COMMUNITY

All Woolworths' businesses are active in the local communities in which we operate. We support these communities through our work with a range of partners and through fundraising and charitable partnerships. Our partnerships and programs are continually reviewed to ensure they align with broader social issues and community concerns.

MEASURING OUR COMMUNITY INVESTMENT

To make our community contributions as transparent as possible, we became a member of the London Benchmarking Group (LBG) in 2007, which provides a process for measuring, benchmarking and reporting on these contributions.

We use the LBG reporting model to calculate the total contribution we make to the community through cash, fundraising, time, in-kind donations and management costs and convert it to a dollar value. For more information go to www.lbg-australia.com

In the 2009 financial year our community investment and funds raised with the help of customers and employees totalled $27,460,379 in Australia and New Zealand.

Thank you to all our customers that helped us raise over $27.4 million in FY09.

BACKING OUR FARMERS DAY

This endeavour typifies Woolworths' commitment to the communities it serves, and to rural Australia in particular. Under the Backing Our Farmers Day program, Woolworths donates its entire supermarkets profits from one trading day to support farmers and communities suffering the effects of drought. (The day in question this year was 20 February.)

Two thirds of the money raised goes to the Country Women's Association (CWA) in each state for distribution to farming families to help pay for their basic needs. (The CWA is a national organisation that aims to improve the conditions for country women and children). The other third of the funds is provided to Landcare, to establish the Woolworths Sustainable Farming Program.

In 2009 we raised $7.065 million under the program, based on a calculation which was independently audited by Deloitte Touche Tohmatsu. With the support of our customers we have been able to raise more than $10 million over the past two years, providing thousands of families with emergency financial support.

DIRECT COMMUNITY INVESTMENT AND FUNDS RAISED TOTALLED

$27.4 MILLION

An integral part of the Fresh Food Kids campaign is our Fresh Food Kids Community Grants program. This helps community groups to develop grassroots initiatives to promote healthy lifestyles for primary school children.

CHARITABLE DONATIONS AND INVESTMENTS (2009)

Charitable donations	$4,407,398
Community investments	$23,052,981
Total investments (including management costs)	**$27,460,379**

SUPPORTING COMMUNITY CAUSES

The table below provides a snapshot of the charities and local and national community organisations Woolworths supported in 2009, and details of funds raised.

AUSTRALIA	
Children's hospitals and research foundations	**$6.6 million** Including Big Heart, BIG W's fundraising campaign for the Sydney Children's Hospital, the Fresh Food Kids Children's Hospital Appeal, Sids and Kids, Children's Cancer Institute and Children's Medical Research Foundation.
CanTeen	**$600,000** Through collection tins and sale of merchandise.
Juvenile Diabetes Research Foundation	**$445,000** Through collection tins and sale of merchandise.
Cystic fibrosis	**Over $70,000** Through BIG W employees' fundraising activities.
Backing our Farmers Day	**$7.065 million** In partnership with the Country Women's Association (CWA) and Landcare Australia.
Red Cross	**$1,000,000** Donation to Victorian bushfire appeal.
North Queensland Flood Appeal	**$150,000** Donation to Queensland Premier's Disaster Relief Appeal.
RSPCA	**$140,412** Through BIG W stores.
Australia Day Ambassador Program	Welcoming high-achieving Australians to local community celebrations on Australia Day.
Heritage posters in schools	Providing educational posters for classrooms around the country.
NEW ZEALAND	
Salvation Army	**NZ$84,628** Through in-store collection boxes at Woolworths and Foodtown stores.(1)
Fresh Future Appeal	**NZ$950,000** Through staff fundraising activities at Countdown, Woolworths, Foodtown, Fresh Choice, SuperValue and Dick Smith stores.
New Zealand Fire Service	Partnership formed with the New Zealand Fire Service, using the annual switch to Daylight Savings Time to remind kiwis to "change your clock and check your smoke alarm battery". This effort, supported by Panasonic Batteries, is raising funds that will help the Fire Service provide thousands of smoke alarms to at-risk families.
Alzheimer's	**Over NZ$120,000** Through our annual charity golf tournament and Alzheimer's NZ's 'Cuppa for a Cause' Appeal.
Variety	**NZ$128,000** Through coin collection boxes at Countdown checkouts.

(1) We helped the Sallies raise another $167,498 for their Christmas Appeal by promoting the sale of their first-ever Christmas CD in our stores.

FRESH FOOD KIDS CAMPAIGN

Our commitment to active, healthy lifestyles for Australian children is reflected in our Fresh Food Kids program, introduced in August 2007 to encourage children to eat fresh fruit and vegetables – and to make it fun and desirable to do so.

In a recent Woolworths national survey, 93% of Australian parents with children aged between two and 16 said they would like to see fresh fruit and vegetables advertised to children in the same way junk food is.

In response, we launched our 'Fresh Food Kids' campaign which includes:

- A high-rotation television advertising schedule, with ads broadcast at times when children are traditionally snacking
- An interactive Fresh Food Kids website (www.freshfoodkids.com.au) where children and their parents can find educational material, games and kids' recipes approved by nutritional experts
- Conveniently packaged fresh fruit and vegetable snack packs.

Our Fresh Food Kids television campaign was the winner of the Parents Choice prize at the 2007 and 2008 Parent's Jury Children's TV Advertising Awards.

An integral part of this campaign is our Fresh Food Kids Community Grants program. This helps community groups to develop grassroots initiatives to promote healthy lifestyles for primary school children. This year grants were awarded nationally in July 2009. The full list of successful applicants can be seen at www.freshfoodkids.com.au.

FOOD RESCUE PROGRAM

As part of our commitment to sustainability – as outlined in our Sustainability Strategy 2007-15 – we aim to achieve zero food waste by 2015, subject to the availability of appropriate receiving facilities. Our Food Rescue program is integral in helping us achieve this aim.

Food products are diverted based on rigorous 'fit for purpose' classification:

- Food suitable for human consumption
  - Longlife products with damaged packaging or nearing their expiry date and no longer suitable for retail sale go to Foodbank which distributes to welfare agencies
  - A combination of fresh food and longlife products go to a range of charitable organisations to be prepared as meals for disadvantaged people
- Food suitable for animal feed
  - This includes fruit and vegetables from approved stores which is given to farmers or local zoos to be used as animal feed.

Foodbank

Suitable grocery items, previously sent to landfill, are now donated to Foodbank – the largest hunger-relief charity in Australia. Woolworths has formally supported Foodbank since 2002 and was recognised as the largest donor by Foodbank in September 2008 at the Australian Food and Grocery Council's annual dinner.

It works like this: Distribution Centres donate items with damaged packaging or short use-by dates that are safe but unsuitable for retail sale. Volunteers at Foodbank then sort, store and distribute the

As part of our commitment to sustainability we aim to achieve zero food waste in the general waste stream by 2015

FOODBANK

Foodbank receives shelf stable items from our stores, packed into banana boxes returned to the nominated DC and collected by Foodbank

LOCAL CHARITIES

Food Rescue agencies and soup kitchens collect directly from our stores up to five days a week and goods include bakery, frozen meat, produce and perishable items

FARMERS & ZOOS

Produce and bread fit for animal consumption is distributed from approved stores to farmers and zoos for animal feed

In 2009 we provided 1,354,084 kg of groceries to food rescue programs.

products to accredited welfare agencies, which use the food and groceries to prepare meals or distribute it in parcels for people in need.

In 2009, a new initiative for this partnership was introduced to supermarkets. 375 supermarkets now return non-saleable groceries fit for human consumption to the Distribution Centres for collection by Foodbank. The groceries are donated to Foodbank centres in Queensland, New South Wales, Victoria, South Australia and Western Australia. We continue to extend this program to more supermarkets.

Charitable organisations

In addition to donating longlife products to Foodbank, the Food Rescue Program also provides a combination of groceries and fresh products to local welfare agencies. Twenty-seven of our supermarkets are now working directly with food rescue charities Exodus Foundation, OzHarvest, FareShare and SecondBite to donate groceries as well as fresh food. Nine more are supporting soup kitchens in local communities including Karrinyup, Bunbury and Kalgoorlie in Western Australia and Ashfield, Byron Bay, Wollongong and Lismore in New South Wales.

The growth of the fresh food aspect of the food rescue program has been made possible by changes in legislation. By 2009, legislation had been passed in all states and territories, excluding the Northern Territory, to allow companies to donate food to registered charitable organisations. Woolworths has introduced strict criteria to define acceptable and non-acceptable items for donation, control the process and minimise risk.

EMPLOYEE PARTICIPATION PROGRAMS

Employee matching award scheme

Woolworths' employee matching award scheme encourages all staff in Australia to contribute to causes of particular personal concern to them. It matches, dollar for dollar, any amount above $100 raised by a staff member for a registered charity up to a total of $1,000. In 2009, 66 employees took part in this scheme with matched donations to the value of $58,498.

Charity of the month

A well-supported program is the monthly fundraising scheme at our Norwest office in Sydney's Baulkham Hills to raise money for the issues and causes that matter most to our people. In 2009 we collected $375,313.

Landcare/ Woolworths Sustainable Farming Project

Native brine shrimp caught in the seaweed ponds

In Western Australia's wheat belt, the Morawa Farm Improvement Group has come up with a novel way of dealing with rising salt water levels – and drought proofing their farms.

When the first signs of rising salt levels appeared in the 1990s, deep drains were built to carry the salty groundwater away from farming land into natural salt lakes nearby.

The water flowed constantly, even through the drought. Thinking there must be a way to use this salty water, the group tried, unsuccessfully, to grow seaweed, but found it was perfect for producing brine shrimp, which is used as fish food.

Thanks to funding from the Woolworths Sustainable Farming Program, they were able to research the feasibility of producing brine shrimp commercially. They found that not only did a market exist for a small-scale supplier, potential clients were keen to trial their product.

In addition to the feasibility study, the grant money was used to complete marketing plans, a production manual and a feeding trial to maximise production.

"While producing brine shrimp won't replace income from traditional farming, diversifying into aquaculture is an important step in getting through severe droughts," says Cameron Tubby of the Morawa Farm Improvement Group.

The Woolworths funding, he says, has provided vital help for farmers. "Diversifying like this could be the difference between surviving and not surviving for some farmers."