

WOOLWORTHS LIMITED

24 September 2015

Response to ACCC comments on the Food and Grocery Code

Woolworths is a strong supporter of the Grocery Code. We were the first national retailer to commit to sign up to the Code and have been working progressively with our suppliers since then to implement it.

A minor wording issue was raised with us in relation to a letter sent to a number of our suppliers offering to amend agreements to amongst other things comply with the Grocery Code.

The wording in question has been used in letters to our suppliers for many years and was designed to avoid changes to agreements being missed or misunderstood. Wanting to deal with this issue promptly, two weeks ago we changed the paragraph in the relevant letter. We re-sent letters to suppliers, and at the ACCC's request have agreed to contact suppliers who have already signed new agreements.

Woolworths considers that the Code process has worked exactly as it was intended to. We engaged quickly and constructively with the AFGC, the ACCC and our suppliers on this issue.

We were surprised and disappointed that the ACCC today decided to issue a press release which failed to recognise our prompt actions some weeks ago. The ACCC only raised additional, new concerns with us late yesterday, just hours before contacting the media.

Woolworths will continue to work in the spirit of the Grocery Code that calls for co-operation and openness from all interested parties.