

7 September 2022

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

2022 Sustainability Report

Attached for release is a copy of the Woolworths Group 2022 Sustainability Report.

The Sustainability Report, Woolworths Group's 2022 Modern Slavery Statement and further details about our sustainability plans and achievements are available at [woolworthsgroup.com.au/sustainability](https://www.woolworthsgroup.com.au/sustainability).

Authorised by: Kate Eastoe, Group Company Secretary

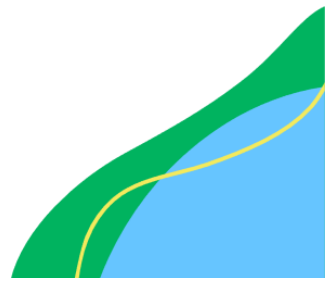
For further information contact

Investors and analysts

Paul van Meurs
Head of Investor Relations
+61 407 521 651

Media

Woolworths Press Office
media@woolworths.com.au
+61 2 8885 1033



Lismore, 2022

We
are
Woolworths
Group

2022
Sustainability Report

Woolworths Group Limited
ABN 88 000 014 675



Contents

SECTION 1

Overview

CEO and Chair Message	2
Chief Sustainability Officer Message	4
Sustainability Plan 2025	6
Our progress to 2025	8
Focusing on issues that matter	10
How we create value	12
Our Impact	14

SECTION 2

People

Be a truly inclusive workplace	18
Create meaningful retail careers for today and tomorrow	21
Invest in the holistic wellbeing of our team	22
Activate ethical and mutually beneficial partnerships through the whole value chain	24
Have a positive impact on our customers and communities	26

SECTION 3

Planet

Climate change strategy	30
Net positive carbon emissions by 2050	32
100% green electricity by 2025	34
Zero food waste to landfill by 2025	38
Practice responsible stewardship of natural resources	40
	42

SECTION 4

Product

Materially increase healthier choices in our customers' baskets	44
100% of own brand sustainable packaging	46
100% of own brand sustainable packaging	49
100% of own brand sourcing is sustainable	52
Lead the future of protein	54
Lead the responsible retailing and consumption of alcohol and tobacco	58

SECTION 5

Directory

Creating a better tomorrow, today	59
Our corporate reporting suite	59
Company directory	60
	61



Acknowledgment of Country

Woolworths Group acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and community. We pay our respects to them and their cultures; and to Elders both past and present.

Aboriginal and Torres Strait Islander people should be aware that this report may contain the names and images of deceased persons.



United Nations Global Compact (UNGC)

Woolworths Group Limited reaffirms its support of the Ten Principles of the UN Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this Report, we describe our actions to continually improve the integration of the UN Global Compact and its principles into our business strategy, culture and daily operations.

Unless otherwise stated, this report covers all our operations in Australia and New Zealand for the 2022 financial year – 1 July 2021 to 30 June 2022 (F22). This report contains forward looking statements, please read our disclaimer on page 2 of the [2022 Sustainability Report Appendix](#) for more information.



Committed to reconciliation

This year, grounded in our listen and learn approach we developed our reconciliation strategy.

► **PEOPLE:** [Page 20](#)



Climate change strategy

We are committed to reducing our emissions footprint, improving our operational resilience and adapting to the effects of climate change.

► **PLANET:** [Page 32](#)



Healthier choices

Empowering our customers through healthier products and activities that support, educate and inspire healthier lives.

► **PRODUCT:** [Page 46](#)



Cover story

Jess Costello and Jess Lees managers of Lismore's Woolworths and BIG W stores, worked tirelessly to bring three teams together at a single store – Goonellabah – to provide essential supplies to devastated communities

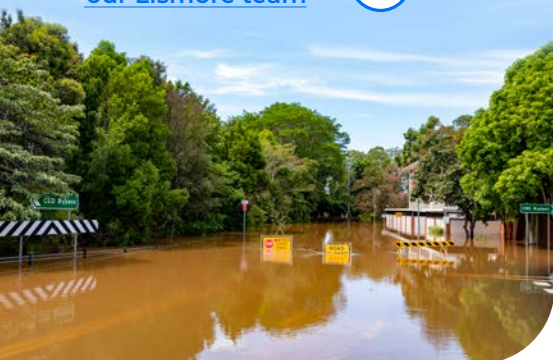
It was an incredible task and we're immensely proud of our team and community who pulled together to support one another.

Facing the flood together

In the aftermath of the east coast floods, we've worked to support our team and their families. Over 100 team members had flood affected homes, in Lismore alone.

► **PEOPLE:** [Page 23](#)

► [Watch the story of our Lismore team](#)



We are Woolworths Group

It all starts with 'we'.



We are a team of over 190,000. We are more than just a collection of businesses but rather a diverse group of people with a range of experience. We know the actions we take today, together with our partners, are opportunities to have a positive impact on the future generations to come.

Join us as we create better experiences together for a better tomorrow.

Welcome to our 2022 Sustainability Report.



Overview



People



Planet



Product



Directory

**We are driven
and united by
our purpose**





It is energising to be writing this message under the banner of our new Group brand that was launched this year. This launch is in recognition of the evolution of our business and provides a symbol of what we stand for as a Group today and how we will aspire to operate in the future. It brings our long-standing commitment to sustainability front and centre, providing a symbol of the purpose that unites us and the positive impact that we are working hard to have.

Amidst yet another disruptive year, where our teams have again worked hard to manage the impacts of the pandemic and multiple natural disasters, we are pleased to have made progress across all aspects of our sustainability agenda. This has only been made possible by engaging our whole team on our journey of creating better experiences together for a better tomorrow.

One area where we have seen important progress this year is in our approach to reconciliation. Our genuine desire to listen and learn, and to redefine the relationship between Woolworths Group and Indigenous Australia has seen us activate our inaugural reconciliation strategy, addressing the learnings from the Independent Panel Review, and creating our First Nations Advisory Board. The Advisory Board is made up of Indigenous team members, external Indigenous advisors and senior executives. Its role is to guide our engagement with Indigenous team members, customers and communities, inform where our business plans intersect with Indigenous interests and to help us make a meaningful contribution towards Closing the Gap and reconciliation more broadly.

We have long recognised the importance of collaboration, and that the nature of the sustainability challenges we face requires collective action extending across organisation and industry boundaries. We are pleased to have this year taken our first material steps towards better understanding and managing the greenhouse gas emissions that exist in our extended supply chain. We will work in partnership with our suppliers on solutions to reduce scope 3 emissions.

In our [Sustainability Plan 2025](#), we have set ourselves ambitious goals that require fundamental change supported by guiding principles that provide long-term direction for our actions. We are making good progress to embrace diversity, reduce our emissions, food waste and plastic waste (removing single use plastic bags in Western Australia ahead of legislative requirements), increase recycling and provide healthier, more sustainable product choices for our customers.

The scale of our business enables us to make a meaningful contribution and this responsibility, as well as the rapid pace of change in sustainability meant that during the year we felt it important to review our [Sustainability Plan 2025](#). We need to continue to challenge ourselves on our progress, our level of ambition, and the need for aspirational thinking to really drive the sustainable change we all want and need to see. We will have more to say on our updated plan in the coming months.

On behalf of the Woolworths Group team, we are pleased to share with you our 2022 Sustainability Report.

Brad Banducci
CEO

Gordon Cairns
CHAIR

Guiding principles

We act like a leader and speak up on issues that matter

We care for, and unlock the potential of, our people

We have a positive impact on the planet

We apply circular thinking in everything we do

We embrace the power of partnerships to create change

Hear from our CEO and CSO



Better Together

People

Community contribution

1.85%

of EBT on a two-year rolling average

Planet

Scope 1 and 2 emissions reductions

31%

Below 2015 baseline

Product

>10,000

tonnes virgin plastic packaging reduction vs baseline





Together we work towards creating a better tomorrow by making positive change for our people and the planet through our products.

Sustainability for us at Woolworths Group means constantly improving the ways we work to have a positive impact on our team, our planet, our customers and the communities we serve – and in doing so create long-term value and sustainable growth for our business.

In another year of disruption, I am enormously thankful for the resilience and agility of our teams who have worked collaboratively with our suppliers and partners to show care for our customers and the communities we serve while continuing to deliver on our sustainability agenda.

Since launching our [Sustainability Plan 2025](#), we have worked to set ourselves up and in F22, created a Group-wide sustainability program to build momentum towards our sustainability goals. We have grown our team, invested in our data and analytics capabilities and strengthened our governance to influence overarching business priorities.

The activation of our program has brought the Group together to collectively drive progress across the People, Planet and Product pillars of our strategy. While we're pleased with this progress, we recognise there is more to do to transform, learn and develop solutions to make a positive impact.

Our teams are the primary drivers of change and are key to building a culture that embraces sustainability. Caring deeply is part of our culture, and we strive to create a workplace that is truly inclusive and considerate of intersectionality. We refined our strategy to view inclusion more holistically and activated our reconciliation strategy to drive meaningful action towards the empowerment of Indigenous Australia. Our care for people extends to our communities and our value chain and during the floods we donated time, resources and essential goods to help those in need. Our efforts to build a rights-respecting culture in our value chain is detailed in our [Modern Slavery Statement](#).

We continue to adapt our business to manage the impacts of climate change. This year, we deepened our scenario analysis work to understand the climate

risks and opportunities that impact our customers, suppliers and operations. We also established a program of work to partner with our suppliers to drive emissions reductions in our value chain. Our investment in the renewable electricity sector saw two contracts established to deliver 100% green electricity to South Australia by July this year and to Western Australia by 2025.

Addressing the impacts of our products remains critical. This year, we developed our nurturing nature strategy, formalising our approach to the responsible stewardship of natural resources and sourcing of sustainable protein. We will see the power of partnerships come to life as our newly created Woolworths Supermarkets Supplier Sustainability Council works to help improve the health of products and the sustainability and recyclability of packaging across our stores.

While we are proud of our progress so far, we know there is much more to do. Sustainability is one of the deepest transformational programs that has taken place at Woolworths Group over recent years, and that's incredibly exciting – knowing that together, we're creating a positive legacy that is not only good for our people and the planet, it is central to creating long-term value. Pleasingly, our efforts have been recognised by The Australian Financial Review as the 2022 Sustainability Leader for impact.

I invite you to join us in creating better experiences together for a better tomorrow.

Alex

Alex Holt

Chief Sustainability Officer

Hear from our CEO and CSO



Sustainability Plan 2025

Our Sustainability Plan 2025 is key to delivering on our purpose – to create a better tomorrow by fostering positive change for our team, our planet, our customers and the communities we serve. In doing so, we aim to create long-term value and sustainable growth for our business.



People

Goal 1:

Be a truly inclusive workplace

Goal 2:

Invest in the holistic wellbeing of our team

Goal 3:

Create meaningful retail careers for today and tomorrow

Goal 4:

Activate ethical and mutually beneficial partnerships through the whole value chain

Goal 5:

Have a positive impact on our customers and communities



Planet

Goal 1:

100% green electricity by 2025

Goal 2:

Zero food waste to landfill by 2025

Goal 3:

Net positive carbon emissions by 2050

Goal 4:

Practise responsible stewardship of natural resources



Product

Goal 1:

Materially increase healthier choices in our customers' baskets

Goal 2:

100% of own brand packaging is sustainable

Goal 3:

100% of own brand sourcing is sustainable

Goal 4:

Lead the future of protein

Goal 5:

Lead the responsible retailing and consumption of alcohol and tobacco

Annual refinement of our 2025 plan

The case and appetite for sustainable change is accelerating. Our [Sustainability Plan 2025](#)'s guiding principles, goals and commitments are reviewed and adjusted as part of our annual planning cycle to maintain relevance in a changing world.

We listen to our team, customers and other stakeholders to understand what is most important to them. We also assess emerging trends and how we benchmark against peers. This helps us assess material environmental, social and governance issues impacting our business and informs the refinement of our Plan (see [page 10](#)).

As we approached the halfway point in our 2025 Plan, we found that the majority of our commitments remain relevant, with the following updated to better reflect our operating environment:

- strengthening our focus on making healthier easier for our customers with the aim to grow the proportion of sales from healthier products ([page 46](#))
- formalising our approach to responsible stewardship of natural resources and the future of protein ([pages 42 and 54](#))
- supporting better health outcomes in remote Indigenous communities, and investing in Indigenous businesses ([page 20](#))
- adjusting the scope of our responsible retailing commitment to include tobacco ([page 58](#)).

We are finalising our strategy refinement process, including reviewing our climate change commitments in line with Science Based Target initiative (SBTi) guidance. We will release more detail in the near future.

Our goals are intrinsically linked

Transitioning towards sustainable and resilient societies requires an integrated approach in which our goals work together to build a better tomorrow.

We care for **people** in our operations and value chain, and aim to create social equity and opportunity through inclusion and respect. This helps us support a community that is working together in partnership to achieve our commitments.

We work to repair and protect our **planet** by minimising our use of finite natural resources while facilitating its regeneration through renewables and farming practices. This will reduce our impact on climate change and improve the resiliency of our communities and the food systems they rely on.

We embrace circular thinking and aim to manage all waste as a resource. We also aim to provide access to products that are healthier, sustainably sourced and responsibly sourced and packaged. Our **products** are a tangible way in which we, together with our customers, can have a positive impact on the planet and the people who call it home.



Overview



People



Planet



Product



Directory



Our progress to 2025



People

Goal

1 Be a truly inclusive workplace



- AWEI Gold Status achieved in 2021
- First Nations Advisory Board established
- 11 Mini Woolies opened in F22

2 Invest in the holistic wellbeing of our team



- Total recordable injury frequency rate of 11.13 in F22, an improvement of 9%
- 32,033 Sonder activations, meeting our team's health, safety, psychological and wellbeing needs

3 Create meaningful retail careers for today and tomorrow



- 18% (\$9M) of Future Work Fund invested, further up-skilling and capability planning required to deliver change to team career opportunities
- Launched the Refugee Digital Cadetship in partnership with Community Corporate



Planet

Goal

1 100% green electricity by 2025



- South Australia achieved 100% green electricity from July 2022 and 175 sites with solar across Australia and New Zealand
- Total renewable electricity use is 16%. Transition plans in place in lead up to 2025

2 Zero food waste to landfill by 2025



- Provided equivalent of over 30m meals to alleviate food insecurity through our food rescue partners
- We have more to do to improve diversion rates from landfill by embedding more robust processes and expanding our organic waste solutions across our network

3 Net positive carbon emissions by 2050



- Absolute operating emissions increased marginally by <1%
- 55 suppliers engaged in program providing insights to prioritise emission reduction work and give visibility of key focus areas



Product

Goal

1 Materially increase healthier choices in our customers' baskets



- Ranked Australia's Healthiest Supermarket Own Brands, based on average Health Star Rating
- 61.7% of Woolworths Supermarkets eligible sales from healthier products (≥3.5 Health Star Rating)

2 100% of own brand packaging is sustainable



- 4,262 tonnes of virgin plastic packaging removed from circulation in F22
- Woolworths Supermarkets and BIG W committed to stop selling 15c and online plastic bags by end June 2023

3 100% of own brand sourcing is sustainable



- 100% of soy in own brand products supports the responsible production of soy
- Commenced a cotton supply chain traceability pilot to increase visibility of raw material sourcing



4 Activate ethical and mutually beneficial partnerships through the whole value chain



- Through our influence, ~\$805,000 has been, or is in the process of being, returned to at least 285 migrant workers in Malaysia who had paid recruitment fees in source countries
- Group Cotton Policy developed and published to support suppliers manage modern slavery risks and meet the Group's expectations

5 Have a positive impact on our customers and communities



- Donated over \$41M across F22 with significant donations to OzHarvest, Junior Landcare and S.T.A.N.D supporting flood relief
- Countdown launched Food for Good Appeal raising \$291,000(NZD) for mental health charities

4 Practice responsible stewardship of natural resources



- Nurturing nature strategy endorsed by Group Board, work to embed the strategy is planned for F23
- Smart water meters installed in 380 stores. Work underway to identify efficiencies and measure water consumption volumes

4 Lead the future of protein



- All own brand whole shell eggs cage free
- Invested in alternative protein innovation, including All G Foods and Harvest B
- Moved from Tier 2 to Tier 3 in BBFAW's animal welfare benchmark

5 Lead the responsible retailing and consumption of alcohol and tobacco

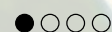


- Countdown range now includes 91 zero alcohol options, a 10% increase on F22
- 4,238 Countdown team members trained in responsible service of alcohol

Key:

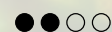
Planning

Delivery plan and pathway to target being built with cross-functional collaboration across teams and stakeholders



Commencing

Early stages of work commenced which is likely to involve testing and learning approaches



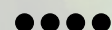
Progressing

Delivery is underway and usually expecting to see progress toward the target. Or used for stable targets such as diversity















Achieving

Target is being sustained YOY and sustainable change embedded to business as usual



Focusing on issues that matter

Woolworths Group regularly reviews the most material environmental, social and governance issues affecting our business. This is done in collaboration with our customers, team and other stakeholders by listening to their concerns and issues. Through understanding what matters to them, and what is most important to our business, we identify opportunities where we can aspire to have the greatest impact. Our Sustainability Plan brings to life commitments that aim to address these issues and is refined annually based on the results of our materiality assessment. This process is also a key consideration in how we evolve our sustainability ambitions over time.

MATERIAL TOPIC, WHAT THIS MEANS AND WHY IT IS MATERIAL	TOPIC RAISED BY	RELEVANT SDGS
Climate change Net zero by 2050 is a common target across corporate Australia, focus is shifting to 'how' over 'what' to reduce emissions and scrutiny from stakeholders is increasing. Physical, community and business impacts of climate change are more frequent and consequential, and the expectation on climate disclosures are growing.	<ul style="list-style-type: none"> Customers Investors and shareholders Government/Regulators/NGOs/Industry Associations Community 	  
Supply chain sustainability Sustainability across the supply chain incorporates farming practices and animal welfare concerns across meat, dairy and grain. Water stewardship in Australia and dryer trends could impact food security. There is an expectation for Woolworths Group to partner and create positive social and environmental outcomes locally and globally.	<ul style="list-style-type: none"> Suppliers and partners Community 	  
Engagement with consumers on sustainability Customers want and expect to be engaged in sustainability, bringing informed choice to their shopping decisions through education and product labelling of certifications and environmental footprint. This should apply across the board and not create price barriers to behavioural changes.	<ul style="list-style-type: none"> Customers 	  
Natural resource use, waste and the circular economy The circular economy is considered important to manage finite natural resources. Topics such as packaging and plastic are among top concerns raised with the balance to product shelf life acknowledged, to avoid food waste. Building sustainable production and consumption is the desired end state.	<ul style="list-style-type: none"> Customers Suppliers and partners Government/Regulators/NGOs/Industry Associations 	 
Human rights Awareness of human rights issues and impacts in supply chains have increased. Reporting and transparency on issues and the actions taken to address these are important to stakeholders. Respect for people and in particular Indigenous communities are considered very important to reputation.	<ul style="list-style-type: none"> Suppliers and partners 	  



MATERIAL TOPIC, WHAT THIS MEANS AND WHY IT IS MATERIAL	TOPIC RAISED BY	RELEVANT SDGS
Access to healthy, affordable food Food security is seen as a long term issue driven by population growth, climate change and supply chain volatility. Experiences through COVID were commonly discussed. The challenges of supply and demand against quality, price and choice for essential products and healthy/affordable food are common concerns.	<ul style="list-style-type: none"> Customers Government/Regulators/NGOs/Industry Associations 	
Community impact Mental health and community wellbeing especially during COVID was a major concern. Woolworths Group is expected to play a positive role for the team and the broader community. Programs of community investment, preferential procurement and donations are expected from good corporate citizens.	<ul style="list-style-type: none"> Community Customers Team members 	
Regenerative agriculture Controversy around industrial farming practices were noted as a concern by the general public. Sustainable regenerative agricultural practices will require a proactive and deliberate partnership between Woolworths Group, suppliers and industry to develop and grow further.	<ul style="list-style-type: none"> Suppliers and partners Government/Regulators/NGOs/Industry Associations 	
Team member wellbeing Health and safety remain important, with focus now including mental health and wellbeing of team members. Inclusion is creating a working environment that connects purpose and allows our team to bring their whole selves to work. As is representation across minority and disadvantaged groups to reflect the community we serve.	<ul style="list-style-type: none"> Team members Investors and shareholders 	
Nature and biodiversity Loss of biodiversity and risk of deforestation are seen as both a risk and opportunity. With increasing regulation and disclosure trends this is seen as an area requiring increased focus in the short term.	<ul style="list-style-type: none"> Investors and shareholders Government/Regulators/NGOs/Industry Associations 	
Future of work and workforce transition Concerns include preparing the current and future workforce with skills required for digital transformations. Also addressing the impacts of trends towards contract labour and casualisation of the workforce. These are significant issues that Woolworths Group will need to consider and respond to in the near term.	<ul style="list-style-type: none"> Team members Investors and shareholders 	
Organisational resilience Experience of the last two years through COVID and natural disasters has highlighted the need for essential services businesses to be resilient and increase preparedness for the next major event. This extends beyond business and into community support and responses.	<ul style="list-style-type: none"> Investors and shareholders Suppliers and partners Team members Government/Regulators/NGOs/Industry Associations Customers 	
Corporate conduct, ethics, integrity and transparency This year, concerns over underpayments were noted as were recurring topics of privacy and monetisation of data. Stakeholders are expecting Woolworths Group to maintain integrity and 'do what it says it will do'. Expectations are also growing for Woolworths Group to use its scale and voice to influence public policy.	<ul style="list-style-type: none"> Investors and shareholders Suppliers and partners Communities Government/Regulators/NGOs/Industry Associations 	
Responsible service of alcohol and tobacco Stakeholders expect Woolworths Group to encourage and promote responsible retailing of products and services including alcohol, tobacco and gaming. The demerger of the Endeavour Group has not altered expectations in these areas.	<ul style="list-style-type: none"> Customers Investors and shareholders Communities Government/Regulators/NGOs/Industry Associations 	

How we create value

Our value drivers

Customer services

Connecting customers with good food and more everyday through convenient stores, services, seamless digital experiences and a leading loyalty program

Team

A diverse and inclusive team which reflects the diversity of the communities in which we operate

Trusted brands and products

Providing the best range and value, freshest produce and everyday needs for our customers in Australia and New Zealand

Retail platforms

Leading technology, digital and analytics enabled platforms delivering value for the Group and our partners

Financial

Strong balance sheet and disciplined capital allocation to drive sustainable growth and shareholder value

Our business activities

Working together to create ...

B2C Food



Stores



eCommerce



Products



Digital & data



Supply & fulfil



Network & property

Retail Platforms

As a Group, we are focused on creating sustainable long-term value for our customers, team members, shareholders, suppliers and the broader community by being purpose-led to **create better experiences together for a better tomorrow.**

More Everyday



Services



Needs



Rewards



B2B



International



Wholesale

B2B Food

... a better tomorrow

Value created

Customer

49

Group Voice of Customer NPS (June 2022)

22.7M

customers served on average per week

Team

15

Group Voice of Team (overall F22 score)

WGEA

Employer of Choice

Suppliers

55

suppliers across six priority categories engaged in scope 3 emissions program

52

Voice of Supplier (June 2022)

Community

\$41.4M

direct community contribution

50M

meals donated to OzHarvest since 2014

Shareholders

\$1,514M

Group NPAT¹ attributable to equity holders of the parent entity

92¢

F22 dividend per share



Overview



People



Planet



Product



Directory

¹ Continuing operations before significant items.





People

\$41.4M

direct community contribution

11.13

total recordable injury
frequency rate



Planet

31%

reduction in scope 1 and 2
emissions since 2015

100%

green electricity in
South Australia from
July 2022



Product

>10,000

tonnes virgin plastic packaging
reduction vs baseline from
targeted initiatives

>19M

pieces of free fruit
for kids

Our In



\$2.7M

invested in digital
accelerator programs

AWEI

Gold Tier status
achieved in 2021

11

Mini Woolies
opened in F22

100%

of supermarkets with
food rescue partners
as at 30 June

55

suppliers across 6
priority categories
engaged in scope 3
emissions program

10%

increase in food
rescue tonnes

100%

own brand whole shell
eggs cage free

#1

Australia's Healthiest
Supermarket Own Brands
third year in a row¹

100%

sustainably sourced
single product tea,
coffee, cocoa, sugar

mpact

¹ The George Institute for Global Health's FoodSwitch: State of the Food Supply report (2019, 2020, 2021) based on mean Health Star Rating compared with Coles, Aldi and IGA.



Overview



People



Planet



Product



Directory





People

We are building a better tomorrow for our people by demonstrating our care, creating a great place for them to be their best self, and paving their way to a brighter future. Our care for people is at the heart of how we support our communities through mutually beneficial partnerships and working with our suppliers to build a rights-respecting culture in our supply chain.



An Indigenous voice

As a company that supports the Uluru Statement from the Heart, embedding an Indigenous voice in the decisions we make is important to us.

Our First Nations Advisory Board, provides one of those voices to our management and our business generally. Made up of Indigenous team members, external Indigenous advisories and senior executives, who guide our engagement within our company and with Indigenous communities. This is just one element of our new reconciliation strategy.

Read more about our
reconciliation journey



First Nations Advisory Board

Be a truly inclusive workplace

Progress:



AWEI

Gold Tier status
achieved in 2021

First Nations

Advisory Board
established

11

Mini Woolies
opened in F22

Sustainable
Development
Goals:



Recent societal events, such as Black Lives Matter, have shed light on people's lived experience. We recognise the value diversity brings to our business, our customers and our community. We believe in creating a workplace that is safe and inclusive so every team member feels like they belong and can be their best self.

We recognise that individual identities of our teams are multi-faceted and many advocate for specific needs. Over the last year, we made good progress in improving gender equality, celebrating diversity, building organisational capability and promoting career pathways for diverse talent.

Despite our best intentions, we don't always get it right and have been publicly held to account. A big focus for us in 2022 was to refine our inclusion strategy, looking at Woolworths Group in the new era and inclusion more holistically. We want to openly value difference and bring an inclusive mindset to decision making. We will continue to build a culture where our team members feel like they belong, they mirror the diversity of our communities and we contribute to a more inclusive society by doing the right thing.

Gender equity

Gender equity at Woolworths Group is about enabling all team members to access and enjoy equal rewards, resources and opportunities regardless of gender. As F22 concluded, our senior leadership was 39% women, a 2% increase on F21, trending towards our 40:40:20 gender ambition. We are committed to pay parity and maintain less than 1% difference in gender pay in like-for-like roles.



We listen to our team and act on their feedback through **Voice of Team Advocacy (VOT)**. Reflective of the ongoing challenging global environment, our VOT score was 15, the same as F21.



Improving our accessibility

Woolworths Group recognises the societal barriers historically faced by people living with a disability and we are committed to playing our part to remove these barriers. We have been challenged on our progress by the Disability Royal Commission and acknowledge we have more to do. As a critical first step, in early F23 we will create a Group disability team network aiming to drive positive change by co-creating our approach towards developing our Accessibility Action Plan.

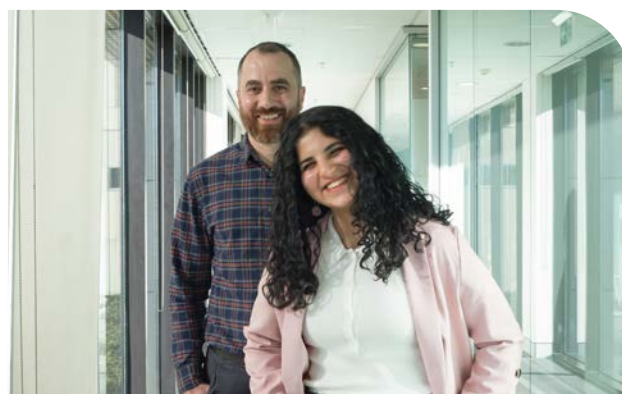
This year, our supply chain arm, Primary Connect, partnered with the Australian Network on Disability and others to enable warehousing roles for D/deaf¹ and hard of hearing candidates through safer and more inclusive workplaces.

Mini Woolies

The Mini Woolies program provides hands-on learning experiences for students and job candidates living with disability. Since its launch in 2018, over 1,000 people have participated in the program. Woolworths Supermarkets, partnering with Fujitsu, extended the program to encompass 14 sites this year, including schools, adult learning and inclusive recruitment centres. A further 25 Mini Woolies will be rolled out across Australia by June 2023 as it grows to be an important piece of our talent acquisition pipeline for people with disability.

Our Māori and Pasifika team

In New Zealand to support our work to increase the number of Māori and Pasifika team in leadership roles, we have established a Māori and Pasifika Talanoa (Committee). The Talanoa provides support in helping our team identify and remove any career barriers they may be facing and help Countdown build a more diverse leadership pipeline.



Building opportunities for refugees

Our Refugee Employment Program is delivered in partnership with Community Corporate, a diversity and inclusion social enterprise with proven experience in activating programs that make a profound economic and social impact. Since F18, this program has provided employment to over 200 refugees in Woolworths Supermarkets, Metro Food Stores and Customer Fulfilment Centres across NSW, VIC, QLD, SA and WA.

In April 2022, we launched the Refugee Digital and Technology Cadetship in Group IT, WooliesX and wiq (our bespoke analytics business). This program focuses on refugees with overseas qualifications and experiences, for career opportunities within our digital and technology business areas. Our target is to provide employment to 30 refugees by December 2023. Eight commenced their cadetship by the end of June 2022.

In New Zealand, Countdown partners with Bread Collective to support bakery skills development for Aotearoa's refugee community.

[Meet our new refugee digital and technology cadets as they join Woolworths Group](#)



LGBTQ+ aiming for platinum

In 2021, we achieved Gold Tier status in the Australian Workplace Equality Index (AWEI) for the fourth year, becoming a Platinum Qualifying business. Our AWEI Platinum Project, 'Painting Parramatta with Pride', delivered 2021 to 2022, is inspired by the research and recommendations of the report on Advancing LGBTQ+ Safety and Inclusion in Greater Western Sydney from Western Sydney University and ACON. Our hope is that our learnings from this project will enable us to implement similar initiatives in other locations, particularly those that struggle with safe spaces for LGBTQ+ people.

Countdown once again achieved the Rainbow Tick accreditation, and continues their partnership with RainbowYOUTH, making a \$25,000(NZD) donation and raising funds through customers' giving to support Aotearoa's queer, gender diverse, takatāpui (Māori term for LGBTQ+) and intersex youth.



¹ Upper case Deaf used indicate deaf from birth and lower case deaf indicates loss of hearing later in life.



Committed to reconciliation

Reconciliation is an important aspect of our Group purpose, to create better experiences together for a better tomorrow. We have been on a journey of reconciliation for over 10 years, with the launch of our first Reconciliation Action Plan (RAP) in 2011. Last year marked a step change in our approach informed by the 2021 Independent Panel Review (IPR) into a proposed Dan Murphy's store development in Darwin. While we have demerged from Endeavour Group, the IPR highlighted gaps in Woolworths Group's engagement with Indigenous communities, and has enabled us to listen and improve our approach to make a positive impact.

Following the IPR, we developed our reconciliation strategy, endorsed by the Woolworths Group Board. This strategy will enable the Group to leverage our strengths to drive meaningful actions towards reconciliation. It will complement the development of our second Innovate level RAP, our ongoing support for the Uluru Statement from the Heart, and guide the next chapter of our journey. Our strategy is centred around three strategic pillars:



Listen and learn

Proactively take the time to learn from First Nations peoples and build sustainable relationships based on mutual benefit and trust

Good governance and ways of working

Partner across the Group to embed our learnings, empower our teams and measure progress

Focus areas

Leverage our strengths to partner with others and make a tangible impact in Closing the Gap between Indigenous and non-Indigenous Australians

Foundations for reconciliation

F22 has seen us establish many foundational elements to embed and sustain this strategy across our business. This encompasses the establishment of our First Nations Advisory Board and the creation of dedicated roles to bring expertise to our new Indigenous Affairs team, including Adam Bray, a proud Iman man, into the new role of General Manager Indigenous Strategy and Affairs. We have also enhanced the ways we listen to and amplify the voice of Indigenous customers, communities and team members. Our leaders and teams have spent time listening to and building relationships with Indigenous communities and organisations across the Northern Territory, far north Queensland, and other parts of Australia.

Next year, we will continue our efforts to better understand the challenges facing remote Indigenous communities in relation to food security, affordability and nutrition. Importantly, in playing our part to improve these outcomes, we will work alongside government, industry, Indigenous organisations and communities.

With almost 5,000 Aboriginal and Torres Strait Islander team members, and our footprint across Australia, Woolworths Group remains committed to making meaningful and sustainable contributions towards enhanced social, cultural, political and economic empowerment of Indigenous Australia.

Focus area: Procurement

Woolworths Group is committed to investing in the growth and sustainability of the Indigenous business sector. We will provide support and mentoring to Indigenous businesses seeking opportunities across Woolworths Group. In F22 we updated our Procurement Policy with special conditions to increase Indigenous engagement and launched our internal Indigenous Business Directory. We participated in Supply Nation's 'Connect' event as an exhibitor, meeting Indigenous businesses and industry leaders, building our connections and relationships.

Our 2025 target, from F23, is 3% of our non-trade influenceable spend with Indigenous suppliers.

Shawn Andrews, proud Mununjali Minguinberri man, shares his Dhuwa Coffee story



Create meaningful retail careers for today and tomorrow

Progress:



\$2.7M

invested in digital accelerator programs

>45k

new team members under age of 25

8

refugees commenced digital cadetship

Sustainable Development Goals:



Technological innovation is spearheading the future of retail, and our customers are embracing different avenues to access products and information. As we too evolve in this context, we want to empower our team members with opportunities to help them feel comfortable with change and equip them with new skills to excel.

The retail industry continues to be transformed by technological advances in automation, predictive analytics, artificial intelligence and cloud computing. These changes are helping us better meet the needs of our customers, while at the same time fundamentally changing the nature of day-to-day work across Woolworths Group.

In February 2021, we launched the Woolworths Future of Work Fund to upskill, reskill and redeploy team members impacted by industry disruption and technological change. The fund commits \$50 million over three years to help equip our team with new skills and capabilities.

From launch through to the end of F22 we have invested \$9 million in Future of Work programs, covering multi-skilling store teams and investing in digital capabilities, including:

- the launch of the Refugee Digital Cadetship delivered in partnership with Community Corporate (see [page 19](#))
- investment in three reskilling pilot programs for high demand digital roles, including user experience and user interface design, product management and software engineering
- implementation of multi-skilling programs in all stores, including an eCommerce program completed by 5,500 team members. This is complemented by enhanced rostering, resource planning and store planning rhythms that increase certainty of work for our store teams.

To set our team up for success in the increasingly fast-paced retail environment, we have delivered learning programs and modules, and also embed Agile ways of working across our store and support teams. We continue to invest in the Data4All program to build capabilities for our teams in data analytics.

Our team is critical to our success. In F23, we will continue to equip our frontline and support teams with the right skills for meaningful careers and enhance employability for both today and into the future.



Invest in the holistic wellbeing of our team

Progress:



11.13

Total Recordable
Injury Frequency Rate

▼ by 9%

>14K

team trained
in mental health
first aid

32,033

Sonder activations

Sustainable
Development
Goals:



In a year filled with disruptions, the safety of our team and our communities has never been more important. We care deeply about the physical, mental and psychological safety and wellbeing of our team and strive to create a culture where we support each other and it's okay to ask for help.

Caring for our team with Sonder

In 2019, we partnered with Sonder, connecting our team and their families to a comprehensive range of 24/7 care. Instead of asking team members to navigate individual, disconnected support services across safety, medical and mental health, Sonder is an all-in-one care network in the palm of their hand. Last year, we further expanded our use of Sonder, using a more holistic approach considering all aspects of a team member's life. We found that:

- over 50% of the time, our team members received help for issues connected to, but beyond, what's first presented
- 56% of our team who sought help reported they wouldn't have sought support at all without Sonder.

Over 31,000 team members have downloaded Sonder since launch, with 11,000 team members helped and 21,000 support cases raised. We will continue to raise ongoing awareness of support across the Group.





Living with COVID

In F22, we continued to support our teams and customers during COVID, informed by our Chief Medical Officer Dr Rob McCartney.

We assisted 68,908 team members to manage their own illness or care for others with access to special paid COVID leave. As part of our support of the national vaccine rollouts, our COVID Vaccination Leave Policy also provided team members with up to four hours of paid leave, per vaccination. 16,633 team members accessed this leave option in F22. In addition, for our casual and salaried team, we offered shift swaps or flexible working arrangements to enable attendance at vaccination appointments.

Aiming to keep our team members safe, we set up our own pop-up vaccination hubs, administered 12,342 vaccinations to team members and conducted 1.2 million rapid antigen tests at pop-up testing centres.

To provide team members with the safest possible work environment, and continue to supply the food and essential needs of our communities, Woolworths Group made the decision to implement a COVID Vaccination Policy, requiring all team members to be vaccinated or apply for an exemption. Currently, 99% of team members across the Group are double vaccinated.

In 2022, we have transitioned to 'living with COVID', continuing to follow government health advice and remaining vigilant to any changes as we continue to prioritise the health and safety of our team and customers.

Holistic wellbeing

The holistic wellbeing of our team is a primary focus for Woolworths Group. We are continually striving to provide best-in-class responses on team wellbeing, informed by experts on our Wellbeing Advisory Council.

In F22 we:

- provided 14,000 team members with mental health training to recognise and support mental health issues
- partnered with Mindstar (our wellbeing partner), to conduct over 137 group resilience sessions and wellbeing check-ins for 306 team members
- assisted 869 team members through Good Shepherd (our financial wellbeing partner) providing no fee, interest free loans, grants, gift cards and financial counselling to those in need.

Support in times of floods

During the devastating floods across the east coast we assisted our team by:

- covering rosters and wages for those from stores that closed; and providing transfers to nearby stores
- paying natural disaster leave to over 3,500 of our team who were unable to attend work
- providing temporary accommodation, gift cards and care packages of essential items
- giving financial assistance to over 230 team members whose homes were damaged, plus interest free loans from our partners at Good Shepherd
- delivering health, safety and wellbeing support through our partners Sonder and Mindstar.



Our F22 **Total Recordable Injury Frequency Rate** was 11.13, an improvement of 9%. We introduced **Severity Rate**, a holistic measure including all injuries for team and customers, and incidents with high potential for serious injury. Our F22 **Severity Rate** was 1.74, an improvement of 10%.

F22 Voice of Team was 15, see [page 18](#).

Activate ethical and mutually beneficial partnerships through the whole value chain

Progress:



52

Voice of Supplier

▼ by 5

80%

high-risk horticulture suppliers audited based on cost of goods to the Group

\$1M

in repayments has been, or is in the process of being, returned by suppliers to > 990 workers across our supply chain

Sustainable Development Goals:



Modern Slavery is a global issue with ~16 million¹ people in forced labour in the private economy. We are working with our suppliers to build a rights-respecting culture where modern slavery risks are identified, managed and mitigated.

Our Human Rights Program has been in place for five years and underpins the work we do with our suppliers to build a rights-respecting culture. It is our approach to managing human rights risks to people across Woolworths Group's supply chain and covers a range of labour rights issues. Our Program is informed by the United Nations Guiding Principles on Business and Human Rights, our Group Risk Management Framework and the Board approved Group Risk Appetite Statement, which identifies human rights as a level one risk, meaning we work 'towards zero' and aspire to eliminate these risks.

The Program covers four key elements:

Responsible Sourcing Program — focused on safeguarding the rights of workers in our supply chain through risk-based supplier segmentation and due diligence

Bespoke and targeted risk-based workstream — strategic workstream designed to target specific modern slavery risks, focused on industry and country specific due diligence and targeted mitigation plans, including supplier capability building, advocacy and industry memberships

Partnering across our ecosystem — framework to inform our due diligence approach with controlled entities and commercial partnerships

Grievance and investigations — principles and procedures for responding to grievances in a timely manner and prioritising efficient and effective remediation where applicable

¹ International Labour Office (ILO), Global estimates of modern slavery: Forced labour and forced marriage, Geneva, 2017.



Our progress in F22

This year, we progressed or completed:

- a roadmap and pilot on labour costing in the BIG W apparel supply chain as part of our work with ACT on responsible purchasing practices
- our Sustainable Cotton Policy which was developed and published
- supply chain traceability in a number of extreme risk commodity areas, including cotton
- a review of our Responsible Sourcing Policy and Standards to continually improve the effectiveness of our program. This process incorporated the publication of two new Addendums to address three indicators of modern slavery – withholding of passports, payment of recruitment fees, and child labour. The Responsible Recruitment Addendum and Child Labour Addendum deliver clear implementation guidance for our suppliers on our expectations and commitments for the protection of human rights in our supply chain.

Through our influence, and with our oversight, suppliers have delivered tangible outcomes for workers in our supply chain, which includes:

- monitoring supplier repayments of \$184,000 to 722 workers in our cleaning and trolley supply chains across Australian and New Zealand
- approximately \$805,000 has been, or is in the process of being, returned to at least 285 migrant workers in Malaysia who had paid recruitment fees in source countries.

Partnering for human rights

We believe in the power of partnerships to enhance our approach and contribute to industry-wide change. In F22 we:

- formalised a partnership with the Retail Supply Chain Alliance to collaborate and safeguard the welfare of workers in our horticulture supply chain. This includes forums and workshops to enhance awareness of challenges and promote positive outcomes for all workers
- joined the Consumer Goods Forum Human Rights Coalition. One of the key projects of the Coalition is responsible recruitment in Malaysia, providing an opportunity to partner with other retailers to scale industry-wide change and manage risk in this area.



View the [2022 Modern Slavery Statement here](#)



Looking ahead

This year, our Human Rights Program was shortlisted for the Thomson Reuters Stop Slavery Award in recognition of our continuous improvements. Whilst we are proud of the progress we have made, we recognise there is much more to do. Our F23 priorities include:

- continued focus on improving supply chain transparency and traceability with our cotton suppliers
- undertaking our second forced labour risk assessment so that our program of work continues to identify and focus on high priority areas
- a dedicated stream of work focused on developing our strategic approach to move beyond audit and embedding worker voice into our program.

The Woolworths Group's 2022 Modern Slavery Statement delivers a detailed report on the progress of our Human Rights Program, expanding on the information shared here.



Voice of Supplier
overall score of 52.

Woolworths Food Company was ranked the No.2 retailer on overall performance with a net favourable score of 36; an increase of one from F21.

Have a positive impact on our customers and communities

Progress:



\$41.4M

direct community contribution

▲ \$34.9M

1.85%

of EBT on a rolling two-year average

\$13M

funding raised from customers for charity

▼ \$1.1M

Sustainable Development Goals:



We are at the heart of our communities across Australia and New Zealand and are determined to make a positive impact. We invest in local programs, and expand our partnerships to support communities in need and provide relief in times of natural disaster.

Standing with our communities

Woolworths Group
S.T.A.N.D
Support Through Australian Natural Disasters

Woolworths Group's Supporting Through Australian Natural Disasters (S.T.A.N.D) program aims to help our communities, particularly in times of natural disasters. Through financial support, proceeds from our S.T.A.N.D Spring Water, our customers' generosity and our partners, The Salvation Army, Rural Aid, Foodbank and Lifeline, communities are also supported with disaster preparedness, response, recovery and resilience.

Funds raised through our S.T.A.N.D program this past year, including our annual donation of \$500,000, are essential to help The Salvation Army respond when natural disaster strikes.

During east coast floods in March 2022, it was demonstrated once again the power partnerships have in positively impacting our communities. At this time, the Salvation Army served over 40,000 meals and refreshments to evacuees and first responders in 25 evacuation centres. In addition, the \$784,000 donated by our generous customers to The Salvation Army's Flood Appeal assisted in helping over 28,000 households and providing over 25,000 recovery grants.



The Salvation Army

18,845

people assisted who have been impacted by natural disaster



Lifeline

Lifeline

123,350

calls for help taken



Foodbank

360,652

meals provided

Support made possible in F22 through Woolworths Group S.T.A.N.D funding. These values represent contributions during times of natural disasters. Overall partnership contributions are higher.



Rounding up for good

In F22, Woolworths Supermarkets continued to offer customers a solution to give back to their communities and donate to charity organisations by rounding up their payments. We thank our customers for donating those extra cents which added up to over \$6.3 million, making a real difference to our charity partners such as OzHarvest, Variety – the Children's Charity and Good 360.

Fostering sustainable farming

In F22, the Woolworths Organic Growth Fund delivered \$1,140,000 in grants and interest-free loans to organic growers, including Gurra Downs Date Company in South Australia. Our support for the family-owned organic date farm will boost production capacity through new machinery, aiming to increase the availability of Australian-grown dates. This Fund, together with the Woolworths Dairy Innovation Fund, supports sustainable farming projects across the country.

Meet Ian Cathels, recipient of Woolworths Organic Growth Fund



Partnering to share the dignity

Since 2019, Woolworths Supermarkets has partnered with Share the Dignity to help address period poverty. Dignity Drives, held each March and August, aim to raise awareness and encourage customers to support this unseen plight.

For every period care product sold during our Dignity Drives, we donate 5c to Share the Dignity. The over \$2 million raised since our partnership commenced has funded the installation of over 100 Dignity Vending Machines, providing period products to those in need, discreetly and free of charge.

In F22, more than 178,500 new period care products were collected from customers in store. Since 2019, a total of 576,351 products have been donated to local community services helping women and girls in need.



Eco-champions of the future

In June 2022, Woolworths Junior Landcare Grants were awarded to 1,054 Primary Schools and Early Learning Centres to help grow our future environmental champions. These grants (up to \$1,000 each) fund hands-on projects focused on sustainable food production, improving waste management and enhancing native habitats. The F22 program is set to engage more than 100,000 children all around the country. The program has now funded more than 3,800 projects, worth more than \$4 million, since the program started in 2018. In May 2022, we also supported the development of 10 First Nations activities for the online Junior Landcare Learning Centre, designed to help bring First Nations perspectives into the home and classroom.

Supporting our charity partners

Woolworths Group has a long-standing history working with our community partners creating positive impact and helping create a better today and better tomorrow.

WA

Telethon

Telethon is much loved for the impact it has made to the health and wellbeing of children and families in WA. Since 2013, our team and customers have raised over \$4 million to help West Australian kids, via the 97 WA beneficiaries supported by Telethon.

NT

Variety, the Children's Charity

In the five plus years of our partnership with Variety NT we have raised more than \$240,000. These funds have been used for grants, scholarships, experiences and programs, such as a free learn to swim program for kids with a disability.

QLD

Children's Hospital Foundation

Woolworths has supported the Children's Hospital Foundation since 1986, following a hospital tour by Reg Clairs, Woolworths CEO at the time. Since that time more than \$60 million has been raised by our customers and team for life-saving equipment, research and support services.

NSW

Variety, the Children's Charity

Our partnership with Variety NSW commenced in 2013 and has raised more than \$13 million to date. In F22 Woolworths funding underpinned the Variety Just Like You program, a free disability awareness program for primary schools students, and granted 1,171 pieces of vital education technology equipment.

SA

Variety, the Children's Charity

Since 2016, our team and customers have raised more than \$1.5 million for Variety SA. This supports kids to gain mobility, get out and about in the community, communicate, achieve independence and increase their self-esteem.

VIC

Good Friday Appeal

Woolworths has raised more than \$26 million since 1987 for the Good Friday Appeal. The Appeal raises funds for The Royal Children's Hospital, Victoria's major children's hospital including the Child Life Therapy and Comfort Kids programs, designed to provide support to help life remains as normal as possible for children and young people in treatment, and their families.

TAS

St.Giles

Woolworths established a partnership with St.Giles in 2021 to help Tasmanian children access equipment and programs not funded by the National Disability Insurance Scheme. Our support assists children with disabilities and neurodiversity.

NZ

Growing for Good

Now in its fourth year, Countdown's Growing for Good grants provide financial support for schools pursuing sustainability projects. In F22 we selected nine inspiring school-based projects that will receive a total of just over \$63,000 (NZD) in funding.



cash donations¹**\$26.3M**in kind¹**\$15.1M**direct
community
contribution**\$41.4M****1.85%**of EBT on a rolling
two-year averageleveraged
fundraising**\$13.0M**

¹ Cash and in kind donations have been verified in line with the B4SI framework www.b4si.net

BIG W and The Breakfast Library

The Breakfast Library is delivered by the Australian Literacy and Numeracy Foundation (ALNF) in partnership with BIG W and Woolworths Supermarkets. The program supplies at-risk children with a nutritious breakfast, whilst boosting their literacy development, providing access to high-quality, age-appropriate literature. Following a successful pilot in NSW, supporting around 800 students weekly, plans are underway to expand the Breakfast Library nationally. BIG W will contribute approximately 30,000 books for children to further develop their reading skills.

BIG W spreading joy

Partnering with TerraCycle, BIG W's Toys for Joy is a first of its kind toy recycling program aimed at reducing landfill by providing families with an accessible disposal alternative. Following a successful year-long trial with 18 tonnes of old toys collected, 2022 saw Toys for Joy expand across BIG W stores nationally.

See how we're partnering to recycle old toys into play equipment



Food for Good Appeal

In response to the mental health impact of COVID lockdowns, Countdown launched its Food for Good Appeal. Our teams chose to fundraise for a local mental health cause or The Mental Health Foundation of New Zealand, which supports more than one million Kiwis annually. Through the appeal, Countdown and our customers donated \$291,000 (NZD) to mental health charities with a grassroots focus, including local grief counselling, family violence services, youth mentoring and more.

Planet



Our planet's water, atmosphere, carbon and soil are all connected to the sustainability of our food systems. Solving the huge challenges associated with climate change, as well as issues such as deforestation and biodiversity loss will require an unprecedented transformation in the way our value chain operates. We are committed to accelerating our efforts and to partner with our suppliers, customers and industry to tackle these challenges.



Food has no place in landfill

To help us achieve our ambition of keeping food out of landfill, we partner with organisations such as OzHarvest, Foodbank and WIRES to create positive impacts not only in saving food from being wasted, but seeing that it goes to those who need it most. Discover some of the ways we're working with partners and the community to limit food waste.

[See our partnerships in action](#)



OzHarvest

Climate change strategy

We are committed to reducing our emissions footprint in line with our Sustainability Plan 2025, improving our operational resilience and adapting to the predicted effects of a changing climate. Our climate change strategy determines our approach, and is approved by the Woolworths Group Board.

Our strategy focuses on delivering our commitments and effectively managing climate risk. The strategy's end-to-end approach, centred on five pillars (outlined on [page 33](#)), considers the implications across our value chain and impacts on our external stakeholders.

Climate-related risks and opportunities are identified through the Woolworths Group risk management process in line with our Risk Management Framework (RMF). The Risk Committee has oversight of the RMF and the Group risk profile. Governance is supported by the Woolworths Group Executive Committee and relevant committees and forums across the Woolworths Group.

Specific oversight of climate risk is managed by the Board Sustainability Committee. The Sustainability Committee monitors progress against the strategy, and is responsible for reviewing and endorsing our targets to manage actual or potential climate-related impacts to the Group.

See the [2022 Annual Report](#) for our update on Task Force on Climate-Related Financial Disclosures (TCFD).

Building our resilience

It is now clear that climate impacts are being felt, with the 2019–2020 summer bushfires exacerbated by extreme heat and underlying drought conditions.¹ We have already made progress adapting to the current effects of climate change.

Climate risk assessments and store-level engineering reviews have identified more than a dozen potential impacts and risk mitigation measures such as:

- designing stores in the monsoonal north to withstand cyclone risk
- adding backup generation to high risk stores
- increasing stormwater capacity
- harvesting rainwater in high stress water areas
- ventilating plantrooms to assist cooling equipment during heatwaves

- avoiding low-level plantrooms to mitigate against flooding
- installing flood barriers in stores in flood prone areas.

Within our supply chain, our Townsville distribution centre (DC) was commissioned in consideration of the risk of this region becoming isolated due to extreme weather.

During the autumn flooding in Queensland this year the DC was able to keep local supermarkets stocked while supply routes were interrupted.

Our focus for the next 12 months will be on the commencement of climate change resilience plans for our logistics networks and continuation of physical resilience in our stores.

¹ <https://www.worldweatherattribution.org/bushfires-in-australia-2019-2020/>



Five pillars of our climate change strategy



Reduce and green our power use

- Implementing energy efficiency improvements across our network of stores and offices, and optimising new design and construction across our distribution centres to reduce electricity consumption
- Sourcing 100% green electricity across the Group by 2025. Our green electricity progress is covered in Planet Goal 1 on [page 38](#)



Introduce low-carbon tech and practices

- Continually upgrading our store network to low global warming potential (GWP) refrigeration systems
- Testing zero emissions transport solutions across parts of our fleet covering trucking refrigeration, home delivery, store vehicles and charging, and trolley collection. See [pages 35 and 37](#) for selected case studies



Increase resilience in our value chain

- Assessing climate risks and opportunities associated with physical, transition and food security risk, and how these impact our customers, suppliers and operations. See the Understanding Climate Risk section of the [2022 Annual Report](#)
- Adopting resilience measures to address acute and chronic physical risks, see [page 32](#)
- Working with our suppliers to increase food production resilience, in conjunction with our nurturing nature strategy. See Planet Goal 4 on [page 42](#)



Support industry, customer and team carbon neutrality

- Enabling our customers and team to reduce their emissions: [Green Delivery Windows](#) allows customers to choose a time when deliveries are scheduled in their neighbourhood, reducing fuel and emissions. Our customers also have further opportunities through our Origin Everyday Rewards Plan, which provides 25% Green Power for electricity customers and 100% of gas emissions offset through [Climate Active](#)
- Supporting suppliers in their own decarbonisation efforts. Our value chain emissions pilot is our first formal step toward addressing scope 3 supplier emissions, see [pages 36 to 37](#)



Support community climate change resilience

- Providing direct support for natural disaster affected communities through our Woolworths Group S.T.A.N.D program. See People Goal 5 on [page 26](#)
- Mitigating the impact of store closures and maintaining stock where needed through physical store and network resilience



Net positive carbon emissions by 2050

Progress:



2.01M

tonnes of scope 1 and 2 emissions
▲ by <1%

55

suppliers across 6 priority categories engaged in scope 3 emissions program

5

4 or 5 Star Green Star rated buildings certified in F22

Sustainable Development Goals:



Addressing the impact of climate change is critical both locally and globally. We know we can do more, so we aspire to become a net positive business, partnering to take more carbon out of the atmosphere than we produce.

Acknowledging our significant footprint across Australia and New Zealand, we are taking an end-to-end approach to decarbonisation, which informs our management of climate risks and opportunities to mitigate.

Operational emissions reductions

Scope 1 and 2 emissions are those directly within our operational control. Our material scope 1 emissions sources include fugitive synthetic refrigerants, transport fuel for our fleet cars and home delivery trucks, and natural gas. Our scope 2 emissions are those associated with electricity use across all stores, distribution centres and offices. Scope 2 electricity emissions make up the largest part of our operational footprint.

Woolworths Group is currently committed to achieving a 63% reduction in emissions from our operations by 2030. This target was ratified by the Science Based Target initiative (SBTi) in 2020, and is currently under review. SBTi is an independent global body formed by the United Nations Global Compact, CDP, the World Resources Institute and the World Wildlife Fund for Nature. The SBTi assesses and approves companies' targets through a scientific lens, ensuring alignment with the Paris Agreement goal of limiting climate change to an increase of 1.5 degrees above pre-industrial levels.

Our annual emissions this year reflect the updated operational boundaries of Woolworths Group, including the demerger of Endeavour Group and the acquisitions of PFD Foods and Quantum, and are recalculated for earlier years. We have also included a revision of emissions sources in line with the National Greenhouse and Energy Report Act, and revisions to refrigerant GWPs as reported in the 2021 AR6 report. Accounting for the above changes, our absolute emissions year-on-year have increased marginally by <1%. This is due to one-off increases in the factors used to calculate emissions from refrigerants¹, and the inclusion of additional minor emission sources for the first time, primarily related to scope 1 fuel usage (eg LPG used in materials handling equipment). Conversely, year-on-year change in scope 2 electricity use shows a continued decrease, with Australian supermarkets and BIG W both continuing to reduce emissions through energy efficiency initiatives.

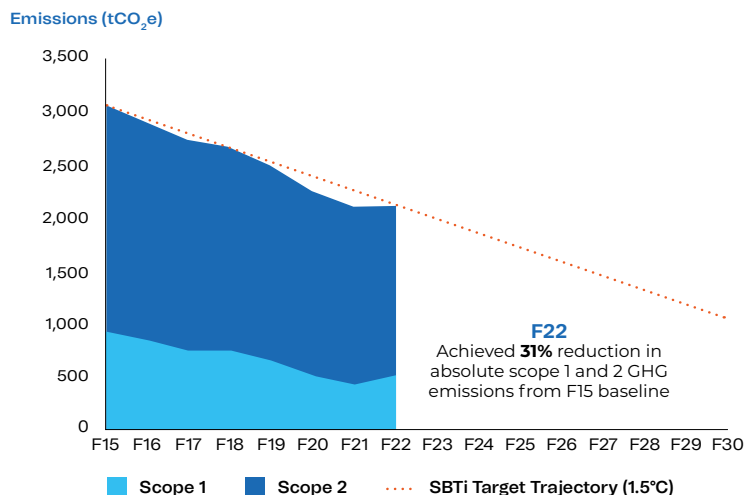
¹ IPCC, Climate Change 2021: Sixth Assessment report AR6.



Our F22 emissions of 2.01 million tonnes CO₂e are 31% below our 2015 baseline, continuing to progress toward our 2030 SBTi target.

Progress on SBTi target

(63% reduction in absolute scope 1 and 2 GHG emissions by F30 from F15 baseline)

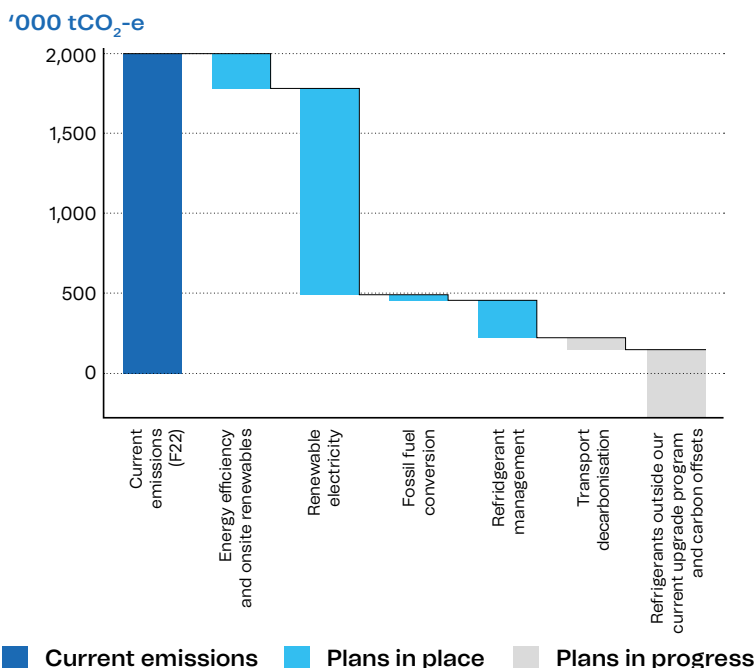


The SBTi requires that organisations regularly review their progress and baselines. As our ecosystem evolves, we will review any changes and determine if emissions baseline changes are material and require recertification of our targets.

Our pathway to net positive (scope 1 and 2) includes a number of key initiatives: energy efficiency, renewable energy sourcing and generation, refrigeration upgrades and transport decarbonisation. These, discussed on page 37, contribute directly to reductions in energy use and emissions as outlined in the chart below.

Our remaining operational emissions consist of refrigerants that are difficult to replace, and fuel consumption related to backup generation. As new opportunities are identified, we will integrate these into our plan. Where direct reductions remain impractical, use of carbon offsets will be considered. Any use of offsets will be in line with SBTi guidelines and subject to an internal due diligence process to ensure adequate environmental, social, cultural and economic co-benefits are achieved.

Pathway to net positive



Emissions reductions in store

Our energy efficiency initiatives continue to deliver year-on-year reductions on store energy use. These initiatives include refrigeration upgrades, more efficient equipment, LED lighting, and store retrofits such as fridge doors. In F22, over 1,000 energy initiatives were implemented across the Group. We also monitored energy consumption through our Energy Management Centre, enabling real-time tracking to pinpoint peaks and patterns to support reduction interventions.

Refrigeration is our top priority as it plays a critical role in food quality, and refrigerant gas leakages represents our second largest source of emissions following electricity. Over F22, we continued to install new transcritical CO₂ systems, now covering 73 stores, up by 21 this year, through replacements, upgrades and new store installation. Transcritical systems are considered a better, lower-emissions option for refrigeration systems, estimated to save each store 100 tonnes of CO₂e annually. We also worked on our management of leaks through early detection.








Green Star design

Green Star buildings are built for high resource efficiency and better productivity. Woolworths Group has committed to all new property developments achieving a 4 Star Green Star. By 2025, we aim to have a 5 Star Green Star minimum standard.

Our Heathwood DC, opened in Queensland, is targeting a 5 Star Green Star certification for sustainable buildings. If successful, it will be the Group's first 5 Star Green Star DC in the state. The build features 2.5MW of solar (the largest installed by the Group to date), a stormwater detention tank to capture up to three million litres of rainwater, and provision for electric cars and trucks. To support the local ecosystem, together with long-term development partner LOGOS, we are installing native bee colonies on-site which borders neighbouring bushland. F22 also saw us open our first 5 Star Green Star supermarket in New Zealand, Countdown Waiata Shores, together with two 4 Star Green Star DCs.

Understanding the emissions in our value chain

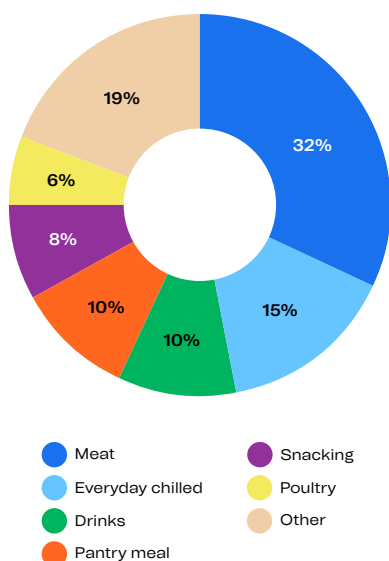
The majority of Woolworths Group's emissions are generated within our value chain – from agriculture, the production of raw materials, manufacturing of products, and transporting finished products to our DCs and stores. These scope 3 value chain emissions are calculated to be approximately 14 times greater than both our scope 1 and 2 emissions combined. We acknowledge the scale of this challenge, and this year have improved our measurement of emissions across our entire value.

Category number ¹	Description	Scope 3 footprint	Actions underway
Scope 3 Upstream	1  Purchased goods and services	84.8%	Supplier engagement pilot via THESIS powered by SupplyShift. See page 37 for our value chain emissions program
	2  Capital goods	2.8%	Green Star ratings of new development incorporate lifecycle assessments to reduce embodied emissions
	3  Fuel and energy related activities	0.7%	Reductions occur in line with overall greening of the national electricity grids
	4  Upstream transportation and distribution	2.1%	
	5  Waste generated in operations	0.4%	Woolworths 360 implementing organic waste processing; ongoing improvements to supermarket and other property waste contracts
	6  Business travel	<0.1%	
	7  Employee commuting	1.1%	
	8  Upstream leased assets	1.1%	Property teams work with landlords to specify best practice end-of-life HVAC upgrades
Scope 3 Downstream	9 11  Downstream transportation and distribution, use of sold products, end-of-life treatment of sold products, franchises	7.0%	Customer education programs, Origin Energy partnerships, and trial of electric trolley collection vehicle

1 Greenhouse Gas Protocol, Corporate Value Chain (Scope 3) Accounting and Reporting Standard.



Category 1 Australian food products



Value chain emissions program

We are currently committed to achieving a 19% reduction in value chain emissions by 2030. This target was ratified by SBTi in 2020 and we are in the process of submitting an updated target for re-validation. We are approaching how we achieve this target systematically – first seeking to understand the areas in which our scope 3 footprint is concentrated. Splitting this by product category enables us to prioritise our work in areas where we believe there is the greatest potential for material emissions reduction.

Many of Woolworths Group's suppliers have already set their own independent targets to reduce emissions. In June 2022, we invited 55 suppliers (across Australia and New Zealand) to trial a new program providing them with insights to prioritise their own emissions work and giving us visibility to determine key focus areas. These suppliers are from the six priority categories that represent 80% of food product emissions. We are partnering on this program with The Sustainability Consortium (TSC), a global non-profit organisation, to collaboratively use a science-based decision tool, THESIS, to capture the emissions data. Following a review of the trial, we plan to progressively expand the reach of the program, giving all suppliers the opportunity to join an annual cycle of measurement and improvement.

In partnership with our suppliers, industry and government, we intend to identify short-term opportunities for reduction across the value chain, and those requiring additional support and innovative solutions over the longer term. This understanding will form the basis of our value chain emissions reduction strategy, that we will detail in future reports.

We have made material improvements in our data coverage this year and will report holistically on progress against our scope 3 target from F23.

Hear how we're reducing emissions across our business



THESIS powered by SupplyShift

THESIS is an interactive tool that highlights environmental and social issues relevant to a product category and identifies improvement practices and key performance indicators to track performance. A key attribute of THESIS is the ability for Woolworths Group to understand where our value chain is positioned today on key environmental and social impacts, including emissions. It is used globally by other retailers enabling suppliers to use a consistent tool to share their emissions information.

Decarbonising transport opportunities

We recognise the need to decarbonise our transport and logistics operations, which represent a small but visible part of our direct emissions with customers increasingly taking advantage of home deliveries. Across our supply chain operations, trucking and other freight emissions also represent a material part of our supply chain footprint. We are trialling lower emissions options:

- Primary Connect has deployed a truck trailer designed to reduce emissions and provide quieter trucking. The e-axle trailer uses kinetic energy produced by the trailer's turning wheels and axle, harnessing it to feed electricity into the on-board battery. This battery then powers the trailer's refrigeration system, reducing the truck's overall emissions. A single trailer is estimated to save over 5,000 litres of fuel or 14 tonnes of CO₂-e annually
- two electric vehicles – BEV and TREV – are delivering groceries to Woolworths Supermarket online customers in Sydney and Melbourne.

Within our value chain we are exploring zero emissions transport opportunities with our carriers. In September, our logistics arm Primary Connect in partnership with Linfox launched what is the only Volvo FL electric vehicle in Australia fitted with refrigeration, operating out of our Melbourne Fresh DC.

100% green electricity by 2025

Progress:



100%

green energy in
South Australia
from July 2022

175

sites with solar

2%

reduction in grid
electricity consumption

**Sustainable
Development
Goals:**



We are one of the largest users of electricity across Australia and New Zealand, and our electricity use represents the majority of our operational emissions footprint. Our goal to be 100% powered by green electricity will make a significant positive change to Australia's energy mix, and includes utilising our own rooftops where possible, and investing in new large-scale renewable energy projects.

Solar

To support our transition to 100% renewable electricity, Woolworths Group is continuing its solar panel rollout. By installing solar onto our store and DC rooftops, we generate renewable power that can be used to offset our grid requirements. Our Heathwood DC, opened in April, includes our largest installed rooftop system to date with 2.5MW of solar. In May, our Conder store in the ACT became the 150th Woolworths supermarket generating electricity from solar across Australia. Our Townsville DC, upgraded in 2019, included an oversized solar system which we now utilise to supply nearby Woolworths supermarket and BIG W stores with excess power through a peer-to-peer energy trading arrangement. This is a glimpse into the future of distributed energy generation in Australia and allows us to supply stores that don't have access to allow rooftop solar.

Our total rooftop capacity now exceeds 33MW – that's more than 90,000 solar panels.



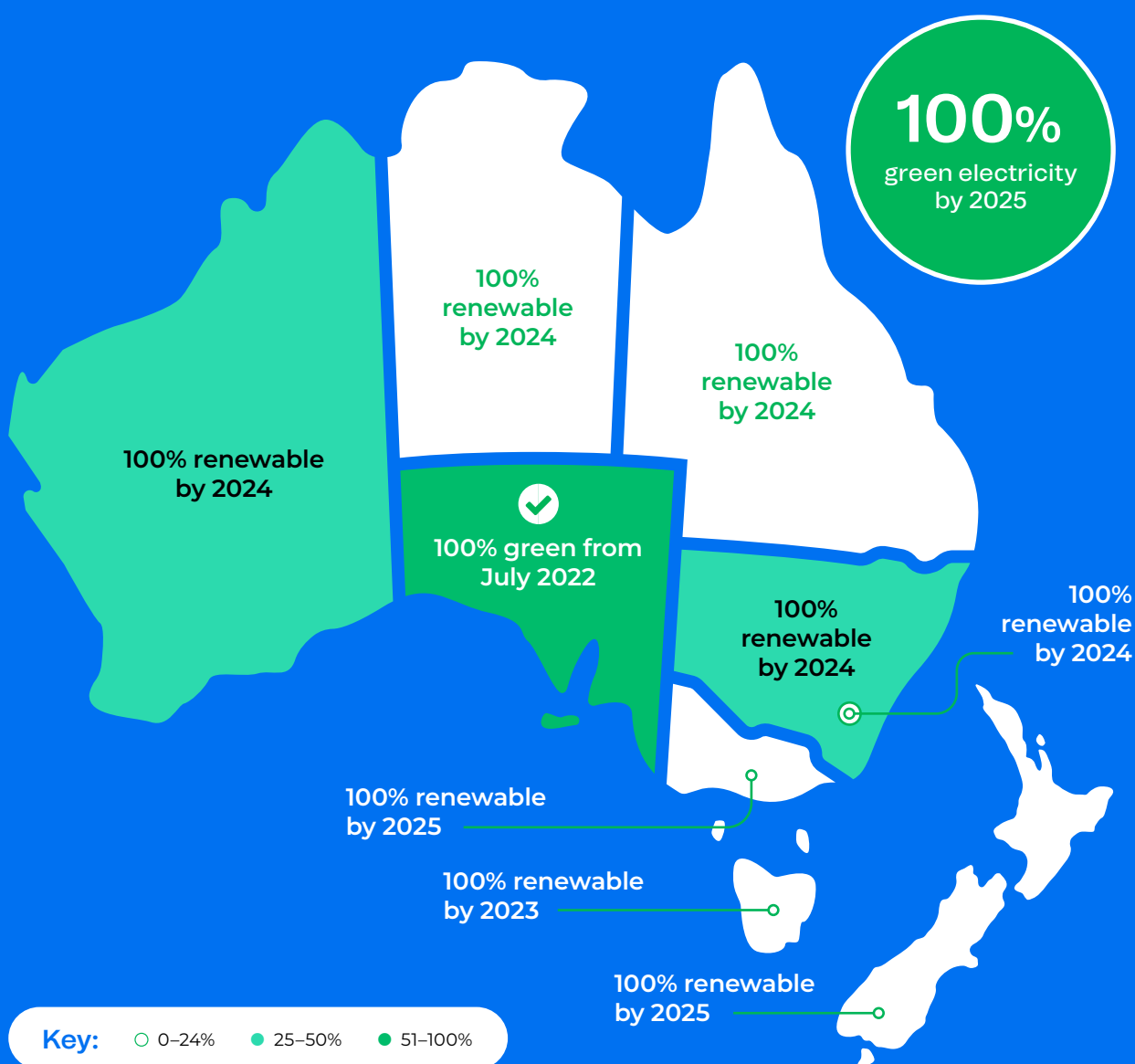
Investing in the renewable energy sector

Our primary approach to investing in renewables prioritises investment in new renewable energy generation to grow the availability of green electricity for businesses and the community, and provide new jobs in a sector that requires significant growth to meet growing demand for clean energy.

This year saw our first major renewable power purchase agreement (PPA) energised in Bango NSW, supplying about 30% of our electricity needs in the state. The new wind farm generated over 100 jobs in its construction and operation, and provides rent back to local landholders hosting wind turbines.

In May 2022 we signed an agreement with Iberdrola Australia to supply 100% renewable electricity to provide all of our energy needs in South Australia, covering 70 Woolworths supermarkets, 17 BIG W stores and our Adelaide Regional DC. The Port Augusta Renewable Energy Park hosts 50 wind turbines and 250,000 solar panels working in tandem to supply round the clock energy.

The map below shows our progress across Australia and New Zealand toward our 100% green electricity by 2025 commitment.



Zero food waste to landfill by 2025

Progress:



10%

increase in food
rescue tonnes

>30M

meals provided via
our food rescue
partners in F22

100%

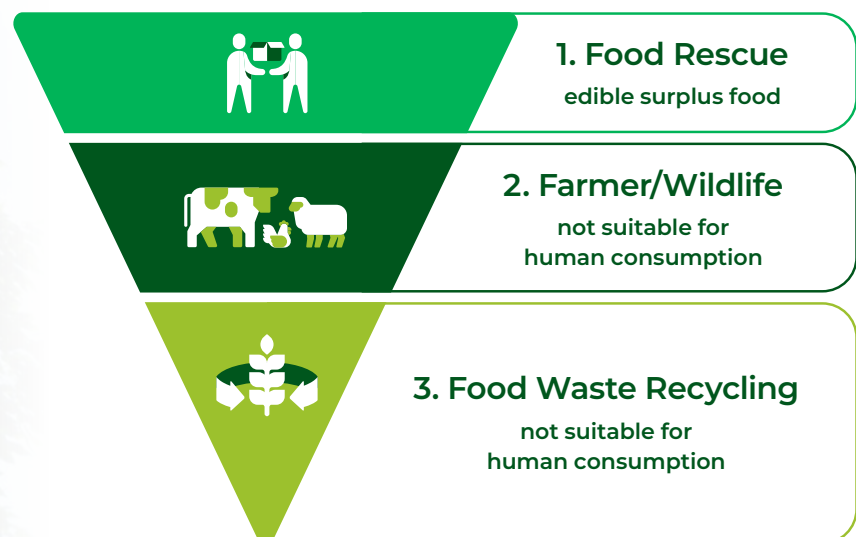
of supermarkets with
food rescue partners
as at 30 June

Sustainable
Development
Goals:



To feed a growing population and reduce landfill emissions, it is important to responsibly manage food waste. Through our partnerships and operational changes we are redistributing edible food and diverting other food waste to animal feed or food waste recycling.

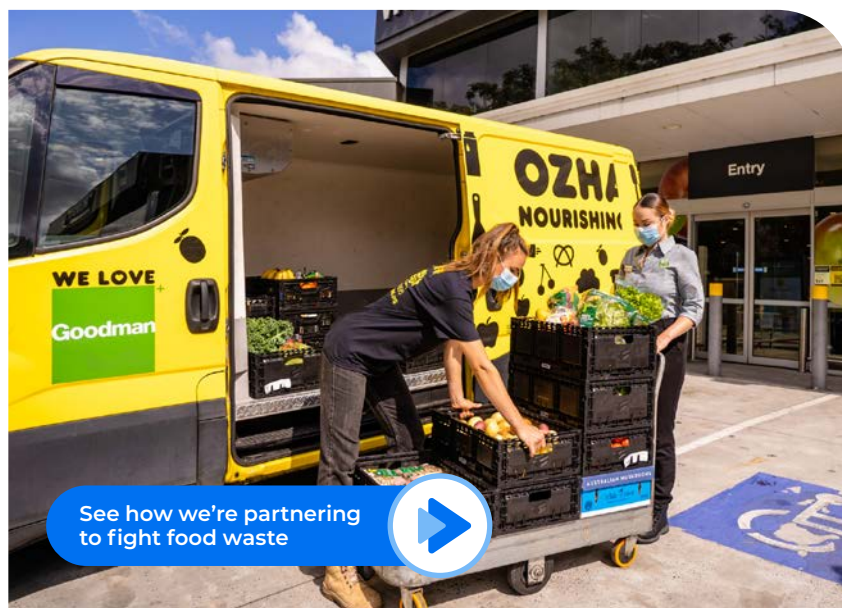
We apply an end-to-end approach to how we responsibly manage food waste. We support our farmers upstream to reduce food waste to landfill through initiatives such as the Odd Bunch, in our own operations through rescue and diversion, and downstream by educating and inspiring our customers. This year, in our Australian supermarkets, we have re-imagined how we educate and support our teams on food waste, centred on our Food Waste Diversion Pyramid. This pyramid applies a hierarchy to our approach based on positive impact, first supporting people in need through food rescue, followed by our farmer and wildlife partnerships, and finally food waste recycling. We have more to do to embed these changes and identify our next step in our food waste reduction journey.





Record year for food rescue partnership

2022 has been a year of significant milestones for our food rescue partnerships. Our contribution is helping alleviate food insecurity, experienced by one in six Australians. In F22, we provided 30 million meals to Australians and New Zealanders in need. Since 2014, together with OzHarvest, we have provided >50 million meals. Moreover, we celebrated 20 years of collaboration with Foodbank as their largest food donor and pro bono freight provider.



Supporting wildlife and farmers

Thanks to our partnership with WIRES, we are now the largest pro bono provider of food for wildlife in Australia. Our partnership, born during the 2019/2020 Black Summer bushfires, has grown to over 200 stores now donating surplus food to local wildlife rescue carers across all states and territories. Woolworths Supermarkets' annual WIRES fundraising in F22 supported \$300,000 in food grants to over 150 Australian wildlife rescue agencies, as well as the allocation of \$100,000 for emergency rescue and recovery resources and equipment during the east coast floods. 'The Odd Bunch' has saved over 250,000 tonnes of fruit and vegetables from being wasted since 2015. It helps farmers sell more of their crop and our customers enjoy more affordable fresh produce.

Recycling food waste

When food is no longer suitable for human or animal consumption, we aim to recycle rather than send it to landfill. Currently, around 70% of Woolworths Supermarkets have a food waste recycling solution in place, such as commercial composting to nourish plants. We have more to do to extend this across our network. The food waste recycling industry in Australia and New Zealand is in its infancy, therefore it is critical to continue working with existing partners, industry and government to explore solutions and innovation. One such innovation is Goterra's black soldier fly larvae technology, which turns food waste into sustainable livestock feed. Following a successful pilot, this partnership now forms part of our Australian Capital Territories stores' business as usual approach and stores enabled with this service perform consistently higher in rates of food waste diversion.

Using Food for Good

As part of its Using Food for Good project, Countdown is working to deliver its first zero food waste stores, Countdown Manukau Mall and Countdown St Johns. The project and store teams work together to test food waste initiatives and work towards zero food waste to landfill. This includes working with suppliers to manage stock when nearing best before or use-by dates, improving the management of food waste data, repurposing rescued food to create new products, and empowering food waste champions in store.

Data & reporting

We have been working with teams in store to enhance our processes for food waste which will see data and reporting improvements in F23. These changes make it easier for the team to select which diversion pathway food waste follows.

Practise responsible stewardship of natural resources

Progress:



Nurturing nature

strategy developed and endorsed

380

stores with smart water meters installed
▲ from 240

>\$1.3M

supplier innovation funds distributed

Sustainable Development Goals:



Natural resources are depleting faster than they can be replenished, and biodiversity is declining. Agriculture is the backbone of our business and we are committed to working with our partners to encourage sustainable and regenerative practices for future generations to come.

Responsible stewardship of natural resources supports the resilience of food and fibre production systems, helps to mitigate the impact of natural disasters and contributes to the reduction of our scope 3 emissions.

In 2022, we developed our nurturing nature strategy, formalising our approach to the responsible stewardship of natural resources and sustainable protein in our supply chain. Nurturing nature prioritises specific actions across Woolworths Group by building on the significant work already underway within our business, suppliers and the agriculture industry. The strategy consists of three pillars:

- **Leading the future of protein** – providing affordable and sustainable proteins across traditional, plant and alternative sources. At the same time meeting the highest standards of animal welfare
- **Partnering with our suppliers** – supporting our growers and farmers to improve farming practices, collaborating with our supply chain to identify barriers to practice change and pursue mutually beneficial outcomes
- **Having a positive impact on nature** – working within our supply chain to improve soil health, water stewardship and biodiversity

As we continue to understand the impact farming practices have on climate change, and what's required to improve the resilience of farming systems, we will evolve our approach in collaboration with our partners. We will also encourage our suppliers to continue to adopt and increase the application of the following principles across their supply chains:

- manage landscapes to improve soil health
- optimise the use of chemical inputs
- improve water use efficiency and reduce impact on waterways
- reduce emissions
- improve animal husbandry practices
- care for people involved in, and impacted by, their operations.

In the coming year we will commence the implementation of our strategy, seeking to simplify the assessment of sustainable and regenerative practices for customer and suppliers; and improve our understanding of nature based risk in our supply chains



Our partnerships

Key initiatives informing our approach to the responsible stewardship of natural resources include:

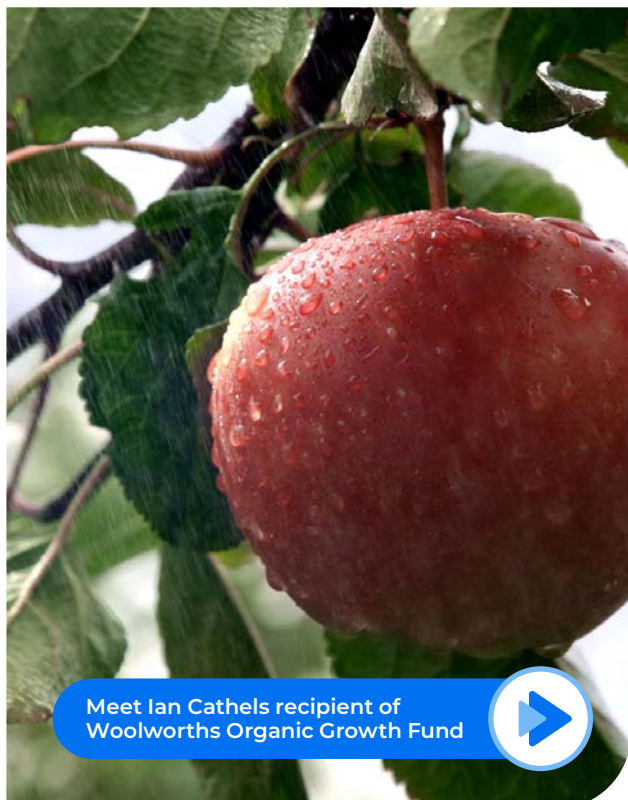
- Taskforce for Nature-related Financial Disclosures (TNFD) Forum membership – supporting the consideration of nature-related risks in our supply chain, the connection to climate change and the preservation of biodiversity
- Science Based Targets Network Corporate Engagement Program – testing their methodology to inform the development of science-based targets that promote positive outcomes for nature and climate.

Water efficiency

In 2021, we commissioned an updated water use report across Group operations examining our consumption, measurement and opportunities to improve water efficiency. Our supermarkets (Woolworths and Countdown) and BIG W stores account for the most water used at 87%, with fresh food departments the most influential factor. The remaining 13% is used by DCs, warehouses and offices. The water use of supermarkets highlights the importance of our ongoing smart water meters installation program. By the end of F22, smart water meters were installed in 380 stores, connected to our Energy Management Centre, allowing for near real-time visibility of water use.

From F23, we will report against a new water metric which aims to reduce our Group water use by 10% by 2025 (2020 baseline).

Beyond store water usage, our water stewardship approach looks at the broader catchment to help identify opportunities to collaborate on shared water targets and challenges. One such example is W360's partnership with Water Stewardship Asia Pacific in Renmark, South Australia.



Meet Ian Cathels recipient of
Woolworths Organic Growth Fund



Partnering on regenerative agriculture

In New Zealand, Countdown has launched a \$1 million (NZD), three-year project to research the benefits of regenerative farming practices in vegetable production. The project, part-funded by the Ministry for Primary Industries' Sustainable Food and Fibre Futures Fund, is being run in collaboration with one of Countdown's key suppliers - LeaderBrand Produce.

The project will trial regenerative principles and practices designed to mirror nature. The focus will be on the use of compost and cover crops as tools to improve soil health, the role of perennial plantings in facilitating ecosystem restoration, and community engagement.

In F23, as the project progresses we will facilitate opportunities for our supplier community to learn more about regenerative agriculture. Sharing their own learnings and supporting a wider understanding of how to incorporate regenerative principles and practices into farming and growing.

A photograph of an older man in a light-colored wide-brimmed hat with a red patterned band and a bright yellow shirt. He is in a field of tall green plants, holding a piece of yellow corn in his hands. The word "Product" is overlaid in large white letters.

Product

Building a better tomorrow through our products means evolving the way we do business to embrace circular thinking to make our packaging as sustainable as possible and treat all waste as a resource. It also means making it easier for our customers to choose products that are healthier and sustainably-sourced.



Overview



People



Planet



Product



Directory



Mulgowie Farming Company

Farming for the future

Mulgowie Farming Company's journey began over 70 years ago in the Lockyer Valley, Queensland and this family business is passionate about paving the way to a sustainable future. From making a concerted effort to maintain soil health, to taking an environmentally sensitive approach to pest management, the steps that Mulgowie Farming Company take all work toward more efficient and sustainable farming. We explore some of Mulgowie Farming Company's key initiatives that not only look after the land and the Earth's resources, but also result in more resilient produce.

[View video to learn more](#)


Materially increase healthier choices in our customers' baskets

Progress:



#1

Australia's Healthiest
Supermarket Own Brands,
third year in a row²

61.7%

sales of 3.5 or above
Health Star Rating³

>19M

pieces of free fruit
for kids

Sustainable
Development
Goals:



Each year, our customers take active steps to make healthier choices.¹ As one of Australia and New Zealand's largest retailers, we are committed to making healthier easier for our customers. We aim to create meaningful initiatives that support, educate and inspire our customers to live healthier lives.

This year, we established our baseline to understand what customers are buying in our supermarkets.³ To do this, we used the Government's Health Star Rating (HSR) system to assign a star rating to eligible products. Our ambition is to grow the proportion of sales from healthier products by 50 basis points (bps) annually. To measure our progress, we define healthier products as those with a HSR of 3.5 stars and above. We will also understand movements across the full spectrum of HSRs to evaluate the impact of our initiatives.

We recognise a healthy balanced diet consists of a variety of nutritious foods in alignment with the Dietary Guidelines. In light of this, we will also better understand the balance of our customers' baskets through the healthyLife Food Tracker, which provides insight into core and discretionary foods purchased.

To drive our health ambitions further, this year we formed our Woolworths Supermarkets Supplier Sustainability Council – Healthier Choices, a forum to engage with our suppliers to support the achievement of our 2025 commitments.



¹ IPSOS. Woolworths Food & Health Survey. 2022.

² The George Institute for Global Health's FoodSwitch: State of the Food Supply report (2019, 2020, 2021) based on mean Health Star Rating compared with Coles, Aldi and IGA.

³ Australian Woolworths Supermarkets eligible sales only, excluding Metro Food Stores.



Own brand reformulation

Our robust reformulation program continues to make our own brand products healthier by reducing nutrients of concern and increasing positive ingredients. Over F22, our reformulations were equivalent to:

	AUS ¹	NZ ¹
Less salt	381t	4t
Less saturated fat	1,029t	15t
Less sugar	811t	39t
More whole grain	15,300t	24t
More vegetables	2,300t	252t

¹ Annualised figures based on previous 12-month sales from product launch.

Healthier own brands

We are committed to making healthier easier for our customers through a number of initiatives, including making healthier choices more accessible and reformulating our own brand products. We are making progress:

- 76% of eligible Woolworths own brand products meet the Australian Government's Healthy Food Partnership targets for salt, sugar and saturated fat
- 65% of Countdown own brand products meet the New Zealand Heart Foundation's HeartSAFE targets
- launching 34 new Macro Wholefoods Market branded products and winning the Healthy Food Guide Awards Best Allergy-Friendly Snack
- increasing our range of plant-based alternatives, including Woolworths Plantitude burgers (each 4 HSR) and chilled ready meals (each high in protein plus a serve of vegetables or source of fibre).

In December 2021, for the third year in a row, Woolworths own brand range was ranked the healthiest of the four major Australian retailers by The George Institute for Global Health based on mean HSR.²

We display the HSR on all relevant own brand products to help customers make informed choices, and continue to be free from artificial colours, flavours and added MSG.



Encouraging Australian kids to be healthier

We aim to inspire and empower the next generation through healthier products, engaging activities and ideas to help make healthier eating easier for families.

This year, we became the foundation partner of Life Education Australia's [Thrive Children's Fund](#), helping 8,000 regional and remote kids access nutrition education.

Our [Fresh Food Kids Discovery Tour program](#) was re-imagined digitally to make it more accessible for kids to learn about where fresh food comes from. Over 50,000 kids have enjoyed the new program since launch. The Free Fruit for Kids in-store initiative gave away over 19 million pieces of fruit this year.

We continue to support the [Woolworths Centre for Childhood Nutrition Research](#), a \$5 million research centre in partnership with the Children's Hospital Foundation.

² The George Institute for Global Health's FoodSwitch: State of the Food Supply report (2019, 2020, 2021) based on mean Health Star Rating compared with Coles, Aldi and IGA.

Supporting Australian kids to be active

Keeping active is not only fun for kids but helps establish healthier habits. Woolworths Supermarkets continued its [Pick Fresh Play Fresh](#) Netball Grants, totalling over \$1.2 million to more than 300 local Australian netball communities over the last five years. On top of other key initiatives, we donated \$30,000 in grants and equipment to Lismore District Netball Association, a community severely impacted by floods. We also hosted a clinic with former Australian captain and [Woolworths NetSetGO](#) ambassador Cath Cox.



healthylife

[healthylife](#) is Woolworths Group's holistic online health destination, offering health and wellness advice, programs, services and products to help Australians eat well, move well and feel well.

Tools include the [healthylife Food Tracker](#), which provides customers insight into the health of their shopping baskets, and [Ways to Well](#), a series of health programs to support small, achievable changes for a healthier life.

[healthylife](#) is backed by the expertise of the Health Advisory Board, and this year launched its first [Living Healthy Report 2022](#), A pulse check on our nation's health two years into the pandemic.



Read the Living Healthy Report 2022



Making healthier easier

Our 2022 Woolworths Supermarkets Making Healthier Easier campaign featured Prices Dropped on hundreds of healthier products, our ranking as Australia's Healthiest Supermarket Own Brands ¹ and our collection of hundreds of healthier recipes.

Our [Making Healthier Easier](#) online hub allows customers in Australia to explore healthier products and inspiration, and our [healthier recipe page](#) has over 450 recipes. Healthier Options is now available on the Woolworths app to help customers discover healthier alternatives as they shop.

Countdown has a range of [healthier recipes](#) online, with the intention of growing this collection further to inspire Kiwis to cook healthier meals.



¹ The George Institute for Global Health's FoodSwitch: State of the Food Supply report (2019, 2020, 2021) based on mean Health Star Rating compared with Coles, Aldi and IGA.



100% of own brand sustainable packaging

Progress:



4,262

tonnes of virgin plastic packaging removed from circulation in F22

22%

reduction percentage equivalent of baseline year virgin plastic packaging

4,608

tonnes of post consumer soft plastics collected

▲ by 1,703t

Sustainable Development Goals:



Packaging is important for product integrity and there is a growing need for sustainable alternatives. By embracing circular thinking and the power of partnerships, we are working to reduce plastic, increase recycled content and influence packaging innovations in our value chain.

At Woolworths Group we are working hard to make our packaging as sustainable as possible by phasing out problematic packaging ahead of the Australian Government's 2025 National Packaging Targets timeline.

This year, we enhanced our data capabilities and worked to build our product level master data for own brand packaging by engaging an external expert, MSAC Solutions. We also partnered internally with our advanced analytics and packaging teams to deeply understand our packaging data. This has given us the ability to better estimate our historical plastic usage across the Group and re-create a 2018 baseline which is used to compare our progress to target against and calculate the impact of all targeted packaging changes implemented. This data enhancement has provided greater visibility of our performance against our commitments, which we intend to commence reporting on in F23.

In F22, our teams completed 15 packaging redesign projects which will convert non-recyclable materials to recyclable, and reduce virgin plastic in packaging by 4,262 tonnes, achieving over 10,000 tonnes reduction, through targeted initiatives, from our baseline. The examples on [page 51](#) give an insight into the scope and impact of four of these projects.

Fresh fruit and vegetables and bakery continue to be our most challenging categories for packaging improvement as we balance factors, including food safety, quality, product integrity and reducing food waste. Our team continues to drive innovation in this space, some of which hit shelves in F22, for example our plastic free Woolworths Fresh Food Kids fruit packaging pilot.

Our plastic reduction efforts go beyond packaging. The 2021 festive season saw BIG W reduce the number of own brand Christmas products with glitter by 48%. This year, we'll see this expand to a glitter-free Christmas across our own brand seasonal and apparel ranges available in BIG W, Woolworths Supermarkets and Countdown.

ARL update

The Australasian Recycling Label (ARL) is displayed on 72% of products where packaging is within the control of Woolworths Group in Australia, making it easier for customers to recycle and contribute to the circular economy. This year, the ARL was added on our in-store bread bags, encouraging customers to return soft plastics for recycling via REDcycle collection. In F22, BIG W commenced applying the ARL to over 400 products which are due to land in store in early F23. The ARL will continue to be expanded to existing and new products in F23.



Partnering to reduce our impact

Given the Group's scale, we recognise our role in driving more sustainable packaging solutions by collaborating across the value chain. Our Woolworths Group Packaging Preferred Materials List and Format Guidelines was updated this year to reflect our position to phase out oxo-degradable plastics in any product or packaging. This aims to support all suppliers with their packaging plans and drive reductions in problematic packaging.

To drive our sustainable packaging ambitions further, this year we formed our Woolworths Supermarkets Supplier Sustainability Council - Packaging & Recycling, a forum to engage with our suppliers to support the achievement of our 2025 commitments.

Woolworths Group is also pursuing innovative packaging solutions to influence industry-wide change. We have partnered with Samsara, an Australian plastic recycling startup that uses enzyme technology to break down plastic so it can be recycled time and time again, reducing the need for new plastic and supporting circularity. We have committed to turn the first 5,000 tonnes of recycled Samsara plastic into packaging for our own brand products.

We continue to offer our customers access to in-store recycling initiatives. In F22 REDcycle recycled 4,608 tonnes of plastic through Woolworths Supermarkets across Australia, a 58% growth on previous year.



Delivering beyond our commitments

In June 2022, Woolworths Supermarkets and BIG W committed to stop selling 15-cent and online plastic bags by the end of June 2023, resulting in 9,450 tonnes of plastic removed from circulation annually. F22 also saw the implementation of two significant plastic bag initiatives:

- in May, our Western Australia stores phased out 15-cent and online plastic shopping bags, ahead of new state legislation
- we introduced home compostable fruit and vegetable bags across all 67 stores in South Australia, diverting up to 70 tonnes of plastic waste from landfill annually. This is supported by high household access to composting in South Australia through council-provided food organics and garden organics (FOGO) kerbside collection.

Remove

Removing single use plastic

We have removed single-use plastic picnicware from Woolworths Supermarkets, Countdown and BIG W, eliminating more than 2,900 tonnes of plastic annually.



Reduce

Reducing virgin plastic in our meat trays

3,681 tonnes of virgin plastic was reduced with the change to at least 60% recycled plastic across Woolworths Supermarkets' 170 million red meat trays annually. Countdown removed 40 million (120 tonnes) single use meat soaker pads.



Reuse

Reusing BIG W coat hangers

BIG W reuses 80% of hangers, saving approximately 1,175 tonnes of waste diverted from landfill annually. The hangers are made from recycled plastic and we aim to further increase future recovery rates.



Recycle

Recycled content in our sauce bottles

Partnering with Wellman Packaging, we launched Squeezapak™ squeeze sauce bottles for Woolworths tomato and BBQ sauces that are made from 100% recycled content, resulting in a reduction of 67 tonnes of virgin plastic annually and recognised as a winner of the Worldstar Global Packaging Awards.



100% of own brand sourcing is sustainable

Progress:



100%

sustainably sourced
single product tea,
coffee, cocoa, sugar

100%

food palm (kernel) oil
RSPO certified

Cotton Policy

developed and
published

Sustainable
Development
Goals:



Sourcing resource intensive raw materials impacts on the planet's natural ecosystems. We are working to make it easier for customers to make sustainable choices by sourcing high-impact commodities through suppliers that have low risk of negative social and environmental impacts.

This year, the cost and availability of high-impact commodities has been affected by a range of local and global factors. Floods have impacted the production of Australian crops such as sugar and soy, and palm oil accessibility has reduced due to the conflict in the Ukraine. We are working to improve our preparedness in this area in this volatile landscape, by working with our suppliers to assess alternative arrangements and updating ingredient specifications. We remain committed to supporting our supply chain to deliver improved social and environmental outcomes. We maintained 100% sustainably sourced single product own brand tea, coffee, cocoa and sugar, and aim to increase to 100% the use of certified and/or verified coffee, tea and cocoa as ingredients in our own brand products by 2025. We also focused on cotton, one of the most commonly used fibres across our own brand products and our top non-food risk of modern slavery. Moving forward, we will look beyond our first tier suppliers to incentivise best practice in areas such as sustainable soy in livestock feed, through the operationalisation of shared learnings as part of the global Retail Soy Group.

Our approach to sustainable sourcing includes a combination of physically certified (or independently verified) commodities, and the purchase of offsets to support the sustainable production of a commodity if 100% physical certification cannot be achieved. Our sourcing policies should be referred to for commodity-specific details.

Progress on product + ingredient level sustainable sourcing in own brand products:

35%

cocoa by
weight

99%

tea by
weight

99%

coffee by
weight



Cotton

We are committed to using cotton that has been produced sustainably and responsibly, and encouraging the use of recycled and reclaimed cotton wherever possible. The majority of cotton across Woolworths Group is used in BIG W's own brand apparel.

Over the course of F22 we:

- developed and published our Sustainable Cotton Policy
- established a Group-wide working group to share learnings and create consistent governance approaches to managing this high impact commodity
- commenced, and subsequently expanded, BIG W's cotton traceability pilot to achieve visibility of our supply chain beyond our direct suppliers
- engaged with suppliers of vendor branded apparel to listen and share opportunities and challenges in this area
- enhanced the organic cotton content in BIG W own brand apparel range.

Our full program of work is reported in the [2022 Modern Slavery Statement](#).



Soy

100% of soy in our own brand products supports the responsible production of soy. To achieve this, we have sourced certified Roundtable on Responsible Soy (RTRS) credits to offset non-certified volumes of direct soy in our own brand food supply chain. Credits purchased through RTRS support the growth of sustainable soy for future procurement.

In F22, we also baselined indirect soy in our animal protein supply chain, which has allowed us to prioritise products and categories towards achieving our 2025 goal.

Paper, pulp and timber

We have maintained the 100% sustainable sourcing levels of own brand paper, pulp and timber products such as toilet paper, kitchen towels, and stationary meeting our net-zero deforestation commitment.

Palm Oil

Food: 100% of palm (kernel) oil in Woolworths own brand food products supports the production of Roundtable on Sustainable Palm Oil (RSPO) certified sustainable palm (kernel) oil.

Non-Food: This year we built action plans and sought tenders to increase our supply of sustainable palm oil from 14% to 85% of volume by the end of F23.



Lead the future of protein

Progress:



100%

own brand whole shell
eggs cage free

100%

own brand seafood
is ecologically
sourced

57%

increase in plant
protein based food
sales since F19

Sustainable
Development
Goals:



Animal welfare is of fundamental concern to us and many of our customers. We work with our partners to source traditional proteins that meet the highest animal welfare standards, and we are diversifying our range of protein, including animal, plant and alternatives, to make it easier for our customers to eat sustainable and affordable proteins.

One of the three pillars of our new nurturing nature strategy (outlined on [page 42](#)) is leading the future of protein – providing affordable and sustainable proteins across traditional, plant and alternative sources, at the same time meeting the highest standards of animal welfare. By 2025, we will:

- Source our animal, plant and alternative protein in a sustainable manner through minimising our impact on the environment
- Grow our share of protein products in our customers' baskets that are both healthier and better for the environment

Our strategic approach across Woolworths Group will focus on:

- **Understanding emissions in relation to protein** – collaborating to reduce our scope 3 emissions and identifying opportunities for increased farming efficiencies
- **Delivering the highest standards of animal welfare and sustainable seafood** – using the Five Domains of Animal Welfare (see [page 55](#)) to define our requirements whilst improving our approach to antimicrobial stewardship and sourcing ecologically responsible seafood
- **Enabling customer choice of sustainable and healthier proteins at affordable prices** – continue to develop our understanding of nutritional and environmental benefits of plant and alternative proteins.



Five Domains of Animal Welfare

Domains	Animal Welfare Aims
Good nutrition: provide ready access to fresh water and a diet to maintain full and vigour	Minimise thirst and hunger and enable eating to be a pleasurable experience
Good environment: provide shade/shelter or suitable housing, good air quality and comfortable resting areas	Minimise discomfort and exposure and promote thermal, physical and other comforts
Good health: prevent or rapidly diagnose and treat disease and injury, and foster good muscle tone, posture and cardiorespiratory function	Minimise breathlessness, nausea pain and other aversive experiences and promote the pleasures of robustness, vigour, strength and well-coordinated physical activity
Appropriate behaviour: provide sufficient space, proper facilities, congenial company and appropriately varies conditions	Minimise threats and unpleasant restrictions on behaviour and promote engagement in rewarding activities
Positive mental experiences: provide safe, congenial and species-appropriate opportunities to have pleasurable experiences	Promote various forms of comfort, pleasure, interest, confidence and a sense of control

Our approach to animal welfare

Animal welfare is important to us, our partners, and our customers who trust us to do the right thing. We also know that good animal welfare results in high quality products. Woolworths Group continues to work with our farmers and partners to promote good animal welfare. This year we launched our first two Woolworths own brand RSPCA Approved salmon products; and our High Gate pet food brand sources RSPCA Approved chicken ingredient for its range of pet supplement food.

We are committed to achieving Tier 1 in the Business Benchmark on Farm Animal Welfare (BBFAW) by 2025. The 2021 BBFAW's methodology and scoring changes saw 36 companies, including Woolworths Group, drop a tier, seeing us move from Tier 2 to Tier 3. We are dedicated to collaborating with our suppliers to improve our score and continue our progress to influence animal welfare best practice within our supply chain.





Responsibly sourced seafood

This year, we launched our new [Woolworths Group Seafood Sourcing Policy](#) which helps define our human rights, animal welfare and sustainable seafood sourcing requirements. In the last year, we completed our transition of all Woolworths own brand behind the counter, fresh packaged, frozen and canned seafood to come from ecologically responsible sources as defined in our Seafood Sourcing Policy. As part of our Sustainability Plan 2025 we'll continue on this journey to transition seafood as an ingredient to be ecologically responsible by 2025.

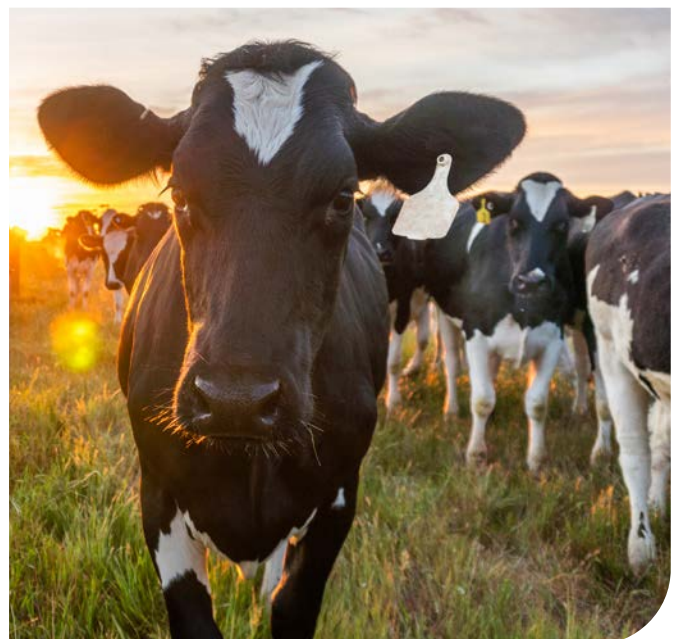
In response to concerns among some Tasmanian community and environmental groups, we have conducted our own due diligence and review on regulatory standards and practices in the salmon industry. We have met with and encouraged our suppliers to increase transparency and disclosure on sustainability related issues. We are also participating in the Tasmanian Government's consultations on the 10-Year Salmon Plan, and support its aims. We will continue to work with government, industry and community stakeholders constructively to help implement actions that underpin a sustainable salmon industry.

We were awarded the Marine Stewardship Council's Sustainable Seafood Community Champion in the Sustainable Seafood Awards Australia 2022, recognising our efforts to support certified sustainable seafood and our work in communicating our progress to our customers.

Supporting sustainable seafood and animal welfare improvements

We have launched the second round of funding for our Woolworths Ocean Pool and Woolworths Animal Horizons Funds. The purpose of these funds is to support the environmental performance of the Australian seafood industry and improvements in the lives of animals within our supply chain.

We have supported seafood projects which focus on increasing our sustainable seafood standards, product shelf life extension, fish welfare, and reducing the impacts on our marine environment. Our grants in the animal welfare space have assisted a range of initiatives, such as enhancing welfare for pigs and improving on-farm welfare solutions in beef cattle.





Sustainable dairy

Alltech-E-CO₂, Woolworths Group, and Farmers' Own are collaborating to deliver high animal welfare, sustainable, and low-carbon farming. In 2022, we commissioned Alltech-E-CO₂ to conduct assessments across our 19 Farmers' Own dairy farms. The study will calculate the physical and environmental efficiency of the group, including carbon footprinting, and provide bespoke recommendations to individual farms. The information collected will inform our strategy implementation to deliver our goals by 2025.



Plant and novel protein

Plant and alternative proteins are becoming increasingly important to our customers, increasing demand for sustainably produced proteins across our portfolio. In addition to expanding our alternative protein offering, W23 has invested in alternative protein innovations over the last 12 months, including All G Foods and Harvest B. Both companies are focusing on using leading technologies in plant-based protein development and precision fermentation to deliver innovative, affordable, and sustainable locally produced proteins.

Sustainable beef

Red meat is the most important grocery category for our customers regarding sustainability. We partner with Greenstock, our stand-alone business focused on the red meat supply chain, to improve animal welfare and reduce our impact on the environment. All our cattle, lambs and pigs are sourced by Greenstock, experts in livestock production and trained in animal welfare. We recently joined the Global Roundtable for Sustainable Beef to gain insights from leaders globally as we continue to work toward areas such as zero deforestation in our beef supply chain by 2025. We want to lead and we are involved in a range of initiatives to cut emissions in beef production, including cattle feedlot trials using seaweed which has the potential to drastically cut methane emissions. We are currently working on a voluntary trial with some beef suppliers, offering them access to THESIS software (see [page 37](#)) to understand opportunities to develop consistent baselines and tracking for livestock supply chain emissions.

Animal welfare achievements

100%	Woolworths own brand behind the counter, fresh packaged, frozen and canned seafood is from ecologically responsible sources	100%	Woolworths own brand whole fresh Christmas turkeys from RSPCA Approved farm
100%	Woolworths own brand whole shell eggs cage free	100%	Macro free range fresh and ingredient chicken and whole Christmas turkeys certified to the Free Range Eggs and Poultry Australia (FREPA) standard
58%	Vendor Brand whole shell eggs cage free	100%	Macro free range fresh pork is certified APIQ Free Range standard in Australia
100%	Woolworths own brand fresh chicken and ingredient chicken from RSPCA Approved farms ¹		

¹ Excluding pet food, gravy and stocks. Our small number of imported canned and boxed chicken products are certified by independent foreign accreditations.

Lead the responsible retailing and consumption of alcohol and tobacco

Progress:



4,238

team trained in responsible service of alcohol

100%

success rate on police led tests

91

zero alcohol products in Countdown stores

▲ 10%

Sustainable Development Goals:



We recognise some products we sell can be unhealthy if misused or consumed often.

We take the responsibility of selling these seriously, and remain focused on leading in the highest standards of retailing for alcohol and tobacco.

In 2021, Woolworths Group and Endeavour Group demerged, with our relationship moving from ownership to partnership, diluting our association with gambling. Woolworths Group will continue to sell alcohol in our New Zealand operations through Countdown and in Australia through our partnership with BWS and Dan Murphy's.

Responsible retailing of alcohol

We aim to be an industry leader in the responsible retailing of alcohol products. We have a range of policies complying with legislative requirements, including verifying age in-store and online. We are also committed to providing clear information to customers through on-pack labels, detailing calorie content, portion guidelines, and health warnings.

To encourage responsible drinking, we stock low and zero alcohol beverages, which are seeing strong market growth in Australia and New Zealand. Countdown aims to be a market leader in this space, providing customers 91 zero alcohol options, a 10% year-on-year increase, and promoting zero alcohol options more prominently in store.

Training our team

In F22, we rolled out Responsible Service of Alcohol training to 4,238 of our Countdown team who perform roles where they are required to approve alcohol sales.

Responsible retailing of tobacco

Woolworths Group supports initiatives aimed at reducing the take-up rate of smoking and the sale of tobacco products is strictly regulated across all retail outlets. We recognise we have an important role to play and from F23 will expand our responsible retailing goal to include tobacco.

We are tracking our historical tobacco volume and consumer purchase behaviour and have seen a decline of 33% based on units sold since F19.

We have worked with governments across Australia and New Zealand to implement tobacco control and preventative health policies. This includes displaying restrictions across our stores with the aim of decreasing impulse purchases, take-up by young smokers and to raise awareness of quit smoking programs.

Creating a better tomorrow, today

There are many environmental and social challenges we face in our purpose to create a better tomorrow for our customers, team, communities and planet. That is why we are embracing new technologies, new innovations and new ways of thinking to help us achieve it. We know we can, and have more to do, to drive the transformative change needed to have a positive impact.

Over the next year, we are working to shape our impact in key areas, including climate change, sustainable packaging, reducing food waste, inclusion and making healthier easier for our customers.

We will continue to collaborate with our partners, communities, value chain and industry to influence the positive impact we aspire to have. When we work together, we can learn from – and inspire – each other to find the best solutions to overcome the challenges we face.

We call it the power of 'We'

Thank you for joining us as we create better experiences together for a better tomorrow.



Our corporate reporting suite

Woolworths Group is pleased to share how we're building a better tomorrow and encourage you to explore our full reporting suite detailing our performance across Australia and New Zealand.



2022 Sustainability Appendix

Providing data across key sustainability metrics, UNGC table, GRI index and assurance report.

[Click here to find the report on our website](#)



2022 Modern Slavery Statement

Outlines the progress we have made to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain.

[Click here to find the report on our website](#)



Sustainability Plan 2025

Our program of positive change incorporating our goals and commitments across three pillars: our people, our planet and our products.

[Click here to find the report on our website](#)



2022 Annual Report

Read about our F22 performance and our progress on our strategic priorities as part of our transformation into a more focused food and everyday needs retail ecosystem.

[Click here to find the report on our website](#)



Corporate Governance Statement

Our Corporate Governance Statement describes our corporate governance framework, including key policies and practices for the F22 financial year.

[Click here to find the report on our website](#)



For more on our approach to sustainability visit our website
[woolworthsgroup.com.au](https://www.woolworthsgroup.com.au)

Company directory

Registered Office

1 Woolworths Way
Bella Vista NSW 2153

Tel: (02) 8885 0000

Web: www.woolworthsgroup.com.au

Auditor

Deloitte Touche Tohmatsu
225 George Street
Sydney NSW 2000

Tel: (02) 9322 7000

Web: www.deloitte.com.au

Woolworths Group Sustainability

Alex Holt

Chief Sustainability Officer

We encourage you to contact us if you have feedback or questions at
sustainability@woolworths.com.au





We are Woolworths Group

2022
Sustainability Report Appendix

Woolworths Group Limited
ABN 88 000 014 675

Basis of reporting

Unless otherwise stated, our reporting suite covers Woolworths Group wholly owned businesses in Australia and New Zealand for the 2022 financial year – 1 July 2021 to 30 June 2022 (F22).

Certain comparative amounts and baselines have been restated to conform with the current period's presentation. This includes but is not limited to:

- in 2022, the Board approved the establishment of a new operating segment, Australian B2B. The Group has restated the amounts presented in the prior period to reflect the newly reportable segment as a separate segment
- in 2021, the Group separated from Endeavour Group, as a result the Endeavour Group historical results were removed from these reports
- majority owned businesses of PFD and Quantum have been included for emissions reporting and excluded from other metrics.

Sustainability metrics are expected to be refined over time as definitions, methodologies and data are enhanced.

Only workforce data (excluding safety) is included for our global sourcing offices in China, Bangladesh and Thailand.

All amounts are expressed in Australian dollars unless another currency is indicated.

Our 2022 Sustainability Report, Sustainability Report Appendix and Modern Slavery Statements contain forward looking statements, including, but not limited to statements regarding: trends in consumer preferences; commodity prices; goals, targets, plans, strategies and objectives of Woolworths Group; assumed near and long-term scenarios and transition pathways; potential global responses to climate change; regulatory and policy developments; the development and uptake of certain technologies; and the potential effect of possible future events on the value of Woolworths Group.

Forward looking statements can generally be identified by words such as, 'intend', 'aim', 'project', 'anticipate', 'expect', 'estimate', 'plan', 'objective', 'believe', 'expect', 'commit', 'may', 'will', 'should', 'would', 'continue', 'forecast', 'guidance', 'trend', or similar expressions.

The forward looking statements in this report are based on management's good faith, current expectations and reflect judgements, assumptions and estimates and other information available as at the date of this report. The forward looking statements involve known and unknown risks, uncertainties and assumptions and other important factors, many of which are beyond the reasonable control of Woolworths Group, that could cause actual results, performances or achievements to be materially different from the relevant statements.

Woolworths Group cannot and does not give any assurances that the results, performance or achievements expressed or implied by the forward looking statements contained in these reports will actually occur and readers are cautioned not to place undue reliance on these forward looking statements. Except as required by applicable regulations or by law, Woolworths Group does not undertake any obligation to publicly update or revise any forward looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.



Acknowledgment of Country

Woolworths Group acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and community. We pay our respects to them and their cultures; and to Elders both past and present.

Aboriginal and Torres Strait Islander people should be aware that this report may contain the names and images of deceased persons.

Contents

Sustainability metrics	2
Workplace metrics	6
Glossary	14
United Nations Global Compact	15
Global Reporting Initiative (GRI)	16
TCFD reporting requirements	23
Assurance report	24
Corporate governance	29
Industry associations	31
Stakeholder engagement	32
Company directory	35

Sustainability metrics

TOTAL CO₂ EMISSIONS (t CO₂e) – SCOPE 1 AND SCOPE 2¹

	F20	F21	F22
BIG W	126,401	115,882	110,390
Corporate	41,735	27,467	40,007
FABCOT	6,410	6,785	5,264
Primary Connect	121,418	89,485	110,187
New Zealand Food	68,064	61,802	63,782
Australian B2B	69,515	66,640	79,276
Australian Food	1,706,121	1,639,185	1,601,132
Total	2,139,664	2,007,245	2,010,037

¹ Calculated scope 1 emissions have increased in F22 vs F21 due to incorporation of F22 transport refrigerants (with equivalent data not available in F21) coupled with use of revised IPCC, Climate Change 2021: Sixth Assessment Report AR6 refrigerant emissions factors in F22. This has collectively increased calculated emissions by 64 ktCO₂e for F22 vs F21, and contributed to total calculated scope 1 and 2 emissions being approximately flat vs F21. For context, if instead calculated on a like-for-like basis (using a common refrigerant emissions factor and excluding transport refrigerants), F22 scope 1 and 2 emissions would have declined by 3% vs F21.

ELECTRICITY USE (MWh)

	F20	F21	F22
BIG W	146,225	137,121	126,282
Corporate	46,157	30,478	44,751
FABCOT	7,855	8,366	6,311
Primary Connect	111,418	118,693	120,526
New Zealand Food	296,849	297,151	299,090
Australian B2B	54,234	52,155	50,721
Australian Food	1,667,149	1,652,510	1,600,874
Total	2,329,887	2,296,475	2,248,555

ELECTRICITY SOURCE (MWh)¹

	RENEWABLES	NON-RENEWABLES	F22
New South Wales	115,051	485,133	600,184
Victoria	91,746	371,602	463,349
South Australia	22,839	93,413	116,252
Queensland	87,387	388,299	475,686
Western Australia	36,502	148,191	184,694
Tasmania	10,231	44,941	55,172
Northern Territory	5,220	22,277	27,498
Australian Capital Territory	5,182	21,450	26,632
New Zealand	52	299,038	299,090
Total	374,210	1,874,344	2,248,555

¹ To align with RE100 and CDP reporting requirements electricity is only considered as being renewable when either (1) renewable energy certificates are surrendered, or (2) when delivered renewable supply from the grid is supported by renewable certificates, such as the Renewable Energy Target (RET) in Australia, or (3) when the default renewable electricity supply from the grid exceeds 95%. In Australia, reported renewables for F22 is predominately as a result of grid supply delivered from the RET. In New Zealand, despite high levels of default renewable electricity supply, it does not meet these reporting criteria and the vast majority of NZ electricity supply is reported as non-renewable.

TRANSPORT EMISSIONS BY USE (t CO₂e)¹

	AUSTRALIA	NEW ZEALAND
	SCOPE 1	SCOPE 1
Light vehicles	1,982	2,570
Home delivery	28,449	1,191
Logistics	50,954	N/A
Total	81,385	3,761

¹ Transport emissions includes fuel use and refrigerants. Transport emissions are calculated in line with National Greenhouse and Energy Reporting (NGER) guidance, and are estimated based on distance travelled rather than measured fuel use. Logistics includes emissions from trucks owned by PFD Foods. New Zealand logistics are counted as part of our scope 3 emissions.

ENERGY AND SCOPE 1 AND 2 EMISSIONS INTENSITY¹

	F20	F21	F22
Energy intensity (GJ/m ²)	2.46	2.43	2.43
Emissions intensity (t CO ₂ e/m ²)	0.56	0.52	0.52

¹ Based on Group energy and emissions divided by trading area.

SCOPE 3 EMISSIONS (t CO₂e)¹

Scope 3 emissions occur from sources owned or controlled by other entities in the value chain (e.g. agriculture, manufacturing, third-party logistics providers, waste management suppliers, travel suppliers, lessees and lessors, franchisees, retailers, employees, and customers). The scope 3 inventory shown below covers all of Woolworths Group except for PFD Foods and Quantum.

SCOPE 3 CATEGORY	CATEGORY DESCRIPTION	MILLION TONNES OF CO ₂ e
1	Food and everyday products we sell	23.9
2	Construction, fitout and other physical assets	0.8
3	Generation, transmission and distribution of energy in our Scope 1 and 2 footprint	0.2
4	Transport of our goods to supermarkets and between distribution centres	0.6
5	Waste from our own operations and food not sold or able to be repurposed	0.1
6	Corporate travel including flights, taxis, hotels	<0.1
7	Employee commuting	0.3
8	Emissions associated with lighting and air conditioning where our supermarkets are within a shopping centre	0.3
9 + 11 + 12 + 14	Emissions associated with cooking, washing, use and disposal of our products, supermarket trolley collection and franchises	2.0
Total		28.2

¹ Additional detail on scope 3 activity can be viewed in the 2022 Sustainability Report page 36. Scope 3 category numbers follow the definitions from the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, with descriptions tailored to reflect Woolworths Group's specific value chain. In order to align with the latest available (F21) emissions factors based on Australian economic input / output tables, the calculation methodology for category 1 uses F21 consumer purchase prices for the products and services we sold in F22. Category 1 includes a moderate degree of overlap with Woolworths Group scope 1 emissions as food retail emissions are included within scope 3 emission factors. Purchased items by Woolworths Group and not for resale to consumers are excluded from category 1 calculated value, these are expected to be small but meaningful proportion of overall category 1 scope 3 emissions, and will be investigated further in future years.



Sustainability metrics

WASTE (tonnes)

Australia – materials diverted from landfill¹

	F20	F21	F22
Food waste to composting or energy	48,838	51,323	54,535
Food waste to farmers	33,271	50,751	51,441
Food to charity	8,659	10,000	12,804
Cardboard	237,766	240,062	254,856
Plastic film	8,649	7,127	7,665
Other	13	849	484
Total Australia	337,196	360,112	381,786

¹ F22 data has been estimated based on 12 months from June 21 to May 22.

New Zealand – materials diverted from landfill

	F20	F21	F22
Cardboard	32,327	27,245	29,293
Plastic film	1,045	1,725	1,635
Food waste to farmers	1,670	3,995	2,832
Food to charity	1,470	4,087	2,664
Other	4,497	2,397	1,691
Total New Zealand	41,009	39,450	38,115
Total diverted Australia and New Zealand	378,205	399,562	419,901
Total waste to landfill Australia and New Zealand	95,219	103,062	94,377

Waste intensity¹

	F20	F21	F22
kg/m ²	22	24	24

¹ Waste intensity is from Australian and New Zealand operations measuring waste to landfill against total trading area.

Virgin (new) plastic packaging reductions from targeted initiatives¹

	F20	F21	F22
Tonnes removed	2,831	2,066	4,262
% Cumulative removed from baseline	8%	13%	22%

¹ Includes Australian Woolworths supermarkets and Metro Food Stores. Excludes BIG W and Countdown, which will be reported in future years. Analysis is based on products considered 'private label' – including FoodCo and designated produce, meat and in-store bakery products, in addition to in-store packaging such as produce bags. Where historical packaging data is not available, we have estimated packaging specifications based on similar products in the category. A packaging data enhancement project is currently underway and will allow our packaging measures and baseline to be further refined. While not included in our packaging figures, the removal of single use plastic bags resulted in the elimination of over 13,000 tonnes of plastic (over 9,000 tonnes of virgin plastic) from F18 to F19. Cumulative reduction calculated based on equivalent percentage of baseline year virgin plastic packaging with a target of 50% by 2024.

ARL on pack¹

	F22
Australian Food	72%
New Zealand Food	55%

- ¹ The Australasian Recycling Label (ARL) Program is an on-pack labelling scheme that is helping consumers to recycle correctly and supporting Brand Owners and packaging manufacturers to design packaging that is recyclable at end-of-life. Coverage based on the proportion of products where packaging is within the control of Woolworths Group. BIG W will be reported in F23.

Post consumer soft plastics recycling collections¹

	F20	F21	F22
Tonnes from in-store collections	1,748	2,905	4,608

- ¹ Collections from customers which are transformed into new products by our recycling partners. Soft plastic recycling service includes plastic from products sold by Woolworths Group and other retailers/sources.

Post consumer battery and mobile phone recycling collections¹

	F22
Tonnes from in-store recycling units	293

- ¹ Service commenced nationwide in F22 enabling hazardous waste to be diverted from landfill and valuable metals and materials to be recovered and reused.

Proportion of sales from healthier products¹

	F20	F21	F22
% Eligible sales from healthier products (≥ 3.5 Health Star Rating (HSR))	61.1%	61.4%	61.7%

- ¹ Includes Australian Woolworths supermarkets and excludes Metro Food Stores in Australia and Countdown in New Zealand, BIG W, healthy life and PFD. Analysis covers more than 96% of sales of products for which the HSR system is intended or permitted, including packaged and unpackaged foods. We are working with our suppliers to increase HSR data in our master data and on pack. Where HSR data is not provided, we estimate HSR based on available nutrition information and similar products in the category. As HSR data improves, our HSR measure and baseline will be refined. Calculations are based on sales, with the intention of moving to a volume-based metric in future years.



Workplace metrics

BOARD OF DIRECTORS

	WOMEN	MEN	DIFFERENT TERM	TOTAL
<25	0	0	0	0
25–<35	0	0	0	0
35–<45	0	0	0	0
45–<55	2	0	0	2
55–<65	3	2	0	5
>65	0	2	0	2
Total	5	4	0	9

WOMEN REPRESENTATION BY EMPLOYMENT CATEGORY¹

Executives	33.82%
Senior managers	40.46%
Managers	44.56%
Office support	55.50%
Technicians and trades	12.78%
Sales	63.49%
Other	34.59%

¹ This data covers the 12 months ended 1/1/2022, is for Australian based team members only and was used to prepare the Workplace Gender Equality Agency (WGEA) report.

RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN EMPLOYEES BY EMPLOYMENT CATEGORY¹

This table averages all the salaries within the non-managerial or managerial category. Within each category, there are different roles and levels of positions. The ratio to average reported here does not compare like-with-like roles and does not represent the Pay Parity Project².

	2021		2022	
	AVERAGE ANNUALISED SALARY	RATIO TO AVERAGE	AVERAGE ANNUALISED SALARY	RATIO TO AVERAGE
Non-managerial women	\$53,267	96.63%	\$54,218	96.88%
Non-managerial men	\$57,588	104.47%	\$58,299	104.17%
Non-managerial different term	not measured		\$52,561	93.92%
Average salary	\$55,123		\$55,965	
Managerial women	\$94,248	94.02%	\$99,641	94.79%
Managerial men	\$104,850	104.60%	\$109,418	104.09%
Managerial different term	not measured		\$114,879	109.29%
Average salary	\$100,240		\$105,116	

¹ This data covers the 12 months ended 1/1/2022, is for Australian based team members only and was used to prepare the WGEA report.

² We continue to monitor pay parity, comparing salaries of like-for-like roles of our team members across the Woolworths Group, at all levels. By grouping our positions, career streams and levels we are able to identify gender pay gaps between our women and men team members in like-for-like roles. Our last review confirmed a variance of less than 1%, which we will aim to maintain.

RESPECT AND DIGNITY¹

We expect our employees to treat each other, our customers and our suppliers with respect and dignity. We train our employees on these expectations. We are working towards a resolution on the outstanding claims.

Discrimination¹

Number of claims lodged in Australia and New Zealand during the year	113
Number resolved in financial year	113
Number of substantiated claims of discriminatory conduct	4

¹ Data covers all Australian Food, Corporate, and New Zealand Operations.

FREEDOM OF ASSOCIATION¹

We have long-standing relationships with the unions that represent our employees, and 89% of our workplace is covered by Enterprise Bargaining Arrangements (EBAs).

GROUP	EBA EMPLOYEES	TOTAL HEADCOUNT	%
BIG W	16,584	18,111	91.6%
Corporate	7,127	11,546	61.7%
New Zealand Food	18,185	21,447	84.8%
Australian Food	133,829	145,804	91.8%
Statewide Independent Wholesalers	391	438	89.3%
Total	176,116	197,346	89.2%

1 Data covers all Australian and New Zealand headcount and excludes workforce located in China, Bangladesh and Thailand.

WORKFORCE AND TURNOVER

The following workforce and turnover data tables includes all headcount, and excludes all contractors, as at the end of F22, inclusive of team located in Asia.

Headcount by business unit

GROUP	WOMEN	MEN	DIFFERENT TERM	TOTAL
BIG W	12,267	5,743	101	18,111
Corporate	3,218	8,309	19	11,546
Food Group Asia	274	153	0	427
Statewide Independent Wholesalers	38	400	0	438
New Zealand Food	12,451	8,996	0	21,447
Australian Food	81,509	63,573	722	145,804
Total	109,757	87,174	842	197,773

Headcount by employee type

GROUP	WOMEN	MEN	DIFFERENT TERM	TOTAL
Full-time	23,328	25,883	73	49,284
Part-time	53,118	31,889	297	85,304
Casual	33,311	29,402	472	63,185
Total	109,757	87,174	842	197,773

Headcount by region

GROUP	WOMEN	MEN	DIFFERENT TERM	TOTAL
Australian Capital Territory	1,346	1,672	16	3,034
New South Wales	34,272	27,719	225	62,216
Northern Territory	997	855	10	1,862
Queensland	21,675	15,703	194	37,572
South Australia	5,354	4,966	55	10,375
Tasmania	2,546	2,297	15	4,858
Victoria	21,458	18,598	234	40,290
Western Australia	9,384	6,215	93	15,692
New Zealand	12,451	8,996	0	21,447
China	260	129	0	389
Bangladesh	9	23	0	32
Thailand	5	1	0	6
Total	109,757	87,174	842	197,773



Workplace metrics

WORKFORCE AND TURNOVER (continued)

Workforce by age

AGE BAND	WOMEN	MEN	DIFFERENT TERM	TOTAL
<25	36,395	37,010	567	73,972
25-<35	22,327	22,685	184	45,196
35-<45	18,244	13,466	49	31,759
45-<55	17,004	8,063	28	25,095
55-<65	13,070	4,875	14	17,959
>65	2,717	1,075	0	3,792
Total	109,757	87,174	842	197,773

Turnover by region

GROUP	TOTAL TERMINATIONS				% LABOUR TURNOVER			
	WOMEN	MEN	DIFFERENT TERM	TOTAL	WOMEN	MEN	DIFFERENT TERM	TOTAL
Australian Capital Territory	403	436	2	841	29.7%	27.3%	16.7%	28.4%
New South Wales	9,473	8,575	88	18,136	27.9%	31.6%	51.8%	29.6%
Northern Territory	355	341	1	697	37.2%	42.7%	20.0%	39.6%
Queensland	6,540	4,961	67	11,568	30.9%	33.3%	48.9%	31.9%
South Australia	1,542	1,412	11	2,965	28.6%	29.1%	28.2%	28.9%
Tasmania	550	615	1	1,166	21.4%	27.1%	9.1%	24.0%
Victoria	6,742	6,300	74	13,116	31.9%	35.1%	43.8%	33.4%
Western Australia	3,022	2,281	30	5,333	33.0%	38.7%	44.1%	35.3%
New Zealand	4,717	3,799	0	8,516	40.1%	44.1%	0%	41.8%
China	67	23	0	90	25.3%	18.9%	0%	23.3%
Bangladesh	0	1	0	1	0%	4.2%	0%	3.1%
Thailand	3	1	0	4	50%	100%	0%	57.1%
Total	33,414	28,745	274	62,433	31.0%	34.2%	44.8%	32.4%

Turnover by age

AGE BAND	TOTAL TERMINATIONS				% LABOUR TURNOVER			
	WOMEN	MEN	DIFFERENT TERM	TOTAL	WOMEN	MEN	DIFFERENT TERM	TOTAL
<25	16,258	14,838	187	31,283	47.5%	44.7%	48.7%	46.1%
25-<35	7,356	8,194	55	15,605	33.1%	35.5%	37.7%	34.3%
35-<45	3,852	2,927	18	6,797	21.4%	21.6%	38.3%	21.5%
45-<55	3,277	1,547	10	4,834	19.2%	18.9%	43.5%	19.1%
55-<65	2,028	908	4	2,940	15.2%	18.4%	36.4%	16.1%
>65	643	331	0	974	21.8%	28.7%	0%	23.7%
Total	33,414	28,745	274	62,433	31.0%	34.2%	44.8%	32.4%

New hires by region

GROUP	WOMEN	MEN	DIFFERENT TERM	TOTAL
Australian Capital Territory	447	629	11	1,087
New South Wales	12,248	11,301	230	23,779
Northern Territory	446	467	10	923
Queensland	7,871	6,656	187	14,714
South Australia	1,627	1,736	45	3,408
Tasmania	555	737	12	1,304
Victoria	8,459	8,297	216	16,972
Western Australia	3,606	2,950	93	6,649
New Zealand	6,272	4,727	0	10,999
China	69	46	0	115
Bangladesh	2	0	0	2
Thailand	2	1	0	3
Total	41,604	37,547	804	79,955

New hires by age

AGE BAND	WOMEN	MEN	DIFFERENT TERM	TOTAL
<25	23,107	24,232	584	47,923
25-<35	8,239	7,901	147	16,287
35-<45	4,770	2,932	35	7,737
45-<55	3,595	1,481	26	5,102
55-<65	1,745	834	12	2,591
>65	148	167	0	315
Total	41,604	37,547	804	79,955

Parental leave¹

We offer parental leave to eligible Australian-based team members, which includes 12 weeks paid parental leave, total parental leave period up to 24 months and superannuation paid on both paid and unpaid leave for the first 12 months for primary caregivers, and two weeks paid leave for secondary caregivers. Permanent team members are eligible if they have completed six months of continuous service prior to taking the leave as a primary caregiver (12 months for secondary caregivers) or if they qualify as an eligible casual team member.

	2021		2022	
	ON PARENTAL LEAVE IN PERIOD	RETURNED FROM PARENTAL LEAVE	ON PARENTAL LEAVE IN PERIOD	RETURNED FROM PARENTAL LEAVE
Women	4,314	4,144	4,270	3,969
Men	1,050	1,041	1,242	1,232
Different Term	not measured	not measured	2	2
Total	5,364	5,185	5,514	5,203

¹ Data covers the 12 months ended 1/1/2022, is for Australian based team members only and was used to prepare the WGEA report. Returned from parental leave is based on returning to work for at least one day. This may include people who have returned from parental leave, but left before the end of the reporting period.



Workplace metrics

SAFETY AND HEALTH PERFORMANCE

Occupational health and safety management system¹

Number and % of employees covered by an occupational health and safety management system that are internally and externally audited.

All our Australian and New Zealand team members, relief and resource contractors and labour hire workers are covered by business safety management systems.

All of our safety management systems are internally audited by our Group Safety and Health Assurance function or by Group Risk Internal Audit.

All of our safety management systems are externally audited in at least one jurisdiction where it is required as part of our self-insurer license terms or as part of other legal requirements such as the ACC in New Zealand.

GROUP	NO. OF EMPLOYEES	% OF EMPLOYEES
BIG W	18,111	100%
Corporate	11,546	100%
Foodco incl Metro Food Stores	4,968	100%
Primary Connect	8,146	100%
New Zealand Food	21,447	100%
WooliesX	7,834	100%
Australian Supermarkets	125,283	100%
Total	197,355	100%

¹ Data excludes workers that are not on the core Woolworths Group payroll system.

WORK RELATED INJURIES

High consequence work related injuries (HCI)

GROUP	HCI	HCIFR PER MILLION HOURS	HCIFR PER 200,000 HOURS	F22 HOURS WORKED
BIG W	16	0.91	0.18	17,508,011
Corporate	0	0.00	0.00	4,315,721
Foodco incl Metro Food Stores	3	0.72	0.14	4,183,450
Primary Connect	27	2.08	0.42	13,000,614
New Zealand Food ¹	not available	not available	not available	27,663,908
WooliesX	1	0.17	0.03	5,866,588
Australian Supermarkets	170	1.33	0.27	127,645,912
Total	217	1.08	0.22	200,184,205

¹ New Zealand data for HCI reporting is not available.

Business TRIFR and TRI results

GROUP	PER MILLION HOURS	PER 200,000 HOURS	TRI	F22 HOURS WORKED
BIG W	5.88	1.18	103	17,508,011
Corporate	1.16	0.23	5	4,315,721
Foodco incl Metro Food Stores	5.26	1.05	22	4,183,450
Primary Connect	19.92	3.98	259	13,000,614
New Zealand Food	17.24	3.45	477	27,663,908
WooliesX	1.53	0.31	9	5,866,588
Australian Supermarkets	10.60	2.12	1,353	127,645,912
Total	11.13	2.23	2,228	200,184,205

Business TRIs by gender

GROUP	WOMEN		MEN		DIFFERENT TERM		TOTAL
	COUNT	%	COUNT	%	COUNT	%	COUNT
BIG W	90	87%	13	13%	0	0%	103
Corporate	3	60%	2	40%	0	0%	5
Foodco incl Metro Food Stores	13	59%	9	41%	0	0%	22
Primary Connect	51	20%	208	80%	0	0%	259
New Zealand Food	312	65%	165	35%	0	0%	477
WooliesX	4	44%	5	56%	0	0%	9
Australian Supermarkets	901	67%	447	33%	5	0%	1,353
Total	1,374	62%	849	38%	5	0%	2,228

Woolworths Group Limited TRIFR and severity rate for F20–F22¹

KPI	F20	F21	F22
TRIFR (million hours worked)	11.55	12.17	11.13
TRIFR (200,000 hours worked)	2.31	2.43	2.23
Severity rate	not reported	not reported	1.74

¹ Severity rate was introduced as a business metric in F22, it is a more holistic measure than TRIFR including all injuries (physical and psychological) for team and customers and includes incidents that had a high potential for serious injury or death.

TRIs by nature group

TRI BY NATURE GROUP FOR 2022	WOMEN		MEN		DIFFERENT TERM		TOTAL
	COUNT	%	COUNT	%	COUNT	%	COUNT
Traumatic sprain/strain	928	62%	568	38%	3	0%	1,499
Musculoskeletal	13	65%	7	35%	0	0%	20
Wounds and lacerations	292	64%	161	35%	1	0%	454
Fractures	43	58%	31	42%	0	0%	74
Other	98	54%	82	45%	1	0%	181
Total	1,374	62%	849	38%	5	0%	2,228

TRIs by mechanism group

TRI BY MECHANISM GROUP FOR 2022	WOMEN		MEN		DIFFERENT TERM		TOTAL
	COUNT	%	COUNT	%	COUNT	%	COUNT
Manual handling	816	60%	544	40%	2	0%	1,362
Slips/trips	215	74%	74	26%	1	0%	290
Hitting objects	136	63%	79	37%	0	0%	215
Being hit by moving objects	126	58%	91	42%	1	0%	218
Other	81	57%	61	43%	1	1%	143
Total	1,374	62%	849	38%	5	0%	2,228



Workplace metrics

WORK RELATED INJURIES (continued)

Business close calls (near hits)

GROUP	WOOLWORTHS GROUP COUNT	CONTRACTOR COUNT	AGENCY COUNT
BIG W	101	21	0
Corporate	1	4	0
Foodco incl Metro Food Stores	25	5	0
Primary Connect	1,370	126	433
New Zealand Food	6,403	346	73
WooliesX	3	0	0
Australian Supermarkets	386	16	0
Total	8,289	518	506

Business high potential work related incidents

GROUP	WOOLWORTHS GROUP COUNT	CONTRACTORS	AGENCY
BIG W	0	1	0
Corporate	0	0	0
Foodco incl Metro Food Stores	2	1	0
Primary Connect	0	0	0
New Zealand Food	1	0	0
WooliesX	0	0	0
Australian Supermarkets	2	3	0
Total	5	5	0

WORK RELATED ILL HEALTH

'Ill health' indicates damage to health and includes diseases, illnesses and disorders. The terms 'disease', 'illness' and 'disorder' are often used interchangeably and refer to conditions with specific symptoms and diagnoses.

Business ill health for gender

GROUP	WOMEN		MEN		DIFFERENT TERM		TOTAL	F22 HOURS WORKED
	COUNT	%	COUNT	%	COUNT	%	COUNT	
BIG W	7	78%	2	22%	0	0%	9	17,508,011
Corporate	1	50%	1	50%	0	0%	2	4,315,721
Foodco incl Metro Food Stores	0	0%	0	0%	0	0%	0	4,183,450
Primary Connect	4	13%	28	88%	0	0%	32	13,000,614
New Zealand Food	2	100%	0	0%	0	0%	2	27,663,908
WooliesX	0	0%	0	0%	0	0%	0	5,866,588
Australian Supermarkets	62	58%	45	42%	0	0%	107	127,645,912
Total	76	50%	76	50%	0	0%	152	200,184,205

Ill health TRIs by nature group

NATURE GROUP	WOMEN		MEN		DIFFERENT TERM		TOTAL
	COUNT	%	COUNT	%	COUNT	%	COUNT
Musculoskeletal	13	65%	7	35%	0	0%	20
Psychological	42	57%	32	43%	0	0%	74
Digestive system diseases (e.g. hernia)	10	27%	27	73%	0	0%	37
Other	11	52%	10	48%	0	0%	21
Total	76	50%	76	50%	0	0%	152

FATALITIES

Work related fatalities include those where Woolworths Group operations have been a contributing factor.

Employee work related fatalities	0
Contractor/agency fatalities	0



Glossary

TERM	MEANING
Carbon dioxide equivalent (CO₂e)	A standard measure used to compare the emissions from various greenhouse gases based on their global warming potential. For example, one tonne of methane emissions is equivalent to 28 tonnes of carbon dioxide emissions over a 100 year period.
Green electricity	To align with RE100 and CDP reporting requirements our renewable electricity is only counted as green electricity when renewable energy certificates are surrendered, or when the default renewable electricity supply from the grid exceeds 95%.
Health Star Rating	The Health Star Rating is a voluntary front-of-pack labelling system in Australia and New Zealand that rates the overall nutritional profile of food and beverages from 0.5 star to 5 stars. It provides a quick and easy way for consumers to compare similar foods and make informed choices. The more stars, the healthier the choice.
Lost Time Injury (LTI) and Lost Time Injury Frequency Rate (LTIFR)	A Lost Time Injury (LTI) is an injury or illness that results in an employee being unable to work a full scheduled shift (other than the shift during which the injury occurred). LTIFR refers to Lost Time Injury Frequency Rate, the number of lost time injuries occurring in a workplace per one million hours worked.
MWh	Megawatt hours is a unit of measurement for electricity use.
National Greenhouse and Energy Reporting Act 2007 (NGER)	NGER established a national framework for Australian corporations to report greenhouse gas emissions, reductions, removals and offsets, and energy consumption and production. Refer to climatechange.gov.au/reporting/publications .
Scope 1 emissions	Direct greenhouse gas emissions from sources owned or controlled by the company, such as combustion facilities (e.g. generators), calculated emissions from refrigerant gas leakages and combustion of fuels in company-owned or company-controlled transport (e.g. cars and trucks).
Scope 2 emissions	Indirect greenhouse gas emissions from the generation of purchased electricity, heat, cooling or steam. Purchased electricity is defined as electricity that is bought or otherwise brought into the organisational boundary of the entity.
Scope 3 emissions	Other indirect greenhouse gas emissions that are a consequence of a company's activities, but that arise from sources that other entities own or control. Scope 3, like scope 2, is a category of indirect emissions and covers all other indirect emissions from sources that are not owned or controlled by a company, but that occur as a result of its activities. Examples include emissions generated in the production of the products we sell and from waste disposal to landfill.
Severity Rate	Includes all team and customer injuries or illnesses (first aid through to lost time injuries, both physical and psychological) and events with potential for high severity.
Sustainable Development Goals (SDG)	17 global goals set by the United Nations in 2015 to define global sustainable development priorities and aspirations for the planet.
Sustainable Sourcing	Includes a combination of physically certified (or independently verified) commodities; and the purchase of offsets to support the sustainable production of a commodity if physical certification cannot be achieved. Our sourcing policies should be referred to for commodity-specific details.
Total Recordable Injury (TRI) and Total Recordable Injury Frequency Rate (TRIFR)	A Total Recordable Injury Frequency Rate (TRIFR) is the sum of the total number of employee fatalities, lost time injuries, restricted work injuries or medical treatment injuries per million hours worked.

United Nations Global Compact

PRINCIPLES	ACTIONS	PAGE
HUMAN RIGHTS		
Principle 1		
Protection of Human Rights	Responsible Sourcing Program	2022 Sustainability Report pages 24–25 2022 Modern Slavery Statement
Principle 2		
No Complicity in Human Rights Abuse	Responsible Sourcing Program	2022 Sustainability Report pages 24–25 2022 Modern Slavery Statement
LABOUR		
Principle 3		
Freedom of Association and Collective Bargaining	Responsible Sourcing Program Freedom of association and union engagement	2022 Sustainability Report pages 24–25 2022 Modern Slavery Statement Sustainability Report Appendix page 7
Principle 4		
Elimination of Forced and Compulsory Labour	Responsible Sourcing Program	2022 Sustainability Report pages 24–25 2022 Modern Slavery Statement
Principle 5		
Abolition of Child Labour	Responsible Sourcing Program	2022 Sustainability Report pages 24–25 2022 Modern Slavery Statement
Principle 6		
Elimination of Discrimination	Diversity and equal opportunity	2022 Sustainability Report pages 18–21 Sustainability Report Appendix page 6
ENVIRONMENT		
Principle 7		
Precautionary Approach	No explicit reference to precautionary approach	Sustainability Report Appendix page 16
Principle 8		
Environmental Responsibility	Planet	2022 Sustainability Report pages 30–43
Principle 9		
Environmentally Friendly Technologies	Technology addressing climate change, water conservation, transport and packaging	2022 Sustainability Report pages 30–51
ANTI-CORRUPTION		
Principle 10		
Work against Corruption	Anti-corruption	Sustainability Report Appendix page 17



Global Reporting Initiative

Detailed GRI Index can be found at our website <https://www.woolworthsgroup.com.au/sustainability>

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE
GENERAL DISCLOSURES		
2-1	Organisational details	Front cover
2-2	Entities included in the organisation's sustainability reporting	Inside cover
2-3	Reporting period, frequency and contact point	GRI Index
2-4	Restatements of information	Inside cover
2-5	External assurance	Sustainability Report Appendix page 24–28
2-6	Activities, value chain and other business relationships	2022 Annual Report
2-7	Employees	Sustainability Report Appendix page 7
2-8	Workers who are not employees	Sustainability Report Appendix page 7, GRI Index
2-9	Governance structure and composition	GRI Index
2-10	Nomination and selection of the highest governance body	GRI Index
2-11	Chair of the highest governance body	GRI Index
2-12	Role of the highest governance body in overseeing the management of impacts	GRI Index
2-13	Delegation of responsibility for managing impacts	GRI Index
2-14	Role of the highest governance body in sustainability reporting	GRI Index
2-15	Conflict of interest	GRI Index
2-16	Communication of critical concerns	GRI Index
2-17	Collective knowledge of the highest governing body	2022 Annual Report, GRI Index
2-18	Evaluation of the performance of the highest governance body	GRI Index
2-19	Remuneration policies	2022 Annual Report, GRI Index
2-20	Process to determine remuneration	2022 Annual Report, GRI Index
2-21	Annual total compensation ratio	GRI Index
2-22	Statement on sustainable development strategy	GRI Index
2-23	Policy commitments	GRI Index
2-24	Embedding policy commitments	GRI Index
2-25	Processes to remediate negative impacts	GRI Index
2-26	Mechanisms for seeking advice and raising concerns	GRI Index
2-27	Compliance with laws and regulations	GRI Index
2-28	Membership associations	Sustainability Report Appendix page 31
2-29	Approach to stakeholder engagement	Sustainability Report Appendix pages 32–33
2-30	Collective bargaining agreements	Sustainability Report Appendix page 7

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE
MATERIAL TOPICS		
3-1	Process to determine material topics	GRI Index
3-2	List of material topics	2022 Sustainability Report pages 10–11
ECONOMIC PERFORMANCE		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
201-1	Direct economic value generated and distributed	2022 Annual Report
201-2	Financial implications and other risks and opportunities due to climate change	2022 Annual Report
201-3	Defined benefit plan obligations and other retirement plans	2022 Annual Report
201-4	Financial assistance received from government	GRI Index
MARKET PRESENCE		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	GRI Index
202-2	Proportion of senior management hired from the local community	GRI Index
INDIRECT ECONOMIC IMPACTS		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
203-1	Infrastructure investments and services supported	2022 Annual Report and Sustainability Report pages 26–29, GRI Index
203-2	Significant indirect economic impacts	GRI Index
PROCUREMENT PRACTICES		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
204-1	Proportion of spend on local suppliers	GRI Index
ANTI-CORRUPTION		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
205-1	Operations assessed for risks related to corruption	GRI Index
205-2	Communication and training about anti-corruption policies and procedures	GRI Index
205-3	Confirmed incidents of corruption and actions taken	GRI Index
ANTI-COMPETITIVE BEHAVIOUR		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	GRI Index



Global Reporting Initiative

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE
TAX		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
207-1	Approach to tax	2022 Annual Report, GRI Index
207-2	Tax governance, control, and risk management	2022 Annual Report, GRI Index
207-3	Stakeholder engagement and management of concerns related to tax	2022 Annual Report, GRI Index
207-4	Country-by-country reporting	2022 Annual Report, GRI Index
MATERIALS		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
301-1	Materials used by weight or volume	GRI Index
301-2	Recycled input materials used	GRI Index
301-3	Reclaimed products and their packaging materials	GRI Index
ENERGY		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
302-1	Energy consumption within the organisation	Sustainability Report Appendix page 2, GRI Index
302-2	Energy consumption outside of the organisation	GRI Index
302-3	Energy intensity	Sustainability Report Appendix page 2, GRI Index
302-4	Reduction in energy consumption	Sustainability Report Appendix page 2, GRI Index
302-5	Reductions in energy requirements of products and services	GRI Index
WATER AND EFFLUENTS		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
303-1	Interactions with water as a shared resource	GRI Index
303-2	Management of water discharge-related impacts	GRI Index
303-3	Water withdrawal	GRI Index
303-4	Water discharge	GRI Index
303-5	Water consumption	GRI Index
BIODIVERSITY		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas of high biodiversity value outside protected areas	GRI Index
304-2	Significant impacts of activities, products and services on biodiversity	GRI Index
304-3	Habitats protected or restored	GRI Index
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	GRI Index

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE
EMISSIONS		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
305-1	Direct (Scope 1) GHG emissions	Sustainability Report Appendix page 2, GRI Index
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report Appendix page 2, GRI Index
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report Appendix page 3
305-4	GHG emissions intensity	Sustainability Report Appendix page 3
305-5	Reduction of GHG emissions	Sustainability Report Appendix page 2
305-6	Emissions of ozone-depleting substances (ODS)	GRI Index
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	GRI Index
WASTE		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
306-1	Waste generation and significant waste-related impacts	GRI Index
306-2	Management of significant waste-related impacts	GRI Index
306-3	Waste generated	Sustainability Report Appendix page 4
306-4	Waste diverted from disposal	Sustainability Report Appendix page 4, GRI Index
306-5	Waste directed to disposal	Sustainability Report Appendix page 4, GRI Index
SUPPLIER ENVIRONMENTAL ASSESSMENT		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
308-1	New suppliers that were screened using environmental criteria	GRI Index
308-2	Negative environmental impacts in the supply chain and actions taken	GRI Index
EMPLOYMENT		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
401-1	New employee hires and employee turnover	Sustainability Report Appendix pages 8–9
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	GRI Index
401-3	Parental leave	Sustainability Report Appendix page 9
LABOUR/MANAGEMENT RELATIONS		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
402-1	Minimum notice periods regarding operational changes	GRI Index



Global Reporting Initiative

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE
OCCUPATIONAL HEALTH AND SAFETY		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
403-1	Occupational health and safety management system	Sustainability Report Appendix page 10, GRI Index
403-2	Hazard identification, risk assessment, and incident investigation	GRI Index
403-3	Occupational health services	GRI Index
403-4	Worker participation, consultation, and communication on occupational health and safety	GRI Index
403-5	Worker training on occupational health and safety	GRI Index
403-6	Promotion of worker health	GRI Index
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	GRI Index
403-8	Workers covered by an occupational health and safety management system	Sustainability Report Appendix page 10
403-9	Work-related injuries	Sustainability Report Appendix pages 10–12
403-10	Work-related ill health	Sustainability Report Appendix page 13
TRAINING AND EDUCATION		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
404-1	Average hours of training per year per employee	GRI Index
404-2	Programs for upgrading employee skills and transition assistance programs	2022 Sustainability Report page 21, GRI Index
404-3	Percentage of employees receiving regular performance reviews and career development reviews	GRI Index
DIVERSITY AND EQUAL OPPORTUNITY		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
405-1	Diversity of governance bodies and employees	GRI Index
405-1	Ratio of basic salary and remuneration of women to men	Sustainability Report Appendix page 6
NON-DISCRIMINATION		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
406-1	Incidents of discrimination and corrective actions taken	Sustainability Report Appendix page 6
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability Report Appendix page 7, 2022 Modern Slavery Statement, GRI Index

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE
CHILD LABOUR		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
408-1	Operations and suppliers at significant risk for incidents of child labour	2022 Modern Slavery Statement, GRI Index
FORCED OR COMPULSORY LABOUR		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	2022 Modern Slavery Statement, GRI Index
SECURITY PROCESSES		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
410-1	Security personnel trained in human rights policies and procedures	2022 Modern Slavery Statement, GRI Index
RIGHTS OF INDIGENOUS PEOPLES		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
411-1	Incidents of violations involving the rights of Indigenous peoples	GRI Index
LOCAL COMMUNITIES		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
413-1	Operations with local community engagement, impact assessments, and development programs	2022 Sustainability Report, GRI Index
413-2	Operations with significant actual and potential negative impacts on local communities	2022 Sustainability Report, GRI Index
SUPPLIER SOCIAL ASSESSMENT		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
414-1	New suppliers that were screened using social criteria	GRI Index
414-2	Negative social impacts in the supply chain and actions taken	2022 Modern Slavery Statement
PUBLIC POLICY		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
415-1	Political contributions	Sustainability Report Appendix page 29
CUSTOMER HEALTH AND SAFETY		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
416-1	Assessment of the health and safety impacts of product and service categories	GRI Index
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	GRI Index



DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE
MARKETING AND LABELLING		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
417-1	Requirements for product and service information and labelling	GRI Index
417-2	Incidents of non-compliance concerning product and service information and labelling	GRI Index
417-3	Incidents of non-compliance concerning marketing communications	GRI Index
CUSTOMER PRIVACY		
3-3	Management of material topics	Sustainability Report Appendix pages 32–33
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI Index

TCFD reporting requirements

The following table provides an overview of the Taskforce on Climate-Related Financial Disclosures recommended disclosures, and the report page reference where these have been addressed. These disclosures will continue to be refined in the future as we progress our work in this area.

TCFD RECOMMENDED DISCLOSURE

OUR APPROACH

Governance: Disclose the organisation's governance around climate-related risks and opportunities

- | | |
|---|--|
| a) Describe the board's oversight of climate-related risks and opportunities | 2022 Annual Report pages 50–51
2022 Sustainability Report pages 32–33 |
| b) Describe management's role in assessing and managing climate-related risks and opportunities | 2022 Annual Report pages 50–52
2022 Sustainability Report pages 32–33 |

Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material

- | | |
|---|---|
| a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term | 2022 Annual Report pages 53–57
2022 Sustainability Report pages 32–33, 42–43 |
| b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning | 2022 Annual Report pages 53–57 |
| c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | 2022 Annual Report pages 53–57 |

Risk Management: Disclose how the organisation identifies, assesses, and manages climate-related risks

- | | |
|---|--|
| a) Describe the organisation's processes for identifying and assessing climate-related risks | 2022 Annual Report pages 50–51
2022 Sustainability Report pages 32–33 |
| b) Describe the organisation's processes for managing climate-related risks | 2022 Annual Report pages 50–51
2022 Sustainability Report pages 32–33 |
| c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management | 2022 Annual Report pages 44–51 |

Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

- | | |
|--|--|
| a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | 2022 Annual Report page 52
2022 Sustainability Report pages 34–43
Sustainability Report Appendix pages 2–5 |
| b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks | 2022 Annual Report pages 53–57
2022 Sustainability Report pages 34–37
Sustainability Report Appendix pages 2–3 |
| c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets | 2022 Annual Report page 52
2022 Sustainability Report pages 6–7, 34–43 |



Assurance report



Deloitte Touche Tohmatsu
 ABN 74 490 121 060
 Grosvenor Place
 225 George Street
 Sydney NSW 2000
 PO Box N250 Grosvenor Place
 Sydney NSW 1220 Australia
 Tel: +61 8 9365 7000
 Fax: +61 2 9322 7001

INDEPENDENT ASSURANCE PRACTITIONER'S LIMITED ASSURANCE REPORT TO THE DIRECTORS OF WOOLWORTHS GROUP LIMITED IN RELATION TO THE SUSTAINABILITY REPORT DISCLOSURES FOR THE YEAR ENDING 30 JUNE 2022

CONCLUSION

We have undertaken a limited assurance engagement relating to the GRI Universal Standards disclosures, selected GRI Topic Standards disclosures, and selected Sustainability Targets detailed below (the 'Subject Matter Information') presented in Woolworths Group Limited's ('Woolworths') 2022 Sustainability Report in relation to the facilities of Woolworths for the period 1 July 2021 to 30 June 2022.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that, the accompanying Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria detailed below for the period 1 July 2021 to 30 June 2022.

SUBJECT MATTER INFORMATION AND REPORTING CRITERIA

The Subject Matter Information and Reporting Criteria in scope for our limited assurance engagement for the year ended 30 June 2022 is as follows:

SUBJECT MATTER INFORMATION

REPORTING CRITERIA

GRI Standards

GRI Universal Standards disclosures prepared in accordance with the requirements of the GRI Standards set out in the GRI Index on pages 16–22 of the 2022 Sustainability Report Appendix:

- GRI 1: Foundation 2021
- GRI 2: General Disclosures 2021
- GRI 3: Material Topics 2021

The following selected GRI Topic Standards disclosures included within the GRI Index on pages 16–22 of the 2022 Sustainability Report Appendix:

- Energy
 - Energy consumption within the organization Emissions [302-1]
 - Energy consumption outside of the organization [302-2]
 - Energy intensity [302-3]
 - Reduction of energy consumption [302-4]

Relevant GRI Standards and Woolworths' internal definitions, and approaches as described in the GRI Index on page 16 to 22 of the 2022 Sustainability Report Appendix and on Woolworths' website at www.woolworthsgroup.com.au

SUBJECT MATTER INFORMATION

REPORTING CRITERIA

GRI Standards (continued)

- Emissions
 - Direct (Scope 1) GHG emissions [305-1]
 - Energy indirect (Scope 2) GHG emissions [305-2]
 - Other indirect (Scope 3) GHG emissions [305-3]
 - GHG emissions intensity [305-4]
 - Reduction of GHG emissions [305-5]
- Effluents & Waste
 - Waste by type and disposal method [306-3]
- Occupational Health and Safety
 - Hazard identification, risk assessment, and incident investigation [403-2]
 - Work-related injuries [403-9]

Sustainability Targets

The following 2022 performance data included within Woolworths' Sustainability Targets and commitments as contained in the People, Planet and Product sections within the 2022 Sustainability Report and the 2022 Sustainability Report Appendix:

- People
 - 'Severity rate of health and safety incidents' on page 23 of the 2022 Sustainability Report
- Planet
 - 'Category 1 Purchased Goods & Services: Scope 3 greenhouse gas emissions' on page 36 of the 2022 Sustainability Report
 - 'Scope 1 and 2 greenhouse emissions and reductions against 2015 baseline' on pages 4, 14, 34, and 35 of the 2022 Sustainability Report
 - 'Electricity source (MWh)' on page 2 of the 2022 Sustainability Report Appendix
- Product
 - 'Proportion of customer sales > 3.5 Health Star Rating' on pages 8 and 46 of the 2022 Sustainability Report
 - 'Virgin (new) plastic packaging reductions'
 - 'annual reduction' on pages 8 and 49 of the 2022 Sustainability Report
 - 'absolute and % cumulative removed from baseline' on pages 14 and 49 of the 2022 Sustainability Report
 - Progression towards sustainable sourcing product commitments
 - 'Tea, coffee, cocoa, and sugar' on pages 15 and 52 of the 2022 Sustainability Report
 - 'Soy and Food palm (kernel) oil' on page 53 of the 2022 Sustainability Report
 - Progress on sustainability sourced ingredients in own brand products
 - 'Tea, coffee, and cocoa' on page 52 of the 2022 Sustainability Report

Woolworths' definitions, and approaches as described in the People, Planet and Product sections of Woolworths' 2021 Sustainability Report and on Woolworths website at www.woolworthsgroup.com.au



Assurance report

BASIS FOR CONCLUSION

We conducted our limited assurance engagement in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ASAE 3000"), issued by the Australian Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

WOOLWORTHS' RESPONSIBILITIES

The management of Woolworths are responsible for:

- ensuring that the Subject Matter Information is prepared in accordance with the Reporting Criteria;
- confirming the measurement or evaluation of the underlying subject matter against the applicable criteria, including that all relevant matters are reflected in the Subject Matter Information;
- designing, establishing and maintaining an effective system of internal control over its operations including, without limitation, systems designed to ensure achievement of its control objectives and its compliance with applicable laws and regulations;
- selecting and applying measurement methodologies in accordance with the Report Criteria, and making estimates that are reasonable in the circumstances; and
- for referring to or describing in its Subject Matter Information the applicable criteria it has used and, when it is not readily apparent from the engagement circumstances, who developed them.

OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements* in undertaking this assurance engagement.

ASSURANCE PRACTITIONER'S RESPONSIBILITIES

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information as evaluated against the Reporting Criteria based on the procedures we have performed and the evidence we have obtained. ASAE 3000 requires that we plan and perform our procedures to obtain limited assurance about whether, anything has come to our attention that causes us to believe that the Subject Matter Information is not properly prepared, in all material respects, in accordance with Reporting Criteria.

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

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

Our procedures included:

- Review of Woolworths' processes relating to stakeholder identification, engagement and responsiveness, including an assessment of stakeholder engagement outcomes and how this process and the outcomes have been presented in the 2022 Sustainability Report;
- Review of Woolworths' process to identify and determine material issues to be included in the 2022 Sustainability Report with examination of underlying assessments and evidence on a sample basis;
- Inquiry with a selection of Woolworths executives and senior management, including Woolworths' sustainability management team concerning the overall governance structure, corporate sustainability strategy and policies used for managing and reporting sustainability performance across the business; and
- In respect of the Subject Matter Information;
 - inquiry with a selection of Woolworths management responsible for selected FY22 GRI Universal Standards, GRI Topic Standards, and Sustainability Targets to understand the compilation and review processes;
 - applying analytical and other review procedures including assessing relationships between the reported information and other financial and non-financial data;
 - examination of evidence for a small number of transactions or events;
 - analysing and inspecting on a sample basis, the key systems, processes and procedures and controls relating to the collation, validation, presentation and approval process of the information included in the 2022 Sustainability Report; and
 - review underlying evidence on a sample basis to corroborate that the information is prepared and reported in line with the relevant reporting criteria.

INHERENT LIMITATIONS

Because of the inherent limitations of an assurance engagement, together with the inherent limitations of any system of internal control there is an unavoidable risk that it is possible that fraud, error, or non-compliance with laws and regulations, where there has been concealment through collusion, forgery and other illegal acts may occur and not be detected, even though the engagement is properly planned and performed in accordance with Standards on Assurance Engagements.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

RESTRICTED USE

This report has been prepared for use by the management of Woolworths for the purpose of assisting directors and management in their reporting of the Subject Matter Information. We disclaim any assumption of responsibility for any reliance on this report to any person other than the management of Woolworths or for any purpose other than that for which it was prepared.



Assurance report

MATTERS RELATING TO ELECTRONIC PRESENTATION OF INFORMATION

It is our understanding that Woolworths may publish a copy of this report on their website. We do not accept responsibility for the electronic presentation of this report on the Woolworths website. The security and controls over information on the web site is not evaluated or addressed by the independent assurance practitioner. The examination of the controls over the electronic presentation of this Report on the Woolworths website is beyond the scope of this engagement.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



PR Dobson
Partner
Chartered Accountants
Sydney, 18 August 2022

Corporate governance

GOVERNANCE, THE BOARD AND DIRECTORS

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

The Woolworths Group Board is responsible for reviewing, appraising and approving our Sustainability Plan 2025, its targets and material investments to manage actual or potential impacts to the Group. The Board does so on recommendation from its Sustainability Committee (SusCo). SusCo reviews and monitors performance against our strategy and targets. The CEO and Executive Committee, including the Chief Sustainability Officer, have accountability for the implementation of our strategy, and report progress to SusCo quarterly. SusCo also reviews performance on issues of safety and health, sustainability and community investment. The Group sustainability chapter orchestrates the work across the Group and supports the business ownership of change delivery required to achieve agreed goals.

Information on our Board of Directors and the Board Charter is at: <https://www.woolworthsgroup.com.au/page/about-us/our-leadership-team/board-of-directors/>

Information on our Sustainability Committee and its charter is at: <https://www.woolworthsgroup.com.au/page/about-us/our-leadership-team/board-committees/>

More information is in our corporate governance statement: <https://www.woolworthsgroup.com.au/page/about-us/our-approach/corporate-governance/>

RISK MANAGEMENT FRAMEWORK

The continued growth and success of Woolworths Group depends on the ability of our company to understand and respond to the challenges of an uncertain and changing world. As a large, dispersed and complex organisation, this uncertainty generates risk, with the potential to be a source of both opportunities and threats. By understanding and managing risk, the Group provides greater certainty and confidence for all its stakeholders. More information about our approach to risk management is in our risk management policy.

See: http://www.woolworthsgroup.com.au/icms_docs/184824_Risk_Management_Policy.pdf

SENIOR MANAGEMENT

The Woolworths Group Executive Committee, chaired by the Chief Executive Officer, provides management oversight of the effectiveness of the Group's implementation of the safety and health vision, principles, policy, standards, strategy and initiatives, risk processes, resources, information, compliance and assurance.

DOING THE RIGHT THING

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

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

POLITICAL DONATIONS

Woolworths Group participates in policy development and advocacy in a manner that is open, transparent, and compliant with all relevant laws. We do so in a non-partisan manner. Woolworths Group does not make political donations except through attendance at events, functions and forums organised by parliamentarians and political parties. This is overseen by the Chief Executive Officer and the Head of Government Relations and Industry Affairs in accordance with the Woolworths Group Political Donations Policy and applicable electoral laws.



TRANSPARENCY AND REPORTING

Woolworths Group uses the globally recognised reporting framework developed by the Global Reporting Initiative (GRI). The GRI reporting framework sets out the principles and indicators that organisations can use to measure and report their economic, environmental, and social performance. The 2022 Sustainability Report has been prepared in accordance with the GRI Universal Standards. More information can be found in the GRI Index starting on [page 16](#) of the 2022 Sustainability Report Appendix.

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

We are a signatory to the United Nations Global Compact (UNGC). The 2022 Sustainability Report Appendix [page 15](#) details our approach to the UNGC core values.

Industry associations

INDUSTRY ASSOCIATION MEMBERSHIPS

Principles for engagement

- Industry associations are an important component of Woolworths Group's overall public policy advocacy effort. Our broad set of memberships – from core economy-wide memberships such as the Business Council of Australia and Ai Group (see below) to sector specific memberships such as the Green Building Council of Australia, the Australian Logistics Council and the Australian Retailers Association – reflect the breadth of policy issues relevant to the Group
- Our overriding ambition is that memberships help promote sustainable growth and productivity enhancing economic reforms that deliver broad societal benefit
- We seek broad alignment with the policy positions of our industry associations, but recognise that may not always be possible. Membership does not preclude Woolworths Group from holding different policy positions, especially where this better reflects expectations of our customers, shareholders, team and the community
- We seek to participate as a constructive partner on the priority policy making forums of each industry association, including through the relevant committee and working group structures. Support can extend to technical advice and to public campaigns designed to better inform public debate
- Each membership has an internal relationship owner, the responsibility of which includes ensuring any major policy misalignments are identified and referred to our Group Government Relations and Industry Affairs team for review. Where any divergence persists, and is of a material misalignment with our own view, Woolworths Group will review our membership, evaluating that misalignment with the wider benefits of membership of that industry association
- On an annual basis (at the time of membership renewal) Woolworths Group reviews its key industry association memberships to ensure alignment with our key areas of policy interest. This includes a focus on advocacy activities related to climate change and our Woolworths Group Sustainability Plan 2025 goals and commitments.

	BUSINESS COUNCIL OF AUSTRALIA	AUSTRALIAN INDUSTRY GROUP	AUSTRALIAN RETAIL ASSOCIATION
Involvement	Member/Committee/Working Groups	Member/Working Groups	Member/Working Groups
Core Activity	Consider public policy in relation to economy-wide issues impacting the nation and businesses, including energy policy, tax policy and Indigenous affairs	Consider public policy in relation to economy-wide issues impacting the nation and businesses, including workplace relations, data policy and energy policy	Consider public policy specific to the retail sector, as well as efforts to promote the aspirational nature of a career in the retail sector
Contribution	<ul style="list-style-type: none"> • Membership fee • Non-financial contributions to projects of strategic relevance e.g. Strong Australia campaign 	<ul style="list-style-type: none"> • Membership fee • Technical advice on key policy issues 	<ul style="list-style-type: none"> • Membership fee • Technical advice on key policy issues



Stakeholder engagement

Stakeholder engagement is an always-on activity across the organisation in both formal and informal settings. Listed below are the key stakeholder groups, the core topics that they raise with the Woolworths Group and a sample of responses to these topics.

STAKEHOLDERS	KEY TOPICS RAISED	HOW WE ENGAGE	HOW WE RESPOND
Investors and shareholders	Climate change Organisational resilience Corporate conduct, ethics, integrity and transparency Responsible service of alcohol, tobacco and gaming Human rights and Indigenous affairs	Investor roadshows Analyst briefings Via Investor Relations team Meetings with shareholder advocacy groups	Value creation plan is shown on page 4–5 of the Annual Report showing how we create value TCFD position is shown on page 53–57 of the Annual Report and on page 32 of the Sustainability Report showing our position on financial disclosures in relation to climate change Material risks on page 44–52 of the Annual Report Publication of annual Modern Slavery Statement Broadly our response to these issues is contained within our Sustainability Plan 2025 which is reviewed and may be refined each year in our strategic review process
Customers	Engagement with customers on sustainability Climate change Natural resource use, waste and circular economy Access to healthy, affordable food Community impact Responsible service of alcohol, tobacco and gaming	Online and social media campaigns Customer feedback surveys and research Customer hub interactions via phone, chat and email	Packaging and other changes to reduce plastics Training our team members in standards, policy and processes Upgrading product range and knowledge Listening to and responding to feedback received via the Customer Hub Targeted campaigns such as Price Dropped on healthier products Provision of recycling points in-store for soft plastics and batteries in supermarkets and toys in BIG W stores Focus on food waste and diversion to food rescue, animal feed or organics recycling Enhancing data privacy controls and data management and protection practices Business target for giving back to the community currently at >1% of EBT Improving product information such as Health Star Ratings and environmental certifications Broadly our response to these issues is contained within our Sustainability Plan 2025 which is reviewed and may be refined each year in our strategic review process
Suppliers	Supply chain sustainability Regenerative agriculture Human rights Natural resource use, waste and circular economy	Direct contact via category managers Collaborative forums and conferences Vendor development programs Voice of Supplier surveys Grievance mechanisms	Transparent supplier trading terms policy Responsible Sourcing Policy & Standards Access to development funding programs such as 'Dairy Innovation Fund' Setting animal welfare standards and working alongside partnerships across the supply chain to improve conditions Collaboration on agreed priority areas of opportunity such as packaging and health Relevant on pack communications and messaging Modern Slavery reporting

STAKEHOLDERS ENGAGEMENT (continued)

STAKEHOLDERS	KEY TOPICS RAISED	HOW WE ENGAGE	HOW WE RESPOND
Team Members	<p>Team member wellbeing</p> <p>Future of work and workforce transition</p>	<p>Voice of Team (VOT) surveys</p> <p>Direct feedback through management lines</p> <p>Benchmarking comparisons</p> <p>Town halls and other engagement sessions</p>	<p>Wellbeing across physical, mental, financial, social and community aspects is a core feature of our support to team. We have policies, procedures as well as onboarding and induction training to support all team members be safe. Mental health is a particular focus area of work across the business.</p> <p>An investment of \$50 million over three years was announced in 2021 targeted to upskill and reskill team members especially in technological advances over the coming years</p>
Communities	<p>Community impact</p> <p>Corporate conduct, ethics, integrity and transparency</p> <p>Responsible service of alcohol, tobacco and gaming</p>	<p>Community engagement activities</p> <p>Partnerships, communication and collaboration with non-governmental organisations (NGOs) and peak representation bodies</p>	<p>Effective use and investment with our community partnerships and programs</p> <p>Actions on issues that are raised such as setting waste reduction or water efficiency targets</p> <p>Listening to and building relationships with Indigenous communities</p> <p>Acknowledging when the Group has not met community expectations and taking positive steps to remediate and resolve</p> <p>Setting and maintaining high standards on areas of concern such as alcohol in communities and community specific initiatives such as free fruit for kids</p>
Government/ regulators/ NGOs/industry associations	<p>Corporate conduct, ethics, integrity and transparency</p> <p>Responsible service of alcohol, tobacco and gaming</p> <p>Climate Change</p> <p>Natural resource use, waste and circular economy</p>	<p>Engagement through collaborative forums</p> <p>Dedicated Government Relations team</p> <p>Reporting</p> <p>Partnerships</p> <p>Individual meetings and briefings</p> <p>Conferences</p>	<p>Industry leadership at scale on issues such as single-use plastics and packaging.</p> <p>Alignment to National Packaging Targets</p> <p>Continuity of service including being recognised as an essential service to the community especially during COVID</p> <p>Accepting accountability when expectations have not been met and taking appropriate actions to remedy</p> <p>Contributing to thought leadership and actively promoting and supporting initiatives around the circular economy and recycling broadly</p> <p>Reducing our environmental impacts through emission reductions, waste reductions and stewardship of land and waters</p> <p>Support for responsible and sustainable supply of commodities and respect for workers across the global supply chain</p> <p>Submissions to government bodies and reviews</p> <p>Contribution to networks and working groups such as TNFD</p>



Our corporate reporting suite

Woolworths Group is pleased to share how we're building a better tomorrow and encourage you to explore our full reporting suite detailing our performance across Australia and New Zealand.



2022 Modern Slavery Statement

Outlines the progress we have made to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain.

Click here to find the report on our website



2022 Sustainability Report

Shares our F22 performance and progress on our sustainability goals and commitments.

Click here to find the report on our website



Sustainability Plan 2025

Our program of positive change incorporating our goals and commitments across three pillars: our people, our planet and our products.

Click here to find the report on our website



2022 Annual Report

Read about our F22 performance and our progress on our strategic priorities as part of our transformation into a more focused food and everyday needs retail ecosystem.

Click here to find the report on our website



Corporate Governance Statement

Our Corporate Governance Statement describes our corporate governance framework, including key policies and practices for the F22 financial year.

Click here to find the report on our website



For more on our approach to sustainability visit our website
[woolworthsgroup.com.au](https://www.woolworthsgroup.com.au)

Company directory

Registered Office

1 Woolworths Way
Bella Vista NSW 2153

Tel: (02) 8885 0000

Web: www.woolworthsgroup.com.au

Auditor

Deloitte Touche Tohmatsu
225 George Street
Sydney NSW 2000

Tel: (02) 9322 7000

Web: www.deloitte.com.au

Woolworths Group Sustainability

Alex Holt

Chief Sustainability Officer

We encourage you to contact us if you have feedback or questions at
sustainability@woolworths.com.au



