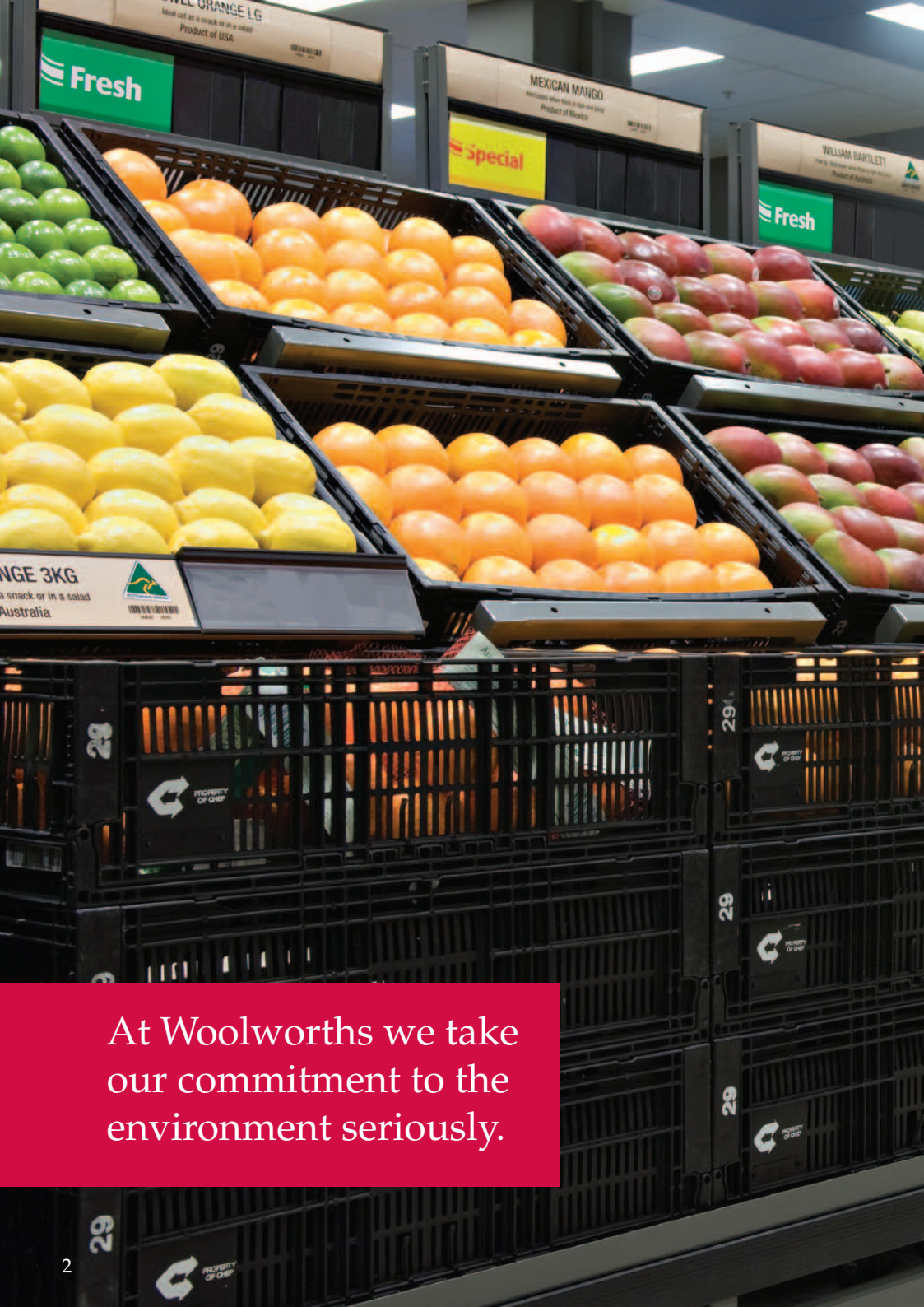


Sustainability Initiatives

in new Woolworths stores



WOOLWORTHS LIMITED



At Woolworths we take
our commitment to the
environment seriously.

Woolworths Limited Sustainability Strategy

As one of Australia's largest companies, how we manage our operations and develop new stores can make a big difference in protecting our environment for future generations.

That's why we're taking comprehensive action to reduce our environmental impact and become a sustainable retailer.

We're introducing innovative changes across over 3,100 stores to reduce our energy use and environmental footprint.

Woolworths' major commitments and targets are:

40%

reduction in carbon emissions
on projected growth levels by
2015, maintaining 2006 levels

25%

reduction in carbon emissions
per carton delivered by
Woolworths-owned trucks
by 2012

zero

food waste in the general
waste stream by 2015
where composting
facilities are available

200
million litres

of water to be saved each year

3.4
million

reusable crates to replace
single-use waxed boxes

To keep up to date with what we are doing, check out our website,
www.woolworthslimited.com.au, for regular updates.

Green Stores

Food retailing relies upon refrigeration with almost 50% of greenhouse gas emissions from our stores are associated with refrigeration. Air conditioning and lighting also contribute to our greenhouse emissions.

Woolworths is continuously looking for innovative and commercially realistic solutions to reduce our environmental footprint. We have invested in a range of new technologies that reduce energy usage (and associated greenhouse gas emissions), water usage and waste.

We have set a target for new stores, where all new stores are built with sustainable designs and will have at least a 25% reduction in carbon emissions per square metre of the store.



Refrigeration

Nearly half our store emissions are from refrigeration. To combat this we have introduced a range of initiatives to improve our refrigeration efficiency and cut our carbon emissions.

Reduced Emissions Refrigerants

All Woolworths' supermarkets now use reduced carbon refrigeration systems which have 75% less global warming potential than systems traditionally used in food retailing. These systems combine synthetic refrigerants with carbon dioxide, which has a global warming potential 3700 times lower than conventional refrigerants.

Refrigeration Cases

The refrigeration cases that our customers access benefit from innovations in high efficiency fans, LED lighting, low heat doors, glass lids on freezers and automatic night blinds.

Air Conditioning

We are making big energy savings by heating our stores re-using heat generated from the running of our refrigeration systems. Similarly, using cool air from outside the store when weather conditions permit means we use less energy keeping our stores at the right temperature.

Lighting

Lighting is a major contributor of carbon emissions across our stores. We use the most efficient fluorescent lighting and have introduced external LED lighting and motion sensors so we can continue to provide safe levels of lighting as well as reducing our emissions.

Switching to Gas

By using natural gas in our bakeries and chicken cookers instead of electrical appliances, we reduce our energy consumption while still providing the same high quality products to our customers.

Water

Water is one of Australia's most precious resources. And Woolworths is doing everything we can to make sure we make the most of every drop. Woolworths uses the following initiatives to reduce water use:

- All water fittings in our stores have a 4-star efficiency rating or higher – with taps using flow restrictors and the use of ultra-rinse guns in produce areas. By rolling out water efficient fittings in over 760 stores, we saved approximately 172 million litres of water in 2009.
- By harvesting rainwater at our large Distribution Centres, we were also able to reuse 11 million litres of water in 2009.

Waste and Recycling

As a retailer of fresh food and grocery items we end up with waste, whether it is from the packaging of items, or when food reaches its use by date or cannot be sold for other reasons.

Woolworths has a goal of eliminating food waste that is sent to landfill by 2015. To achieve this, we have introduced a number of initiatives to reduce food waste.

Through the Fresh Food Rescue Program our stores work with local charities and Foodbank to distribute edible food which cannot be sold due to damaged packaging. Last year we donated enough food to produce 1.5 million meals for people in need.

We have also reduced the number of cardboard boxes we use by around 600,000 boxes per week. We have purchased 3.4 million reusable crates so our suppliers can fill them, instead of boxes, with fresh fruit and vegetables which are delivered directly to our stores and onto our shelves.

Recycling is another important component of our waste reduction strategy. In 2009 Woolworths recycled over 167,000 tonnes of cardboard and over 6,000 tonnes of plastic wrap. We also encourage our customers to reuse their green bags when shopping rather than plastic bags.

For those customers who still choose plastic bags, we provide a plastic recycling bin at the front of our stores.



Employee Participation

All of our stores now have an Eco Ambassador.

Eco Ambassadors work with all of our employees to promote sustainability practices at work and at home. Some of these practices are using less energy, saving water, wasting less and recycling more.

Our employees understand that by making a small effort every day, like turning off lights and recycling correctly, they can make a big difference to our planet.

Green Bags

Don't forget to take your green bags when you go shopping. The average family can save about 500 plastic shopping bags each year by using recyclable green bags.

If you do choose to use plastic bags, then please make use of our recycling service for customers at the front of our stores. Alternatively, many customers will re-use them for bin liners or other uses around the home.



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