



WOOLWORTHS LIMITED PUBLIC REPORT 2011

Part 1 - Corporation Details

Controlling Corporation

Woolworths Limited

Period to which this report relates

From

1 July 2006

To

30 June 2011

Table 1.1 - Major Changes to Corporate Group Structure or Operations

Table 1.1 – Major Changes to Corporate Group Structure or Operations

Woolworths Limited continues to grow as business, through building new stores and acquisitions of new businesses. Although it did not have a significant impact on the energy footprint of the business, Woolworths acquired Cellarmasters (a direct marketing liquor retailer, which also includes a winery and bottling facility) and acquired several small businesses in the Home Improvement sector to complement Danks Holdings.

Due to the expansion of the business, the energy efficiency innovation that has been implemented and the minimum energy efficiency standards for new stores, the divisions that were covered by the original Assessment and Reporting Schedule (Supermarkets, Logistics, BIG W and Dick Smith) now only cover 76.3% of the corporate group's total energy use. The energy assessments that were prepared for the Assessment & Reporting Schedule covered 80.5% of the corporate group's energy use, and these have been assessed as scheduled so the company deems that it is still complying with the 80% requirement.

Table 1.2 – Aggregate energy assessed covered in this report

Total energy use covered by all assessments in this report	8,401,077	GJ
Total energy assessed as percentage of total energy use of the corporate group**	76.3	%
Total energy assessed as percentage of the corporate group based on 2006 baseline ⁺	80.5	%

* If this report covers only part of the corporate group, then the percentage should be computed on the total energy use for that part of the group covered in this report

Please note that corporations are required to assess 80% or more of their energy use in the first five-year assessment cycle and 90% or more in subsequent five-year assessment cycles. Accordingly, for those corporations with a 2005-06 trigger year (i.e. those corporations at the end of their first-five year assessment cycle), the value in "Percentage of corporation's energy use assessed" above, must be more than 80%.

+ As advised by Client Liaison Officer, the total energy use assessed for the ARS was over 80% and meets the requirements of the EEO



Declaration

Declaration of accuracy and compliance

The information included in this report has been reviewed and noted by the board of directors and is to the best of my knowledge, correct and in accordance with the *Energy Efficiency Opportunities Act 2006* and *Energy Efficiency Opportunities Regulations 2006*.

Grant O'Brien
Chief Executive Officer

Date 15 | 12 | 2011



Part 2 - Assessment Outcomes

Table 2.1a – Assessment Details

Name of group member or business unit or key activity

Woolworths Supermarkets and Logistics

Total energy use in the last financial year

7,503,917

GJ

Energy use assessed in this entity as a percentage of total entity energy use*

95

%

Energy use assessed in this entity as a percentage of total corporate energy use

67.8

%

Accuracy of above estimates related to energy use assessed - only required if not ±5% or better

%

Period over which assessment was undertaken

01/07/2010

30/06/2011

Description of the way in which the entity carried out its assessment

All opportunities identified, trialled and implemented in Woolworths Supermarkets were undertaken by the company's centralised Group Engineering Team. Comprising of experts in refrigeration, mechanical and electrical engineering this team has implemented energy efficiency and low carbon innovation in the three main areas of energy use in stores, refrigeration, air-conditioning and lighting.

All identified opportunities are assessed through the Project Evaluation Model, which determines the energy savings, carbon emission reductions, capital investments, operational savings and paybacks of all projects. These evaluations are used for justification for capital expenditure budgets. All major projects also undergo an initial in-store trial, which provides real performance data for use in the Model. The Model factors in future energy cost predictions and carbon pricing to determine the whole of life benefit of investing in the technology.

The Systems, Analysis and Support Team administer the Project Evaluation Model and the Project Register, updating progress monthly and confirming whether opportunities are delivering the expected results. All projects must meet the standard business investment hurdle rates and Internal Rate of Return that any business investment must meet.

Fourteen new projects were commenced in Supermarkets in 2011, delivering 36,202 GJ of energy saving for the year.

Since 2007, \$55.7 million has been invested in energy efficiency projects, which will deliver approximately \$93 million in operational savings by 2015.

In 2011, Woolworths overall carbon emissions from facilities was an estimated 420,000 tonnes lower than business-as-usual projections, a 10.9% reduction.

* Please note that, for individual sites that use more than 0.5PJ of energy, all energy use must be assessed (less a small proportion for non integral energy use).

Table 2.2a - Energy efficiency opportunities identified in the assessment

Table 2.2 – Energy efficiency opportunities identified in the assessment									
Status of opportunities identified to an accuracy of better than or equal to ±30%		Total Number of opportunities	Estimated energy savings per annum by payback period (GJ)						Total estimated energy savings per annum (GJ)
			0 – < 2 years		2 – ≤ 4 years		> 4 years		
			No of Opps	GJ	No of Opps	GJ	No of Opps	GJ	
Business Response	Implemented	1,007	241	53,192	554	293,049	212	77,956	424,197
	Implementation Commenced	1,047	485	105,261	374	358,595	188	132,702	596,558
	To be Implemented	118	Nil	Nil	118	44,053	Nil	Nil	44,053
	Under Investigation	63	5	3,384	11	12,282	47	21,210	36,876
	Not to be Implemented	1,277	Nil	Nil	1	300	1,276	66,485	66,785
Outcomes of assessment	Total Identified	3,512	713	161,837	1,058	708,279	1,723	298,353	1,168,469
Status of opportunities identified to an accuracy of worse than ±30%									
Business Response	Implemented								
	Implementation Commenced								
	To be Implemented								
	Under Investigation								
	Not to be Implemented								
Outcomes of assessment	Total Identified								

Please note that Corporate Groups **are not required** to report opportunities with a payback greater than 4 years. Reporting this data is voluntary.



Table 2.1b – Assessment Details

Name of group member or business unit or key activity

BIG W

Total energy use in the last financial year

772,709

GJ

Energy use assessed in this entity as a percentage of total entity energy use*

100

%

Energy use assessed in this entity as a percentage of total corporate energy use

7.3

%

Accuracy of above estimates related to energy use assessed - only required if not ±5% or better

%

Period over which assessment was undertaken

01/07/2010

30/06/2011

Description of the way in which the entity carried out its assessment

All opportunities identified, trialled and implemented in BIG W were undertaken by the company's centralised Group Engineering Team. Comprising of experts in refrigeration, mechanical and electrical engineering this team has implemented energy efficiency and low carbon innovation in BIG W in the main areas of air-conditioning, lighting and general power use.

All identified opportunities are assessed through the Project Evaluation Model, which determines the energy savings, carbon emission reductions, capital investments, operational savings and paybacks of all projects. These evaluations are used for justification for capital expenditure budgets. All major projects also undergo an initial in-store trial, which provides real performance data for use in the Model. The Model factors in future energy cost predictions and carbon pricing to determine the whole of life benefit of investing in the technology.

The Systems, Analysis and Support Team administer the Project Evaluation Model and the Project Register, updating progress monthly and confirming whether opportunities are delivering the expected results. All projects must meet the standard business investment hurdle rates and Internal Rate of Return that any business investment must meet.

In 2011, eleven new energy efficiency projects were implemented at BIG W, delivering 25,470 GJ of energy savings during the year.

* Please note that, for individual sites that use more than 0.5PJ of energy, all energy use must be assessed (less a small proportion for non integral energy use).

Table 2.2b - Energy efficiency opportunities identified in the assessment

Table 2.2 – Energy efficiency opportunities identified in the assessment									
Status of opportunities identified to an accuracy of better than or equal to ±30%		Total Number of opportunities	Estimated energy savings per annum by payback period (GJ)						Total estimated energy savings per annum (GJ)
			0 – < 2 years		2 – ≤ 4 years		> 4 years		
			No of Opps	GJ	No of Opps	GJ	No of Opps	GJ	
Business Response	Implemented	1,009	601	45,514	313	27,558	95	6,228	79,300
	Implementation Commenced	218	184	14,942	34	16,047	Nil	Nil	30,989
	To be Implemented	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Under Investigation	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Not to be Implemented	416	110	930	141	44,407	165	67,622	112,959
Outcomes of assessment	Total Identified	1,643	895	61,386	488	88,012	260	73,850	223,248
Status of opportunities identified to an accuracy of worse than ±30%									
Business Response	Implemented								
	Implementation Commenced								
	To be Implemented								
	Under Investigation								
	Not to be Implemented								
Outcomes of assessment	Total Identified								

Please note that Corporate Groups are not required to report opportunities with a payback greater than 4 years. Reporting this data is voluntary.



Table 2.1c – Assessment Details

Name of group member or business unit or key activity

Dick Smith

Total energy use in the last financial year

124,451	GJ
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Energy use assessed in this entity as a percentage of total entity energy use*

100	%
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Energy use assessed in this entity as a percentage of total corporate energy use

1.2	%
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Accuracy of above estimates related to energy use assessed - only required if not ±5% or better

	%
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Period over which assessment was undertaken

	01/07/2010		30/06/2011
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Description of the way in which the entity carried out its assessment

All opportunities identified, trialled and implemented in Dick Smith were undertaken by either the company's centralised Group Engineering Team or by the division's Store Development and Construction team. Comprising of experts in refrigeration, mechanical and electrical engineering the teams have implemented energy efficiency and low carbon innovation in Dick Smith in the main areas of air-conditioning, lighting and general power use.

New opportunities are assessed through the Project Evaluation Model, which determines the energy savings, carbon emission reductions, capital investments, operational savings and paybacks of all projects. These evaluations are used for justification for capital expenditure budgets. All major projects also undergo an initial in-store trial, which provides real performance data for use in the Model. The Model factors in future energy cost predictions and carbon pricing to determine the whole of life benefit of investing in the technology.

The Systems, Analysis and Support Team administer the Project Evaluation Model and the Project Register, updating progress monthly and confirming whether opportunities are delivering the expected results. All projects must meet the standard business investment hurdle rates and Internal Rate of Return that any business investment must meet.

By 2011, 17 energy efficiency projects have been implemented or trialled at Dick Smith, delivering 10,529 GJ of energy savings during the year.

* Please note that, for individual sites that use more than 0.5PJ of energy, all energy use must be assessed (less a small proportion for non integral energy use).

Table 2.2c - Energy efficiency opportunities identified in the assessment

Table 2.2c – Energy efficiency opportunities identified in the assessment									
Status of opportunities identified to an accuracy of better than or equal to ±30%		Total Number of opportunities	Estimated energy savings per annum by payback period (GJ)						Total estimated energy savings per annum (GJ)
			0 – < 2 years		2 – ≤ 4 years		> 4 years		
			No of Opps	GJ	No of Opps	GJ	No of Opps	GJ	
Business Response	Implemented	1,010	774	4,995	76	1,502	160	4,032	10,529
	Implementation Commenced	141	Nil	Nil	101	4,468	40	1,008	5,476
	To be Implemented	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Under Investigation	627	45	897	204	2,451	378	7,605	10,953
	Not to be Implemented	268	24	4	244	548	Nil	Nil	552
Outcomes of assessment	Total Identified	2,046	843	5,896	625	8,969	578	12,645	27,510
Status of opportunities identified to an accuracy of worse than ±30%									
Business Response	Implemented								
	Implementation Commenced								
	To be Implemented								
	Under Investigation								
	Not to be Implemented								
Outcomes of assessment	Total Identified								

Please note that Corporate Groups are not required to report opportunities with a payback greater than 4 years. Reporting this data is voluntary.



Table 2.3 - Details of significant opportunities identified in the assessment

Description of Opportunity	Voluntary Information	
<p>Refrigeration accounts for the largest energy end use in supermarkets. The Refrigeration Retrofit Project was included in the existing stay-in-business refurbishment program for existing stores. The project includes technology improvements in both the refrigeration plant equipment and the customer facing refrigeration cases. The improvements include:</p> <ul style="list-style-type: none"> ▪ High energy efficiency fans ▪ LED lighting ▪ Improved temperature control for anti-fogging glass doors ▪ Recommissioning of refrigeration plant ▪ Glass lids on island freezers <p>About 180 stores have been retrofitted with this technology, and in 2011, this project delivered energy savings of 136,254 GJ, financial savings of \$2,553,105 and carbon emission reductions of 35,860 tonnes.</p> <p>A further 187 supermarkets will undergo these refurbishments by 2015.</p>	Business Response	Implementation Commenced
	Energy saved (GJ)	136,254
	Greenhouse gas abated (CO2-e)	35,860 tonnes
	\$s saved	\$2,553,105
	Payback period	3.97 years

Description of Opportunity	Voluntary Information	
<p>Lighting is a high energy use in all of our business divisions. The New Ceiling Lighting Plan Retrofit for existing supermarkets involves the replacement of existing lighting in supermarkets, often metal halides and older style fluorescent lights, with LED lights and new T5 fluorescent lights.</p> <p>The new ceiling lighting for refurbished stores is used in the store front, fresh produce, bakery and liquor areas.</p> <p>About 128 stores have been retrofitted with the new lighting plan, and in 2011, this project delivered energy savings of 23,070 GJ, financial savings of \$869,735 and carbon savings of 5,992 tonnes.</p> <p>A further 270 stores will undergo these refurbishments.</p>	Business Response	Implementation Commenced
	Energy saved (GJ)	23,070
	Greenhouse gas abated (CO2-e)	5,992 tonnes
	\$s saved	\$869,735
	Payback period	Immediate



Description of Opportunity	Voluntary Information	
<p>In BIG W, air-conditioning accounts for approximately 39% of energy use in stores. The HVAC Night Fill Temperature Setback project involved a retrofit of existing BIG W stores to allow the after hours temperature settings to be eased when only staff are in store re-stocking shelves.</p> <p>Historically, during night fill hours, the store's air-conditioning was operated at normal operational settings and could not be adjusted. The temperature setback retrofit involved reprogramming of the Building Management System and allows improved control of store temperature settings.</p> <p>The project was completed during 2011, and during the year it delivered energy savings of 23,198 GJ, financial savings of \$743,111 and carbon emission reductions of 6,052 tonnes.</p>	Business Response	Implemented
	Energy saved (GJ)	23,198
	Greenhouse gas abated (CO ₂ -e)	6,052
	\$s saved	\$743,111
	Payback period	0.61 years