to pay my respects also to the Jagera and Turrbal peoples and thank them for welcoming us onto their land today. It's hard for me to believe that I'm now seeking my third term as a Woolworths Director. What a wonderful privilege it has been to serve on the Board of this great company. When I joined in 2016, however, Woolworths was not in such a great place. But over the past six years, under Gordon and Brad's leadership, I've had the opportunity to be part of the journey from, as we put it, turnaround to transformation. Woolworths

today, is in so many ways a different organisation to the first one that I joined. Consistent with our purpose, we have made our people and our customers the first priority and delivering on their needs has influenced our decision-making. We've also embraced the seismic shifts in our industry to build a world-class digital and data business. And every day we're leveraging the deep knowledge that we have and the passion for food and everyday needs to grow into an ecosystem that meets our customer needs for great product, value and service. Importantly, we've also embraced our role, not just as a leading retailer, but as an essential service and an integral part of the many communities that we serve. And despite all the challenges of managing through a global pandemic, our team felt a real sense of pride in recognising just how critical our role is to the lives of everyday Australians. So for that reason, it's actually a great honour for me also to chair our sustainability committee at Woolworths, because our sustainability agenda is core to who we are, as a business, but also to that important role that we do play in Australian society. We're far from perfect, but we take seriously our opportunity and our duty to do the right thing, for our people, our products and for the planet. I believe that I bring to the Board extensive experience as a business leader, a director, a retailer and a marketer. But I also bring my commitment to our purpose and my dedication to this job. I'm pleased that I've also been a part of a team that has delivered great returns to our shareholders, many of whom have supported us right through this journey. So thank you for your support of Woolworths and also, I hope, thank you for your support of my candidacy for a third term. Thank you and good afternoon.

GORDON CAIRNS:

Thank you, Holly. I now invite questions on Resolution 2(b), the re-election of Holly Kramer. Nothing from microphone one, nothing from microphone two and Luke, nothing from online. So that concludes the discussion on Resolution 2(b). Thank you ladies and gentlemen. The proxies received for this resolution are now shown on the presentation slide on your screen online or on the screen behind me. After I close the polls at the end of the meeting, votes cast today will be added to these votes and proxies and the final result will be lodged with the ASX later today. As set out in the Notice of Meeting, I intend to vote all open proxies in favour of this item. I will now move to agenda item 2(c), the resolution of Kathee Tesija as a Director. Kathee retires by rotation at the end of this meeting and offers herself up for re-election. Before turning to questions, I invite Kathee to say a few words in relation to her re-election. Kathee.

01:04:56

KATHEE TESIJA:

Thank you, Gordon and good morning fellow shareholders. It is both a privilege and a responsibility to serve you as a Non-Executive Director of Woolworths. Since joining the Board in 2016, I have been a part of the team, alongside my fellow Directors and our Management Group that has been working to continually improve the health and the performance of Woolworths. We have made considerable progress reshaping our portfolio, creating convenient options for our customers, sharpening our value and strengthening our supply chain. And while I am very proud of those accomplishments, there's still much more to do. We are focused on creating better experiences together for a better tomorrow for all of our stakeholders. This includes constantly creating more convenient options, compelling value for our customers, healthy fresh food options and creating locally relevant assortments to best serve customers in each and every neighbourhood. My executive experience of 30 years at a leading US retailer has given me extensive experience in online and store-based retailing, as well as digital, data, analytics, supply chain and rewards development and deployment. I will continue to bring those skills, plus strategic thinking and global retail best practices to my role. With your support, it would be a privilege to continue to work with my Board colleagues and our management team to create ongoing value for you, our shareholders, our customers, the communities where we serve and the team members in our business. Thank you very much.

01:07:27

GORDON CAIRNS:

Thank you, Kathee. I now invite questions on Resolution 2(c), the re-election of Kathee to the Board.

Microphone one, nothing. Microphone two, nothing. Luke. Well, that concludes the discussion on Resolution 2(c). Thank you ladies and gentlemen. The proxies received for this resolution are now shown on the presentation slide on your screen online or on the screen behind me. After I close the polls at the end of the meeting, votes cast today will be added to these votes and proxies and the final result will be lodged with the ASX later today. As set out in the Notice of Meeting, I intend to vote all open proxies in favour of this item.

The next item of business is to consider the Remuneration Report which commences on page 70 of the 2022 Annual Report. This is an advisory resolution that gives shareholders the opportunity to provide feedback on the group's remuneration policies. The Remuneration Report sets out details of the company's remuneration framework and the remuneration arrangements in place for the

Directors, Managing Director and CEO and other key Management Personnel. In terms of outcomes for financial year 22, the plan assumed COVID impacts would unwind throughout the year. The subsequent waves of COVID significantly impacted trading, as Brad said earlier and inflation and supply chain pressures worldwide also accelerated through the second half. The raw F22 Short-Term Incentive scorecard outcome of 60% reflected these factors, with strong performance in sales, offset by adverse impacts on earnings, customer satisfaction and working capital, which were all below Entry. Pleasingly, we improved our safety performance with an outcome above stretch. The Board reviewed the STI scorecard outcome in light of its long-standing incentive adjustment principles, we have discretion. In relation to the Working Capital Days metric, the drivers of the below-Entry outcome were considered, the most material of which was the Board-endorsed decision to build inventory across key categories from early 2022. The Board exercised its discretion to set the outcome on the Working Capital Days metric at Entry, as a result of this decision. This resulted in the Group STI scorecard outcome increasing from 60% to 70% of Target, which we felt was reflective of overall performance. A full breakdown of scorecard outcomes can be found on page 76 of the Remuneration Report. The Board considers the current remuneration framework is fit for purpose, it demonstrates a strong link between pay and performance and is aligned to the broader Australian market. I'd now like to invite questions on Resolution 3, the adoption of the Remuneration Report.

SPEAKER:

I'd like to introduce shareholder, Paul Donohue from the Australian Shareholders' Association.

GORDON CAIRNS:

Welcome, Paul. Welcome back, Paul. Got your work cut out today.

PAUL:

Thank you. This is a comment, rather than a question on the Annual Reports and Sustainability Report and the Remuneration Report. As the company monitors for the Australian Shareholders' Association, we analyse a lot of remuneration reports and it's rare to find one as clear as the one Woolworths produced this year. It did a very good job of explaining the remuneration elements, their rationale, performance metrics, expected outcomes for the business and exactly what each executive received. So I just wanted to say well done to Siobhan McKenna (INAUDIBLE) Committee and everyone else involved in it, it was a pleasure to read.

GORDON CAIRNS:

So, thank you for that. Let me say thank you for your endorsement. Let me also make it clear that

this is entirely due to the work that Holly did, first of all, as the Chair of the Remuneration Committee and then Siobhan building on that platform. And you're not the only one who's commented on the fact that it is clear, it's equitable and our shareholders can understand it, which is not always the case with Remuneration Reports, as you know.

SPEAKER:

Chair, this is a question from shareholder, (UNKNOWN), about the Remuneration Report. On your STI, we have measures for Sales, EBIT, Working Capital Days, Customer Satisfaction and Safety. How come we haven't got one for Climate and Sustainability? Will Woolworths make Climate and Sustainability a part of the measures for STI, because on page 55 of the Annual Report, you mentioned that extreme weather affects your operations, such as the expansion of the Townsville Distribution Centre, to mitigate the risk of becoming isolated due to extreme weather, and on page 56, the mention of food security and how climate change affects that.

GORDON CAIRNS:

Thank you. It's actually a great question, and it's one we get on a number of occasions from our shareholders. And so let me make a couple of points. The first one is that we take climate change exceedingly seriously. And you'll see from, we have a Sustainability Report that actually has People, Planet and Product outlined there. So I wouldn't want anyone to think that because it's not in our short-term incentive, that it's not hugely, hugely important to us. And we've got an entire team with Alex here today leading it, dedicated to People, Planet and Product. The answer we give when we're asked this particular question, the direct answer is we feel that in our long-term incentive program, we have something called reputation, RepTrack and RepTrack measures trust, admiration, positive feeling and esteem. And so what we do on climate change actually gets represented in our reputation outcome. So we think we have it covered. But it's something that I'm sure Scott and the Board will continue to reflect on, to see whether we think that continues to be an appropriate way to answer the question.

SPEAKER:

Chair, I have another question from shareholder, (UNKNOWN), again about the Rem Report on page 75 of the Annual Report, with regards to Customer Satisfaction. Woolworths has invested heavily in e-comm, so why is the outcome weighted at 30% for e-comm customers and 70% for in-store customers? Shouldn't that e-commerce be weighted much higher as we as a society are using technology more, like our use of mobile phones?

GORDON CAIRNS:

It's an interesting question. It actually is weighted much higher, because e-comm, I'll get the number approximately right, but 11th of... E-commerce is about 11% of our overall business. So at 30% of the weighting, we've actually nearly trebled the weighting to e-comm directly in answer to the question. Brad, is there anything else you wanted to say? No.

SPEAKER:

Chair, there are no further questions on this item.

GORDON CAIRNS:

OK. Is there a lady in microphone one who wants to ask a question?

SPEAKER:

Not yet.

GORDON CAIRNS:

Not yet, OK. We'll save it. Must be a good one. OK, that concludes the discussion on Resolution 3. Thank you ladies and gentlemen. The proxies received for this resolution are now shown on the presentation slide on your screen online or on the screen behind me. After I close the polls at the end of the meeting, votes cast today will be added to these votes and proxies and the final result will be lodged with the ASX later today. As set out in the Notice of Meeting, I intend to vote all open proxies in favour of this item. The next item of business is seeking shareholder approval for a grant of Long-Term Incentive to Brad Banducci as Managing Director and Chief Executive for Financial Year 23. The proposed Financial Year 23 Long-Term Incentive grant to Brad is for a maximum, and I should stress, maximum, of 123,013 Performance Share Rights. I'd like to stress that Brad will only receive the maximum value of this award if our performance targets are exceeded over the three-year period to Financial Year 2025. Details of those performance hurdles and the other key terms of the Performance Share Rights, including a voting exclusion which applies to this resolution, is set out in the Notice of Meeting. I'll now invite questions on Resolution 4, the grant of Performance Share Rights to the Managing Director and Chief Executive.

SPEAKER:

Chair, this is a question from shareholder (UNKNOWN) about the CEO LTI resolution on page 57.

There's a section of building a more climate resilient future, how come that's not part of the LTI? And climate is not part of performance measures, whereas reputation is a part of it, which I agree. Could we have relative total shareholders returns on funds employed? Reputation and climate and sustainability as part of your LTI measures?

GORDON CAIRNS:

Well, thank you for the question. We do have a relative shareholder return, because we have a total shareholder return metric, which is part of the LTI. And I'm pleased with the performance that we've had in the year just finished, we were at the 78th percentile. So shareholders are benefiting there, which is wonderful to see. And again, when it comes to climate change, I think hopefully I explained that we think that RepTrak, which is in the Long-Term Incentive for Brad, is an appropriate way to handle the climate change question. I'd also commend you to the Remuneration Report, which shows that actually we do pay for performance. And so the improvement in our total shareholder return or sales per square metre or return on funds employed, which are the three metrics in LTI, I actually track the outcome for the Chief Executive.

SPEAKER:

Chair, I'm sorry, no further questions on this item of business.

01:17:06

GORDON CAIRNS:

OK, nothing from one or two, making it an easy day for you guys and for me. That concludes discussion on Resolution 4. Thank you ladies and gentlemen. The proxies received for this resolution are now shown on the presentation slide on your screen online or on the screen behind me. After I close the polls at the end of the meeting, votes cast today will be added to these votes and proxies and the final result will be lodged with the ASX later today. As set out in the Notice of Meeting, I intend to vote all open proxies in favour of this item. That concludes the formal items of business for today's meeting. I'd like to remind shareholders who have not cast their votes on all resolutions to do so now.

As mentioned earlier, the results of the AGM will be announced to the ASX later today and placed on the website. A full transcript along with a webcast of the meeting will also be available on the website. So, before I declare the poll's closed, as announced in July, it gives me great pleasure to

hand over to the Chair of the company, to my long-term friend and colleague on the Board, Scott Perkins. I am sure he will do a much better job than me.

(APPLAUSE)

I now invite you all to... Well, before that, I'd say thank God my voice held out. I was concerned I was going to actually lose it during this meeting and Scott would have to takeover, which would have been a baptism of fire. I now invite you all to join me, my fellow Directors and Senior Management in the foyer outside for refreshments. Once again, thank you for participating in today's meeting and making it... Sorry, a lady wants to...

GORDON CAIRNS:

OK, so before we close, there's a lady who wants to make... Yep.

SPEAKER:

Chair, I'd like to introduce shareholder, Niamh McCulloch.

GORDON CAIRNS:

That's a good Scottish name.

(LAUGHTER)

NIAMH MCCULLOCH:

I have so much I would just like to address and I didn't want to interrupt the meeting per se, but it is the dynamic that is currently occurring with Woolworths in its progression and re-working, re-aligning stores, et cetera, et cetera. I'm a resident of Yeo Street in Neutral Bay. Opposite where I live is the second Woolworths supermarket in Neutral Bay.

GORDON CAIRNS:

I know it, I live in Mosman.

01:19:48

NIAMH MCCULLOCH:

Indeed sir. And then you would also, for people in the audience may not quite understand that Woolworths unfortunately have lost control of the (UNKNOWN) street, Neutral Bay site to Coles, the

opposition. Regrettably, but that will mean that the site will be closed, I believe, in 2025 or thereabouts and the idea is for it to move across in its entirety to the other side of Military Road.

Difficulty. The site in (UNKNOWN) Street has good parking, ease of access, et cetera.

GORDON CAIRNS:

It's not great parking.

NIAMH MCCULLOCH:

Compared to Neutral to Yeo Street, and you may want to drive the rat run, through (INAUDIBLE) Street to the city. It is a two-lane road. It has very nice trees that are planted in the parking zones of either side of the road and so there is seriously limited space for vehicular traffic. I have watched a vehicle attempting to park into the loading dock into the site off Yeo Street down Military Lane, it is a lane, it's not a road. So therefore, it's very restricted. And it was a semi-trailer.

I filmed it for 13 minutes, in attempting to locate itself into the loading dock. That's an indication of the traffic. As I mentioned, it's a rat run. It's a high area for school-children, it has a fire station in there, it's got churches, et cetera, and a synagogue. So I'm saying it is a high density of road usage. It is also going to be affected by the new Warringah Extension, Warringah Freeway Extension that is now cutting into the access way out of Neutral Bay, onto the main road onto the Harbour Bridge as well as going north on Warringah Road. We've been advised that what the New South Wales roads are planning, is to hold traffic in the Neutral Bay, sorry, in the Military Road access point. It will only impact on, obviously, Neutral Bay specifically (INAUDIBLE). That's traffic, height. Height of the proposed redevelopment. Currently, the height level for North Sydney Council LEP, pass in 2013 is 14m. The proposed and it is only a proposal and we only have pretty pictures and some schematic, but nothing terribly detail, the proposal is for the highest tower to be 40m high. You've got two lanes, eastbound, westbound. That's it. I live underneath that 40m, or would be. Obviously, there is serious discontent within the community. We understand that this is (INAUDIBLE) ready to go to the New South Wales planning. And obviously, there will be a lot of opposition to it.

01:23:25

GORDON CAIRNS:

Could I make a suggestion? I absolutely can see how passionate you are and how concerned you are

about this subject. I wanted to make a suggestion, which is, the appropriate people will be available outside the meeting. I sense that this is not an issue that the rest of the meeting are concerned about, but I absolutely can see that you are extremely concerned about this. So I suggest that outside of the meeting, I will also come and see you and the people who are involved. I wanted to reassure you that we will do extensive consultation, as we have done, in every development that we've done in the last five or so years, that we will do only what is legal and what is approved by the planning authorities. And I understand that in not every case can we satisfy everyone, but we will do our best and we will do the right thing. So if I could suggest that we perhaps handle this outside the meeting, because there's a degree of restlessness in the room and people are leaving and I don't want to spoil the tenor of the meeting.

NIAMH MCCULLOCH:

Thank you very much.

01:24:34

GORDON CAIRNS:

Thank you. So colleagues, once again, colleagues and shareholders, thank you for participating in today's meeting and for your support. I now declare the polls closed and the 2022 AGM of Woolworths Group completed. Thank you.

(APPLAUSE)

END OF TRANSCRIPT