



Responsibility Report 2007
Society

WOOLWORTHS LIMITED

Doing the
right
thing

Woolworths Limited (Woolworths) is Australia and New Zealand’s largest retail group, with over 3,000 stores, support offices and distribution centres and 180,000 employees. Our company is made up of some of the most recognisable and trusted brands in retailing, serving millions of customers every day with great choice, low prices and excellent quality.

The Woolworths family encompasses some of the most iconic brands in Australia and our retail interests span supermarkets, petrol, liquor, hotels, consumer electronics and discount department stores.

We are publicly listed on the Australian Securities Exchange with approximately 350,000 shareholders, over 40,000 of whom are our own staff.

In 2006/07 Woolworths achieved a net profit after tax of \$1.29 billion, annual sales of \$42.47 billion and an increase in earnings per share of 19.7%. We have approximately 8,000 trading suppliers and our customer transactions total 21 million per week.



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**Chief Executive's
message**



At Woolworths we are acutely conscious of our responsibilities as a major retailer – serving millions of customers each and every day across thousands of communities.

One of the defining characteristics of the Woolworths culture is a passion for giving back which is why the formal partnerships and programs that we have established help to nurture this local and personal sense of responsibility.

However, our role as a retailer is much broader than facilitating philanthropy or making charitable donations. We need to ensure that this sense of responsibility infuses every aspect of our business – from our store operations, to our buying practices. Therefore being a socially responsible retailer is also about doing the right thing in terms of best practice quality assurance, using our marketing to promote healthy eating messages and supporting domestic farmers.

‘Doing the right thing’ is a phrase that is fast becoming part of the Woolworths vocabulary. However, we are well aware that many decisions are not black or white. It is a constant challenge to balance the wide-ranging demands and expectations we face, but we are committed to doing our very best.

A handwritten signature in black ink, appearing to read 'Michael Luscombe'. The signature is fluid and cursive.

Michael Luscombe
CEO

**About this
report**

All figures contained herein are for the financial year 1 July 2006 – 30 June 2007 (2007).

Responsibility reporting is an ongoing process for Woolworths Limited and something we intend to develop and strengthen each year.

We welcome your comments and suggestions on how we can continue to improve. Please send us your views at www.woolworthslimited.com.au or email responsibility@woolworths.com.au

Alternatively, you can write to us at Woolworths Limited, Community Relations, PO Box 8000, Baulkham Hills, NSW 2153, Australia.



Making a positive impact on the people we serve.

Woolworths is represented in almost every community in Australia and New Zealand. In many towns, we can be the largest local employer, as well as the place where residents shop for their food and everyday needs. >>

\$145,000

raised for charity from matched giving scheme

\$12m

approximate total of Woolworths' contribution direct, indirect and in-kind to good causes

\$4.1m

raised for children's hospitals

\$3.8m

donated locally by Woolworths supermarkets managers

3,500

approximate number of Australian farming families receiving drought relief grants

1st

Progressive Enterprises Limited (NZ) "Breakfast in Schools" program wins Robin Hood Award for corporate community partnerships

» As a member of those communities we understand that we have a duty to be more than just a retail outlet, but to also make a positive impact on the societies that we serve. We work to the principle that we can never take our customers for granted – we need to earn their trust and respect and this means acting responsibly both inside and outside our stores.

Right across our operations we aim to do the right thing for the families and communities who support our stores by contributing to their wellbeing. We do this through key partnerships with charity groups, fundraising and localised giving and engagement programs.



Grocery shopping is at the heart of family life. Healthy eating is an area where Woolworths can have a significant impact on the general health and wellbeing of all families in our community.



Health and wellbeing

Focus on fresh

A commitment to fresh food lies at the heart of our supermarkets business in both Australia and New Zealand – it's the first thing you see when you walk into most of our stores and it's the primary driver of our business. In Australia, Woolworths is one of the largest buyers and sellers of fresh food and this has been a major focus of our brand positioning for many years – in fact 2007 marked the 20th anniversary of the Fresh Food People slogan. We also pride ourselves on sourcing and working with producers to provide you with the widest range of fresh foods including developing new varieties and product innovations.

In 2007 Woolworths launched Fresh Food Kids, a major new campaign designed to make fruit and vegetables fun and appealing for children. When a survey commissioned by Woolworths in 2007 showed that 93% of parents wanted to see fresh food advertised in the same way as junk food, we were happy to oblige. By incorporating nutritional advice, schools-based activities, parenting

assistance, meal and finance planning and lots of in-store activities, Fresh Food Kids is helping families achieve a healthier lifestyle. The campaign has also been praised by the Parent's Jury who named it as the winner of their annual 'Parent's Choice' advertising award.

Our monthly Fresh magazine is available free in store to our customers. The magazine promotes healthy recipes and includes other lifestyle articles.

With fluctuating supply and demand, the fruit and vegetable industry is often difficult to predict, especially for customers confused by changing prices, quality and seasonal choice. In an effort to explain how to make the most of seasonal produce, how to get the best value and why certain products are either abundant or in short supply, Woolworths has recently launched a televised weekly Fresh Market Update. Hosted by a roster of expert produce buyers, the Update tells shoppers what's fresh, what's new and what's readily available at any fruit and vegetable retailer.



Quality assurance

Woolworths & Safeway Supermarkets

Woolworths makes a commitment to our customers that the products we sell in our fresh food departments and under our brands are safe and of the highest quality. Over many years, Woolworths has developed world class quality assurance programs for food and general merchandise. We conduct extensive testing both independently and at our own Quality Assurance labs at our Sydney support office.

The Woolworths Quality Assurance (WQA) scheme now involves more than 2,000 suppliers who must adhere to extensive and rigorous auditing.

The WQA standard encompasses food and consumer products supplied by local and international trade partners. The standard encompasses process control, product specifications, good manufacturing practice, cleaning procedures, product identification and traceability, corrective action, evidence of commitment to continuous improvement and other aspects of product supply.

The WQA Certification Audit process is ongoing and associated audits are carried out on a regular basis. To ensure that the WQA quality management system is functioning effectively, the system is audited on a six monthly basis for all trade partners, unless approved in writing by the WQA team. Special audits are conducted unannounced or announced at the discretion of Woolworths. Additional audits are conducted with any major change to the product or processes used to supply

Woolworths. Woolworths also conducts an Ethical Compliance audit of suppliers' operations.

If the results of an audit indicate non compliance with the requirements of the WQA, or certain other aspects of the standard are not satisfactorily met, the trade partner may be suspended or deregistered.

We continue to enhance our quality assurance requirements through continual review and updating of our WQA standard.

BIG W

In the past year, BIG W has increased its focus on Quality Assurance. QA inspectors are now employed at both BIG W Distribution Centres which allows us to check production stock prior to it being delivered to stores.

A program of monthly store visits is also helping us to implement a stronger QA inspection process at store level where we focus on particular high risk categories such as toys. Within the buying team, we have introduced specialist coaching sessions in order to help develop their understanding of QA compliance.



Health and wellbeing

Private label

Woolworths Private Label brands include Select, Homebrand, Fresh, Organics and Naytura. The Private Label team is committed to ensuring that products are of the highest possible quality and great care is taken to ensure that the ingredients used are as nutritious as possible. Our team of in-house food scientists and nutritionists review every specification and ingredient list to ensure that each product meets our high standards. We also aim to minimise the use of artificial colourings, additives and preservatives.

Woolworths has a policy of removing palm oil from our private label products. Palm oil is a saturated fat and its harvesting and manufacture has been widely criticised for causing unnecessary environmental damage to tropical forests.

In terms of product labelling, Woolworths' Private Label brands aim to exceed regulatory standards and provide as much information as possible. This includes listing ingredients such as trans fat content.

Naytura

As a healthy lifestyle and diet is becoming an increasingly important concern for many Australians, all products in the Woolworths Naytura range have been carefully selected to care for our customers' health and wellbeing. Each product is selected to provide the highest quality taste – while being low in salt, sugar, fat and additives.

The Naytura range currently includes nuts, dried fruits, cereals, spreads and biscuits. We are continually looking to expand the range to provide our customers with a wider variety of healthier food options.

Organics

Woolworths Organics is a range of organically-certified fresh foods and grocery products for customers who prefer organic produce, or who are looking to explore something new. The range currently includes fresh fruit and vegetables, poultry, tinned products, milk, and cheese. We are continually looking to expand this range as new products become available from our specialist organic suppliers. See page 09 for more information on our approach to organic food.



Organic sourcing

Organic food is a growing market in Australia, with the industry growing at about 20% year on year across both specialty stores and supermarkets. Woolworths has around 150 organic lines (80 grocery and up to 90 fresh products, dependent on season and store location), including our own private label Woolworths Organics range as detailed previously. As consumer awareness grows, we are seeing strong growth in this category.

Organic produce is the largest section of our entire organics range and has experienced excellent growth in the last two years. Organic spreads, milk, long life juices, pulses, legumes and other fresh lines are also proving to be popular.

Although organics remain a comparatively small market, growing acceptance is occurring as customers begin to better understand the benefits of these products. These include improved taste, reduced exposure to pesticides, GMO-free products and sustainably produced products.

One of the main challenges in introducing organic lines is the difficulty of consistent supply. However, we are working with our suppliers to improve this. Woolworths also continues to work with its suppliers to improve scale in their businesses and reduce the cost of organic produce for our customers.

Woolworths' organic lines meet the standards for organic certification. To gain this certification, suppliers undergo an audit by an organic certification body to demonstrate compliance to the required organic standard. This is in addition to our own stringent WQA system.

Woolworths is eager to meet customer demands by providing a wide range of high quality products and our organics range will expand in line with demand and product availability.

Animal welfare

Ensuring optimal animal welfare is complex and a key concern of retailers. Woolworths takes animal welfare very seriously, as does the community at large.

Woolworths endeavours to provide animal products in the most affordable way possible taking into account quality, environmental sustainability and animal welfare requirements. We stock free range pork in a number of stores in Victoria and New South Wales under the RSPCA-accredited Ottway brand. We also stock free range eggs which are clearly labelled on our shelves and free range chickens and turkeys.

We envisage a broadening of our free range products to meet our customers' needs. At the same time we are mindful that there are critical environmental and climatic requirements in Australia that constrain the supply of free range production.

Fairtrade

Australian consumers are becoming increasingly aware of the availability of Fairtrade products. Our Woolworths and Safeway grocery stores currently sell Fairtrade tea and coffee under the Scarborough Fair brand and Fairtrade chocolate under the Green & Blacks brand. We will continue to review our range of Fairtrade products in line with customer demand.

Fundraising
and charitable
partnerships



Fundraising and charitable partnerships

\$4.2m

raised last year in Australia
through the Woolworths Fresh
Future Appeal

\$1.1m

raised last year in Australia
through the BIG W Big
Heart Appeal

Measuring community investment

In 2007 we signed up to the London Benchmarking Group (LBG) in order to provide a standardised framework for collecting and quantifying the extent of our community investments.

LBG is a group of over 100 companies worldwide, including multinationals such as HSBC, Vodafone and Unilever, as well as major UK companies such as Marks and Spencer and BSKyB.

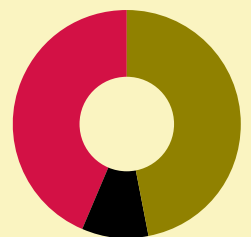
The global measurement standard of the LBG model provides a comprehensive and consistent set of measures for Woolworths to determine their contribution to the community, including cash, time and in-kind donations, as well as management costs. The model also captures the outputs and longer term impacts of our community investment projects on society and Woolworths itself.

This is an ongoing process and will enable us to better assess the true value of our community commitments and identify ways in which we

can augment our strategy and improve or expand our programs.

In 2007 our community contributions were calculated to be \$12,326,972.

■ Cash (\$5,181,946)
■ In-kind (\$1,056,159)
■ Time (\$4,799,000)



Further information on the LBG is available on their website, www.lbg-online.net

**Progressive Enterprises
Limited (PEL) NZ Breakfast
in Schools program**

Woolworths' PEL has been involved with New Zealand Red Cross for the Breakfast in Schools initiative since its development in early 2006. The first trial school East Tamaki Primary School started the program in May 2006. The program was launched in full on 8 May 2007 on International Red Cross Day.

The program commits PEL to providing food to fulfil the breakfast requirements of primary schools taking part. The program achieved backing from the Prime Minister and Leader of the Opposition in New Zealand.

A communications campaign was conducted in conjunction with an agency and the Red Cross to attract both schools and volunteers to the program. Staff have also expressed an interest in volunteering their services. The program won the Robin Hood award for corporate community partnerships.



Fundraising
and charitable
partnerships

HELP GIVE SICK KIDS THE FRESH FUTURE THEY DESERVE.



During the Fresh Future Appeal, Woolworths staff will be putting on fundraising activities and, of course, rattling donation tins to raise funds for children's hospitals across Australia. 100% of the funds raised will go towards medical equipment, facilities and research.

Visit www.woolworths.com.au for more info

Woolworths
Fresh Future
Children's Hospital Appeal



Fundraising and charitable partnerships

Giving Sick Children a Fresh Future

For many years, we have been closely aligned to a number of children’s hospitals and research foundations across the country through Big Heart, BIG W’s ongoing fundraising campaign for the Sydney Children’s Hospital and the Fresh Future Children’s Hospital Appeal run annually by our supermarkets division.

Last year Fresh Future raised more than \$4.2 million in Australia, while Big Heart raised over \$1.1 million.

With the Fresh Future children’s hospital appeal going from strength to strength in Australia, our New Zealand supermarkets decided to adopt a similar initiative to raise vital funds for five key children’s hospitals across the Tasman. Store staff really threw their support and imagination behind the campaign, raising in excess of NZ\$1 million – a fantastic achievement in their first year.

2006 Fresh Future appeal beneficiaries and results (2006/07)

Hospital	State	Amount received \$
Canberra Hospital	ACT	30,000.00
The Children's Hospital at Westmead	NSW	1,087,000.00
John Hunter Children's Hospital	NSW	100,000.00
Wollongong Hospital	NSW	30,000.00
Wagga Wagga Base Hospital	NSW	15,000.00
Tamworth Base Hospital	NSW	15,000.00
Coffs Harbour Memorial Hospital	NSW	15,000.00
Shoalhaven District Hospital	NSW	22,500.00
Gosford Hospital	NSW	30,000.00
Orange Base Hospital	NSW	10,000.00
Campbelltown Hospital	NSW	17,500.00
Dubbo Base Hospital	NSW	10,000.00
Royal Children’s Hospital, Brisbane	QLD	1,199,000.00
Princess Margaret Hospital for Children, Perth	WA	239,080.00
Children’s Leukaemia and Cancer Research Foundation	WA	201,340.00
Women’s & Children’s Hospital Foundation, Adelaide	SA	169,820.92
Alice Springs Hospital	NT	3,619.25
Darwin Hospital	NT	44,347.15
Royal Children's Hospital, Melbourne	VIC	930,600.10
The Royal Hobart Hospital	TAS	30,000.00
Launceston General Hospital	TAS	15,000.00
North West Regional Hospital, Burnie	TAS	15,000.00
State Totals	ACT	30,000.00
	NSW	1,352,000.00
	QLD	1,199,000.00
	WA	440,420.00
	SA	169,820.92
	NT	47,966.40
	VIC	930,600.10
	TAS	60,000.00

Total
\$4,229,807

**Fundraising
and charitable
partnerships**



Adam's fresh future focus

For the past few years, Adam Weaver, Store Manager for Woolworths Charlestown, has gone far beyond his call of duty fundraising for the Woolworths Fresh Future Appeal.

Adam has covered thousands of kilometres to raise money. In 2005 Adam and fellow staff member Terrance Stafford completed a week-long 250km hike on the Great North Walk. In 2006 Adam cycled 1,000km from Brisbane to Sydney. This year Adam was joined by senior manager Peter Smith on the Great North Walk.

Fundraising and charitable partnerships

272

Woolworths store managers took part in welcoming high achieving Australians to local community celebrations

“This is a terrific program and it greatly assists with the interaction in our local community.”

Community commitments

Outback Stores

The Woolworths' indigenous stores program in the Northern Territory was created by former CEO Roger Corbett in an effort to enable Aboriginal communities to successfully operate a local retail outlet, whilst also improving the availability of nutritious fresh food. This initiative has now been taken up by the federal government in a partnership venture with major retailers, government and other key stakeholders. Woolworths has been instrumental in establishing the Outback Stores venture and has representation on its board.

Carols in the Domain

In December 2007 Woolworths enjoyed the second year of sponsoring this major community Christmas event. As well as our commercial sponsorship, Woolworths also provides assistance to the Oasis Youth Support Network, the event's official charity partner, by helping organise, pack and sell the 10,000 candle showbags that form the mainstay of their annual revenue.

Oasis Mentoring Program

Earlier this year, Woolworths commenced a mentoring program for a number of young people in Sydney in conjunction with the Salvation Army's Oasis Youth Support Network. The program has involved placing young people in jobs and facilitating training and skills development in a structured, supportive manner in order to ease their transition into the workplace.

Australia Day

The Australia Day Ambassador program which has been running since 2001 continues to go from strength to strength. A record number of 272 Woolworths' store managers took part in welcoming high achieving Australians to local community celebrations this year in NSW, Victoria, ACT, Tasmania and Queensland. We plan to further expand this program for Australia Day 2008 by extending it to South Australia and Western Australia, and the Northern Territory.

The managers who participated were enthusiastic about the program:

“This is a terrific program and it greatly assists with the interaction in our local community.”

“Shows the company's commitment to all things Australian.”

“It was a good way to interact with local customers outside the work place.”

“Really enjoyed being actively involved in my community group and customers appreciated me being there.”

Harmony Day

As an endorsement to our commitment of promoting diversity and multicultural awareness, Woolworths' supermarkets are proud to be part of the federal government's Harmony Day initiatives.

This year 266 stores hosted BBQs organised by local scout and guide troops to help share the message – and some sausages as well! Food for sausage sizzles and goods for raffles totalling \$41,262 were donated.

Heritage Posters for Schools

The Woolworths heritage posters for schools are now in their 26th year. Originally conceived as a way of engaging school children on aspects of Australian history and culture, the posters have embraced a huge range of themes, from 'Flags of Australia' to 'Environment' to 'Australian great ideas and achievements' and 'Notable women of Australia'. The 2007 poster focused on great Australian celebrations and occasions.

The research and design for the poster was organised by Woolworths and supplied to as many schools as possible throughout Australia via each State's education department. The 2007 poster was endorsed by Prime Minister John Howard.

The 2008 poster is in development and will focus on Australia's water supply.



Richard's Emergency Appeal

Richard Forsyth, a business analyst for BIG W runs community assistance programs through his church. BIG W has collaborated with Richard on a number of welfare projects over the past few years including donating goods and helping fit out an emergency relief warehouse – a storage space for goods to be used for on-going projects or emergency situations.

Over the past few years, items from the emergency relief warehouse have been distributed to refugees and schools overseas, as well as Australians in need. Recently clothing and toys donated by BIG W were given to Aboriginal communities in Bourke.

Richard was also a driving force behind Christmas For Farmers, where he and his team delivered 1,000 hampers of donated product to NSW farmers in struggling drought regions in the run up to Christmas 2006.

Fundraising and charitable partnerships

\$3.5m

donated this year through the 'Woolworths in the Community' program

300

community groups and events supported last year

Grassroots giving

Our local stores

'Woolworths in the Community' is the name of our charitable giving program within our supermarkets division. Under this scheme, every Woolworths supermarket in Australia has the capacity to provide some assistance to local charities and other not for profit organisations through the donation of Wish gift cards. During the year this program channelled a combined donation of more than \$3.5 million back into our communities.

Dick Smith Electronics supports community organisations such as local schools, sports clubs and charities through the issue of Wish Gift Vouchers and donation of product. Last year they supported over 300 community groups and events.

Over the past year BWS stores have also supported nearly 200 local community organisations through the issue of Wish Gift Vouchers.

Flood relief

This year, Woolworths supermarkets in the Hunter Region donated \$50,000 to the Salvation Army's flood relief efforts.

The Salvation Army gave immediate emergency assistance by providing meals and refreshments to evacuees. During the recovery phase, the Salvation Army provided financial assistance to families in crisis.

"Many of our staff and customers were affected by the recent floods. We felt it timely to provide some community assistance through Salvation Army," said Brett O'Dea, Retail Support Manager for the Hunter Region.

Bush fires

A group of Safeway supermarkets in one region came together to support local rural fire services. The CFA Headquarters and NSW Rural Fire Service were presented \$4,000 and \$11,000 respectively. Safeway Wodonga, Lavington, Albury Central, Wodonga Plaza and Corowa all contributed funds to the grand total. These funds will be used to purchase much needed fire fighting equipment.

Foodbank

Foodbank is the largest hunger relief charity in Australia. Through their support of over 1500 welfare agencies they feed over two million Australians a year.

Since 2004 Woolworths have been donating food and grocery products to Foodbank. Volunteers at Foodbank sort, store and distribute the product to accredited welfare agencies throughout Australia. Welfare agencies use the food and groceries in the preparation of meals or distribute it in food parcels for those in need.

Support Office Charity of the Month

In an effort to further support the issues and causes that matter most to our people, we have established a monthly fundraising system at our Norwest support office. From January to June 2007, this scheme has helped raise \$111,169.85 for charities such as Make A Wish, the MS Society and the Cancer Council.

In-store support

Woolworths continues to nurture ongoing relationships with other important charities.

Canteen

\$836,605

raised through collection tins and the sale of charity merchandise by Woolworths/Safeway

Smith Family

\$420,000

raised through collection tins and the sale of charity merchandise by Woolworths/Safeway

JDRF

\$420,078

raised through collection tins and the sale of charity merchandise by Woolworths/Safeway

The Shepherd Centre

\$111,780

raised by BIG W to support deaf children

Jeans for Genes

\$138,000

raised by BIG W in support of the Children's Medical Research Institute

The Cancer Council

\$133,245

raised during the Pink Ribbon campaign by BIG W

RSPCA

\$100,509

raised by BIG W



Employee Matching Award Scheme

Now in its third year, the Woolworths Limited Employee Matching Award (EMA) scheme supports the charities that our people are most passionate about. We match, dollar for dollar, any amount up to \$1,000 and since the scheme was first launched, more than \$420,000 has been donated to good causes right around the country. In 2007, a total of \$186,141 was raised by 76 employees for 41 charities. Woolworths contributed \$58,635 of the total amount.

Pictured: IT Project Manager Trish Hunt organised a photography competition to raise funds for the Asthma Foundation of NSW.

Fundraising and charitable partnerships

97%

of produce purchases (fruit & vegetables) from the domestic market

70%

of produce purchases come direct from growers

Helping our rural communities

Drought relief

Woolworths is a major customer of Australian agricultural and horticultural produce. Over the year the worst drought on record bit further into the fabric of rural life, threatening the long term sustainability of our food supply and the communities who produce it.

Woolworths decided to use its influence to help raise awareness of the plight of farming families and to draw attention to the social issues caused by the drought through a number of events.

On January 23 2007, Woolworths' launched National Drought Action Day. Woolworths' supermarkets donated the entire profits for the day to drought relief, a total of \$4.7 million. Two thirds of the money was given to the Country Women's Association (CWA) to distribute in the form of emergency household expense grants for farming families. The remaining third is to be spent on a project dedicated to improving sustainable farming practices. This money is currently held in trust by the CWA as we assess potential recipients.

Thanks to the overwhelming generosity of our customers \$96,000 was also raised through collection tins at our checkouts. This money was donated to the Salvation Army's drought relief efforts.

Country singer Lee Kernaghan, who shares Woolworths' passion for Australia's farming communities, was kind enough to help spread the word about our National Drought Action Day. Lee decided to stage three drought relief 'Spirit of the Bush' music concerts and we were proud to sponsor these events. Our store staff were also thrilled to get involved by distributing free entry wristbands to eager fans.

Most importantly, Woolworths primary role is to work closely with our suppliers to ensure that we give them as much support as possible during the drought. We are absolutely committed to standing by all our suppliers and we are doing our very best to assist them through these circumstances.

Domestic sourcing

Woolworths is a long standing supporter of Australian growers, farmers and producers and is the largest single customer of Australian agricultural and horticultural products.

Woolworths continues to actively support domestic growers, farmers and manufacturers in terms of food supply.

Annually, Woolworths purchases 97% of its produce (fruit & vegetables) from the domestic market of which approximately 70% comes direct from growers. We have direct relationships with over 400 produce vendors, the majority of whom have been a partner to Woolworths for 15 years or longer.


Woolworths only ever imports fresh produce in the following circumstances:

- counter-seasonally;
- if it's a specialist product that Australia doesn't grow in sufficient quantity; or
- if customer demand outstrips the supply of Australian-grown.

For many years, Woolworths has operated a very successful import replacement program in order to reduce our proportion of imported products still further. We do this by working very closely with our suppliers to help develop their technology and farming practices.

Garlic is one example of an import replacement success story. Woolworths has been working with Australian garlic growers for a long period of time to improve the quality and volume levels of home-grown garlic. Thanks to these efforts, we are moving ahead with our long term aim to replace all imported garlic in our stores with Australian garlic.

Another example of import replacement is baby sweet corn. Woolworths gave support to Mulgowie Farms to enable them to grow Australian baby sweet corn and replace corn previously imported from Thailand. They now supply 4.6 million cobs of baby corn each year to Woolworths' stores.



"We wouldn't be 'The Fresh Food People' without Aussie farming families."

**WOOLWORTHS NATIONAL DROUGHT ACTION DAY
TUESDAY 23RD JANUARY 2007**

The Fresh Food People[®] WOOLWORTHS SAFEWAY



**Fundraising
and charitable
partnerships**

Agricultural shows

Woolworths' support for Australia's agricultural shows continues to go from strength to strength. Our participation further underscores our commitment to promoting the very best Australian fresh produce and the shows are a wonderful opportunity for the general public to connect with rural communities first hand.

In 2007 we sponsored the Sydney Royal Easter Show, as well as the Royal Brisbane, Adelaide, Melbourne, Perth and Canberra Shows.

\$1m

awarded over 10 years for the development of sustainable fresh food innovations

We continue to work with local growers to develop new crops, farming techniques and product innovations that further increase their ability to compete in a global market. One major initiative is the \$1 million Woolworths Fresh Food Grant Fund which was announced by Woolworths Chief Executive Officer, Michael Luscombe, in June, on the 20th Anniversary of the marketing campaign that launched 'the Fresh Food People' brand.

An individual grant of \$100,000 will be awarded annually for the next 10 years to encourage Australian fresh food suppliers in the development of commercially and environmentally sustainable fresh food innovations.

There are three categories for grant entries:

- Fresh Food Product
- Fresh Food Farming Process
- Fresh Food Packaging Innovation.

Applications for the annual grant are open to any Australian fresh food producer, large or small, irrespective of whether they are a current supplier to Woolworths or not.

All applications will be circulated to a judging panel made up of Woolworths' executives and independent representatives from the Australian food industry. The finalists will be invited to attend the Woolworths Supplier of the Year Dinner, where the winner of the Woolworths Fresh Food Grant will be announced and presented with a cheque for \$100,000.

Agricultural scholarships

Ensuring that young talented people enter and remain in the farming industry is critical to the long term future of Australia's agricultural and horticultural sector. Jobs, training and career development opportunities are an important aspect of this.

This year, in conjunction with the Royal Agricultural Society of NSW and the University of Western Sydney, Woolworths launched a unique residential scholarship program for 23 talented young agriculturalists. The intensive two week course was specially developed to focus on the interrelationship between agriculture and the food retail industry.

Applicants were invited to apply online and an extensive phone interview selection process then identified the successful participants. The course combined academic lectures on economics, international business and marketing with practical insight into the world of food retailing, logistics and consumer behaviour.

Feedback from participants was extremely positive, with many helpful suggestions for future improvements such as more group discussion.

Paper

Printed on Onyx, a 100% recycled paper containing a combination of pre-consumer and post-consumer waste sourced entirely within Australia. Brightened in a process chlorine free environment (PCF) and manufactured under the international environmental management system ISO14001 which guarantees continuous improvement.

Printing

Printed with vegetable based inks and an aqueous varnish sealer. No dryers or oxidizers are used in the printing process and no alcohol based cleaners are used on the presses.

Design

Bright Red Oranges.