

OUR PEOPLE

With over 191,000 team members, Woolworths Limited is one of the largest employers in Australasia. We have generated employment opportunities as we have grown, even in challenging economic times.

We are committed to doing the right thing by every member of our team. We aim to ensure all our people are engaged and continue to view Woolworths as a great place to work.

During 2009, our team grew by 4.5%⁽¹⁾. An additional 1,635 people were appointed to new trainee or apprentice roles.

RECRUITMENT

Woolworths sources the overwhelming majority of candidates for new or vacant roles from our internal talent pool. As a supplement to promoting and developing our own people, we also recruit talent externally from the local market. Where local candidates are unavailable, we source them internationally.

This ensures we access fresh ideas but continue to consolidate deep industry knowledge and expertise. During 2008–2009, almost 54,000⁽²⁾ employees started work with us. Less than half of 1% of these employees were sourced internationally.

Typically, external recruitment focuses on specialist roles, often at our corporate support office in Norwest, Sydney. We source candidates through a variety of channels to ensure we locate those best suited to the role and company. These include online job boards, industry magazines, recruitment agencies, employee referrals and word of mouth, career expos and press advertising.

The Woolworths Graduate Program continues to be a key source of talent. Open to existing employees in their final year of a tertiary qualification, it provides tailored job rotations and development experiences in the graduate's chosen field. Since 2005, we have recruited 85 graduates with a 93% retention rate.

We are committed to doing the right thing by every member of our team. We aim to ensure all our people are engaged and continue to view Woolworths as a great place to work.

DURING 2009,
OUR TEAM
GREW BY

4.5%⁽¹⁾

(1)
Published ALH headcount
as at June 2008 should
have been 13,342.

(2)
Excluding ALH and PEL.

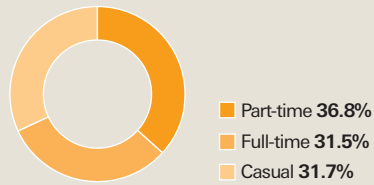
Woolworths has a long-standing commitment to building internal capability. We consider this to be a key driver of our ability to perform, change and grow.



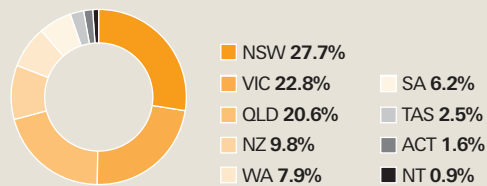


WORKFORCE COMPOSITION

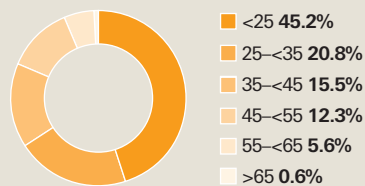
Total workforce by employment type Australia (excludes ALH and PEL)



Total workforce by region, Australia and New Zealand (includes ALH)



Woolworths employees by age ratio 2008-9 Australia and New Zealand (includes ALH)



TOTAL EMPLOYEES

Headcount by division

Supermarkets	113,817
BIG W	25,451
PEL NZ	18,753
ALH	12,978
Logistics	7,190
Consumer Electronics	4,445
FSL	3,813
Petrol	2,898
Corporate Support and IT	1,837
Total	191,182



Woolworths places a high importance on supporting new employees to ensure they successfully adapt to their new role and organisation. As part of our 'on-boarding' process we have an induction program for all trading businesses, a regular business orientation led by members of the senior management group, as well as executive transition coaches.

Woolworths has a long-standing commitment to building internal capability. We consider this to be a key driver of our ability to perform, change and grow. We have retained more people during the past year and turnover rates have decreased in seven of the Australian states and territories. Overall our turnover decreased by 10 percentage points during this period.

Turnover has also decreased at executive level, with year-on-year rates falling from 8.6% (2008) to 6.5% (2009). We are pleased to have retained all executive women who were due to return from parental leave in the 2008 calendar year.

To help ensure we retain our diverse employee base, we offer a range of financial and non-financial employee benefits. These include professional development options, access to flexible work arrangements, paid maternity leave and a range of wellness programs.

PROMOTING FROM WITHIN

Woolworths' diverse operations enable us to offer employees an unusually broad range of careers within the one company. Our commitment to promoting internal talent is strong: 30% of our executives switched roles and 8% of executives moved to another division during the 2008 calendar year.

Indeed experience in multiple divisions is a common characteristic of a Woolworths career. Many members of the senior management group have held leadership roles in two or more divisions. For example Julie Coates, Director of BIG W, previously led the HR and Logistics operations.

Many employees have had long service, including our CEO Michael Luscombe who has spent over 30 years with Woolworths. Approximately 31% of executives joined Woolworths aged 25 or younger, and over 4,500 past and present staff are members of the 25-Year Club.

The nature of retailing means a high proportion of our people join us as on a casual basis, often as teenagers new to work. A range of pathways allow these new employees to build their careers with us, develop their skills and then convert



to permanent employment when it suits their personal circumstances. We have many programs to support them, including school-based and certificate traineeships and apprenticeships.

Likewise, a number of pathways exist for store staff to progress to management roles, including the Store Management Trainee Program and the Woolworths Graduate Program.

Some 47% of our management group and 46% of our executive group have over 10 years service with us.

UNDERSTANDING OUR EMPLOYEES

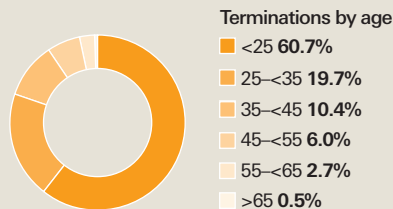
We continually seek new and improved ways to stay ahead of the changing needs of our workforce. As part of our retention strategy we conduct engagement surveys to identify employee issues and priorities for action. In FY2008 over 51,000 staff were surveyed. A general trend in this research has been levels of engagement and commitment to the organisation and manager – as well as intent to stay – that exceed international benchmarks.

We conduct focus groups in each business to discuss gender diversity and issues relating to work-life balance. In the first eight months of 2009, 791 employees attended these sessions.

RETENTION

EMPLOYEE TURNOVER

Turnover by age group 2008–2009, Australia and New Zealand (including ALH)

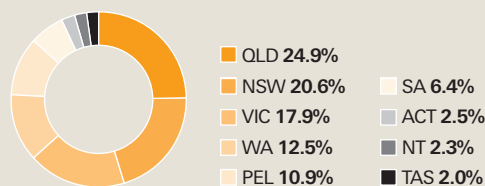


TURNOVER BY GENDER 2008–2009 AUSTRALIA AND NEW ZEALAND (INCLUDING ALH)

Total terminations by gender and division	Female %	Male %
National supermarkets	53%	47%
National BIG W	59%	41%
National logistics	14%	86%
National petrol	50%	50%
National liquor	35%	65%
Corporate	65%	35%
Thomas Dux	23%	77%
Consumer electronics	29%	71%
IT	28%	72%
PEL	56%	44%
ALH	51%	49%
Total WOW	52%	48%

TURNOVER BY REGION 2008–2009 AUSTRALIA AND NEW ZEALAND (INCLUDING ALH)

Terminations by state/country



Exit interviews form part of the separation process for all salaried staff, and are regularly analysed to identify trends and opportunities for new policies or initiatives.

In fact Woolworths uses the information from all engagement surveys, focus groups and exit interviews to refine its employee offer. Many initiatives including more flexible work options and new wellness programs can be directly linked to the insights gained in this way.

Flexible work options

Flexible work options tailored to individual needs have proven to be an important factor in retaining people as their work-life balance needs evolve.

The number of part-time roles at Woolworths has risen from 58,474 in June 2008 to 60,023 in April 2009. This includes more part-time roles at managerial level. For example 30 women currently work in such roles in the IT Division.

In addition we continue to offer job-share opportunities, a flexible work option that has led to an increase in the number of shared roles across the business, including in our buying and store operations teams.

Parental leave

Since the introduction of paid maternity leave in July 2008, more than 1,080⁽¹⁾ women at all levels of the organisation have accessed this benefit.

Options available to new parents include up to 104 weeks of parental leave, a Stay in Touch program for those on parental leave and access to reduced workloads and flexible work options upon return.

HEALTH AND WELLBEING

We openly encourage our people to seek work-life balance and have made several health and wellbeing programs available to this end. Weight Watchers, Quit (smoking cessation) and 10,000 Steps, for instance, have gained in popularity across the organisation.

As in previous years, we offered 'flu vaccinations to employees in support and Distribution Centres. Meanwhile executive health checks continue. We have developed a health check program tailored to store managers in Supermarkets and BIG W, and to our regional and area managers in Liquor and Dick Smith. The Supermarket store manager health checks have begun and we have scheduled dates for BIG W, Liquor and Dick Smith to start theirs.

Logistics has made significant inroads in health and wellness by creating a wellness room at our Brisbane Regional Distribution Centre and

a health and wellness corner at our Perth Regional Distribution Centre. Onsite physiotherapy for employees has already been introduced for 75% of the Distribution Centre network.

A range of other health and wellbeing initiatives has been designed to support and assist employees as their circumstances change. BIG W is introducing wellness content on its intranet for staff to access wellness programs and related information. Lunch and Learn sessions have been running at our Norwest Support Office for the past 12 months. Topics here include stress management, men's health and heart health.

Employee assistance program

A resource available to all employees is the Woolworths Employee Assistance Program. This enables all staff and members of their immediate families to access confidential counselling free of charge. During the year under review, 1,550 employees used the service, a 7.7% increase on last year. Managers are increasingly promoting the service, with management-initiated counselling accounting for 45% of referrals in the past 12 months.

REMUNERATION

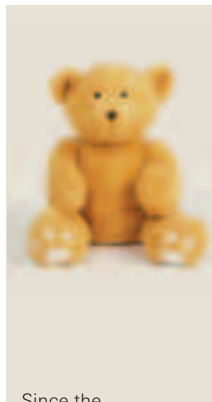
Woolworths prides itself on market competitive benefits and remuneration. In the case of operational roles the entry-level rate of pay is at or in excess of the state award. Our remuneration structure includes two components – fixed remuneration (base salary plus superannuation) and a variable, performance-based component. The cash-based short-term incentive plan (STIP) is made available to all managerial salaried employees. The long-term incentive plan (LTIP) is offered to managers who play a critical role in the long-term success of our business, including executives, store managers and buyers in supermarkets and BIG W.

A range of incentive programs are designed to support attraction, retention and a culture of performance. Part-time employees have access to the same benefits as their full-time counterparts on a pro-rata basis. Benefits here include a staff discount card, access to the Woolworths Employee Credit Union and discounted private health insurance.

Share purchase plan

The Woolworths Share Purchase Plan plays an important role in encouraging employees to build an ownership stake in the business. Under the plan an annual invitation allows participating employees to acquire Woolworths shares using pre-tax rather

Parental leave



Since the introduction of paid maternity leave in July 2008, more than 1,080⁽¹⁾ women at all levels of the organisation have accessed this benefit.

Options available to new parents include up to 104 weeks of parental leave, a Stay in Touch program for those on parental leave and access to reduced workloads and flexible work options upon return.

(1)

Excludes ALH and PEL.



than after-tax income. Participation is entirely voluntary. Under the FY08/09 plan 16,923 employees participated. Woolworths now has approximately 40,000 employee shareholders.

Superannuation

Woolworths Limited makes superannuation contributions for employees of the company and its controlled entities to company sponsored superannuation funds at rates set out in trust deeds, rules governing these funds and in accordance with legislative requirements.

Extracts from the company's 2009 Annual Report covering the Woolworths Group Superannuation Plan's (WGSP) financial position are shown in the table below. More details are available in Notes to the Financial Statements (Note 23) in the 2009 Annual Report.

LIABILITY FOR DEFINED BENEFIT OBLIGATION

	As at June 09 \$m	As at June 08 \$m
Defined benefit obligation ⁽¹⁾	(1,536)	(1,609)
Fair value of assets	1,444	1,556
Liability for defined benefit obligations	(92)	(53)

While the WGSP's defined benefit obligation exceeds its assets at 30 June 2009, the company makes contributions in line with actuarial recommendations so members' benefits when payable are fully covered by the WGSP's assets.

PERFORMANCE DEVELOPMENT

All salaried employees complete an annual performance review with their managers. Once the company's business plans have been set and senior executive key performance indicators (KPIs) developed, these are incorporated into, and aligned with, the performance criteria for each manager so all our people work toward the same broad goals.

The purpose of annual (and in many cases half yearly) reviews is to set specific goals and objectives for the year ahead for each employee, review the previous year's performance and identify a development plan to be implemented that year. The outcome of the review is reflected in the employee's annual remuneration review and STIP.

The annual performance review cycle was completed at the end of 2009. Over 26,000 reviews were conducted across our salaried talent pool (including PEL).

Non-salaried staff receive a review during and at the conclusion of their probation period.

(1)
Includes contribution tax.



Absenteeism

All full-time and part-time employees have access to personal leave so they can take time off for their own illness or injury or to provide care and support to a member of their immediate family or household. In cases in which an employee is absent from work for an excessive time and this impacts on their ability to meet the requirements of their role, an assessment and investigation of the employee's condition is undertaken. This helps us to work with the staff member involved to identify the appropriate next steps.

RECOGNITION

A key component of the Woolworths culture is recognition of high achievers. The annual Woolworths Heroes Program recognises 27 outstanding contributors to our business, community and environment. Nominated for consideration by their own division, the 'Heroes' are flown to the company conference and thanked in front of thousands of delegates.

Established in 1995, the Paul Simons Award is an annual program that recognises the development of young people within the company. Participants are nominated from all divisions and a winner is selected in each category.

In 2009 there were 55 Paul Simons finalists, and the winners of the 2009 awards were:

- Apprentice of the Year – Phillip Gagen
- Certificate III of the Year – Stuart Paine
- Certificate IV of the Year – Andrea Tarrant
- Graduate of the Year – Matthew Teggin
- Trainee Buyer/Planner of the Year – Belinda Grice.

The Joe Berry Award is an external competition acknowledging and recognising outstanding young (35 years and under) achievers in retail. Some of the country's most prominent retail and supplier managers have won this competition, which began in 1986.

In 2009 there were seven finalists including four from Woolworths. The Woolworths finalists were:

- Mitch Tanner – Duty Manager
- Kerryn Bullpit – Store Services Specialist
- Brendan Robinson – Assistant Communications Manager
- Brett Griffiths – Promotional Manager.

The Young National Executive of the Year Award for 2009 was won by Brett Griffiths who received a \$12,000 scholarship for education and development.

In 2008 Julie Coates (then Chief Logistics Officer) was a New South Wales finalist in the Telstra Business Woman of the Year Awards.

TRAINING AND DEVELOPMENT

In 2009, Woolworths' learning and development opportunities involved an investment of over \$68 million. This spanned core training programs, training for new employees and leadership programs for managers and executives. This commitment is steadfast in the face of changing economic conditions; the 2009 investment represents an increase of almost 9% on the previous year.

Part of this investment has been aimed at extending the reach of critical programs. For example:

- Day-to-Day Management provides core management principles and is targeted at new frontline managers
- Personal Leadership enables employees to develop insights into their behaviour at work and develop their personal effectiveness and resilience.

The program gives participants the opportunity to put into practice changes in behaviour they have learned and to share their achievements with peers.

Management and executive development is key to building leadership capability for the future. A number of programs have been effective in preparing people for more complex future roles.

For example:

- The 12-month Future Leader Program is targeted at managers early in their careers and designed to develop leadership skills to position participants for future promotion. The program places a strong



emphasis on personal responsibility, accountability and proactivity. It also covers in-depth business acumen and innovation. Its success is demonstrated by the 50% of participants in the 2009 program who were promoted within 12 months of completing it

- The 18-month Engaging Leaders Program is targeted at leaders who have the potential to move into executive positions in the future. It places strong emphasis on principle-centered leadership, business acumen, innovation and engagement.

In addition we offer a range of training and development opportunities including skill-based training, job-relief assignments, secondments and formal academic training through our partnership with Macquarie Graduate School of Management (MGSM).

One of our most important priorities remains the development of young Australians' skills. We are proud that our supermarket division has one of the largest groups of apprentices and trainees in Australia.

Our partnership with the Royal Agricultural Society of NSW and the University of Western Sydney has created an Agricultural Scholarship Program for young Australians in horticulture and agriculture.

TRAINING AND DEVELOPMENT

TYPES OF TRAINING UNDERTAKEN (NUMBER OF PARTICIPANTS) – AUSTRALIA AND NEW ZEALAND

Training participation	Actual 2009
Induction	61,984
Trainees and apprentices (indentured)	6,534
Systems and general training	46,292
Management development	7,450
Executive development	427

Note:

Data reported is for financial year.

TRAINING COST PER PARTICIPANT – AUSTRALIA & NEW ZEALAND (EXCLUDES ALH)

Training cost per participant	Actual 2009 \$
Induction	207
Trainees and apprentices	730
Executive development	3,969

Note:

Data reported is for financial year.



Compliance training

During 2009 Woolworths had a major focus on compliance policy and behaviour. This involved the launch of our compliance policy and the training package ‘Between the Flags’. The package refers to surf lifesaving and the boundaries on beaches in which it is ‘safe’ to swim. Though we operate in an environment which carries many compliance risks, with clear boundaries, strong support, leadership and guidance, our people can focus on what they do best.

The compliance training focuses on three key principles:

- Am I doing the right thing? (Am I between the flags?) How do I know if I am starting to move outside the flags?
- Do I need to put my hand up and ask for help?
- Do I need to tell someone about this? Who do I need to tell?

Other examples of training that enable employees to operate ‘between the flags’ include but are not limited to:

- Responsible service of alcohol (RSA) (which we deliver in all states, even those where we are not legislatively required to do so)
- Fire safety training
- Food safety training
- Sale of tobacco training
- Weights and measures training
- Trade practices training.

Over 90%⁽¹⁾ of employees have received training in anti-corruption policies.

In addition to the internal focus, Woolworths uses its training and development capability to support community initiatives. One example is the Northern Territory government’s photo identification system, implemented in all licensed liquor stores and public hotel takeaway outlets in Alice Springs. While Woolworths developed training material to support the rollout of this system for the Woolworths Liquor Group, a generic version of the material was provided to the government to support its rollout to other liquor outlets in the region.

Graduate program

The Woolworths Graduate Program offers employees career opportunities during their transition from tertiary studies to full-time employment. Those who have either recently graduated or are in their final year of tertiary studies are eligible to apply.

Since 2005 (Australia excludes ALH and PEL):

- 85 graduates have been recruited
- 39 have completed the program and moved into permanent roles
- 45 are currently participating in programs.

The retention of graduates is particularly high – with over 93% of participants staying with the company.

(1) Excludes ALH and PEL.

Macquarie Graduate School of Management (MGSM)

Woolworths' academic programs through our partnership with MGSM are designed to broaden thinking and expose employees with future management potential to contemporary business thinking beyond the company.

Since 2004 over 400 managers and executives have participated in MGSM programs. In 2009, 163 were enrolled in study programs.

- Since 2004, qualifications have been awarded to 251 participants
- Over 90 per cent of MGSM participants have been retained by the company.

Mentoring and networking

Mentoring is one way our people can actively drive their own development. By partnering with more experienced colleagues, employees can increase their knowledge, develop their skills and support their own career growth.

Mentoring is open to all employees. However, specific initiatives include:

- Cross-divisional mentoring for executives
- Leadership development programs which foster mentoring relationships within their own function or division or across the broader business
- The senior management group's active role in mentoring talent.

To provide additional informal learning opportunities, we continue to run a range of networking activities. These include:

- The Chief Executive Officer (CEO) Network Forum, which provides young leaders with a forum to discuss and debate key business and community issues in an informal setting with the CEO
- Senior management forums.

DIVERSITY AND EQUAL OPPORTUNITY

As part of Woolworths' ongoing commitment to diversity, a diversity strategy has been developed and endorsed by the senior management group. Its aim is to provide a work environment that is inclusive and where all employees are treated with dignity, courtesy and respect. We acknowledge that diversity adds value in bringing different perspectives to the workplace and in reflecting the communities we serve. It generates business benefits as well.

A Diversity Working Group has been formed comprising line and HR managers from all divisions. The purpose of the group is to:

- Prioritise actions to harness diversity within Woolworths
- Ensure that recognising diversity is 'owned' by the business and managed accordingly.

Profile

Peter Chandler



"Aboriginal customers often approach me in the store for a chat while I am working," says Peter, who is now keen to see more Indigenous Australians joining Woolworths. "They like to see me working – their children often giggle at me!"

Peter Chandler, a part-time member of our team at Katherine in the Northern Territory 320 kilometres south of Darwin, is among an expanding group of Indigenous Australians who have become Woolworths employees.

Since joining Woolworths in 2009, Peter has gained experience in a variety of departments including bakery and perishables and is currently working as a nightfiller.

Before that Peter worked on cattle stations doing physically demanding work like fencing, tree-logging, breaking in horses and mustering cattle. He first worked with us as a participant in a program jointly run by ourselves and CRS Australia, a provider of vocational rehabilitation and assessment services. The program enables participants to obtain a Certificate II in Retail Operations and to gain retail work experience with Woolworths.

As a result of the hard work and commitment Peter demonstrated during the program, we asked him to join the team permanently.

What does he enjoy most about his role? The people and the good friends he has made. And he especially loves the community contact. "Aboriginal customers often approach me in the store for a chat while I am working," says Peter, who is now keen to see more Indigenous Australians joining Woolworths. "They like to see me working – their children often giggle at me!"

During 2008–09, 25 discrimination claims were lodged with state and federal tribunals. There have been no incidents of racial discrimination concerning Indigenous Australians lodged with a state or federal tribunal. As mentioned earlier, Woolworths fosters a culture in which people treat each other with dignity, courtesy and respect. Employees are prepared to act quickly and responsibly to address behaviour that does not align with these values. The training we provide frontline managers is a key element of building this culture.



Both staff and customers fall within the terms of reference of the working group, whose priority groups are:

- Indigenous Australians
- People with a disability
- Mature-aged workers.

Initial activities include the appointment of a Diversity Manager, and:

- Commitment to Indigenous employment through *The Australian Employment Covenant (AEC)*. The intent of the covenant is to promote the employment of 50,000 Indigenous Australians across all businesses in Australia within the next few years. The covenant has been signed by Michael Luscombe on behalf of Woolworths Limited
- Participation in the CEO's Network for Disability, a collaboration between Australian business and government leaders. We have signed a statement of intent, a public commitment to improve employment opportunities for people living with a disability
- Celebration of Harmony Day (20 March 2009) at a number of Woolworths sites. Team members brought in traditional delicacies which were shared

with colleagues and generated discussions about the countries represented

- Tracking and monitoring employee numbers
- Delivery of a diversity awareness session
- Employment initiatives.

Gender balance

Women constitute 55% of the Woolworths workforce and we are proud of the progress we have made in the area of gender diversity, particularly in leadership roles.

In the 2003–04 financial year, 16.7% of leadership roles in Woolworths Limited were held by women. In the 2008-09 year it had risen to 27%.

In facilitating women's career development and progression, our focus has been to create an inclusive environment that is supportive and appreciative of difference. Women and men offer different perspectives, which provide undeniable business benefits. We have introduced programs to facilitate the inclusion of women and to remove barriers that may restrict their career progression. These programs include structured mentoring and networking opportunities, the provision of

Collective bargaining agreements cover 86% of our workforce, or 130,070 employees.⁽¹⁾

(1) Excludes ALH and PEL.



part-time and job-share roles, flexible reintegration after parental leave and support during this leave.

Of the nine Woolworths Board members two are women, representing 22% of the Board.

FREEDOM OF ASSOCIATION AND UNION ENGAGEMENT

We aim to foster active partnerships with unions and have been able to build cooperative, constructive working relationships with them. Representatives from Corporate HR, divisional HR teams and all trading businesses regularly meet with the unions that represent our employees. We fully respect the role these unions play in maintaining a positive, productive workplace.

Collective bargaining agreements cover 86% of our workforce, or 130,070⁽¹⁾ employees. Our enterprise agreements include a major change clause. Although the timeframe is not defined, we are transparent in our communications and conscious of the importance of communicating and engaging our employees and their representatives in a timely manner.

GENDER BALANCE

GENDER DIVERSITY – AUSTRALIA AND NEW ZEALAND (INCLUDING ALH)

Female	104,815	55%
Male	86,367	45%

RATIO OF BASIC SALARY OF MEN TO WOMEN BY EMPLOYEE CATEGORY AUSTRALIA (EXCLUDING ALH)

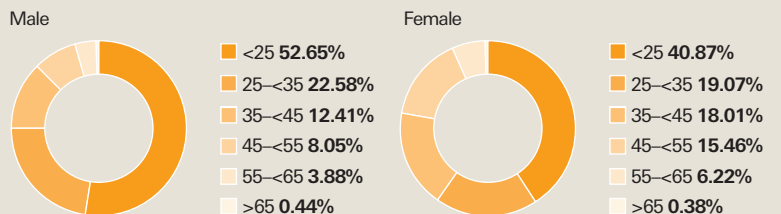
Grade	Female	Male
Non-managerial ratio	99%	101%
Managerial ratio	94%	106%

Ratio = (Average salary by sender/average salary by grade).

GENDER RATIO BY EMPLOYMENT LEVEL AUSTRALIA (INCLUDING ALH)

	Women %
Senior executives	27%
Senior managers	24%
Managers	41%
Office/support employees	50%
Store employees	60%
Distribution employees	15%
Tradespeople and apprentices	11%
Plant employees	0%

WOOLWORTHS AUSTRALIA (EXCL. ALH) GENDER AND AGE DISTRIBUTION



GENDER DISTRIBUTION BY EMPLOYMENT TYPE AUSTRALIA (INCLUDING ALH)

	Full-time Women %	Part-time Women %	Casual Women %
Senior executives	25%	100%	0%
Senior managers	23%	92%	50%
Managers	40%	72%	0%
Office/support employees	47%	70%	50%
Store employees	56%	68%	56%
Distribution employees	12%	25%	13%
Tradespeople and apprentices	10%	23%	8%

SAFETY & HEALTH

At Woolworths we are committed to protecting the safety, health and welfare of our employees, customers, contractors, visitors and the community. Safety is a key aspect of our business and underpins all operational activity.

Our vision for safety in Woolworths is zero harm to our people, environment and community and is encapsulated in our Destination Zero program. This program is supported by the following principles:

- We will make safety personal
- No task is so urgent and no service so important that we cannot take time to do it safely
- We will aim to improve the quality of life, now and for future generations
- We are responsible for:
 - our own safety and health
 - the safety and health of our co-workers, customers, contractors and visitors
 - our impact on the environment
- We recognise and promote excellence in safety, health and environmental performance.

We also recognise that the journey to achieve and sustain world-class safety performance has no destination; it continues forever and our aim is to prevent all incidents.

Our performance

Since 2006, we have reduced our lost time injury frequency rate (LTIFR) by 50%. While we missed our target rate of 13 by 7% in 2009, we reduced the rate by 19% over last year. Our target for 2010 is to achieve an LTIFR of less than 10. Our Short Term Incentive Program for management is linked to our safety performance.

Prosecutions

In 2009, a forklift collided with a high-rise order selector at the Mangere Distribution Centre in New Zealand. The operator of the forklift was struck by the selector's cage and sustained fractures to his ribs. The Department of Labour in New Zealand charged Progressive Enterprise Limited (PEL) with failure to take all practicable steps under the Health, Safety and Environment Act. PEL was fined \$50,000.

International SOS (ISOS)

To safeguard our international travellers and expatriates, we have contracted International SOS to provide a duty-of-care program that gives the latest pre-travel information and day-to-day support and advice for emergency response and repatriation. The program was implemented in 2009.

Asbestos management

As part of our asbestos management program, we have a consistent asbestos inspection and removal service and we are implementing a centralised data management system to ensure critical data is captured and maintained.

Internal awards

CEO Safety Award

The 2008 CEO Safety Award was awarded to the Petrol division in Victoria at the Company Conference in August 2008. The award recognises excellence in safety leadership. Submissions were judged on such criteria as results, innovation, leadership, and winning the hearts and minds of front line staff.

The Petrol division was awarded \$100,000 to invest in further safety innovation and improvement strategies. The Logistics division also received the CEO's 'Highly Commended Award' for driving significant improvements in safety performance.

CEO Safety Club

In 2009, Tom McCrorie from Supermarkets and Lawrie Thomas from Logistics received the prestigious CEO Safety Club Award. The award recognises individuals that have made an outstanding contribution to safety.

Safety and Health governance framework

Safety and Health is the responsibility of management and every individual throughout Woolworths and is supported by safety, health and environment personnel who provide specialist advice and program development.

The Board oversees the effectiveness of our safety and health program through its People Policy Committee and through the Woolworths Safety and Health Executive Committee chaired by the CEO. The latter meets monthly to evaluate the implementation and effectiveness of the safety and health vision, principles, policy, standards, strategy, initiatives, procedures and governance across the group.

Woolworths' workforce is represented in formal joint management-worker health and safety committees. Called Safety Teams, these operate at a site or store level and their functions are formalised through charters, procedures and legislative requirements where applicable.

Most of our workforce is covered through the formal agreements which exist with unions. Employee representatives review and approve each division's safety and health procedures manuals.



Our vision for safety in Woolworths is zero harm to our people, environment and community and is encapsulated in our Destination Zero program.

Agreed policies covered in the manual include, but are not limited to:

- Safety & Health Policy
- Safety Health & Environment Management Planning
- Safety Health & Environment Responsibilities
- Statutory Safety Health & Environment Training
- Safety Health & Environment Issue Resolution
- Internal & External Communication
- Joint Employee and Management Consultation Mechanism
- Risk Management Activities (Personal Protective Equipment, Hazard reporting, Manual Handling, etc)
- Emergency Preparedness and First Aid
- Workplace Inspections
- Incident Reporting and Investigation
- Internal and External Auditing
- Management Review
- SH&E Performance Reporting.

The Safety and Health framework is applicable to Woolworths' activities in all jurisdictions and countries in which we operate including Australia, New Zealand, India, Shanghai and Hong Kong.

Education and training

Comprehensive training programs have been developed for safety and health communication, hazard and risk management, incident reporting and analysis and safety leadership.

These include:

- Drive 4 Life (Driver Education)
- Move 4 Life (Manual Handling)
- Safety the Woolworths Way (Leading through Safety).

In addition employees receive training through standard operating procedures where safety requirements are integrated and part of the way we work. We continue to provide access to our lifestyle-based program Drive 4 Life to the family members of employees during promotions and at discounted rates.

Our workforce in Australia and New Zealand has a low risk of exposure to serious diseases such as HIV/AIDS in general and community awareness is high. Education programs run by government and industry are readily available, accordingly the country risk is low.

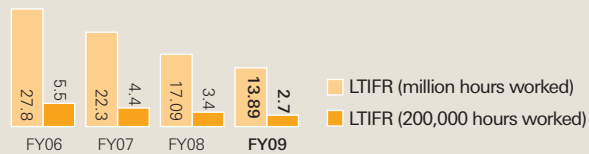
LOST TIME INJURY FREQUENCY RATE (LTIFR) RESULTS

KPI	2006	2007	2008	2009
LTIFR (million hours worked)	27.8	22.3	17.09	13.89
LTIFR (200,000 hours worked)	5.5	4.4	3.4	2.7
% Change on last year		-10%	-20%	-23%

Note:

All data is for financial years.

WOOLWORTHS LIMITED LTIFR RESULTS FROM FY06-FY09



DIVISIONAL LOST TIME INJURY FREQUENCY RATE (LTIFR) RESULTS FOR 2009 FINANCIAL YEAR

LTIFR	Per million hours	Per 200,000 hours	% change
Supermarkets	15.58	3.1	-23%
Logistics	18.72	3.7	-39%
BIG W	8.97	1.7	-39%
Dick Smith	6.92	1.3	-12%
Liquor - BWS	26.67	5.3	26%
Liquor - Dan Murphy	15.70	3.14	11%
Petrol	10.32	2.0	1%
Progressive (NZ)	11.05	2.6	-34%
Thomas Dux	6.64	1.3	-77%
Woolworths Group	13.89	2.7	-19%

OTHER HEALTH & SAFETY - KEY PERFORMANCE INDICATORS

2007-2009 financial years			
KPI	2007	2008	2009
Employee work-related fatalities	0	0	0
Contractor fatalities	1	1	0
Other fatalities	0	0	1
Reduction in LTI frequency rate	20%	23%	19%
Reduction in New Claim Frequency Rate	9%	9%	8%
Reduction in Customer Claims	9%	9%	2%
Reduction in hours lost as a result of an injury in the last 12 months	10%	7%	3%

OCCUPATIONAL DISEASE

Measure	2008	2009	% variance
Occupational Disease Rate (per 200,000 hours worked)	1.48	1.11	-25%

Note:

Data is for financial years and is captured using the Australian Standards: AS1885.1-1990 - Measurement of Occupational Health & Safety performance.

DETAILS OF FATALITIES

Year	Customers	Contractors	Country	Location	What happened?
2009	1*	0	Australia	Victoria	A member of the public was struck by a trailer operated by a Trolley Collection sub-contractor at a shopping centre.

* Member of public.