



20 June 2022

Mr Chris Leptos AO
Independent Reviewer - Food & Grocery Code of Conduct

Dear Chris,

Thank you for meeting with me and the Woolworths Supermarkets team on Thursday 16 June. We appreciate you taking the time to provide us feedback specific to Woolworths from the annual supplier survey you conducted last September in relation to the Food and Grocery Code of Conduct. It was also very helpful to hear directly from you on the discussions you have been having with the supplier community more broadly. The timing could not have been more advantageous with our Mid-year Supplier update occurring this week.

Woolworths' stated aim is to be our suppliers' partner of choice and we hold ourselves to a high standard both in compliance with the Grocery Code and with our own Trade Partner Charter which provides a framework for our team to build positive mutually beneficial supplier relationships. To help us listen and learn from our supplier partners we obtain regular feedback on what we are doing well and what we can improve via the Advantage Group bi-monthly anonymous survey of our suppliers. We found it very beneficial to hear directly from you on what suppliers have been sharing on areas for improvement.

We are committed to listening and learning when it comes to supplier relationships, and based on the feedback we have been receiving, and from what you have shared, we will be focusing on the following areas:

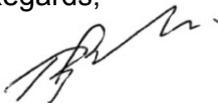
- **The availability & accessibility of our team:** We have added capacity to our Commercial team to help us work through the elevated volumes of cost increase requests in a timely manner, with more to be added. Our Managing Director of Woolworths Supermarkets, Natalie Davis and Chief Commercial Officer, Paul Harker will also reshare their contact details with our supplier community this week. We will reaffirm with our team the need for consistently timely responsiveness.

- **Woolworths Cost Price increase request process:** We are acutely aware of the feedback from suppliers on the ease of use of our Partner Hub portal and have an active program to improve the stability and usability of the system. We will share progress at our upcoming Supplier Update. We will also reconfirm with our team and suppliers that our current process does not require provision of detailed information regarding supplier costs, and that the provision of relevant information can be a helpful input in the context of good faith negotiations, but does not guarantee a specific outcome.
- **Woolworths complaints handling process and the role of our Code Arbitrator:** Where we don't get things right, we want to listen and learn and put things right. We will update our Suppliers on their ability to reach out to our Code Arbitrator, Ms Helen McKenzie informally. We will continue to share Ms McKenzie's credentials and contact details, and will actively look for ways to amplify her role with our suppliers, including via a series of structured supplier listening sessions
- **Team Training:** Paul Harker will lead a training refresh for all our category managers in the first week of August on good faith negotiations and the requirements of the Code.

We will use this week's Mid-Year Supplier update to communicate all of the above, and in particular the ability to informally and confidentially contact our Code Arbitrator.

Once again, thank you for making the time to meet in person and your thoughtful feedback.

Regards,



Brad Banducci
Group CEO and Managing Director, Woolworths Group