

29 August 2024

The Manager
Market Announcements Office
Australian Securities Exchange

Dear Manager

2024 ANNUAL REPORT (INCLUDING APPENDIX 4E)

In accordance with the requirements of the ASX Listing Rules, **attached** for release to the market is the 2024 Annual Report (including Appendix 4E).

The following will be released in conjunction with today's announcement:

- Notification of Dividend/Distribution;
- 2024 Full-year results;
- 2024 Full-year results briefing presentation; and
- 2024 Corporate Governance Statement and Appendix 4G

An analyst briefing will be held at 10:00am AWST / 12:00pm AEST following the release of the full-year results announcement and the 2024 Annual Report (including Appendix 4E). This briefing will be webcast and accessible via our website at www.wesfarmers.com.au.

Yours faithfully



Sheldon Renkema
Executive General Manager
Company Secretariat

This announcement was authorised to be given to the ASX by the Wesfarmers Limited Board.

2024 Annual Report



About Wesfarmers

From its origins in 1914 as a Western Australian farmers' cooperative, Wesfarmers has grown into one of Australia's largest listed companies. With headquarters in Perth, Wesfarmers' diverse businesses today span: home improvement, outdoor living products and supply of building materials; general merchandise and apparel; office and technology products; retailing and provision of health, beauty and wellness products and services; management of a retail subscription program and shared data asset and online marketplace; wholesale distribution of pharmaceutical goods; manufacturing and distribution of chemicals and fertilisers; participation in an integrated lithium joint venture, including operation of a mine and concentrator, and development of a refinery; industrial and safety product distribution; gas processing and distribution; and management of the Group's investments.

Wesfarmers is one of Australia's largest private sector employers with approximately 120,000 team members and is owned by more than 495,000 shareholders.

About this report

This annual report is a summary of Wesfarmers and its subsidiary companies' operations, activities and financial performance and position for the year ending and as at 30 June 2024. In this report, references to 'Wesfarmers', 'the company', 'the Group', 'we', 'us' and 'our' refer to Wesfarmers Limited (ABN 28 008 984 049), unless otherwise stated.

References in this report to a 'year' or 'this year' are to the financial year ended 30 June 2024 (previous corresponding period to 30 June 2023) unless otherwise stated. All years are financial years ending 30 June unless otherwise stated. All dollar figures are Australian dollars (AUD) unless otherwise stated.

References to 'AASB' refer to the Australian Accounting Standards Board and 'IFRS' refers to the International Financial Reporting Standards. There are references to 'IFRS' and 'non-IFRS' financial information in this report.

Non-IFRS financial measures are financial measures other than those defined or specified under any relevant accounting standard and may not be directly comparable with other companies' information. Non-IFRS financial measures are used to enhance the comparability of information between reporting periods. Non-IFRS financial information should be considered in addition to, and is not intended to be a substitute for, IFRS financial information and measures. Non-IFRS financial measures are not subject to audit or review.

All references to 'Indigenous' people are intended to include Aboriginal and/or Torres Strait Islander people.

References to Scope 1 and Scope 2 data include emissions for businesses where we have operational control under the *National Greenhouse and Energy Reporting Act 2007* (Cth) (NGER Act) and emissions in international operations. Scope 2 emissions are stated using market-based accounting, in accordance with the World Resources Institute Greenhouse Gas Protocol Scope 2 Guidance.

Forward-looking statements concerning climate are based on assumptions. These may include assumptions that government policy remains supportive of climate action and that technologies will advance, become commercially viable and capable of operating at scale. Targets may be adjusted if there are significant changes, including material acquisitions, divestments or changes to greenhouse gas reporting methodologies.

References to community contributions include direct community contributions from divisions (cash, in-kind and time) and indirect community contributions (from team members and customers).

Wesfarmers is committed to reducing the environmental footprint associated with the production of this annual report and printed copies are only posted to shareholders who have elected to receive a printed copy. This report is printed on environmentally responsible paper manufactured under ISO 14001 environmental standards.

Appendix 4E

For the year ended 30 June 2024

Results for announcement to the market ¹	2024	2023
Revenue from ordinary activities	Up 1.5% to \$44,189 million	\$43,550 million
Profit from ordinary activities after tax attributable to members	Up 3.7% to \$2,557 million	\$2,465 million
Net profit for the period attributable to members	Up 3.7% to \$2,557 million	\$2,465 million
Net tangible assets per share ²	\$3.12	\$3.17
Operating cash flow per share ³	\$4.05	\$3.69

¹ Commentary on the results for the year is included in this report and on the Wesfarmers website.

² Net tangible assets per ordinary share calculation includes right-of-use assets and lease liabilities.

³ Operating cash flow per share has been calculated by dividing the net cash flows from operating activities by the weighted average number of ordinary shares on issue during the year.

Dividends	Amount per security	Franked amount per security
Interim dividend	91 cents	91 cents
Final dividend	107 cents	107 cents
Total FY2024 dividend	198 cents	198 cents
Previous corresponding period:		
Interim dividend	88 cents	88 cents
Final dividend	103 cents	103 cents
Total FY2023 dividend	191 cents	191 cents

Record date for determining entitlements to the final dividend 5:00pm (AWST) on 4 September 2024

Last date for receipt of election notice for the Dividend Investment Plan 5:00pm (AWST) on 5 September 2024

Date the final dividend is payable 9 October 2024



Wesfarmers

Acknowledgement of Country

Wesfarmers proudly acknowledges the Traditional Owners of Country throughout Australia and their continuing connection to lands and waterways upon which we depend and where our businesses operate.

We pay our respects to their Elders past and present, and actively support progress towards Aboriginal and Torres Strait Islander cultural, social and economic equity.

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The Wesfarmers Way

Our primary objective is to deliver a satisfactory return to shareholders. We believe it is only possible to achieve this over the long term by —



Anticipating the needs of our customers and delivering competitive goods and services



Looking after our team members and providing a safe, fulfilling work environment



Engaging fairly with our suppliers, and sourcing ethically and sustainably



Supporting the communities in which we operate



Taking care of the environment



Acting with integrity and honesty in all of our dealings

Value-creating strategies

The Group's primary objective is driven by four overarching strategies.

Operating excellence

- Strengthening existing businesses through operating excellence and satisfying customer needs

Entrepreneurial initiative

- Securing growth opportunities through entrepreneurial initiative

Renewing the portfolio

- Renewing the portfolio through value-adding transactions

Operating sustainably

- Ensuring sustainability through responsible long-term management

Core values

Our core values underpin all of the Group's strategies and ways of working.

Integrity

- Acting honestly and ethically in all dealings
- Reinforcing a culture of doing what is right

Openness

- Openness and honesty in reporting, feedback and ideas
- Accepting that people make mistakes and seeking to learn from them

Accountability

- Decision-making authority in divisions
- Accountability for performance
- Protecting and enhancing reputation

Entrepreneurial spirit

- Adopting an owner mindset
- Encouraging teams to identify opportunities and apply commercial and financial acumen to support calculated risk-taking
- Encouraging teams to take initiative and pursue new and innovative ways of delivering value

Our businesses

Bunnings Group



Bunnings Group is the leading retailer of home improvement and lifestyle products in Australia and New Zealand, and a major supplier to project builders, commercial tradespeople and the housing industry. Bunnings Group's network of 513 locations includes warehouses, trade centres, Tool Kit Depot stores and Beaumont Tiles stores. Bunnings Group employs more than 51,000 team members.



Kmart Group



Kmart is a leading product development company and trusted brand that operates 322 stores throughout Australia and New Zealand, offering customers a wide range of everyday products at the lowest prices. Kmart employs around 40,000 team members in Australia, New Zealand and key sourcing markets. Target operates 124 stores and employs approximately 10,000 team members across Australia.



Chemicals, Energy and Fertilisers



Chemicals, Energy and Fertilisers manages nine businesses in Australia and employs more than 1,500 team members across its production and distribution facilities and support offices.



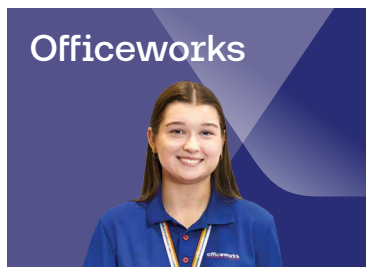
50%

50%

75%



Officeworks



Officeworks is a leading retailer of technology, stationery, furniture, art supplies and learning and development resources, with around 40,000 products available online and instore as well as services like Print & Create and Geeks2U. Operating through a nationwide network of 171 stores, Officeworks employs around 9,000 team members.



Industrial and Safety



Industrial and Safety operates three main businesses spanning safety products, industrial and corporate workwear, and industrial and medical gases. Industrial and Safety employs approximately 3,700 team members.

Blackwoods

**NZ Safety
Blackwoods**

**WORKWEAR
GROUP**

coregas

Wesfarmers Health



Wesfarmers Health has four business units, including retail, pharmaceutical wholesale, medical aesthetics and digital health. The retail business includes Priceline Pharmacy, a leading pharmacy, health and beauty retailer with 478 stores across Australia. Priceline partners with community pharmacists through franchise arrangements, and owns non-pharmacy Priceline stores. The division employs around 3,000 team members.

api

**priceline
pharmacy**

Clear Skincare
RETAIL PARTNER, CLINIC & CLINIC PARTNER

SILK
LASER CLINICS

InstantScripts

from November 2023

from July 2023

Wesfarmers OneDigital



Wesfarmers OneDigital brings together the Group's digitally native businesses, including the OnePass membership program, the Group shared data asset and the Catch marketplace. OneDigital supports the Group's data and digital growth ambitions by providing customers with a more seamless, rewarding and valuable omnichannel experience across the Group's retail and health businesses. The division employs about 450 team members.

OneDigital

OnePass

catch

Other activities



Wesfarmers is an investor in Flybuys, the BWP Trust, Gresham Partners and Wespine Industries.

flybuys

50%

bwp TRUST

22.3%

GRESHAM

50%

wespine

50%

Our performance

Revenue

\$44.2b
up 1.5%

Net profit after tax

\$2.6b
up 3.7%

Dividends per share Fully franked

\$1.98
up 3.7%

Return on equity (R12)

31.3%

Salaries, wages and other benefits

\$6.3b

Government taxes and other charges

\$1.5b

A portfolio of high-quality businesses that is well positioned to deliver growth and returns over the long term

**Strong, value-based
retail offers with broad
customer appeal**



**Strategic manufacturing
capabilities supporting
critical industries**



**Exposure to growing
demand in the health,
beauty and wellness
sector**



**Businesses
supporting global
decarbonisation**



**Underpinned by a strong balance sheet to support disciplined,
long-term investment and data and digital capabilities that drive
further productivity and efficiency gains**

Focus on long-term sustainable value, consistent with our objective



People



11.0

total recordable injury
frequency rate, down
2.7% from 11.3 in 2023



Environment



5.4%

decrease in Scope 1 and
Scope 2 (market-based)
emissions



Communities



\$88.2m

in direct and indirect contributions,
largely to community organisations
in Australia and New Zealand

3.8%

of Wesfarmers'
Australian
workforce

self-identify as Aboriginal or
Torres Strait Islander, maintaining
population parity

46MW

generation capacity from
212 rooftop solar systems, with
47 installed during the year

4,472

supplier sites in the ethical
sourcing program

43%

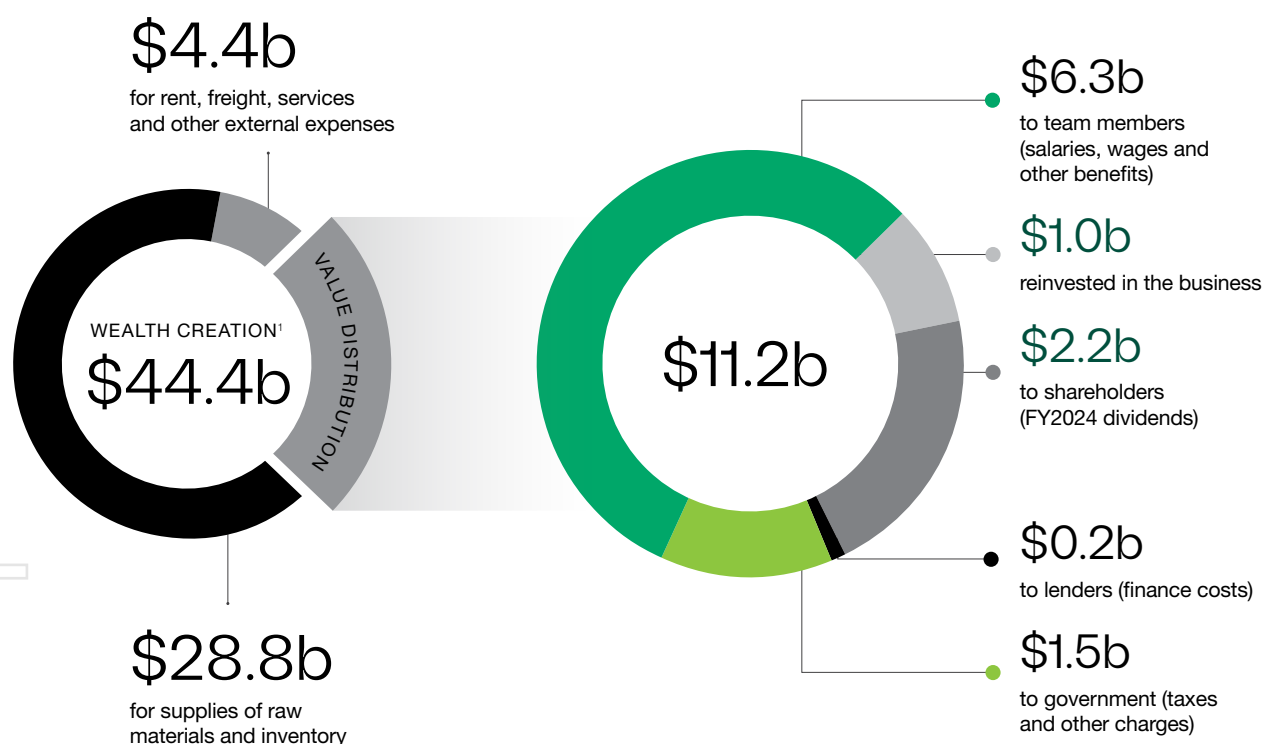
Board and Leadership Team
positions held by women

73.5%

of operational waste recovered
and diverted from landfill,
up from 71.6% in 2023

Wealth creation and value distribution

Wesfarmers is a significant contributor to the communities in which we operate. During the year, the Group generated wealth of \$44.4 billion, of which \$28.8 billion related to supplies of raw materials and inventory, \$4.4 billion for rent, freight, services and other external expenses, \$6.3 billion related to salaries, wages and other benefits for our team members and \$1.5 billion for taxes and other charges. Wesfarmers reinvested \$1.0 billion in our businesses, while distributing \$2.2 billion to shareholders in the form of fully-franked dividends.



¹ The total wealth created represents revenue, other income and share of net profits of associates and joint ventures. The value distributed represents the expenses incurred and dividends determined for the 2024 financial year. Classifications of expenses may differ to those presented in the income statement.

Performance overview

Group performance

Financial results		2024	2023
Revenue	\$m	44,189	43,550
Earnings before interest and tax	\$m	3,989	3,863
Earnings before interest and tax (after interest on lease liabilities)	\$m	3,753	3,644
Net profit after tax	\$m	2,557	2,465
Basic earnings per share	cents	225.7	217.8

Cash flow and dividends

Operating cash flows	\$m	4,594	4,179
Net capital expenditure	\$m	1,044	1,183
Acquisition of subsidiaries, net of cash acquired	\$m	298	24
Free cash flows	\$m	3,225	3,627
Dividends paid	\$m	2,200	2,132
Operating cash flow per share	cents	405.5	369.2
Dividends per share	cents	198	191

Balance sheet and gearing

Total assets	\$m	27,309	26,546
Net debt ¹	\$m	4,272	4,009
Shareholders' equity	\$m	8,585	8,281
Gearing (net debt to equity)	%	49.8	48.4

Sustainability

Scope 1 and Scope 2 (market-based) emissions	ktCO ₂ e	1,132.4	1,196.7
Operational waste recovered and diverted from landfill	%	73.5	71.6
Aboriginal and Torres Strait Islander team members		4,172	3,689
Safety performance	TRIFR	11.0	11.3
Gender balance, Board and Leadership Team	% women	43	48

¹ Interest-bearing loans and borrowings less cash at bank and on deposit and held in joint operation. Excludes cash on hand, cash in transit and lease liabilities.

Divisional performance

Bunnings Group		2024	2023
Revenue	\$m	18,968	18,539
Earnings before tax	\$m	2,251	2,230
Capital employed R12	\$m	3,254	3,410
Return on capital employed R12	%	69.2	65.4
Cash capital expenditure	\$m	268	405

Kmart Group

Revenue	\$m	11,107	10,635
Earnings before tax	\$m	958	769
Capital employed R12	\$m	1,458	1,635
Return on capital employed R12	%	65.7	47.0
Cash capital expenditure	\$m	136	127

Chemicals, Energy and Fertilisers

Revenue	\$m	2,747	3,306
Earnings before tax	\$m	440	669
Capital employed R12	\$m	3,292	3,091
Return on capital employed R12	%	13.4	21.6
Cash capital expenditure	\$m	447	518

Officeworks

Revenue	\$m	3,434	3,357
Earnings before tax	\$m	208	200
Capital employed R12	\$m	1,114	1,092
Return on capital employed R12	%	18.7	18.3
Cash capital expenditure	\$m	64	71

Industrial and Safety

Revenue	\$m	2,022	1,992
Earnings before tax	\$m	109	100
Capital employed R12	\$m	1,308	1,257
Return on capital employed R12	%	8.3	8.0
Cash capital expenditure	\$m	79	73

Health

Revenue	\$m	5,624	5,312
Earnings before tax	\$m	50	45
Capital employed R12	\$m	1,547	1,078
Return on capital employed R12	%	3.2	4.2
Cash capital expenditure	\$m	38	41

Catch

Revenue	\$m	227	354
Earnings before tax	\$m	(96)	(163)
Cash capital expenditure	\$m	5	10

Chairman's message

I am pleased to report that Wesfarmers was able to record increased profits in the 2024 financial year, a year marked by substantial uncertainty — domestically due to higher interest rates and internationally due to a number of political upheavals around the world.

Net profit after tax of \$2.6 billion represented an increase of 3.7 per cent on the previous year. The directors declared fully-franked dividends totalling \$1.98 per share, comprising a 91 cent interim and a \$1.07 final dividend. This compares with total dividends in the 2023 financial year of \$1.91 per share.

Profit increases were recorded by the Bunnings Group, Kmart Group, Officeworks, Health and Industrial and Safety divisions, while returns from Chemicals, Energy and Fertilisers fell, largely as a result of reduced international ammonia prices. The net investment in our developing digital and data businesses reduced on the prior year.

The results once again illustrate the value of having a diversified portfolio, where a downturn in one business may be compensated by increased activity in another.

That diversification has resulted from the fact that, since our listing on the Australian Securities Exchange in 1984, our growth strategy has been driven by our primary objective — to provide a satisfactory return to shareholders — rather than by any desire to build a bigger empire in a particular industry.

That is not to say our business leaders lack growth ambitions: on the contrary, each is focused on improving and expanding their activities as profitable opportunities allow.

Over the last four decades, the makeup of the Wesfarmers Group has changed dramatically as we have identified new opportunities and we expect that to continue. We recognise that we live in an ever-changing world and the strong businesses in tomorrow's society may not be those we are involved in today. The challenge is to identify where such opportunities exist and then find a way to invest in them in a value-adding way.

With regard to improving and growing our existing businesses, increased productivity plays a critical role — and, as we and others have said on many occasions before, productivity improvement is essential for Australia's future prosperity.

Talk of productivity improvement is sometimes viewed externally in a negative light — working harder for less, rather than the reality: creating more value for the same effort — value that can be shared with employees through higher wages, shareholders through higher dividends and customers through lower prices or improved service.

At Wesfarmers, we pursue productivity in a multitude of ways. We invest in technology in our stores, helping our team members be more efficient by reducing manual or eliminating unsafe work. By being more efficient, we keep our costs down, which helps our businesses to be more competitive, and allows us to keep prices low.

Likewise, investments in Radio Frequency Identification (RFID) capabilities within Kmart give team members visibility of apparel stock, which supports instore and e-commerce sales, and gives them more time to help customers; and digitisation of Kmart's sourcing, including 3D design, has reduced lead times, improving availability and reducing costs.

At Bunnings, Officeworks and Wesfarmers Health, we are investing in automation of distribution centres and inventory management processes, which improve the efficiency of our supply chain and enable improved sales and lower prices.

At WesCEF, we have also found ways to support productivity, with improved production rates achieved through focused operational management, and disciplined investment and maintenance.

Productivity improvement initiatives by companies like Wesfarmers are essential if Australia is to achieve the aggregate improvements that will be required to maintain strong employment and real wage growth.

As Gary Banks, former head of the Productivity Commission observed in a recent speech: 'In reality, the 'headline' productivity numbers for our economy represent little more than the accumulation of outcomes achieved by a myriad of individual firms and organisations throughout the economy.'

Of course governments have a critical role to play in this area too, through ensuring we have efficient and effective policy settings — for example in industrial relations, taxation, regulation and energy. Regrettably, many recently legislated and proposed changes in these areas work against productivity improvements, rather than for them.

Examples include the Commonwealth 'Same Job, Same Pay' legislation, new rules around the employment of casuals, some proposed new environmental legislation and various State decisions to increase payroll taxes. In many cases, these changes appear to be designed to address problems that, in fact, only exist at the margin and they do not deliver improved outcomes, including for employees, the environment and business. Indeed, they have introduced rigidities and imposts at a time when our national economy needs agility and flexibility. The risk of capital flight from Australia as a result of such laws is a very real one.



A productive and growing economy requires a constant flow of new investment – replacing inefficient plant and equipment, opening up new industries, expanding industries where Australia has competitive strengths and providing the infrastructure on which we all rely. Despite the regular promises of governments to reduce regulation, companies seeking to make investments today face a greater regulatory burden than ever. Lengthy approval processes, multi-jurisdictional duplication, complexity that slows decision-making and the determination of certain activists to oppose any development all conspire to make projects in Australia more costly and slower to progress than in many other countries.

One government initiative that is worthy of support, in our view, is the proposed production tax credit for critical minerals projects. With a production tax credit, the government makes no outlay unless the project is up and running and paying wages and suppliers to support operations. It is consistent with previous initiatives by governments of all persuasions to encourage and support development – investment allowances, accelerated depreciation, and so on; and the multiplier effect of such initiatives can actually result in a net benefit to government finances.

Company boards are faced with significant amounts of regulation and much of board time is taken up by meeting its requirements. It is somewhat bemusing, however, to hear commentators complaining about boards being 'woke' because they spend too much time on environment, social and governance (ESG) matters and not enough time on making profit – when doing so is required by law.

For example, boards in Australia are required to comply with (which means monitoring, measuring and usually reporting on) Commonwealth legislation concerned with climate change and carbon emissions, sustainability, whistleblowing, sexual harassment and discrimination, bullying, anti-bribery measures, data breaches, privacy, workplace gender equality, supplier payment times and modern slavery; and state governments, the ASX Corporate Governance Principles and Australian Accounting Standards Board, among others, impose additional obligations.

That is not to suggest these subjects are unimportant. On the contrary, looking after the interests of all stakeholders – team members, customers, suppliers, the environment and the community – is essential if a company is going to be successful financially. Wesfarmers has followed this philosophy since its listing and we are in no doubt that this has been a major factor in the company outperforming almost every other listed company in terms of shareholder returns since its listing in 1984.

It would be gratifying to hear fewer suggestions that ESG is, somehow, a negative phenomenon and more commentary evidencing an appreciation of the huge contribution business makes to the nation's welfare through employment, taxation, wealth creation and community support.

Large businesses like Wesfarmers play a critical role in the economy and work hand-in-hand with small businesses. As an example, Bunnings has over one million small business customers and more than 6,000 suppliers.

Looking forward, your Board is confident that Wesfarmers is in good shape and in a position to weather the challenges and realise the opportunities that our uncertain and changing world presents. We have a strong balance sheet, sound, well-regarded businesses and a capable and dedicated team.

At this year's Annual General Meeting, two of our directors will retire: Vanessa Wallace, who has been on the Board since July 2010 and has made a huge contribution to our deliberations on strategy, in particular in relation to the new economy, and Anil Sabharwal, who joined the Board in 2021 and has provided invaluable perspectives on the digital world during his term. We thank both directors for their efforts on behalf of the company and wish them well in their future endeavours. We welcomed Kate Munnings to the Board in August this year and Tom von Oertzen will join us from 1 October. Both directors have had extensive experience across a range of industries.

On behalf of the Board, I acknowledge with gratitude the efforts of approximately 120,000 team members employed across the Group. We thank our management team led so ably by Chief Executive Officer, Rob Scott, for their dedication to the company and its prosperity.

We look forward to continuing the success of the company in the years ahead.

Michael Chaney AO

Chairman

Managing Director's report

Wesfarmers' growth in profit for the 2024 financial year highlights the quality of the Group's portfolio of businesses and strong execution in a challenging market environment.

As expected, this year, the Australian and New Zealand economies faced a number of headwinds: elevated inflation and interest rates, cost of living pressures and volatility in key commodity prices. Our businesses were able to navigate these challenges effectively, always looking for ways to deliver greater value, choice and reliability for customers, while remaining focused on shareholder value.

Our performance in this complex operating environment is a testament to the approximately 120,000 team members in the Group. Across our team, there are thousands of stories of individuals building successful skills and careers. We have many team members who started with businesses like Kmart or Bunnings while at school, doing casual work to make some money and gain experience. Some of these team members have progressed into senior management roles, managing thousands of people and leading major projects. There are also trainee engineers and apprentices who started with our industrial businesses who are now responsible for world-class manufacturing operations. While we provide the platform, support and encouragement, it is the hard work, aspiration and ingenuity of our team members that allows them to build successful careers and creates the long-term value for our shareholders.

This is the story behind big businesses that is often neglected but is core to our business success and Australia's future prosperity.

A highlight for the year was continued strong operational execution, including benefits realised from proactive productivity and efficiency initiatives taken over recent years. Many improvements flow from investment in technologies and systems that support our teams to be more efficient, improve service and lower costs, which in turn help to keep prices low. Through providing better value for our retail and commercial customers, at a time when many are facing cost of living pressures, we are able to deliver sustainable growth in sales and earnings.

This year, our retail businesses benefited from their strong value credentials as households worked hard to balance their budgets. The retail businesses expanded their addressable markets, providing customers with new products and service offerings, capturing greater spend from younger generations – such as Gen Z and Millennials – while continuing to meet the needs of the broader market.

Our industrial businesses play a critical role supporting some of Australia's key export industries, with a track record of operating safely, reliably and efficiently. We have made good progress developing the Covalent lithium project, which once complete, will produce battery-grade lithium hydroxide for use in electric vehicles and support progress towards global decarbonisation goals.

Wesfarmers maintained its commitment to providing a safe and fulfilling work environment for team members. At a Group level, TRIFR reduced to 11.0, with improvements recorded across most businesses. While Bunnings Group's TRIFR

increased, a comprehensive program of initiatives is underway to drive improvement. WesCEF had not reported a single lost time injury for 17 months as at the end of the year.

We recognise the benefits of maintaining a diverse, inclusive workforce, and the Leadership Team and Board are in gender balance. The Group also remains at proportional representation with approximately 3.8 per cent of Wesfarmers' Australian team members identifying as Aboriginal or Torres Strait Islander.

During the year, the Group's Scope 1 and Scope 2 (market-based) emissions reduced by 5.4 per cent, as our divisions made good progress towards interim and long-term emissions targets. It was pleasing to see WesCEF take further actions, aligned with its net zero roadmap.

Our performance

This year, the Group's businesses generated net profit after tax of \$2.6 billion, an increase of 3.7 per cent.

Bunnings again demonstrated the resilience of its offer, continuing to deliver growth in more difficult market conditions. Bunnings' strong value credentials continued to underpin growth in customer visitation, transactions and units sold.

Kmart Group's performance was a standout, delivering significant sales and earnings growth supported by the market-leading value of its Anko products, unique sourcing capabilities and actions taken to operate efficiently and reduce costs. The sale of Anko products in Target has performed well and Target is now leveraging Kmart Group systems and technologies.

WesCEF's operating performance was strong with good plant production rates, but earnings were impacted by lower global commodity prices. While the focus remains on efforts to complete construction and commissioning of the Kwinana lithium hydroxide refinery, this year WesCEF achieved an interim milestone with its first shipment of spodumene concentrate in March 2024.

It was pleasing to deliver earnings growth in Officeworks and Industrial and Safety. Wesfarmers Health also increased earnings, while continuing to invest in transformation activities and integrate recent acquisitions, with a focus on opportunities to accelerate growth and improve returns.

Catch operates in a highly competitive market, with large international retailers leveraging offshore operations and technologies to attract Australian customers. This year, Catch reduced its losses following significant actions to reduce its cost base and clear inventory. Catch is shifting its focus from remediation activities to scaling the third-party marketplace and better utilising supply chain assets and capabilities to strengthen the Group's e-commerce operations.

For the Group's retail and health divisions, OneDigital is playing an important role, accelerating omnichannel growth and personalisation capabilities. Our customers actively engage with us in-store and online, and our businesses have more than 220 million digital interactions with customers each month.



Significant enhancements were made to the OnePass program, with the addition of new retail partnerships and unique online and instore benefits, which now provide even better value for members. These measures have supported continued growth in OnePass' members and incremental sales for our businesses.

Portfolio actions

Wesfarmers' approach to portfolio management allows the Group to allocate capital to opportunities that deliver satisfactory returns to shareholders. This approach is guided by our long-term perspective and strong financial discipline.

Wesfarmers remains focused on the development of an integrated lithium mine, concentrator and refinery. The successful development of the refinery is expected to generate satisfactory returns over the long term given the attractive cost structure of the project and the improved margin available from value-added production. Covalent is expected to complete construction and commissioning of the refinery with first product in mid-calendar year 2025. Sales of lithium hydroxide are expected to commence in the 2026 financial year as production volumes ramp up and after satisfactory product qualification with customers.

WesCEF's lithium business includes a small exploration portfolio which, during the year, executed a farm-in agreement with Ora Banda Mining Limited, targeting lithium and other critical mineral deposits.

During the year, Wesfarmers Health invested in two logical expansion opportunities: the acquisition of InstantScripts, Australia's leading telehealth provider, and SILK Laser Australia (SILK). These acquisitions are performing well, in line with expectations, and strengthening the customer offer of our Health division.

On 30 May 2024, WesCEF announced it had agreed to sell its liquefied petroleum gas and liquefied natural gas distribution businesses. These divestments remain subject to certain consents and approvals.

Leadership Team

I'd like to recognise and thank Ian Hansen, who will retire as Managing Director of WesCEF in November 2024, after more than 40 years with the Group. Ian has been instrumental in the growth and success of WesCEF with a track record of delivering operational excellence and major projects, while also significantly advancing the division's safety, diversity and sustainability performance. In recent years, Ian led work to develop WesCEF's net zero roadmap and has championed career opportunities in industrial businesses for talented women and Indigenous team members. We are pleased that Ian will remain with Wesfarmers in an advisory capacity and as Chairman of Covalent. Ian retires with the gratitude and best wishes of the Wesfarmers Board, Leadership Team and the broader Group.

Ian will be succeeded by Aaron Hood, currently WesCEF's Deputy Managing Director and Chief Operating Officer. Aaron brings strong commercial acumen together with technical expertise in relation to the WesCEF and Covalent operations.

Outlook

The overall economic environment continues to present both opportunities and challenges. Across Australia and New Zealand, interest rates and inflation remain elevated, maintaining pressure on household budgets. Cost of doing business pressures are expected to persist, due to labour market constraints, wage increases and growing energy, supply chain and other costs.

Despite these ongoing challenges, we believe Wesfarmers remains well positioned. The Group has demonstrated an ability to withstand a range of market conditions, through the quality of our businesses, strength of our balance sheet and capacity of our teams to adapt.

Our businesses are benefiting from proactive investments and other measures taken in recent years to support productivity and efficiency, together with investments made to digitise operations and develop sourcing capabilities.

Our retail divisions have strong value-based, omnichannel offers, coupled with product ranges that have broad customer appeal. They are well positioned to meet ongoing and changing demand, as customers respond to cost of living pressures. Our retail businesses are expected to continue to benefit from population growth and expansion of their addressable markets.

Our industrial businesses have strategic domestic manufacturing capabilities that support world-class Australian export industries, including agriculture, iron ore, gold and critical minerals.

The Health division provides exposure to the growing health, beauty and wellness sector, with opportunities to deliver more accessible and affordable healthcare for customers.

Overall, as we look to the future, Wesfarmers is focused on long-term value creation and will continue to invest to strengthen its existing businesses and develop platforms for growth. Together with a strong balance sheet and portfolio of cash generative businesses with market-leading positions, the Group is well-positioned to deliver returns over the long term.

Finally, I would like to thank our dedicated team members across the Group for their outstanding contributions this year, as well as the Board for its invaluable support and guidance. I would particularly like to acknowledge our divisional and corporate leaders. The Group's ability to deliver in the current operating environment is a credit to you and your teams. With your resolve to remain focused on continuous improvement and long-term value creation, I remain confident that Wesfarmers' best years lie ahead.

Rob Scott
Managing Director

Leadership Team



1 Rob Scott

MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER
WESFARMERS

Rob was appointed Managing Director and Chief Executive Officer in November 2017 following his appointment as Deputy Chief Executive Officer in February 2017.

Rob joined Wesfarmers in 1993, before moving into investment banking, where he held various roles in Australia and Asia. He re-joined Wesfarmers in Business Development in 2004, was appointed Managing Director of Wesfarmers Insurance in 2007 and then Finance Director of Coles in 2013. Rob was appointed Managing Director, Financial Services in 2014 and served as Managing Director of the Wesfarmers Industrials division from August 2015 to August 2017. He is also a director of the Business Council of Australia and Brisbane 2032.

2 Anthony Gianotti

CHIEF FINANCIAL OFFICER
WESFARMERS

Anthony was appointed Chief Financial Officer of Wesfarmers in November 2017.

Anthony joined Wesfarmers in 2004 in Business Development and in 2005 was appointed Manager, Investor Relations and Business Projects. In 2006, he was appointed Head of Business Development and Strategy of Wesfarmers Insurance, then its Finance Director in 2009 and Managing Director in 2013. In August 2015, Anthony was appointed Finance Director of the Wesfarmers Industrials division and its Deputy Managing Director in February 2017. He is a Fellow of Chartered Accountants Australia and New Zealand. He is also a director of West Australian Opera.



3 Maya vanden Driesen

GROUP GENERAL COUNSEL
WESFARMERS

Maya was appointed Group General Counsel in January 2015. Prior to this, Maya held various senior roles, including Senior Legal Counsel and General Manager Legal – Litigation. Before joining Wesfarmers, Maya practised law at Parker & Parker (now Herbert Smith Freehills) and Downings Legal (now HWL Ebsworth).

Maya is a Graduate of the Australian Institute of Company Directors and completed her full term on the Executive Committee of the GC100, representing the general counsel of Australia's top 100 ASX-listed companies, at the end of 2023. She is a director for the Committee for Perth (since 2016), Bell Shakespeare Company (since 2021) and MercyCare (since 2023).

Maya sits on the Joint Law Society and Women Lawyers Committee, the In-House/Government Lawyers Committee for the Law Society of Western Australia and the UWA Law School's Advisory Board and is a member of Chief Executive Women.

4 Michael Schneider

MANAGING DIRECTOR
BUNNINGS GROUP

Michael was appointed Bunnings' Managing Director in 2016.

Michael joined Bunnings in 2005, having previously held a range of senior operational, commercial and human resource roles across regional and national markets, in retail and financial services.

Outside Bunnings, Michael supports a range of not-for-profit and community organisations. He holds board roles with the Corporate Mental Health Alliance of Australia, Melbourne United basketball club and is a board member of the Global Home Improvement Network, representing some of the world's leading Home Improvement businesses. In addition, Michael chairs FightMND.



5 Ian Bailey

MANAGING DIRECTOR
KMART GROUP

Ian was appointed Managing Director of Kmart in February 2016 and assumed the responsibility for leading Kmart Group in November 2018. Previously, Ian was Kmart's Chief Operating Officer where he was instrumental in Kmart's turnaround.

Ian's national and international experience covers a number of industries, including retail, professional services, consulting, technology and healthcare in positions that include general management, sales, business development and project management.

6 Emily Amos

MANAGING DIRECTOR
WESFARMERS HEALTH

Emily was appointed Managing Director of Wesfarmers Health in April 2022, following Wesfarmers' acquisition of Australian Pharmaceutical Industries Limited in 2022.

Emily has extensive health and retail sector experience gained through time in various executive roles at Bupa Australia and New Zealand, Woolworths Australia and Sainsbury's United Kingdom.

Prior to joining Wesfarmers, Emily was the Managing Director of Bupa Health Insurance and before that, Managing Director of Bupa Health Services. Emily is also a former non-executive director of Adore Beauty. During her time at Woolworths, Emily held the role of Finance Director at Endeavour Drinks Group and held senior executive roles across finance, data and digital. Emily is also a member of Chief Executive Women.



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7 Sarah Hunter

MANAGING DIRECTOR OFFICEWORKS

Sarah was appointed Managing Director of Officeworks in January 2019.

Prior to this, Sarah worked across many areas of the Coles Group in positions including Financial Controller, State General Manager Victoria and Demerger Program Director, overseeing Coles' implementation of the demerger from Wesfarmers.

Before joining Coles, Sarah worked in the UK for more than 10 years, holding several senior commercial positions in banking and airports including Strategy and Finance Director for Gatwick Airport from 2004 to 2006.

Sarah is a Council member of the Australian Retailers Association, a member of Chief Executive Women, a Fellow of the Association of Chartered Certified Accountants and a member of the Australian Institute of Company Directors.

8 Tim Bult

MANAGING DIRECTOR WESFARMERS INDUSTRIAL AND SAFETY

Tim was appointed Managing Director of Wesfarmers Industrial and Safety in April 2020.

Since joining Wesfarmers in 1999, Tim has worked in commercial and business development roles within Wesfarmers and its divisions. He was appointed General Manager of Wesfarmers Kleenheat Gas in 2005 and Managing Director of Wesfarmers Energy in 2006. From 2009 to 2015, Tim was Executive General Manager, Business Development. In 2015, he was appointed Director, Associate Businesses and International Development and in 2018, Project Director for the demerger of Coles. In 2019, he was appointed Director, Associate Businesses and Corporate Projects at Wesfarmers.

9 Nicole Sheffield

MANAGING DIRECTOR WESFARMERS ONEDIGITAL

Nicole was appointed Managing Director of OneDigital in November 2021, and leads the Group's cross-divisional data and digital strategy and implementation. This includes the OnePass membership program, the Group shared data asset, and from July 2022, the Catch marketplace.

Prior to joining Wesfarmers, Nicole held a number of leadership roles. Nicole was the Executive General Manager, Community & Consumer, at Australia Post where she led the Australia Post retail network of 4,400 post offices, digital channels and the



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customer contact centre. Previous roles include Chief Digital Officer and Managing Director, Digital Networks at News Corp Australia, overseeing digital strategy, audience and subscription growth, and Chief Executive of NewsLifeMedia, leading the lifestyle publishing division.

Nicole is the President of the Australian Retailers Association Council and a member of Chief Executive Women.

10 Ian Hansen

MANAGING DIRECTOR WESFARMERS CHEMICALS, ENERGY & FERTILISERS

Ian has led the Chemicals, Energy and Fertilisers division since July 2016. Prior to this, Ian was the Chief Operating Officer of that business. From October 2007 to July 2010, he was the Managing Director of the Chemicals and Fertilisers division.

During Ian's more than 40 years with Wesfarmers, he has held a wide range of executive, operational and commercial management roles, primarily within the chemicals, energy and fertiliser businesses.

Ian is the Chairman of three Wesfarmers joint venture boards: Covalent Lithium, Queensland Nitrates and Australian Gold Reagents. He is also a board member of industry body Chemistry Australia, and Chair of the Australian Chapter of the Australia-Chile Business Council. He is a former board member of the International Fertilizer Association, Kwinana Industries Council and Australian Institute of Management.

In May 2024, Ian announced his retirement effective November 2024. Ian will remain with Wesfarmers in an advisory capacity and as Chairman of Covalent Lithium. He will be succeeded by Aaron Hood, who is WesCEF's Deputy Managing Director and Chief Operating Officer.

11 Naomi Flutter

EXECUTIVE GENERAL MANAGER CORPORATE AFFAIRS WESFARMERS

Naomi joined Wesfarmers as Executive General Manager, Corporate Affairs in August 2018.

Prior to this, Naomi worked for Deutsche Bank for 20 years, in roles including head of the Global Transaction Banking for Australia and New Zealand and head of the Trust and Agency business across Asia.

Naomi is a director of Wespine Industries, chair of the Kids Research Institute and member of Chief Executive Women. Until June 2024, Naomi also served on the Council of the Australian National University where she was Pro Chancellor.



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12 Jenny Bryant

CHIEF HUMAN RESOURCES OFFICER WESFARMERS

Jenny was appointed Chief Human Resources Officer of Wesfarmers in October 2016.

Prior to this she worked at Coles Group, Mars Inc (Europe and USA), Vodafone (global) and EMI Music (global). Over her career, she has held a variety of roles, including international human resources, data analytics and technology, operations and sales and marketing.

Jenny is a Director of the Flybuys joint venture with Coles Group Limited and a member of Chief Executive Women. She is also a director of Ember Connect.

13 Michael Britton

EXECUTIVE GENERAL MANAGER BUSINESS DEVELOPMENT WESFARMERS

Michael joined Wesfarmers in March 2023 in the role of Executive General Manager, Business Development.

Before joining Wesfarmers, Michael worked in the private equity industry with global investment firm The Carlyle Group. Michael has a background in M&A and strategic projects, with investment experience across a range of industries, including healthcare, consumer retail and industrial sectors.

Michael is Chairman of Wespine Industries.

14 Sheldon Renkema

EXECUTIVE GENERAL MANAGER COMPANY SECRETARIAT WESFARMERS

Sheldon was appointed Executive General Manager, Company Secretariat in October 2023 and is the Company Secretary of Wesfarmers.

Before that appointment, Sheldon was General Manager of Business Development at WesCEF and held roles within the Wesfarmers corporate office, including leading the corporate and retail legal teams. He commenced at Wesfarmers in 2007 as a legal counsel and has a background in advising on corporate transactions.

From 2019 to 2024, Sheldon was a director of Activ Foundation Limited.

Operating and financial review



It is my pleasure to provide this operating and financial review for the 2024 financial year.

At Wesfarmers, our primary objective is to deliver satisfactory returns to shareholders over the long term, and this review details our approach to delivering on this objective. It includes an update on the Group's financial position and performance for the year, and a summary of our operating model, strategies, material risks and prospects.

Divisional summaries on pages 24 to 58 provide more detail on performance and strategies for each of our businesses.

I am pleased that we have continued to expand and integrate our sustainability and climate-related disclosures, which are set out in this annual report and on our website. We believe responsible management is key to our value-creating strategies, recognising the strong linkages to financial performance over the long term. Our efforts in these areas help build more resilient businesses for the benefit of all stakeholders. Detailed information can be found at wesfarmers.com.au/sustainability

This review should be read in conjunction with the financial statements, which are presented on pages 129 to 178.

The Wesfarmers Way

The Wesfarmers Way, as shown opposite, guides the company's operating model and is directed at achieving the Group's primary objective — to deliver a satisfactory return to shareholders.

Wesfarmers' model of divisional autonomy drives accountability and focus within the divisions, with access to capital and specialist support available within the corporate office. A major focus is ensuring each of our divisions has a strong management team that is accountable for long-term strategy development and execution, as well as day-to-day operational performance. Each division is overseen by a divisional board of directors that includes the Wesfarmers Managing Director and Chief Financial Officer, and is guided by our Group-wide operating cycle and governance framework.

Wesfarmers focuses on seven key enablers to drive operating performance:

- outstanding people
- empowering culture
- commercial excellence
- innovation
- robust financial capacity
- social responsibility
- sustainability.

The Group maintains strong commercial discipline in relation to capital investment decisions and working capital management.

Measuring performance

The key measure used by the Group to assess satisfactory returns is total shareholder return (TSR) over the long term. We measure our performance by comparing Wesfarmers' TSR against that achieved by the broader Australian market.

Growth in TSR is achieved by improving returns from invested capital relative to the cost of that capital and by growing the capital base at a satisfactory rate of return on capital (ROC).

Given TSR performance is influenced by the movement in Wesfarmers' share price, which can be affected by factors outside the control of the company, the Group focuses on return on equity (ROE) as a key internal performance indicator.

While ROE is recognised as a fundamental measure of performance at a Group level, ROC has been adopted as the principal measure of performance for the divisions.

The Wesfarmers Way

OUR PRIMARY OBJECTIVE

To deliver a satisfactory return
to shareholders

VALUE-CREATING STRATEGIES

Strengthen existing businesses
through operating excellence
and satisfying customer needs

Secure growth
opportunities through
entrepreneurial initiative

Renew the portfolio
through value-adding
transactions

Ensure sustainability
through responsible
long-term management

CORE VALUES

Integrity

Openness

Accountability

Entrepreneurial spirit

ROC focuses the divisions on increasing earnings and/or increasing capital productivity by managing existing assets efficiently, as well as making an adequate return on any new capital deployed.

For those divisions already delivering strong ROC, key performance measures also include an earnings growth target.

Delivering shareholder returns

As part of Wesfarmers' approach to delivering a satisfactory return to shareholders, we seek to:

- drive earnings and cash flow growth by enhancing the competitive position of existing businesses
- continue to invest in Group businesses where the value of capital investment opportunities exceed return requirements
- acquire or divest businesses where doing so delivers an increase in long-term shareholder value
- ensure efficient capital management and the efficient distribution of franking credits to shareholders.

To support this, the Group endeavours to maintain balance sheet strength and flexibility so as to take advantage of opportunities that arise. This includes maintaining access to diverse sources of funding and optimising funding costs.

The Group maintains strong credit metrics, in line with investment grade credit ratings, supported by good cash flow generation and disciplined capital management.

Capital allocation

Wesfarmers continues to evaluate a broad range of investment opportunities.

Importantly, in assessing these opportunities, the Group applies a long-term horizon to investment decisions and incorporates a detailed assessment of potential sustainability issues.

The Group maintains strong commercial discipline in its approach to evaluating opportunities, with the most important criteria being whether the investment will create value for shareholders over time.

There are three broad avenues for incremental capital allocation that are considered by the Group:

- opportunities to deploy capital in the existing portfolio to drive growth and productivity and to build businesses with unique capabilities and platforms in expanding markets
- in adjacent opportunities where we can leverage existing assets and capabilities to develop new sources of long-term growth
- through value-accretive transactions, where we remain disciplined and have the flexibility to consider a range of ownership models.

Overall, the portfolio and balance sheet are well positioned, with a range of growth initiatives in train and the flexibility and capacity to continue to consider new opportunities.



Anthony Gianotti

Chief Financial Officer

Year in review

Overview

The Group reported a statutory net profit after tax (NPAT) of \$2,557 million for the full year ended 30 June 2024, an increase of 3.7 per cent on the prior year. Overall, Wesfarmers' NPAT growth reflected pleasing earnings growth in the retail divisions, partially offset by higher borrowing costs due to an increase in average interest rates and lower capitalised interest.

This year, there were numerous headwinds to navigate with cost of living pressures, rising costs of doing business, subdued activity in residential construction and significant volatility in key commodities. In this environment, Wesfarmers' businesses executed well, with the retail divisions responding effectively as households increasingly shifted to value during the year. Sales and earnings growth in the retail divisions was supported by everyday low price offerings and products with broad customer appeal.

The Group benefited from improvements in productivity and efficiency, which was the result of a proactive focus and

ongoing investment in recent years. These improvements enabled the divisions to provide compelling value for customers and mitigate ongoing cost of doing business pressures.

Bunnings demonstrated the resilience of its offer and ability to deliver growth through a range of market conditions, with higher sales growth recorded in the second half. Kmart Group's performance was a standout, delivering significant earnings growth supported by the market-leading value credentials of its Anko products, unique sourcing capabilities and actions to reduce costs.

WesCEF's earnings were impacted by lower global commodity prices, but operating performance was strong with good plant production rates. While the focus remains on efforts to complete construction and commissioning of the Kwinana lithium hydroxide refinery, this year WesCEF achieved an interim milestone with its first shipment of spodumene concentrate in March 2024.

It was pleasing to see continued earnings growth in Officeworks and Wesfarmers Industrial and Safety.

Wesfarmers Health also increased earnings and continued to invest in transformation activities and integrate recent acquisitions, while focusing on opportunities to accelerate growth and improve returns.

The Catch result was an improvement on the prior year following actions to reduce costs, clear inventory and shift the focus towards the third-party marketplace. Actions are now shifting from remediation to scaling the marketplace and better utilisation of supply chain assets and capabilities.

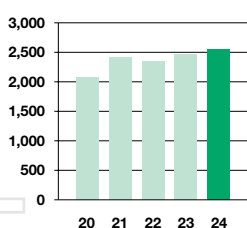
OneDigital is increasingly playing an important role in accelerating the retail and health divisions' omnichannel growth agenda. There were significant enhancements made to the OnePass program during the year, which broadened the benefits to members through new retail partnerships and unique online and instore benefits providing additional value.

Further details on divisional financial performance are outlined in pages 24 to 58 of this annual report.

Net profit after tax¹

(excluding significant items)

\$2,557m

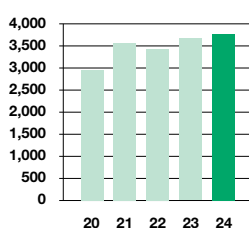


2024	2,557
2023	2,465
2022	2,352
2021	2,421
2020	2,075

Earnings^{1, 2}

(excluding discontinued operations and significant items)

\$3,753m

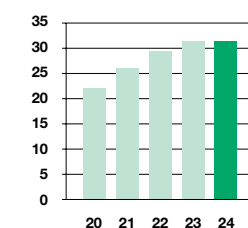


2024	3,753
2023	3,644
2022	3,416
2021	3,550
2020	2,942

Return on equity (R12)¹

(excluding significant items)

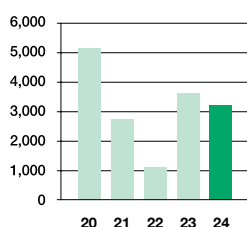
31.3%



2024	31.3
2023	31.4
2022	29.4
2021	26.1
2020	22.1

Free cash flow

\$3,225m



2024	3,225
2023	3,627
2022	1,110
2021	2,741
2020	5,188

¹ 2021 excludes post-tax \$41 million of restructuring costs in Kmart Group. 2020 excludes post-tax significant items including: \$520 million of non-cash impairments, write-offs and provisions in Kmart Group, \$298 million non-cash impairment of Industrial and Safety, \$203 million gain on the sale of the 10.1 per cent interest in Coles and \$154 million revaluation of the retained interest, and a benefit of \$83 million from the finalisation of tax positions on prior year disposals.

² EBIT after interest on lease liabilities.

Operating cash flows

Divisional operating cash flows before interest, tax and the repayment of lease liabilities increased 4.0 per cent compared to the prior year, with divisional cash generation of 101 per cent. Divisional cash flow growth reflects disciplined net working capital management at Bunnings, partially offset by lower earnings at WesCEF due to the impact of lower global commodity prices and working capital investment in the Health division, including as a result of changes to supplier and customer payment arrangements.

Overall inventory health is strong, with good stock availability across the retail divisions and improved stock turn over the year at Bunnings and Kmart Group.

Reported operating cash flows increased 9.9 per cent to \$4,594 million, supported by the divisional cash flow result and lower tax paid due to the timing of tax payments.

Capital expenditure

Gross capital expenditure of \$1,076 million was 16.5 per cent lower than the prior year, largely due to lower spend on store building projects in Bunnings and lower development spend on the Covalent lithium project, due to timing of project spend. Proceeds from the sale of property, plant and equipment of \$32 million were \$73 million below the prior year, largely due to reduced property disposals at Bunnings. The resulting net capital expenditure of \$1,044 million was \$139 million, or 11.7 per cent, lower than the prior year.

Free cash flows

Free cash flows of \$3,225 million decreased 11.1 per cent on the prior year, with the growth in operating cash flows offset by the impact of proceeds from the sale of the Group's remaining interest in Coles Group Limited in the prior year, and the cash consideration relating to the Group's acquisition of SILK and InstantScripts during the year.

Balance sheet

The Group recorded a net financial debt position of \$4,258 million as at 30 June 2024. The increase compared to the net financial debt position of \$3,984 million as at 30 June 2023 reflects the growth in operating cash flows offset by the distribution of \$2.2 billion in fully-franked dividends paid to shareholders, ongoing capital investment and acquisition activity during the year.

Divisional earnings summary

	2024	2023
Year ended 30 June	\$m	\$m
Bunnings Group	2,251	2,230
Kmart Group	958	769
WesCEF	440	669
Officeworks	208	200
Industrial and Safety	109	100
Wesfarmers Health	50	45
Catch	(96)	(163)
Total divisional	3,920	3,850
Other	(167)	(206)
Total earnings¹	3,753	3,644

¹ EBIT after interest on lease liabilities.

Group capital employed

	2024	2023
Year ended 30 June ²	\$m	\$m
Inventories	6,102	6,039
Receivables and prepayments	2,459	2,300
Trade and other payables	(5,377)	(5,268)
Other	351	252
Net working capital	3,535	3,323
Property, plant and equipment	5,653	5,365
Goodwill and intangibles	5,051	4,692
Other assets	1,021	1,099
Provisions and other liabilities	(1,909)	(1,818)
Total capital employed	13,351	12,661
Net financial debt ³	(4,258)	(3,984)
Net tax balances	517	667
Net right-of-use asset/(lease liability)	(1,025)	(1,063)
Total net assets	8,585	8,281

² Balances reflect the management balance sheet, which is based on different classification and groupings than the balance sheet in the financial statements.

³ Interest-bearing loans and borrowings less cash at bank and on deposit and held in joint operation, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes cash on hand, cash in transit and lease liabilities.

Cash capital expenditure

	2024	2023
Year ended 30 June	\$m	\$m
Bunnings Group	268	405
Kmart Group	136	127
WesCEF	447	518
Officeworks	64	71
Industrial and Safety	79	73
Wesfarmers Health	38	41
Catch	5	10
Other	39	43
Gross capital expenditure	1,076	1,288
Proceeds from sale of property, plant, equipment and intangibles	(32)	(105)
Net capital expenditure	1,044	1,183

Year in review

Debt management and financing

Other finance costs increased 23.0 per cent to \$166 million, reflecting higher average interest rates during the period and lower capitalised interest following the commissioning of the Mt Holland mine and concentrator. On a combined basis, other finance costs, including the component of interest that was capitalised, increased 8.5 per cent to \$192 million.

The Group retains significant headroom against key credit metrics and this year reduced its debt to EBITDA ratio to 1.8 times, compared to 1.9 times in the prior year. The Group maintained its strong investment grade credit ratings, with a rating from Moody's Investors Service of A3 (stable) and a rating from S&P Global Ratings of A- (stable).

Dividends

A key component of total shareholder return is dividends paid to shareholders. The Group's dividend policy considers available franking credits, current earnings and cash flows, future cash flow requirements and targeted credit metrics. The Board has determined to pay a fully-franked ordinary final dividend of 107 cents per share, taking the full-year ordinary dividend to 198 cents per share. The final dividend will be paid on 9 October 2024.

Given the preference of many shareholders to receive dividends in the form of equity, the directors have decided to continue the operation of the Dividend Investment Plan (the 'Plan'). The allocation price for shares issued under the Plan will be calculated as the average of the daily volume-weighted average price of Wesfarmers shares on each of the 15 consecutive trading days from and including the third trading day after the record date.

The last date for receipt of applications to participate in, or to cease or vary participation in, the Plan is 5 September 2024. No discount will apply to the allocation price and the Plan will not be underwritten. Shares to be allocated under the Plan will be transferred to participants on 9 October 2024. Given the Group's strong credit metrics, it is intended that any shares to be issued under the Plan will be acquired on market and transferred to participants.

Fixed financial obligations

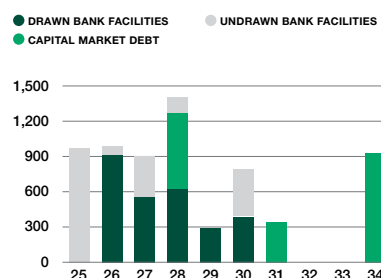


- Lease liabilities¹ \$6.5b
- Bank facilities & bonds² \$4.7b

¹ Represents total discounted lease liabilities as at 30 June 2024.

² As at 30 June 2024. Bank facilities & bonds is net of swaps.

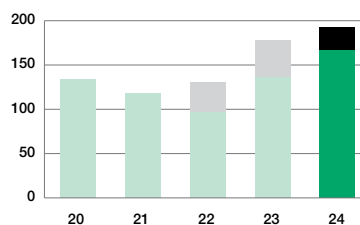
Debt maturity profile (\$m)¹



¹ As at 30 June 2024. Capital market debt is net of cross-currency interest rate swaps.

Other finance costs (\$m)

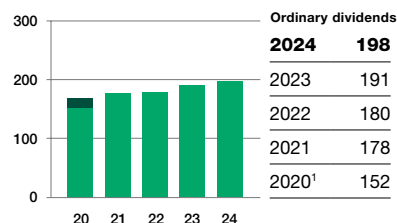
● CAPITALISED INTEREST ● OTHER FINANCE COSTS



Dividends per share

● ORDINARY DIVIDENDS ● SPECIAL DIVIDENDS

198 cents

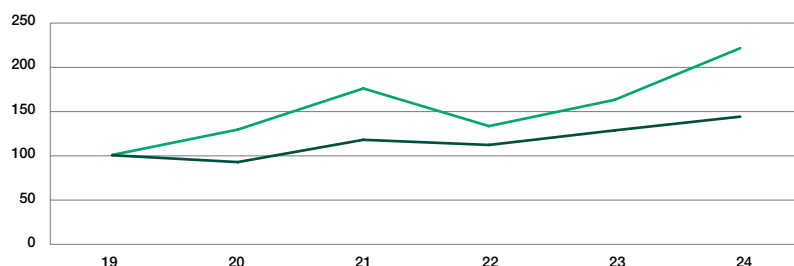


¹ Excludes a fully-franked special dividend of 18 cents per share, relating to the distribution of the after-tax profit on the sale of the Group's 10.1 per cent interest in Coles during the period.

TSR¹: Wesfarmers and ASX 100

(last five years)

● WESFARMERS LIMITED TSR INDEX¹
● ASX 100 ACCUMULATION INDEX



¹ Assumes 100 per cent dividend reinvestment on the ex-dividend date and full participation in capital management initiatives e.g. rights issues and share buybacks. Source: Bloomberg, excludes value of franking credits.

Risk

Wesfarmers recognises the importance of, and is committed to, the identification, monitoring and effective management of risks associated with its activities across the Group.

The following information details a selection of material Group-wide risks, not in any particular order. These material risks do not include generic risks, such as changes to macroeconomic conditions affecting businesses and households in Australia (such as inflationary pressures), which would affect all companies with a large domestic presence, although Wesfarmers is well positioned in this regard to meet changing customer demand.

Specific information on sustainability and climate-related risks is provided on pages 59 to 84 of this annual report.



Health, safety and wellbeing

As one of Australia's largest private sector employers, Wesfarmers is committed to providing a safe and fulfilling work environment for its approximately 120,000 team members. Refer to page 62 for details.

Approach and action:

- Continued focus on mitigating safety risks with strengthened safety systems
- Strategies, processes and training to protect team members from threatening situations
- Continued investment in asset maintenance for the safe operation of facilities and distribution of products
- Regular monitoring and evaluation of health and safety metrics
- Health and wellbeing programs for team members
- Focus on respect at work and psychosocial risk awareness and training



Talent attraction, retention and engagement

The Group requires team members with appropriate skills, capabilities and values to execute divisional and Group strategies. There is strong competition to attract and retain these individuals.

Approach and action:

- Succession planning, retention and targeted development programs
- Clear codes of conduct and measures to create a welcoming environment through diversity and inclusion programs
- Strategies and investments to strengthen employee value propositions so the right talent is attracted and retained by the Group



Cyber security

Wesfarmers is highly focused on cyber security to safeguard against an information security breach. Refer to page 66 for details.

Approach and action:

- Continued investment in systems, processes and capabilities, including by using technology and dedicated cyber security teams
- Ongoing training provided to team members on cyber security risks
- Collaborating on cyber security, information technology and advanced analytics across the Group
- Regular reporting to management and the Board to oversee cyber security resilience across the Group
- Regular reviews of network and information security controls
- Participating in industry and government consultations to support cyber security resilience



Data governance, privacy and consent

Wesfarmers is committed to being a trusted and responsible custodian of customer and team member data. Refer to page 66 for details.

Approach and action:

- Continuing to enhance the Group's privacy frameworks, processes and resourcing
- Strong internal processes to protect and control data access
- Policies and standards to manage data and safeguard personal data
- Maintenance of the Group's data governance policy



Competition and business model disruption

Wesfarmers' divisions operate in highly competitive markets, and face increasing competition from new and existing competitors.

Approach and action:

- Each division is focused on executing its own strategies to deepen customer engagement and mitigate competitor risks
- The divisions' competitive advantages provide them with opportunities to grow market share
- Analysis of business performance and trend forecasting to identify emerging risks and opportunities
- A detailed corporate planning process, which includes developing strategies to mitigate competitor risks



Customer expectations

Wesfarmers divisions are focused on meeting customer expectations as their needs and preferences change. This requires our divisions to continually evolve their product and service offerings.

Approach and action:

- Investing in data, digital and e-commerce capabilities to deepen understanding of customers and provide more timely, personalised and engaging experiences
- Investing in strategy, marketing, merchandise and customer insight teams
- Monitoring local and global trends and responding with range reviews and new customer propositions
- Participating in take-back schemes



Strategy execution

Wesfarmers sets strategic objectives through a detailed corporate planning process and regularly assesses performance against these strategic objectives. Under Wesfarmers' model of divisional autonomy, accountability for divisional strategy execution lies primarily with divisional management.

Approach and action:

- Detailed planning and budgeting processes
- Performance measurement frameworks and key performance indicators to track progress
- Regular review of projects and programs to monitor progress on strategy execution, including benefits, costs and resource allocation
- Divisional boards to monitor progress



Inventory management

Wesfarmers recognises the importance of our divisions optimising inventory levels to meet customer demand and support business growth, while minimising the risk of stock unavailability, excess inventory and shrinkage throughout the supply chain.

Approach and action:

- Investing in demand planning systems to optimise stock availability and align with customer demand
- Continued focus on key indicators, such as inventory levels, turnover and product availability rates
- Enhancing security at retail and manufacturing sites
- Continued investment in retail team member training for loss prevention practices, security protocols and reporting procedures
- Investing in technology solutions to minimise shrinkage



Sourcing and supply chain

The Group's domestic and international supply chains are highly complex. Minimising the risk of interruptions to our supply chains means our divisions can maintain product and service availability for customers.

Approach and action:

- Ongoing development of supply chain capabilities and strengthening systems and processes
- Increasing the diversification of sourcing operations
- Continuing to modernise supply chain facilities
- Actively managing supplier relationships, engaging in regular dialogue, performance reviews and supplier development initiatives to foster long-term relationships that align with the Group's minimum sourcing standards
- Investing in supply chain analytics and digital technologies



Product safety and liability

Wesfarmers divisions aim to offer products that meet relevant product safety regulations, standards and guidelines. Refer to page 66 for details.

Approach and action:

- Working with suppliers to require that relevant product testing and quality checks are performed
- Where our divisions support the design and development of own-brand products, we require that these comply with product safety standards, including in-house testing
- Collaboration across divisions to share developments, learnings and best practice in product quality and safety



Commodity price and currency movement

The Group is exposed to material adverse movements in foreign exchange and commodity prices that could impact profitability.

Approach and action:

- Conducting scenario analysis to identify potential exposures to commodity price and foreign exchange rate movements
- Continuing to implement hedging strategies to mitigate the impact of adverse market movements
- Regularly monitoring macroeconomic indicators, geopolitical developments and commodity market trends to identify risks and opportunities



Regulatory compliance

Wesfarmers divisions are subject to a wide range of laws and regulations and failure to comply could negatively impact the Group, for example by adversely affecting stakeholders' trust, our reputation or license to operate and/or financial performance. In addition, the pace of regulatory change and expansion is increasing the compliance burden on the Group and the risk of adverse consequences for our businesses.

Approach and action:

- Dedicated legal and compliance teams to manage legal issues, matters, claims and disputes
- Monitoring of and response to legal, regulatory and public policy changes
- Maintaining relationships with regulators, government and industry bodies
- Establishing clear guidelines and expectations for divisional governance
- Providing training to team members to promote and support compliance with laws and regulations

Wesfarmers recognises there are other material risks across the Group. These include a wide range of strategic, operational, regulatory and financial risks, such as:

- Digital disruption, for example through technological innovation
- Portfolio management, noting Wesfarmers actively manages its portfolio through acquisitions and divestments
- Business disruption, loss of major infrastructure and physical security
- Risks inherent in the distribution and sale of products
- Conduct risk, which may impact Wesfarmers' reputation
- Human rights risks, including modern slavery in our operations and supply chains (refer to page 67 for more details)
- Climate and nature-related risks, including risks associated with emissions management (refer to page 73 for more details)
- Risks inherent in asset management, including process safety risk
- Clinical governance risks in Wesfarmers Health
- Geopolitical risks, including potential impacts on global supply chains or input prices
- Regulatory or legislative change
- Liquidity and access to funding.

Further information on risk management, including policies, responsibilities and certification, can be found on page 92.



Visit our website to read more:
wesfarmers.com.au/cg

Prospects

Wesfarmers remains focused on long-term value creation and continues to invest to strengthen its existing businesses and develop platforms for growth.

Australian and New Zealand inflation moderated over the year, but as anticipated, current inflation and interest rates remain elevated and continue to place pressure on parts of the economy, including household budgets. Cost of doing business pressures are expected to persist in the 2025 financial year, driven by elevated inflation, labour market constraints, wage cost increases and higher energy and supply chain costs.

Despite these challenges, the Australian economy remains well supported, with demand driven by low unemployment relative to historical levels and ongoing population growth. There is a continued need to address the shortages in Australian housing stock, which is expected to support higher levels of construction activity over the medium term.

The Group's retail businesses remain well positioned to meet ongoing demand for value-based products, as households face cost of living pressures and savings reduce from the levels built up during COVID-19.

Wesfarmers' larger businesses are benefiting from investments made to digitise their operations and develop sourcing capabilities. Together with benefits from proactive productivity and efficiency investment over recent years, this provides confidence in the Group's ability to adjust costs in line with trading conditions.

The Group continues to monitor international supply chains and key shipping routes, and has implemented appropriate contingencies to mitigate the potential risk of interruptions and delays.

The performance of the Group's industrial businesses remains subject to international commodity prices, foreign exchange rates, competitive factors and seasonal outcomes. Operations at WesCEF will continue to be impacted by higher Western Australian natural gas costs as more gas supply contracts are renewed.

Wesfarmers remains focused on the development of an integrated lithium mine, concentrator and refinery. The successful development of the refinery is expected to generate satisfactory returns over the long term given the attractive cost structure of the project and the improved margin available from value-added production. Covalent is expected to complete construction and commissioning of the refinery with first product in mid-calendar year 2025. Sales of lithium hydroxide are expected to commence in the 2026 financial year as production volumes ramp up and after satisfactory product qualification with customers. WesCEF's share of capital expenditure for the Covalent lithium project remains in line with the guidance provided at the 2023 half-year results.

Wesfarmers will continue to invest in its existing operations and in the development of platforms for long-term growth and shareholder value creation.

Wesfarmers will continue to manage its divisions and the portfolio with carbon awareness, remaining focused on delivering progress against its net zero and renewable electricity targets and making disciplined investments to strengthen the climate resilience of its businesses.

Bunnings Group

Our business

Bunnings is the leading retailer of home improvement and lifestyle products in Australia and New Zealand, and a major supplier to project builders, commercial tradespeople and the housing industry.

Bunnings operates a network of 513 locations, including large warehouse stores, smaller format stores, trade centres and specialist stores, complemented by online channels. Bunnings employs more than 51,000 team members across Australia and New Zealand.

Bunnings' three strategic pillars remain core to how it delivers for customers: lowest prices, widest range and best experience. These pillars come to life through its physical and digital presence and the ways that Bunnings connects and serves its customers on-site, in the home, on the phone, instore and online. The pillars are underpinned by a focus on the safety of its team, customers and suppliers, and by fostering strong relationships with the local communities it serves.

Bunnings has evolved from a warehouse model offering around 34,000 hardware and home improvement products when the first Bunnings warehouse opened in 1994, to an omnichannel business with approximately 240,000 home, commercial and lifestyle products across its instore, online and marketplace offers today.



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Highlights and outlook

Revenue

\$18,968m

2024	18,968	
2023	18,539	
2022	17,754	
2021	16,871	
2020	14,999	

Earnings before tax

\$2,251m

2024	2,251	
2023	2,230	
2022	2,204	
2021	2,185	
2020	1,826	

Revenue for Bunnings increased 2.3 per cent to \$18,968 million for the year, with earnings increasing 0.9 per cent to \$2,251 million. Excluding net property contributions, earnings increased 2.6 per cent. The resilient sales and earnings result was supported by Bunnings' strong value credentials, sustained demand for ongoing repairs and maintenance, growth in online channels and the continued execution of Bunnings' strategic agenda, including range innovation.

During the year, Bunnings continued to invest in supply chain, data and technology projects to strengthen the customer experience across all channels. A new last-mile delivery service, Bunnings Local Delivery, was launched and more personalised communication across Bunnings' digital channels improved relevance and drove incremental sales.

While Bunnings' TRIFR increased to 17.0 during the period, a comprehensive program of initiatives is underway to reduce injuries and increase safe product movement through Bunnings' stores and supply chains.

Bunnings remains committed to reducing its environmental footprint and is on track to achieve 100 per cent renewable electricity by the end of calendar year 2025 and to achieve net zero Scope 1 and Scope 2 emissions by 2030. Renewable electricity now powers 80 per cent of Bunnings' Australian and New Zealand network.

Bunnings maintains its long-term focus on sustainable earnings growth through the economic cycle, underpinned

by a resilient operating model, leading customer value proposition and focus on simplicity and productivity.

Despite challenging trading conditions in the commercial sector and ongoing household budget pressures, Bunnings remains well placed to continue providing value to cost-conscious customers. This is supported by Bunnings' relentless focus on everyday lowest prices, with the business' continued productivity focus enabling further investment in price and customer experience.

The market-wide softness in building activity is expected to continue in the 2025 financial year, but population growth and the shortages in Australian housing stock are anticipated to support a recovery in building activity over the medium term.

Bunnings will focus on executing a range of initiatives to expand its addressable market, improve the customer offer and maintain a low-cost operating model to support growth over the long term. This includes network and range evolution, growth in commercial capabilities, space optimisation, digital channel growth and further development in supply chain capability.



Michael Schneider
Managing Director
Bunnings Group

Our strategy

Bunnings' strategy is informed by its three pillars: lowest prices, widest range and best experience. The strategy focuses on four key priority areas: Care, Grow, Simplify and Evolve.

Care

Bunnings' priorities start with demonstrating genuine care for its team, customers, suppliers and the environment every day, and building strong relationships with the communities it serves.

During the year, Bunnings implemented a new enterprise agreement, rewarding its team members and enabling more flexible work options.

Bunnings is focused on ensuring its team stays safe and well in the workplace. Refer to page 28 for details.

Grow

Bunnings is focused on providing customers the best offer, delivering exceptional value, innovating on range and introducing new product categories to expand its addressable market. Bunnings is deepening its relationships with commercial customers by having a service model and product offer that better meet their needs.

During the year, the business opened two Bunnings stores, two Tool Kit Depot stores, six Beaumont Tiles stores and two new frame and truss sites. Bunnings also expanded four stores to improve the local offer.

Bunnings is aiming to grow across all product categories and completed a number of range reviews this year. The business introduced more bulk-pack sizes, providing customers with greater value and a differentiated offer.

During the year, Bunnings identified new opportunities to expand its addressable market. This included launching expanded cleaning and outdoor ranges and new own-brand products, such as the Citeco safety equipment range, and introducing steel frames to its frame and truss offering. Bunnings also launched its Trade Assist service to make it easier for trades to order materials. The business will continue to innovate and introduce new products and categories to expand its addressable market and improve the customer offer.

Simplify

Simplicity is core to the Bunnings strategy. Bunnings' productivity and technology initiatives support the



Bunnings Local Delivery

Bunnings Local Delivery is a new fulfilment solution for customers. Instore team members complete deliveries to local customers' homes and job sites using Bunnings-branded utes and vans.

Following a successful pilot with an improved delivery experience for customers, the service was expanded to more than 50 stores in 2024.

The service reinforces Bunnings' strong commitment to friendly customer service. In addition, it allows Bunnings to better manage the delivery process and more efficiently respond to elevated delivery demand.

The service complements Bunnings' existing arrangements with logistics partners to collectively deliver orders ranging from parcels to big and bulky items, and is lifting overall customer satisfaction in Bunnings' delivery experience.

Following the initial success of the Bunnings Local Delivery roll-out, Bunnings will expand the service to further stores in the 2025 financial year.

business to operate as efficiently as it can to reinvest in lowest prices.

Bunnings has continued its focus on removing non-customer facing tasks in stores, which enables the team to spend more time with customers. During the year, Bunnings implemented a new rostering platform to better match team member hours with customer demand.

Bunnings is leveraging technology, including generative AI, to drive improvements in productivity and customer experience. This includes further digitising and automating manual processes in stores and support functions.

Evolve

Bunnings is evolving its capabilities and operating model to reflect the changing needs of its customers and communities. This is underpinned by a program of continuous improvement across

its supply chain, a more sophisticated approach to space management and the ongoing improvement of data and digital capabilities.

Examples of Bunnings' progress include the consolidation of its distribution centre network to drive efficiencies, the optimisation of customer fulfilment processes across all fulfilment nodes and the use of OnePass, Flybuys and PowerPass data to deliver more personalised customer experiences. This year, Bunnings trialled space planning technology in smaller format stores, to ensure the right products are in the right locations instore.

The priorities for the coming years include continuing to develop fulfilment and last mile capabilities, further leveraging data to deliver a more personalised customer experience and evolving its retail media program.

Year in review

Key financial indicators (year ended 30 June)	2024	2023
Revenue (\$m)	18,968	18,539
Earnings before tax (\$m)	2,251	2,230
Capital employed (\$m) R12	3,254	3,410
Return on capital employed (%) R12	69.2	65.4
Cash capital expenditure (\$m)	268	405

Sustainability results	2024	2023
Total recordable injury frequency rate (TRIFR) ¹ R12	17.0	16.5
Aboriginal and Torres Strait Islander team members	1,531	1,246
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	49.4	59.9
Operational waste diverted from landfill (%)	60.6	57.1
Community contributions (\$m)	61.1	47.4
Sites in the ethical sourcing program that were monitored (%) ²	77	65

¹ TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

² Ethical sourcing data for the 12 months to 15 June 2024.

Revenue for Bunnings increased 2.3 per cent to \$18,968 million for the year, with earnings increasing 0.9 per cent to \$2,251 million. Excluding net property contributions, earnings increased 2.6 per cent.

Total store and store-on-store sales increased 2.6 per cent and 2.1 per cent respectively, and sales growth continued in both consumer and commercial segments. Pleasing second half sales growth was supported by sustained demand for ongoing repairs and maintenance, growth in online channels, and range innovation across categories, such as pets, smart home and cleaning, partly offset by a market-wide softening in building activity.

With continued pressure on many household budgets, consumer sales growth was supported by Bunnings' strong value credentials, which continued to underpin growth in transactions and units sold. Bulk pack quantities and own-brand and entry-level ranges performed well, appealing to those consumers looking for affordable ways to maintain and improve their homes.

Commercial sales growth during the year reflected continued demand from trades as they work to complete the pipeline of outstanding work. Demand from builders moderated through the year as new building starts were lower relative to recent years.

Ongoing cost discipline, moderating product cost inflation and business improvement initiatives supported ongoing investment in prices and experience for customers and improved business productivity. A new enterprise agreement for Australian store team members was implemented in the first half, providing more flexibility to reward team members with industry-leading benefits while improving rostering flexibility, optimising labour productivity and supporting Bunnings' strong retention rates.

Bunnings continued to invest in supply chain, data and technology projects, to strengthen the customer experience across channels. Digital sales increased during the year, supported by an expanded Bunnings Marketplace offering, investments in the online customer experience and the PowerPass and OnePass programs.

Bunnings continued to strengthen its Whole of Build commercial strategy and develop deeper connections with customers across trades, builders and organisations. During the second half, a new state-of-the-art automated frame and truss plant was opened in Wacol, Brisbane, enabling Bunnings to supply prefabricated frames and trusses to customers with greater efficiency and at a lower cost.

At the end of the period, there were 286 warehouses, 65 smaller format stores and 31 trade centres in the Bunnings network, as well as 15 Tool Kit Depot stores and 116 Beaumont Tiles stores.

2.3%

increase in revenue

2.6%

increase in earnings, excluding net property contributions

69.2%

return on capital employed (R12)

17.5%

decrease in Scope 1 and Scope 2 (market-based) emissions

Year in review

Health, safety and wellbeing

Bunnings strives to provide a safe working environment to ensure all team members return home safely at the end of their working day.

Bunnings' TRIFR was 17.0 for the period, compared to 16.5 in the prior corresponding period. The decline in performance was largely driven by an increase in manual handling injuries reported during the year.

To address the number of total recordable injuries, Bunnings introduced an improved three-year injury prevention program in 2023 with the aim of managing and mitigating injury risk. The program is based on behavioural safety to guide team members and leaders to stop, think and act before commencing tasks that could

result in an injury. The program encourages leaders to identify and rectify injury hazards to make the workplace safer. Injury prevention principles have been developed and inform cross-functional activities to reduce the risk of sprain, strain, bruise, crush, fracture or laceration injuries.

Protecting and supporting the mental and physical wellbeing of team members is a high priority for Bunnings. Activities this year included the design and implementation of a new work-focused injury prevention program, the development of prevention-focused tools and resources for Bunnings leaders, and improved access and promotion of wellbeing support available to team members. Bunnings also continued to focus on the prevention and management of psychosocial hazards, which has been

led by cross-functional working groups tasked with monitoring and addressing identified hazards.

Diversity and inclusion

Bunnings values diversity and inclusion and continues to develop a culture of respect and belonging. Bunnings is proud that more than 50 per cent of its team members are women, and that its team members speak more than 70 languages. Team members span a wide age range with 29.5 per cent over the age of 50 and 46.6 per cent under 30.

Bunnings actively supports Aboriginal and Torres Strait Islander employment. This year, 3.3 per cent of Australian-based team members self-identified as Aboriginal or Torres Strait Islander team members.

In 2024, Bunnings launched a new Indigenous Introduction to Leadership program, which complements existing programs to build leadership capabilities.

Bunnings also supports Indigenous-owned businesses. This year, Bunnings' spend with Aboriginal and Torres Strait Islander businesses totalled \$6.0 million.

Supporting employment opportunities for Maori and Pasifika is a priority for Bunnings. Bunnings Aotearoa/New Zealand also integrates Te Ao Maori into its practices, such as celebrating Matariki and enhancing the team's understanding and appreciation of Te Reo Maori.

Climate and energy

Reducing energy consumption and transitioning to renewable electricity across its network are the foundations of Bunnings' efforts to reduce greenhouse gas emissions. Improving energy efficiency is a key pillar of Bunnings' net zero strategy, helping to reduce emissions and energy costs.

Bunnings continued to make progress towards achieving 100 per cent renewable electricity by the end of calendar year 2025 and net zero Scope 1 and Scope 2 emissions by 2030.



Partnering with Circular Head Aboriginal Corporation

Since 2022, Bunnings has collaborated with Circular Head Aboriginal Corporation (CHAC) and manufacturer Seasol to develop and launch an exclusive indoor plant spray. The product is a new indoor fertiliser and leaf shine plant spray called tarkiner.

It is an organic seaweed concentrate, using cowerer or kelp from the Tarkine region in Tasmania, where the local peerapper Aboriginal people have harvested cowerer for thousands of years.

Bunnings and Wesfarmers provided financial support to CHAC through the Building Outstanding Aboriginal and Torres Strait Islander Businesses (BOAB) Fund.

Since June 2024, tarkiner is exclusively available at selected Bunnings stores across Australia, with proceeds supporting Indigenous communities and employment.

↑ 28.9%

increase in direct and indirect community contributions to \$61.1 million

153

rooftop solar systems with 26 additional systems installed during the year

In 2024, Bunnings sourced 79.6 per cent renewable electricity usage across its network, up from 64.4 per cent in the prior year. Bunnings' stores in New Zealand and large sites in Victoria continue to be powered by 100 per cent renewable electricity and during the year, three 100 per cent renewable electricity contracts took effect in New South Wales, the Northern Territory and Western Australia. Bunnings also reduced Scope 1 and Scope 2 (market-based) emissions by 17.5 per cent relative to the prior year.

Community

During the year, Bunnings' areas of support continued to bring communities together with sausage sizzles, hands-on activities and instore fundraising.

Bunnings contributed and helped community organisations raise more than \$61.1 million through more than 79,000 activities over the year.

To celebrate the launch of the Bunnings and Bluey Hammerbarn collaboration in February, Bunnings teamed with Make-A-Wish Australia and New Zealand to host sausage sizzles and fundraise to grant wishes for critically ill children. With the help of Bingo, Bluey and many wonderful volunteers, Make-A-Wish Australia and New Zealand raised more than \$130,000.

Bunnings' support for ill children continued into Easter with \$140,000 raised and contributed to children's hospitals and foundations across Australia and New Zealand.



10 years supporting the fight against Motor Neurone Disease

Since its establishment over 10 years ago, FightMND has tirelessly raised awareness of Motor Neurone Disease (MND) and funds for vital research into treatments and a cure.

Bunnings has been a major partner of FightMND since 2019, raising approximately \$8 million.

To mark 10 years of the Big Freeze campaign in 2024, Bunnings once again sold FightMND's iconic blue beanies at all Australian stores in May and June.

This year, Bunnings produced a limited-edition white Big Freeze 10 bucket, which sold for \$10, with all profits going to FightMND. The Bunnings team also hosted barbecues at every Australian store in May 2024.

Through national fundraising sales from the blue beanies, buckets and sausage sizzles, Bunnings raised and contributed \$2.3 million to support FightMND this year.

Dr Fiona McIntosh, CEO of FightMND, said partnerships with Bunnings and others are essential to raising much-needed funds for ongoing research.

'MND is relentless, but so are our partners. The incredible support Bunnings has shown Big Freeze is helping to fund cutting-edge MND research within Australia and globally to fast-track discoveries of potential new treatments and ultimately find a cure.'

Bunnings introduced several initiatives to support community organisations throughout the year. In October, Australian store teams delivered Bunnings' inaugural Stores for Paws campaign, welcoming local animal rescue and welfare groups into stores. The Stores for Paws campaign supported adoption of animals to new homes and helped raise more than \$200,000 in support of local animal rescue and welfare groups across the country.

In the lead up to Christmas, Bunnings Australia supported Share the Dignity's It's in the Bag drive for the seventh consecutive year. Stores collected more than 65,000 donated bags of personal hygiene products for women and girls experiencing homelessness and domestic violence, valued at over \$3.1 million.



Visit our website to read more: wesfarmers.com.au/sustainability

Kmart Group

Our business

Kmart

Kmart was established in 1969, with the opening of its first store in Burwood, Victoria. Kmart is a leading product development company and trusted brand that operates 322 stores throughout Australia and New Zealand, offering customers a wide range of everyday products at the lowest prices.

Kmart employs around 40,000 team members, who are focused on the Kmart vision of making everyday living brighter for Australian and New Zealand families. Kmart executes this vision by being a great place to shop that is simple to run and providing customers with better products at even lower prices.

Target

Target began as a drapery store in 1926 in Geelong, Victoria, and has since grown to become a destination for apparel and soft home products. Target operates 124 stores and employs approximately 10,000 team members across Australia, with a vision to deliver quality products at affordable prices for Australian families.



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Highlights and outlook

Revenue¹

\$11,107m

2024	11,107	
2023	10,635	
2022	9,129	
2021	9,982	
2020	9,217	

Earnings before tax¹

\$958m

2024	958	
2023	769	
2022	505	
2021 ²	693	
2020 ³	410	

¹ 2021 and 2020 include Catch from 12 August 2019.
² 2021 earnings before tax for Kmart Group excludes \$59 million of pre-tax restructuring costs.
³ 2020 earnings before tax for Kmart Group excludes pre-tax impairment of the Target brand name and other assets of \$525 million and restructuring costs and provisions of \$110 million, and includes \$9 million of payroll remediation costs relating to Target.

Kmart Group's revenue increased 4.4 per cent to \$11,107 million for the 2024 financial year. Earnings of \$958 million were 24.6 per cent above the prior year and represented a record for the business.

Earnings growth for the year reflected Kmart's strong trading performance, including strong growth in apparel sales. Well-executed pricing strategies enabled the business to deliver profitable growth in share of wallet while extending Kmart's lowest price positioning. Kmart Group's continued focus on productivity, along with moderation in key input costs, mitigated the impact of ongoing cost of doing business pressures.

Kmart Group's Scope 1 and Scope 2 (market-based) emissions decreased by 15.4 per cent. TRIFR reduced 12.2 per cent to 6.5, reflecting Kmart Group's continued commitment and focus on safety, health and wellbeing of the team.

Kmart Group will continue to progress its strategic agenda, leveraging the strength of its world-class product development capabilities to maintain a competitive advantage. The 2025 financial year will see the investment in a number of core capabilities in technology for stores and supply chain to enable future growth. Progress to increase Kmart Group's addressable market will also continue, including through the distribution of Anko products into new markets globally.

Lowest price for Kmart will continue to be the core focus of the strategy and ensures Kmart remains well positioned in the current environment. Following the exceptional growth recorded in the 2024 financial year, revenue and earnings growth are expected to continue in the 2025 financial year with earnings growth moderating compared to the prior year. Performance in the 2025 financial year, will be influenced by ongoing cost of living pressures affecting customers' spending capacity, particularly in New Zealand, as well as by increased competitive intensity.

Productivity and cost control will be a focus, with cost pressures expected to persist across operating expenses. The continued digitisation of sourcing, supply chain and store operations and the integration of Kmart and Target systems, processes and organisational structures provide the opportunity to drive greater efficiencies and to further fractionalise costs.



Ian Bailey
Managing Director
Kmart Group

Our strategy

A consistent strategic agenda has allowed Kmart Group to continue growing its share of customer wallet. The integration of Kmart and Target, announced in July 2023, enables Target to maintain greater focus on its core categories and access Kmart Group systems and processes. Kmart and Target operate as 'One Business, Two Brands' and offer differentiated customer value propositions.

A great place to shop that is simple to run

Kmart Group is focused on making its brands a great place to shop by improving the experience across web, app and store, and increasing customer engagement through personalisation and loyalty. The digitisation of Kmart Group's operations ensures stores are simple to run, delivering operational efficiencies and an improved customer experience. As an example, refer to the case study opposite on Kmart's TORY robots, now operating in all large format stores in Australia and New Zealand.

This year, Kmart and Target deepened customer engagement through an improved omnichannel experience, leveraging OnePass, personalisation, social content and instore capabilities (e.g. Click & Collect).

The alignment of Kmart and Target's common systems and processes provides scale benefits and enables a lower-cost structure across the business. A focus for the coming years includes the continued expansion of the scope and application of instore technology to improve the customer experience and drive further operational efficiencies.

Better products at even lower prices

During the year, Kmart launched new product ranges in Beauty and Womenswear Youth, continuing to enhance offerings in growing demographics. Kmart Group further invested in digital capability, including expanding the use of 3D design and building interlinked design, planning and ranging tools, which have resulted in operational improvements.



Kmart benefits from digitising store operations

Kmart has now successfully completed the rollout of Radio Frequency Identification (RFID) technology to all large format stores in Australia and New Zealand. The digital stores data platform coupled with the self-navigating TORY robots provide near real-time visibility of apparel inventory in stores.

This visibility helps team members place the right product on the shop floor when the customer needs it, delivering incremental sales and lower markdown costs due to improved product availability.

Kmart continues to optimise RFID technology to increase sales and instore efficiency. The efficiency and effectiveness of Kmart's team members is also expected to improve, with the technology simplifying instore processes. An example of this is Kmart's apparel markdown tool, which uses RFID to identify the instore location of a product requiring markdown. This removes the need for team members to manually check the location of each item of apparel instore, delivering efficiency benefits and improving team member experience.

There are opportunities for Kmart to leverage the technology across other product categories, with the potential to further improve team member efficiency, reduce shrinkage and increase sales.

Kmart Group is focused on leveraging its product development capabilities to grow share in existing categories and deliver new and expanded ranges. This will be supported by a more digitally-enabled supply chain to reduce cost and lead times and improve availability.

By leveraging its unique competitive advantages Kmart aims to further extend its price leadership position and diversify product offerings.

New and profitable channels to market

Kmart Group continues to explore global opportunities for distribution of Anko products. This year, it entered into a partnership agreement with Mattel for Anko's wooden toy product range.

Through Kmart Group's in-house design and direct sourcing capabilities, the Anko range will continue to be selectively expanded into new markets globally.

Year in review

Key financial indicators (year ended 30 June)	2024	2023
Revenue (\$m)	11,107	10,635
Earnings before tax (\$m)	958	769
Capital employed (\$m) R12	1,458	1,635
Return on capital employed (%) R12	65.7	47.0
Cash capital expenditure (\$m)	136	127

Sustainability results	2024	2023
Total recordable injury frequency rate (TRIFR) ¹ R12	6.5	7.4
Aboriginal and Torres Strait Islander team members	2,200	1,986
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	184.6	218.1
Operational waste diverted from landfill (%)	82.1	82.0
Community contributions (\$m)	10.5	8.9
Sites in the ethical sourcing program that were monitored (%) ²	87	84

¹ TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

² Ethical sourcing data for the 12 months to 15 June 2024.

Kmart Group's revenue increased 4.4 per cent to \$11,107 million for the 2024 financial year. Earnings of \$958 million were 24.6 per cent above the prior year and represented a record for the business.

Kmart's total sales increased 6.3 per cent for the year, with comparable sales increasing 6.4 per cent. In the second half, total sales increased by 4.7 per cent, and comparable sales increased by 5.1 per cent, reflecting the continued strong response by customers to the Anko product offer and Kmart's lowest price positioning. Sales increased across all categories for the year, with units sold, transaction volumes and customer numbers all growing on the prior year.

Target's total sales declined 4.5 per cent for the year, with comparable sales decreasing 3.6 per cent. In the second half, total sales decreased by 3.8 per cent, and comparable sales decreased 4.5 per cent. Target's second half trading performance was relatively stronger in apparel and also included a disrupted period of sales with the changeover in Target's general merchandise range to Anko. The introduction of Anko products in Target has performed in line with expectations since launch.

Earnings growth for the year reflected Kmart's strong trading performance, including strong growth in apparel sales as a result of improvements in the product offer. Well-executed pricing strategies enabled the business to deliver profitable growth in share of wallet while extending Kmart's lowest price positioning. Continued focus on productivity along with moderation in key input costs, including international freight, mitigated the impact of ongoing cost of doing business pressures and higher shrinkage. Target delivered positive earnings for the year and the second half.

Kmart Group continued to invest in strategic initiatives to digitise its operations and develop its data and digital assets. Continued investment in the omnichannel customer experience enhanced Kmart and Target's online platforms with improved delivery efficiency, and new OnePass member benefits were launched during the year. The integration of the Kmart and Target processes, systems and organisational structures to achieve one operating model across the two brands progressed in line with expectations.

Kmart opened one new store and closed four stores during the year. There were 446 stores across Kmart and Target as at 30 June 2024.

4.4%

increase in revenue

24.6%

increase in earnings

65.7%

return on capital employed (R12)

15.4%

reduction in Scope 1 and Scope 2 (market-based) emissions

Year in review

Environment

Kmart Group has set a target of net zero Scope 1 and Scope 2 emissions by 2030 and 100 per cent renewable electricity by the end of calendar year 2025. During the year, Kmart Group's Scope 1 and Scope 2 (market-based) emissions decreased by 15.4 per cent to 184.6 ktCO₂e, due primarily to the commencement of a power purchase agreement in Queensland and a decrease in electricity emission factors, reflecting the increased contribution of renewable energy to grid electricity. While electricity use remained consistent in 2024,



Kmart Wishing Tree Appeal continues to grow

Through generous customer support, the 2023 Kmart Wishing Tree Appeal raised \$7.9 million, a 24 per cent increase on the prior year, to support the work of The Salvation Army.

In partnership with The Salvation Army, the Appeal leverages Kmart's national retail footprint to provide an opportunity for customers to make Christmas brighter for others, through direct and practical giving.

In 2023, the Appeal Christmas trees were made from recycled materials, and Target launched a range of sustainable Christmas gift wrapping paper and tags, made from recycled content and fully recyclable.

Kmart Group continued to take steps to improve energy efficiency by trialling more efficient lighting design and energy efficient options in stores, ahead of a wider rollout of these measures in 2025.

This year, six rooftop solar systems were approved for installation and Kmart Group executed contracts to source 100 per cent renewable electricity across all New Zealand sites, commencing in 2025.

To improve its Scope 3 emissions inventory, Kmart Group collected supplier data for more than half of its suppliers in Category 1 over the last year, and plans to use this to understand emissions and energy sources in its supply chain. Building on this progress Kmart Group plans to develop a Scope 3 emissions reduction roadmap in 2025.

Waste diversion from Kmart Group stores and distribution centres was 82.1 per cent in 2024. Kmart has renegotiated its national waste contracts in 2024 and will rollout additional recycling services across the store network in 2025.

During the year, Kmart Group launched a new internal Sustainability Framework, identifying opportunities around sustainable materials and design. The division continues to support industry preferred materials across all apparel products, such as using organic, Australian or Better Cotton Initiative certified cotton and recycled polyester. Kmart Group has committed that 50 per cent of the polyester used in its own-branded clothing and bedding ranges will be from recycled content in 2025. Kmart Group has transitioned approximately 25 per cent of the polyester used in these ranges to recycled materials and has a roadmap in place to take it to the completion of its commitment in 2025.

Ethical sourcing

The Kmart Group ethical sourcing program includes a detailed compliance framework designed to support suppliers to meet its Ethical Sourcing Code. This year, 1,146 Tier 1 Kmart Group supplier factories were subject to 1,293 third-party ethical sourcing audits, down from 1,200 Tier 1 supplier factories and 1,379 third-party ethical sourcing audits in 2023.

The decline in Tier 1 supplier factories and third-party ethical sourcing audits for 2024 has been driven by the consolidation of the Kmart and Target supply chain. Kmart Group continued

its membership in Action, Collaboration, Transformation (ACT), a living wage collaboration between 20 international brands and retailers, and IndustriALL Global Union, the international trade union federation. In May 2024, Kmart Group, along with the other 19 ACT members, signed a binding agreement with IndustriALL to support a new collective bargaining agreement in Cambodia in the garment and footwear sector.

Kmart Group continued to support three BSR HER programs (HER Heath, HER Essentials/RISE Digital and RISE Respect) in line with its public commitment to provide professional skills, health or education training to at least 100,000 women in the Kmart Group supply chain by December 2025. As of May 2024, there were 109,920 women enrolled in different BSR HER programs across 57 Kmart Group supplier factories in Bangladesh, India and Vietnam.

Safety

Kmart Group's safety performance continued to improve with TRIFR reducing 12.2 per cent to 6.5, driven predominantly by Kmart Group's alignment of safety processes and the introduction of the supported duties program into Kmart. Consolidation and simplification of the Kmart Group safety management system will continue to drive further improvements with a focus on hazard risk reduction initiatives targeting known injury causation.

People and diversity

Kmart Group maintained focus on gender balance in leadership, Aboriginal and Torres Strait Islander employment and leadership, disability employment, accessibility and LGBTQIA+ inclusion.

This year, the division achieved 40:40:20 gender balance across all layers of leadership, including general manager, senior manager and manager. Women represent 48.5 per cent of all leadership roles.

Aboriginal and Torres Strait Islander team members make up 4.8 per cent (2,200 team members) of Kmart Group's 'at work' Australian workforce (worked in the past 30 days), an increase from 4.3 per cent (1,986 team members) in 2023. This is in part due to the division's ongoing commitment to the Deadly Stores program which focuses on meaningful employment, cultural confidence and cultural safety for Indigenous team members.

12.2%

reduction in TRIFR

4.8%

of 'at work' Australian workforce identifies as Aboriginal and Torres Strait Islander

Representation of Indigenous team members in leadership roles is 1.6 per cent (74 team members), an increase from 1.4 per cent (65 team members) in 2023. The division continued its focus on building cultural competence with 15,750 instances of cultural awareness training completed during the year.

Team members identifying with a disability increased from 1.3 per cent (551 team members) to 2.0 per cent (823 team members). Kmart Group appointed a Workplace Adjustment Advisor and launched a Workplace Adjustment Policy to provide improved accessibility for team members with a disability. Kmart Group is one of four participating businesses in the Australian Government's career pathways pilot for people with disability.

Kmart Group continued its Welcome Here program, which provides team members and leaders with LGBTQIA+ awareness training, resources and the opportunity to wear allyship and pronoun stickers. Participating stores increased from 14 last year to 60 this year.

Community

Kmart Group strives to create positive change in the communities in which it operates, in collaboration with its team members, customers and partners. The group's community programs are diverse, and focus on supporting families in need across Australia and New Zealand. National community partners include The Salvation Army (Australia and New Zealand), Smiling Minds, Reach Foundation and Australian Childhood Foundation.



Sustainable redesign of Kmart's best-selling product, the bubble wand

In 2023, Kmart re-designed its best-selling product, the Mega Bubble Wand, making it more sustainable without increasing the price.

Working directly with manufacturing partners, Kmart's product team introduced changes to re-design the wand and re-specify raw materials used.

The team reduced the amount of plastic and increased the size of components, to meet requirements of sorting meshes at recycling facilities. The wand body is now made from recycled content that is kerbside recyclable, and it is transparent because opaque colours cause contamination, which limits recyclability.

The re-design was made possible by Kmart's scale and integrated supply chain, which extends from in-house design to direct supplier relationships.

This year, Kmart Group contributed more than \$10 million to its community partners, through direct and indirect contributions.

Over the Christmas period, the Kmart Wishing Tree Appeal raised \$7.9 million, collecting over 345,000 gifts and raised more than \$500,000 in gift vouchers across Australia and New Zealand, helping The Salvation Army support families in need, up 24 per cent on the prior year.

More than \$300,000 has been raised this year for Target's community partner, the Australian Childhood Foundation, with funds raised supporting their Bringing Up Great Kids program, which focuses on providing education and resources to parents in need.

18.0%

increase in direct and indirect community contributions



Visit our website to read more: wesfarmers.com.au/sustainability

Chemicals, Energy and Fertilisers

Our business

WesCEF manages a portfolio of nine businesses in Australia across the chemicals, energy, fertilisers and lithium sectors with a shared services model that supports businesses across the portfolio.

Chemicals includes:

- CSBP Chemicals, which manufactures and supplies ammonia, ammonium nitrate and industrial chemicals
- Australian Gold Reagents (AGR), CSBP's 75 per cent owned joint venture with Coogee Chemicals, which manufactures and supplies sodium cyanide
- Queensland Nitrates (QNP), CSBP's 50 per cent owned joint venture with Dyno Nobel Asia Pacific, which manufactures and supplies ammonium nitrate
- Australian Vinyls, which supplies PVC resin and specialty chemicals
- ModWood, which manufactures wood-plastic composite decking and screening products.

Energy includes:

- Kleenheat, which extracts liquefied petroleum gas (LPG) from natural gas and distributes bulk and bottled LPG. Kleenheat is also a retailer of natural gas to residential and commercial markets
- EVOL LNG, which distributes bulk liquefied natural gas (LNG).

CSBP Fertilisers manufactures, imports and distributes fertilisers for the Western Australian agricultural sector.

Covalent Lithium, Wesfarmers' 50 per cent owned joint venture with Sociedad Química y Minera (SQM), is progressing with the development of the Covalent lithium project. Once complete, the operation will include a lithium hydroxide refinery at Kwinana, Western Australia, alongside the recently commissioned mine and concentrator, which is currently producing spodumene concentrate at Mt Holland.



Highlights and outlook

Revenue

\$2,747m

2024	2,747	
2023	3,306	
2022	3,041	
2021	2,146	
2020	2,085	

Revenue for WesCEF of \$2,747 million decreased 16.9 per cent on the prior year, and earnings decreased 34.2 per cent to \$440 million. The decline in revenue and earnings for the period was largely driven by lower global commodity prices, particularly for ammonia and associated products, but operating performance was strong with good plant production rates.

WesCEF's TRIFR improved to 2.7 and as at the end of the year, there had not been a lost time injury for 17 consecutive months.

Greenhouse gas emissions for the year decreased marginally due to operational improvement initiatives and were 12.8 per cent below the 2020 baseline. During the year, a decision was made to install a tertiary abatement catalyst in one of CSBP's three nitric acid plants during its planned shutdown in the 2025 financial year, with pre-feasibility studies for the remaining two plants also recently completed.

Chemicals' earnings will continue to be dependent on global ammonia pricing and the associated impact from the pass-through mechanisms in some customer contracts. Ammonium Nitrate (AN) earnings are anticipated to benefit from a favourable sales mix supported by greater demand from Western Australian mining customers. The positive outlook for the gold mining sector is expected to underpin strong demand for sodium cyanide over the long term.

Both Chemicals and Kleenheat earnings will continue to be impacted by higher Western Australian natural gas costs as more gas supply contracts are renewed.

In the Fertilisers business, normalised global commodity prices are expected to support grower confidence.

The successful development of the Kwinana lithium hydroxide refinery is expected to generate satisfactory returns over the long term given the attractive cost structure

Earnings before tax

\$440m

2024	440	
2023	669	
2022	540	
2021	384	
2020	394	

of the project and the improved margin available from value-added production. Covalent is expected to complete construction and commissioning of the refinery with first product in mid-calendar year 2025. Sales of lithium hydroxide are expected to commence in the 2026 financial year as production volumes ramp up and after satisfactory product qualification with customers. Expectations for capital expenditure remain in line with prior guidance.

WesCEF's share of spodumene concentrate production in the 2025 financial year is expected to be between 150,000 and 170,000 tonnes, and decisions on the level of sales will have regard to the prevailing market price and the capacity for stockpiling to support the future needs of the refinery. At current market prices and due to the higher cost of production during ramp up, the sale of spodumene concentrate is expected to be loss making in the first half of the 2025 financial year.

Good progress continued on major growth projects, and WesCEF's net zero roadmap continues to advance through investment in decarbonisation initiatives and the investigation of long-term abatement solutions.

Overall, earnings for WesCEF will remain subject to global commodity prices, exchange rates, competitive factors and seasonal outcomes.



Ian Hansen
Managing Director
Wesfarmers Chemicals,
Energy & Fertilisers

Our strategy

WesCEF's vision is to grow a portfolio of leading, sustainable businesses. WesCEF has a high-quality portfolio of assets and seeks to grow these through incremental investment and innovation to meet the needs of its customers. WesCEF also focuses on investment in adjacent opportunities where it can add value through utilising its infrastructure, manufacturing and processing expertise and the project management capabilities of its people.

WesCEF's 2050 net zero Scope 1 and Scope 2 emissions target is a strategic focus for the business. Refer to page 40 for details and progress.

Safe Person, Safe Process, Safe Place

WesCEF remains committed to identifying opportunities to improve safety for its team members, contractors, customers, community and environment. WesCEF's prioritisation of safety through comprehensive risk management programs and the continuing commitment to our Safe Person, Safe Process, Safe Place culture has resulted in an improvement in TRIFR to 2.7 and no lost time injuries recorded over the last 17 months. Refer to page 40 for further details.

Enhance our reputation

WesCEF undertakes ongoing reviews of high-risk suppliers in line with its ethical sourcing program. The division is also proud of its contribution to community through partnerships and grants focusing on Indigenous, youth, science, technology, engineering and mathematics (STEM) education and environmental initiatives. Furthermore, an enhanced cyber risk management and data governance framework is also in development to ensure the security of customer, team member and supplier information.

Investing for growth

WesCEF has a strong pipeline of major projects, which includes production capacity expansions to capitalise on growing markets. Good progress continued to be made on these growth projects, including a final investment decision to debottleneck the first of CSBP's three nitric acid plants, which is scheduled for the second half of financial year 2025. Regulatory applications for environmental approval were also



First spodumene concentrate shipment

Covalent Lithium (Covalent), WesCEF's joint venture with Sociedad Química y Minera de Chile (SQM), marked a major milestone this financial year, with commissioning of the concentrator and production of spodumene concentrate (concentrate) commencing at the Mt Holland site.

The Covalent project is a unique partnership, establishing a fully integrated mine, concentrator and refinery in Western Australia. Covalent will produce lithium product with strong environmental, social and governance credentials, consistent with customer expectations.

With the Mt Holland mine and concentrator officially opened in March 2024, Covalent is now

focused on finalising construction and commissioning of the Kwinana refinery.

The refinery will give Covalent the ability to process concentrate locally in Western Australia, producing battery-grade lithium hydroxide for the global electric vehicle market.

The refinery is expected to produce up to 50,000 tonnes of lithium hydroxide annually – enough to support the manufacture of more than one million electric vehicles each year.

WesCEF is well positioned to supply international markets and assist in the global transition to a clean energy future through its investment in Covalent.

WesCEF and SQM each market and sell their share of Covalent production, with WesCEF exporting its first shipment of concentrate in March 2024. This concentrate will be processed overseas. When the refinery is commissioned, WesCEF and SQM will each market lithium hydroxide separately.

submitted to expand sodium cyanide production capacity, with detailed engineering design work in progress.

Construction of the Covalent lithium refinery at Kwinana continued to progress, with Covalent submitting regulatory applications during the year to double the production capacity of the Mt Holland lithium mine and concentrator. A potential expansion of the refinery will be considered following commissioning.

Maintain world-class performance

WesCEF remains committed to its pursuit of operational excellence and maintaining its world-class performance through ongoing continuous improvement and incremental productivity initiatives, and the embedding of a cost optimising culture across the division. Plant availability continues to remain strong and is a core part of WesCEF's operating culture, which is focused on maintaining robust asset management plans and optimising shutdown scheduling.

Year in review

Key financial indicators (year ended 30 June)	2024	2023
Revenue (\$m)	2,747	3,306
Earnings before tax (\$m)	440	669
Capital employed (\$m) R12	3,292	3,091
Return on capital employed (%) R12	13.4	21.6
Cash capital expenditure (\$m)	447	518

Sustainability results	2024	2023
Total recordable injury frequency rate (TRIFR) ¹ R12	2.7	3.8
Aboriginal and Torres Strait Islander team members	53	50
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	833.5	849.5
Operational waste diverted from landfill (%)	90.1	87.4
Community contributions (\$m)	0.7	0.7
Sites in the ethical sourcing program that were monitored (%) ²	92	75

¹ TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

² Ethical sourcing data for the 12 months to 15 June 2024.

Chemicals' earnings decreased significantly on the prior year. Ammonia earnings were substantially impacted by lower average global ammonia pricing and higher Western Australian domestic natural gas costs compared to the prior year. This was partially offset by a favourable impact in the second half from the pricing lag mechanism embedded in some customer contracts, as the ammonia price rose in the first half. AN earnings were impacted by higher ammonia feedstock costs coupled with weaker demand from Western Australian mining customers, partially offset by sales into other markets. Earnings in Sodium Cyanide were broadly in line with the prior year.

Kleenheat's earnings declined on the prior year, driven by higher Western Australian domestic natural gas costs and a lower Saudi Contract Price. On 30 May 2024, WesCEF announced the sale of its LPG and LNG distribution businesses to Supagas and Clean Energy Fuels Australia respectively. The sales are independent of one another and each is subject to certain consents and approvals.

Fertilisers' earnings decreased on the prior year, affected by declining global commodity prices in a competitive market environment, which resulted in compressed margins. The impact was partially offset by stronger sales volumes due to later 2023 seeding season.

The WesCEF result includes its 50 per cent interest in the Covalent lithium project. Good progress continued on construction of the Kwinana lithium hydroxide refinery, which was approximately 80 per cent complete as at the end of the year.

Following the commissioning of the Mt Holland concentrator in the first half, operations are now in ramp up with WesCEF's share of spodumene concentrate production totalling approximately 55,000 tonnes for the year, exceeding the guidance provided at the 2024 half-year results.

WesCEF completed two spodumene concentrate export shipments totalling approximately 20,000 tonnes during the second half. Due to subdued market pricing and the higher unit cost of production as volumes ramp up, WesCEF's lithium business contributed a loss of \$26 million for the 2024 financial year. This includes WesCEF's share of Covalent corporate and overhead costs.

WesCEF's share of capital expenditure, excluding capitalised interest, for the development of the project was \$250 million during the year, taking development expenditure, excluding capitalised interest, since the final investment decision to \$978 million. WesCEF's share of expected capital expenditure for the overall project remains in line with the guidance provided at the 2023 half-year results.

17

consecutive months in which WesCEF has not had a lost time injury

20,000

tonnes of spodumene concentrate sold in the second half

Year in review

Climate change resilience

WesCEF continued to progress abatement projects underpinning its interim target of a 30 per cent reduction in Scope 1 and Scope 2 emissions by 2030 relative to a 2020 baseline.

During the year, a final investment decision was made to implement tertiary catalytic abatement in one of CSBP Kwinana's three nitric acid plants to reduce nitrous oxide emissions. This project is supported by a \$500,000 Carbon Innovation Grant from the Western Australian Government and is registered to generate Australian

Carbon Credit Units. Additionally, a \$33 million grant was awarded by the Australian Government to implement the same technology, including associated plant modifications, for the remaining two nitric acid plants. Implementation across all three plants is anticipated by the end of the 2028 financial year.

While the technologies that underpin its 2030 interim target are well established, there is greater uncertainty around the optimal combination of technology that will be deployed from 2030 onwards to support WesCEF's 2050 net zero Scope 1 and Scope 2 target. In setting its 2050 net zero target and roadmap, WesCEF assumed that low-emissions technologies and emerging solutions, such as carbon capture, utilisation and storage (CCUS), will advance and become commercially viable and operate at scale, well before 2050. WesCEF also assumes that government policy will remain supportive of climate action and technologies required to decarbonise. The assumptions underpinning WesCEF's targets will be regularly tested to ensure they are reasonable.

This year, WesCEF continued to progress its pathway beyond 2030, with a focus on partnerships and government engagement. Studies continued into low-emissions ammonia solutions, including a carbon capture and storage project in conjunction with Mitsui E&P Australia. A successful carbon dioxide injection test was completed by partner, Mitsui E&P Australia, at its proposed carbon storage facility in Dongara, Western Australia and this project is now preparing for front-end engineering design.

Further details on WesCEF's targets, performance and partnerships can be found from page 77.

Health, safety and wellbeing

WesCEF strives to minimise risks inherent in its operations and prioritise the safety and wellbeing of team members, assets and neighbouring communities, by focusing on operating safely and the continual monitoring and adjustment of processes and procedures.

WesCEF's operations present various high potential (HiPo) risks that cannot be eliminated. For example, WesCEF operates sites classified as major

hazard facilities, manufactures and distributes a range of products, including dangerous goods, handles corrosive chemicals and relies on heavy vehicle distribution of materials. If the controls established to manage HiPo risks are insufficient or ineffective and an event occurs, it is classified as a HiPo incident.

This year, WesCEF's TRIFR was 2.7 compared to 3.8 last year, and there were 18 HiPo incidents compared to 26 in the previous year.

WesCEF aims to eliminate HiPo incidents through proactive safety measures, such as having team members complete Critical Control (CC) checklists before commencing high-risk tasks. Examples of the 63 CCs include decontamination practices and vehicle pre-start inspections.

In April 2024, WesCEF trialled a Critical Control Verification Program (CCVP) to examine the systems supporting each CC, such as whether training records are up-to-date or personal protective equipment is adequate for the task. The CCVP will be rolled out across WesCEF in the 2025 financial year.

The introduction of positive duties in Western Australia's *Work Health and Safety (General) Regulations 2022* provided WesCEF with an opportunity to revisit its measures to prevent or minimise psychosocial injury. This year, WesCEF reviewed its psychosocial risk assessment and added further controls and actions, including implementing the WesCEF Respectful Workplaces Action Plan.

Nature

The supply of water and management of wastewater is a business-critical requirement for WesCEF at CSBP's Kwinana site in Western Australia. The effective management of water availability and reliability, as well as wastewater treatment options, has the potential to lower costs and increase environmental compliance, plant reliability and business growth opportunities.

Introduced in 2023, a pilot groundwater system at CSBP Kwinana removed approximately 950 kilograms of nitrogen from contaminated groundwater this year. Extracted groundwater is treated through the site's nitrogen removal wetlands. Learnings from the pilot will be incorporated into the development of an ongoing remediation program.



10 years of safety

An injury to a person can have a ripple effect that impacts family, friends, and colleagues. That is how WesCEF shone the spotlight on safety this financial year, as it celebrated 10 years of its Safe Person, Safe Process, Safe Place program.

Team members joined a series of circles to represent family, friends, and colleagues that would be impacted if a person were injured at work, to create a sense of the large number of people affected through a ripple effect.

WesCEF continues to focus on improving safety communications and driving better safety performance across the division. It asks everyone to consider whether they are being a safe person, using a safe process, and creating a safe place.

\$5.2m

spend with Indigenous suppliers

12.8%

GHG emissions were 12.8% below the 2020 baseline

WesCEF continues to support the Western Australian Government's Water Corporation's Kwinana Water Recycling Plant expansion and confirmed an increased water allocation, with plans to use the recycled water for current and future operational requirements. This will help reduce CSBP Kwinana's reliance on existing groundwater sources.

Diversity and inclusion

In November 2023, WesCEF refreshed its Diversity, Equity, Inclusion and Belonging strategy along with a number of additional support initiatives. These included paid parental leave provisions, introducing a return-to-work bonus for primary carers and increasing the amount of lifestyle leave available for employees with caring responsibilities. WesCEF also commenced a trial allowing team members to substitute a public holiday for religious or cultural beliefs.

The representation of women across WesCEF's workforce increased from 36.8 per cent to 37.9 per cent this year.

WesCEF introduced two key programs this year, to support its focus on Aboriginal and Torres Strait Islander representation. New Aboriginal employee recruitment guidelines were developed and implemented and a two-day Aboriginal mental health first aid workshop was introduced, aimed at enabling team members to support their Indigenous colleagues.



Aboriginal Procurement Working Group

WesCEF recognises the importance of engaging with Aboriginal and Torres Strait Islander suppliers to positively impact the Indigenous communities in which it operates. This year, WesCEF more than doubled its spend on Indigenous suppliers to \$5.2 million up from \$1.8 million in the previous financial year across 28 suppliers.

This growth continues the trend seen over the last few years and is a result of the committed focus

and effort by WesCEF to implement its Aboriginal Procurement Business Plan, introduced in 2022.

The plan outlines a dedicated strategy to support Indigenous supplier diversity and provide the opportunity for Indigenous businesses to participate in WesCEF's supply chain.

As part of this plan, WesCEF has established an Aboriginal Procurement Group and Steering Committee. Comprised of 21 team members from across the division, the Group is focused on advancing Indigenous procurement initiatives to engage and increase WesCEF's spend and employment opportunities with Indigenous businesses.

Ethical sourcing

WesCEF sources a diverse range of raw materials and finished products, such as chemicals, fertilisers and natural gas. WesCEF is committed to enhancing supply chain integrity to prevent worker exploitation.

The total number of high-risk suppliers included in WesCEF's 2024 financial year ethical sourcing program increased to 53 from 25 in the previous year, due to a more rigorous assessment that reflects WesCEF's increased awareness and focus on its supply chain risks. Monitoring activities, such as self-assessment questionnaires (SAQs) and physical audits, were completed for 92 per cent of these suppliers, an increase from 84 per cent last year.

WesCEF's ethical sourcing risk assessment process identifies high-risk suppliers. These suppliers submit evidence of a recent social audit or complete the WesCEF SAQs. WesCEF and its ethical sourcing advisor assess supplier responses to determine if any further action, such as a physical audit, is warranted. The program facilitates the management of non-conformances through a Remediation Action Plan.

WesCEF continues to educate its team members on modern slavery risks, with 64 team members trained or retrained during the year.



Visit our website to read more:
wesfarmers.com.au/sustainability

Officeworks

Our business

Officeworks is a leading retailer of technology, stationery, furniture, art supplies and learning and development resources, with around 40,000 products available online and instore as well as services like Print & Create, and Geeks2U.

The products and services at Officeworks provide solutions to address changing customer needs and inspire Australians to work, learn, create and connect. Its customers include households, students, small, medium and large-sized businesses, schools and early learning centres, and government.

Officeworks' offering is strengthened by its everyday low price credentials, supported by its price beat guarantee, widest range and best experience. Irrespective of how customers choose to shop, Officeworks is committed to providing customers with easy, engaging, personalised omnichannel experiences, including instore, online, via a national call centre or through the support of business specialists.

Officeworks is focused on the safety, health, wellbeing and career progression of approximately 9,000 team members. Aboriginal and Torres Strait Islander employment in Officeworks is at three per cent of its Australian workforce.

Officeworks is committed to ensuring the long-term sustainability of the business, including building and maintaining meaningful connections with the communities in which it operates, fundraising for national partners and local community groups, reducing its impact on the environment, and sourcing products and services responsibly.



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Highlights and outlook

Revenue

\$3,434m

2024	3,434	
2023	3,357	
2022	3,169	
2021	3,029	
2020	2,787	

Officeworks' revenue increased 2.3 per cent for the year to \$3,434 million. Earnings of \$208 million were 4.0 per cent higher than the prior year.

The safety, health and wellbeing of team members and customers remain a priority for Officeworks, and continued investment in team member safety supported an improvement in TRIFR to 5.1 for the year. During the year, Officeworks reduced its Scope 1 and Scope 2 (market-based) emissions by 7.7 per cent to 25.0 ktCO₂e and accelerated its plans to source 100 per cent renewable electricity by the end of calendar year 2025.

Officeworks' sales growth was supported by strong Black Friday and End of Financial Year trading, and solid sales growth during the Back-to-School period as Officeworks cycled the New South Wales Government's back-to-school voucher program last year. Sales were also driven by above-market growth in technology as Officeworks continues to evolve the offering, and growth across other key categories, including stationery, art, education and Print & Create.

The pleasing earnings growth result was supported by sales growth and the realisation of benefits from recent investments to drive productivity, along with disciplined cost management.

Officeworks' leading online offer, which includes options such as next-day, same-day and two-hour delivery and two-hour Click & Collect, continued to support strong online sales and an improved customer experience.

Earnings before tax

\$208m

2024	208	
2023	200	
2022	181	
2021	212	
2020	197	

Officeworks' widest range, low prices, best experience and well-established every-channel offer make it well positioned to support value-conscious personal and business customers in the current environment.

The business will evolve its offer by broadening the technology range through new products and services, accelerating business-to-business (B2B) growth and leveraging data and loyalty programs to improve the customer experience. In the 2025 financial year, Officeworks is expected to launch its new business loyalty program, Officeworks for Business, incorporating a new B2B digital experience and a range of new benefits for business customers.

To mitigate cost of doing business pressures, Officeworks is improving productivity through the use of technology and investments to leverage data insights.



Sarah Hunter
Managing Director
Officeworks

Our strategy

Officeworks is committed to delivering sustainable long-term growth for shareholders by capitalising on shifting customer preferences as technology advances and digitisation changes how Australians work, learn, create and connect.

The division continues to leverage its every-channel experience, breadth of range and data-driven personalisation to enable a differentiated experience. Officeworks will continue to drive profitable growth and productivity by executing its strategy, centered around the following three key areas.

Evolving the offer across categories, customers and channels

Officeworks has a strong track record of evolving its offer to meet the changing needs of business-to-consumer and B2B customers.

The division is evolving its technology offer to accelerate growth with new categories, such as Next Gen AI computing, accessories and digital displays. Officeworks is also evolving its stationery, art and education, furniture and Print & Create offers, with expanded private label and exclusive brands, and the growth of personalised products.

Officeworks continues to expand its store network and is leveraging data and loyalty programs to deliver a differentiated omnichannel customer experience.

Accelerating B2B growth

Officeworks is expanding its B2B range, scaling its education offer and enhancing the digital experience for its B2B customers. For example, Officeworks is expected to launch its new business loyalty program, Officeworks for Business, offering a range of benefits for loyal B2B customers. The division continues to invest in its range of educational products and platforms to provide customers with value and choice.

Modernising and simplifying the business

Officeworks remains focused on driving productivity and efficiency. Initiatives such as automated fulfilment centres, Print & Create self-service and actions to optimise team member labour cost and efficiency are delivering benefits, with further opportunities such as demand and replenishment transformation and supply chain modernisation in the pipeline.

Year in review

Key financial indicators (year ended 30 June)	2024	2023
Revenue (\$m)	3,434	3,357
Earnings before tax (\$m)	208	200
Capital employed (\$m) R12	1,114	1,092
Return on capital employed (%) R12	18.7	18.3
Cash capital expenditure (\$m)	64	71

Sustainability results	2024	2023
Total recordable injury frequency rate (TRIFR) ¹ R12	5.1	5.4
Aboriginal and Torres Strait Islander team members	271	302
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	25.0	27.1
Operational waste diverted from landfill (%)	87.3	87.8
Community contributions (\$m)	5.3	6.0
Sites in the ethical sourcing program that were monitored (%) ²	41	50

¹ TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

² Ethical sourcing data for the 12 months to 15 June 2024.

Officeworks' revenue increased 2.3 per cent to \$3,434 million and earnings increased 4.0 per cent to \$208 million for the year.

Sales growth of 2.3 per cent was supported by growth across key categories, including technology, stationery, art, education and Print & Create, partially offset by lower furniture sales. Officeworks benefited from above-market growth in technology as it continues to evolve the offering. The sales result also reflected strong Black Friday and End of Financial Year trading, and solid sales growth during the Back-to-School period as Officeworks cycled the New South Wales Government's back-to-school voucher program last year.

Officeworks continued to invest in everyday low prices and value for customers, by expanding its private label ranges this year. Enhanced delivery options for Officeworks' every-channel offer supported online sales growth and an improved customer experience.

Pleasing earnings growth of 4.0 per cent for the period was supported by sales growth, productivity initiatives and disciplined cost management, which mitigated the impacts of ongoing cost of doing business pressures.

Officeworks continued to invest to modernise its operations, including through the increased use of technology in the support centre, stores and supply chain. The business delivered productivity improvements at the Import Distribution Centre and automated Customer Fulfilment Centre (CFC) in Victoria, and the new automated CFC in Western Australia that was opened during the year.

Officeworks expanded its store network with five net new stores during the year. As at 30 June 2024, there were 171 Officeworks stores across Australia.

Circularity and waste

Officeworks is helping reduce the impacts of climate change and biodiversity loss. It supports the transition to a more circular economy, by implementing considerate design values, using regenerative materials and keeping products in use for longer through repair, reuse and recycling initiatives.

In 2024, Officeworks repaired and resold 235 tonnes of damaged items in partnership with Circonomy, up 391 per cent from 2023, diverting products in stores and distribution centres that would otherwise have gone to landfill.

Officeworks expanded its Bring it Back program to trial school stationery supplies in select locations in partnership with Stationery Aid, which collected and repurposed 32 kilograms of stationery items for disadvantaged students.

Additionally, its Trade In initiative with circularity partner, Moorup, extended the life of valuable technology devices, keeping 4,753 products in use for longer in 2024. Total operational waste to landfill increased by 0.7 per cent.

Climate change

Officeworks' approach to reducing emissions is informed by its net zero 2030 Scope 1 and Scope 2 target and 100 per cent renewable electricity target by the end of calendar year 2025, outlined in its People and Planet Positive 2025 Plan.¹

Officeworks continues to reduce its emissions and transition to 100 per cent renewable energy by procuring renewable electricity, installing rooftop solar, upgrading its lighting with more efficient LEDs and installing building energy management systems.

In 2024, Officeworks' Scope 1 and Scope 2 (market-based) emissions were 49.1 per cent below its 2018 baseline.

To date, Officeworks has contracted more than 74.0 per cent of its renewable electricity needs to commence in January 2025.

Biodiversity loss

Officeworks recognises the importance of biodiversity in sustaining vital ecosystems.

Since 2017, in partnership with Greening Australia, Officeworks has planted 1.5 million plants and restored 1,990 hectares of land across the country.

In 2024, Officeworks' planting efforts focused on revitalising habitat by planting native species and rehabilitating critically endangered vegetation.

Ethical sourcing and human rights

Officeworks is committed to upholding and respecting human rights within its supply chain.

All Officeworks suppliers must adhere to its Ethical Sourcing and Modern Slavery Policy, which outlines minimum standards required to work with the business.



Indigenous engagement

As part of its commitment to the economic advancement of Australia's First People, Officeworks has partnered with Aboriginal-owned private brand, Cultural Choice, since 2020.

Purchases from Cultural Choice have increased from less than \$40,000 in its inaugural year to more than \$500,000 in 2024.

Cultural Choice received a \$100,000 grant and prepayment from Wesfarmers' Building Outstanding

Aboriginal Businesses (BOAB) Fund in 2020 to support the purchase of plant and equipment, and new product development.

The BOAB Fund provides financial and other assistance, including business mentoring to Aboriginal and Torres Strait Islander enterprises, to support their growth.

Today, Cultural Choice products resonate well with personal and business customers, with Officeworks ranging more than 20 Cultural Choice products across hygiene, washroom and stationery categories.

Factories producing own-brand products and local suppliers that are unable to demonstrate a robust ethical sourcing program in place, are required to disclose the manufacturing sites of their products, complete a Sedex self-assessment and an independent audit when requested. During the reporting period, Officeworks focused on high-risk areas, including subcontracting, conflict minerals and Tier 2 suppliers.

This year, to focus on Tier 2 suppliers (suppliers that Officeworks does not have a direct relationship with), Officeworks refreshed its service provider questionnaire to include subcontracting with the aim of better targeting indicators of forced labour. The audit program was extended to include four Tier 2 suppliers.

In 2024, 26,849 products were mapped to the manufacturing site and 499 audits were reviewed across 285 suppliers in the ethical sourcing program, down 20 per cent on the number of audits reviewed in the prior year.

7.7%

reduction in Scope 1 and Scope 2
(market-based) emissions

5.6%

reduction in TRIFR



Visit our website to read more:
wesfarmers.com.au/sustainability

¹ For more information visit officeworks.com.au/information/about-us/peopleandplanet

Industrial and Safety

Our business

The Industrial and Safety portfolio of businesses services customers across diverse industries, such as mining and resources, manufacturing, construction, retail, food and beverage, utilities, transport, facilities maintenance, health and government. The businesses service a wide range of customer groups, including large corporate enterprises, government organisations and small-to medium-sized businesses.

Industrial and Safety operates three main businesses: Blackwoods, Workwear Group and Coregas, and employs approximately 3,700 team members.

Blackwoods is the largest business in terms of revenue and is a distributor of tools, workplace safety and personal protective equipment, workwear and electrical and industrial supplies. It services a wide variety of customers of different sizes across Australia and New Zealand through an extensive supply chain, branch network and online platforms. It includes the trading businesses Blackwoods, NZ Safety Blackwoods, Bullivants and Cm3.

Workwear Group is a leading workwear solutions provider, featuring industrial workwear brands Hard Yakka and King Gee. Workwear Group supplies bespoke and catalogue uniforms to large organisations in professional services, health, industrial and emergency services segments through its NNT and Workwear Group Uniforms brands.

Coregas is a supplier of industrial, specialty and medical gases in Australia and New Zealand, serving customers of all sizes through multiple sales channels and distribution networks.



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Highlights and outlook

Revenue

\$2,022m

	2024	2,022	
2023	1,992		
2022	1,925		
2021	1,855		
2020	1,745		

Earnings before tax

\$109m

	2024	109	
2023	100		
2022	92		
2021	70		
2020 ¹	39		

¹ 2020 earnings before tax excludes pre-tax impairments of \$310 million and includes \$15 million of payroll remediation costs.

Industrial and Safety revenue of \$2,022 million was 1.5 per cent above the prior year. Earnings of \$109 million were 9.0 per cent above the prior year.

Industrial and Safety's results were supported by sales growth in Blackwoods and Coregas. At Blackwoods, sales growth was supported by demand from strategic customers in Australia, while at Coregas, sales growth was driven by higher demand from major customers, particularly in the mining, industrial, oil and gas and healthcare segments.

Earnings increased in Blackwoods and Coregas, while Workwear Group's earnings were below the prior year due to higher domestic supply chain costs and the impact of a weaker Australian dollar.

Industrial and Safety has made positive progress against its sustainability commitments. The key safety measure, TRIFR, reduced on the prior year to 1.8, continuing its long-term positive trend. Pleasingly, this year there were zero own-brand product recalls.

Waste-reducing packaging changes, increased adoption of renewable energy and other initiatives supported the reduction of Scope 1 and Scope 2 (market-based) emissions by 1.8 per cent and continued to build the division's resilience to climate change. Beyond the division's own emissions reduction efforts, Coregas is increasingly supporting its customers' decarbonisation activities.

Trading conditions are expected to become more challenging in the 2025 financial year. The demand outlook for Industrial and Safety is dependent on overall economic conditions, business confidence and investment, and commodity prices.

The Industrial and Safety businesses will continue to actively manage supply chain volatility, cost inflation and labour availability constraints while working with customers to better meet their needs. Each business remains focused on delivering continued improvements in performance in this environment.

Blackwoods is focused on strengthening its customer value proposition and enhancing core operational capabilities, including through the increased use of data and digital tools and executing productivity and efficiency initiatives.

Workwear Group remains focused on driving growth in its industrial brands and uniforms business, improving operational excellence and strengthening its digital offer. The business will continue to focus on productivity and competitiveness.

Coregas is expected to benefit from continued strong demand in the healthcare and industrial segments. The business continues to invest in its supply chain, digital projects and production capacity to service customer growth.



Tim Bult
Managing Director
Wesfarmers Industrial and Safety

Our strategy

Industrial and Safety continues to focus on performance improvement activities to enhance growth initiatives, including investment in digital capabilities.

Across Blackwoods and Workwear Group, this includes focusing on data, e-commerce, product and service capabilities and cost improvement initiatives aimed to deepen customer relationships while improving operating efficiencies. Coregas is focused on profitably growing market share, enhancing its product offer and supporting industry decarbonisation efforts.

Blackwoods

Over the year, Blackwoods made progress on its strategic initiatives, including strengthening relationships with strategic customers, improving customer experience through enhanced digital offerings and leveraging the recently deployed enterprise resource planning (ERP) system to deliver improvements in order fulfilment, demand forecasting and planning.

Blackwoods aims to enhance the customer value proposition through its unbeatable range, reliability, expertise and ease of doing business.

Workwear Group

Over the year, Workwear Group strengthened the market position of its industrial brands through product innovation and improved service levels and brand desirability. The business continues to invest in digital transformation and during the year it deployed a new e-commerce platform, with the rollout expected to be completed in 2025. The platform aims to enhance the customer offer and simplify the business.

Coregas

Coregas continued to grow and increase market share with major customers by developing tailored solutions to meet their needs. This is underpinned by Coregas' agility, technical innovation, speed to execute, reliability of supply and quality control. The business leveraged its expertise in hydrogen across several opportunities, including the heavy-vehicle hydrogen refueling stations now operational at Port Kembla, New South Wales and Auckland, New Zealand.

Coregas continues to invest in production capacity, supply chain and digital projects, including an ERP system upgrade. The business is focused on supporting customers' increasing decarbonisation efforts, which is expected to drive additional growth.

Year in review

Key financial indicators (year ended 30 June)	2024	2023
Revenue (\$m)	2,022	1,992
Earnings before tax (\$m)	109	100
Capital employed (\$m) R12	1,308	1,257
Return on capital employed (%) R12	8.3	8.0
Cash capital expenditure (\$m)	79	73

Sustainability results	2024	2023
Total recordable injury frequency rate (TRIFR) ¹ R12	1.8	3.3
Aboriginal and Torres Strait Islander team members	102	97
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	26.7	27.2
Operational waste diverted from landfill (%)	38.6	40.4
Community contributions (\$m)	0.6	0.8
Sites in the ethical sourcing program that were monitored (%) ²	73	55

¹ TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

² Ethical sourcing data for the 12 months to 31 May 2024.

Industrial and Safety revenue of \$2,022 million was 1.5 per cent above the prior year. Earnings of \$109 million were 9.0 per cent above the prior year.

Blackwoods' revenue increased on the prior year, with growth underpinned by demand from strategic customers in Australia, particularly those in the mining, utilities, logistics, government and manufacturing sectors. Sales growth was recorded across most trading regions in Australia, while revenues in New Zealand declined relative to the prior year due to local market conditions.

Blackwoods' earnings increased on the prior year, driven by higher sales. The business continued to invest in customer service, digital capabilities and supply chain operations that provided benefits to customers and improved productivity within the business.

Workwear Group's revenue was in line with the prior year, with higher customer demand for the industrial workwear brands, including KingGee and Hard Yakka, offset by lower sales in corporate uniforms. Earnings were below the prior year due to higher domestic supply chain costs and the impact of a weaker Australian dollar.

Coregas' revenues and earnings increased on the prior year, driven by higher demand from major customers, particularly in the mining, industrial, oil and gas and healthcare segments.

People and safety

The division maintains a relentless focus on providing safe workplaces — measuring safety performance and driving initiatives to mitigate fatal risk, prevent injuries and ensure team member physical and psychological wellbeing.

The division's TRIFR continued to trend positively, reducing from 3.3 last year to 1.8 in 2024. This is evidence of its commitment and the success of its wide-ranging safety initiatives, including the First Aid First program.

The division continued its positive trends in diversity and inclusion, and strengthened its internal approach to reconciliation, which centres on engagement, employment and procurement. Representation of women in senior manager roles has consistently remained within the division's target range at 34 per cent. Aboriginal and Torres Strait Islander representation within the Australian workforce increased to 3.5 per cent, up from 3.3 per cent in the prior year. In NZ Safety Blackwoods, 117 team members identify as either Maori or Pasifika, making up 20 per cent of the New Zealand-based workforce.

Product safety and quality

Industrial and Safety continues to drive risk mitigation protocols within its Product Safety and Quality program with zero own-brand product recalls in 2024.

Ethical sourcing

Industrial and Safety has a well-embedded risk-based Ethical Sourcing Program founded on its Ethical Sourcing Policy. The program provides clear guidance on supplier trading terms, active monitoring of working conditions in high-risk supply chains through supplier assessments, audits and worker voice initiatives.

During the reporting period, the division undertook 275 assessments of suppliers and manufacturers and supported 236 independent third-party audits. Of those non-conformances detected during the reporting period, 39 per cent were remediated. The division continues to remediate open non-conformances in line with audit timeframes.

Environment

Continued packaging enhancements, increased adoption of renewable energy and other initiatives supported the reduction of Scope 1 and Scope 2 (market-based) emissions by 1.8 per cent (including Coregas) and improved the division's resilience to climate change. Beyond the division's own emissions reduction efforts, Coregas is increasingly supporting its customers' own decarbonisation activities.

In 2024, Industrial and Safety reduced energy use through continued retrofitting of LED lighting, installation of rooftop solar and procurement of renewable electricity.

The division continued to transition its internal combustion engine fleet vehicles to electric and hybrid vehicles. Currently, 208 vehicles in its fleet are hybrid, up from 103 in 2023. Coregas is further advancing this transition with investment plans to introduce hydrogen-fuelled heavy vehicles within its supply chain, optimise its freight network and review the feasibility of battery-electric vehicles for its fleet.



Sustainable packaging at Blackwoods

Blackwoods is continuing to make progress to reduce the environmental impact of packaging used in its business.

Blackwoods has undertaken several packaging waste reduction initiatives with respect to its exclusive brand Workhorse since it began to review and enhance its packaging footprint in 2020.

As a result, approximately 85 per cent of Workhorse packaging is now recyclable.

Workhorse has eliminated multi-coloured polybags, cardboard backing in shirts, numerous product information swing tags and desiccants providing moisture protection.

Workhorse has partnered with Micro-Pak® to supply low density polyethylene polybags made from 100 per cent recycled content with moisture-controlling properties.

The Workhorse team is continuing to investigate options and progress initiatives to further improve its packaging, including through the development of a preferred packaging materials list, to support the implementation of more sustainable packaging solutions.

1.8%

reduction in Scope 1 and Scope 2 (market-based) emissions



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Wesfarmers Health

Our business

The Health division was formed in March 2022 with the acquisition by Wesfarmers of API, a health, wellness and beauty business that has served Australians for more than 100 years.

Wesfarmers Health has four business units – retail, pharmaceutical wholesale, medical aesthetics and digital health.

The retail business includes Priceline Pharmacy, a leading pharmacy, health and beauty retailer with 478 stores across Australia. Priceline partners with community pharmacists through franchise arrangements and owns non-pharmacy Priceline stores. Priceline's loyalty program, Sister Club, has 8.9 million members, making it Australia's largest health and beauty loyalty program.

The wholesale business (Pharmaceutical Wholesale) provides pharmaceutical and related goods to more than 2,500 community pharmacies, including distribution of Pharmaceutical Benefits Scheme (PBS) items under the Australian Government's Community Service Obligation (CSO) arrangements.

The medical aesthetics (MediAesthetics) business includes the SILK Group, which was acquired in November 2023, and Clear Skincare, making Wesfarmers Health the largest provider of non-surgical medical aesthetics services in Australia.

The digital health business (Digital Health) includes InstantScripts, which was acquired in July 2023 and provides telehealth consultations, prescriptions for medications, medical certificates, blood test requests, health management plans and specialist referrals, through a team of around 200 doctors. Wesfarmers Health also owns a majority interest in SiSU Health Group (SiSU), which owns and operates a network of more than 400 medical-grade health stations that offer free and accessible self-service health checks for customers.



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Highlights and outlook

Revenue

\$5,624m

2024	5,624	
2023	5,312	
2022 ¹	1,240	

Earnings before tax

\$50m

2024	50	
2023	45	
2022 ^{1,2}	(25)	

¹ 2022 results are for the period of 31 March to 30 June 2022.

² 2022 includes impairments of \$21 million relating to Priceline company-owned stores and other non-recurring expenses of \$4 million relating to the exit from the Consumer Brands manufacturing operations in New Zealand.

Wesfarmers Health reported revenue of \$5,624 million and earnings of \$50 million for the year. Excluding non-cash amortisation expenses relating to assets recognised as part of business acquisitions, earnings increased 20.7 per cent to \$70 million.

The division's results reflected strong sales growth in Priceline, supported by store network expansion, promotional initiatives and continued growth in online sales.

The Pharmaceutical Wholesale business increased sales on the prior year through net customer acquisition growth and continued strong operating performance.

SILK was acquired in November 2023 and is performing well, providing strong operational capabilities. The focus remained on SILK's integration with Clear Skincare to capture synergies and create a leading MediAesthetics business.

InstantScripts was acquired in July 2023, and together with the Health division's interest in SiSU Health, forms a new Digital Health business unit driving an integrated healthcare experience for consumers.

Wesfarmers Health made good progress in its sustainability agenda over the past year, prioritising its understanding of emissions and waste, and expanding the ethical sourcing program. During the year, the Health division set a target of net zero Scope 1 and Scope 2 emissions by 2035, with a near-term commitment to source 100 per cent renewable electricity for new fulfilment and distribution centres as they are commissioned.

Wesfarmers Health is well positioned to deliver improved financial performance and grow sales, supported by a clear transformation plan focused on opportunities to accelerate growth and improve returns, while capitalising on long-term sector tailwinds.

The division continues to actively manage cost inflation, including rising labour costs, labour availability constraints and regulatory changes to the PBS, telehealth industry and the impacts of 60-day dispensing.

The 'Accelerate' transformation program remains a strategic focus to strengthen the division's competitive positioning. This includes continued investment to reinvigorate the Priceline offer, expand the franchise store network, transform digital and e-commerce, explore new formats, improve the wholesale proposition, optimise the supply chain and leverage SILK's capabilities to improve the performance of Clear Skincare.



Emily Amos
Managing Director
Wesfarmers Health

Our strategy

Wesfarmers Health's mission is to make Australians' health, beauty and wellness experiences simpler, more affordable and easier to access. The division operates in a large, growing addressable market, with strong growth trends driven by Australia's ageing population, the increasing prevalence of chronic disease and rising demand for beauty and personal care products.

Wesfarmers Health's primary focus is to accelerate growth of its retail business with plans to expand the Priceline Pharmacy network, enhancing its franchisee proposition and position as a leading health and beauty retailer. Key initiatives include growing the private label offer, introducing new and exclusive brands and improving price competitiveness of key value lines. Significant investments are also being made in e-commerce capabilities to improve the user experience and drive enhanced loyalty and personalisation.

In Pharmaceutical Wholesale, Wesfarmers Health aims to be the pharmaceutical wholesaler of choice by improving service levels, expanding its product range and maintaining competitive pricing. Investments in the supply chain, including new distribution centres in Sydney, Brisbane and Cairns, will support these improvements. Additional investments in people, systems and processes will enable an ongoing focus on reducing cost and enhancing customer experience.

The MediAesthetics business is leveraging the capabilities of the SILK Group to enhance the performance of Clear Skincare. The integration of these businesses is expected to capture synergies in support services, brand, product and supply chain, solidifying Wesfarmers Health's position as the leading provider of non-surgical medical aesthetics services in Australia.

In Digital Health, the focus is on creating connected consumer journeys by linking InstantScripts, SiSU Health and Priceline. This integration aims to provide seamless health management solutions, bringing all assets onto a single platform to create new consumer-facing products and services that enhance the accessibility, affordability and personalisation of healthcare.

Year in review

Key financial indicators (year ended 30 June)	2024	2023
Revenue (\$m)	5,624	5,312
Earnings before tax (\$m) ¹	50	45
Capital employed (\$m) R12	1,547	1,078
Return on capital employed (%) R12	3.2	4.2
Cash capital expenditure (\$m)	38	41

Sustainability results	2024	2023
Total recordable injury frequency rate (TRIFR) ² R12	4.6	6.6
Aboriginal and Torres Strait Islander team members	11	3
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	10.9	11.6
Operational waste diverted from landfill (%) ³	80.4	73.0
Community contributions (\$m)	1.2	0.8
Sites in the ethical sourcing program that were monitored (%) ⁴	86	100

¹ 2024 includes \$20 million of amortisation expenses relating to assets recognised as part of the acquisitions of API, InstantScripts, SILK and SiSU. 2023 includes \$13 million of non-cash expenses relating to assets recognised as part of the acquisition of API.

² TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

³ 2024 includes operational waste data for distribution centres and estimated operational waste data for retail stores and clinics. 2023 operational waste data is for distribution centres only.

⁴ Ethical sourcing data for the 12 months to 15 June 2024.

Wesfarmers Health revenue increased 5.9 per cent to \$5,624 million for the year, and earnings increased 11.1 per cent to \$50 million. Excluding non-cash amortisation expenses relating to assets recognised as part of business acquisitions, earnings increased 20.7 per cent to \$70 million. The result reflects the continued investment in transformation activities and integration of recent acquisitions, including \$9 million of integration costs.

Priceline delivered strong sales growth supported by store network expansion, promotional initiatives and continued growth in online sales. In the second half, Priceline materially reduced prices on a range of items to make health and beauty products more affordable to customers. This year, Priceline joined OnePass, bringing greater value and convenience to customers and franchise partners. Sister Club remains Australia's largest health and beauty loyalty program with 8.9 million members.

The Pharmaceutical Wholesale business delivered positive sales growth despite a significant reduction in COVID-19 anti-viral sales, with growth supported

by net customer acquisitions and strong operating performance, including improved on-time delivery and order fulfilment. Progress continued on the construction of a new fully automated fulfilment centre in Brisbane and a new distribution centre in Cairns.

In the MediAesthetics business, SILK is performing well and providing strong operational capabilities. The focus remained on SILK's integration with Clear Skincare to capture synergies and create a leading MediAesthetics business. Clear Skincare's sales declined, impacted by cost of living pressures as clients opted for lower value treatments and the closure of 17 unprofitable clinics this year.

In the Digital Health business, InstantScripts delivered strong revenue growth, driven by a 16 per cent increase in transactions compared to the year prior to ownership.

Return on capital reduced to 3.2 per cent, with earnings growth offset by an increase in capital employed due to recent acquisitions and changes to supplier and customer payment arrangements.

Climate resilience

During the year, Wesfarmers Health set a target of net zero Scope 1 and Scope 2 emissions by 2035, with a near-term commitment to source 100 per cent renewable electricity for new fulfilment and distribution centres.

Most of Wesfarmers Health's Scope 1 and Scope 2 (market-based) emissions arise from the use of grid electricity. Emissions reduction initiatives will involve on-site electricity generation, such as rooftop solar, energy efficiency projects such as LED lighting upgrades and the procurement of renewable electricity.

In 2024, Wesfarmers Health commenced the installation of a 1.0 MW rooftop solar system at its Sydney Fulfilment Centre, New South Wales and a 0.5 MW rooftop solar system at its new Brisbane Fulfilment Centre in Berrinba, Queensland.

Wesfarmers Health continues to refine its Scope 3 emissions calculation methodology by engaging with its suppliers to improve data collection and reporting.

Ethical sourcing

Wesfarmers Health holds its operations and supply chains accountable on human rights and ethical sourcing practices, requiring them to meet community expectations in the health, beauty and wellness sector.

The Wesfarmers Health Ethical Sourcing Program expanded the number of sites monitored from 57 last year to 63 in 2024.

During the year, 320 hours of online modern slavery training was provided to 1,279 team members. Wesfarmers Health also engaged a third-party service provider to deliver online webinars to 16 of its own-brand manufacturing facilities and suppliers in Mandarin.

In-country grievance mechanisms were rolled out and are now available to 726 supplier workers.

Wesfarmers Health is committed to the humane treatment of animals, urging suppliers to adopt practices prioritising animal welfare. New animal welfare requirements were introduced in the division's Ethical Sourcing and Modern Slavery Policy. Suppliers of own-brand



Waste audits

During 2024, Wesfarmers Health conducted waste audits to better understand its national waste profile across distribution centres, company-owned retail stores and clinics.

The audits helped quantify the waste profile of retail stores and clinics (including small footprint sites that often use shared waste bins) and establishes a baseline against which Wesfarmers Health can measure progress in coming years.

Insights into retail store waste composition will help inform how Wesfarmers Health prioritises opportunities to divert waste from landfill in the future.

goods for resale and high-risk goods not for resale must provide information on animal testing associated with the goods and disclose their animal welfare commitments.

Community

During the year, Wesfarmers Health, through the Priceline Sisterhood Foundation, contributed \$1.2 million to support initiatives and charities focusing on women and their families. Charity partners include Perinatal Anxiety & Depression Australia (PANDA), supporting new parents experiencing postnatal depression; Raise Foundation, which delivers early intervention mentoring programs in high schools; and Motherless Daughters Australia supporting girls and women who have experienced mother loss.

Two new charity partners were also supported during 2024: Fitted for Work supporting women to become work ready; and SisterWorks supporting the economic empowerment of migrant, refugee and asylum seeker women.

4.6

total recordable injury frequency rate, down 30.3% from 6.6 in 2023

Establishment of a net zero target



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Wesfarmers OneDigital

Our business

Wesfarmers OneDigital brings together the Group's digitally native businesses, including the OnePass membership program, the Group shared data asset operated by OneData, and the Catch marketplace.

OneDigital supports the Group's data and digital ambitions by providing customers with a more seamless, rewarding and valuable omnichannel experience across the Group's retail and health businesses, and using data analytics to support each division's growth agenda and emerging cross-divisional opportunities.

The OnePass program provides members with compelling omnichannel benefits when shopping with the Group's retail businesses and appeals to their most valuable customer cohorts. The uniquely broad range of OnePass partners include Bunnings, Kmart, Target, Catch, Officeworks, InstantScripts, Priceline Pharmacy and Flybuys.

The Group shared data asset provides unique customer insights that no division can obtain individually, enabling the Group to better understand customers, improve personalisation and identify cross-shop opportunities. Critically, it is supported by continued investment in privacy, security and data governance.

Catch is an e-commerce marketplace that offers branded products on a first-party basis and through a third-party online marketplace. Its online operations are supported by fulfilment centres located in Victoria and New South Wales.

OneDigital is uniquely placed to leverage the Group's trusted retail and health brands and its near-term priorities are to scale OnePass and the Catch marketplace, and enable new revenue streams for the Group.



Highlights and outlook

OneDigital is increasingly playing an important role in accelerating the retail and health divisions' omnichannel growth agenda by deepening connections with customers and increasing sales.

The OnePass membership program made significant progress this year. Following the launch of its enhanced customer value proposition, in addition to free delivery and exclusive promotions, members now have access to omnichannel benefits, including 5x Flybuys points on instore and Click & Collect spend, express Click & Collect, 365-day change of mind returns, 2x Sister Club points instore and exclusive member pricing at Catch. All the Group's retail divisions, Priceline and InstantScripts are now program participants, providing members with benefits across a uniquely broad range of partners.

OnePass provides value to members and drives incremental sales for the divisions. OnePass members are significantly more valuable than non-members, shop across more brands and channels, and spend more after joining the program. For example, members shop approximately three times more frequently compared to non-members per annum.

The Group's shared data asset includes more than 12 million customer records and provides unique customer insights that no division can obtain individually, enabling the Group to better understand customers, improve personalisation and identify cross-shop opportunities. OnePass is increasingly leveraging attributes and insights from the shared data asset to improve member acquisition and engagement and drive incremental sales. Importantly, the asset is supported by continued investment in privacy, security and data governance.

The use of data and increased digitisation of operations across the divisions continues to progress, including through AI and predictive models that are delivering improved outcomes in areas such as demand forecasting, product design, instore and online availability and marketing effectiveness.

The Group will continue to invest in data and digital through the expansion of divisional capabilities and ongoing development of the OnePass membership program and the shared data asset.

OnePass is focused on improving member benefits to help attract and retain a larger membership base and increasing the Group's share of customer wallet. Development of the Group shared data asset will continue and as OneDigital

scales it will increasingly focus on developing new revenue streams, such as a retail media network.

At Catch, the reported loss of \$96 million includes \$23 million in restructuring costs and a non-cash impairment to Catch's brand value. Excluding these costs, EBT losses improved by \$50 million.

This year, the business took significant actions to reset its operating model and cost base. Catch remediated the in-stock business and executed efficiency initiatives to lower costs, which resulted in Catch's contribution per order increasing 54 per cent on the prior year.

The cost base is now reset following a material reduction in employee costs and lower marketing costs.

Competitive intensity in the Australian e-commerce market is increasing due to the entry and expansion of international e-commerce retailers and marketplaces. In this environment, the Group's investment in Catch's third-party marketplace and its supporting supply chain capabilities is providing valuable assets, insights and relationships for the Group's retail operations. Catch also provides a broader offer for OnePass members.

Catch is focused on opportunities to scale the capital-light third-party marketplace and leverage supply chain assets and capabilities across third-party sellers and Kmart Group.

Catch is broadening its third-party range, resetting the customer value proposition and leveraging OnePass and Flybuys to drive customer traffic. The business will also progress the development of new revenue streams, including through 'Fulfilled by Catch', last-mile fulfilment solutions and its recently launched retail media platform.

Catch is expected to remain loss-making in the 2025 financial year, but with losses reducing relative to the result for the 2024 financial year, excluding restructuring and impairment costs.



Nicole Sheffield
Managing Director
Wesfarmers OneDigital

Our strategy

OneDigital aims to provide compelling benefits for members, increase customer lifetime value and enable new revenue streams. This is driven by the OnePass membership program, which builds deeper engagement with the most valuable customers of the Group's retail and health businesses through a differentiated omnichannel customer experience.

Accelerate growth in OnePass

OnePass continues to scale the platform through expansion of partners and broadening member benefits. Officeworks, InstantScripts and Priceline Pharmacy are now partners of the program and there has been increased collaboration with Flybuys to deliver even more value and benefits to members.

During the year, OnePass launched an enhanced omnichannel customer value proposition to broaden member benefits to include, at relevant partners, free delivery on eligible items or orders, 5x Flybuys points on instore and Click & Collect spend, express Click & Collect, 365-day change of mind returns, 2x Sister Club points instore and exclusive member pricing at Catch. These benefits saw growth in the OnePass member base and members shop approximately three times more frequently compared to non-members per annum.

The focus for the coming years is to continue scaling the platform to deliver compelling omnichannel benefits that drive incremental sales across the Group's retailers. OnePass will continue to enhance its customer value proposition through improved features and member experiences to drive membership growth, engagement and incremental sales across the Group's participating retailers.

Leverage data to improve the customer experience

Through the Group shared data asset there is an opportunity to unlock growth by supporting enhanced omnichannel experiences and more personalised interactions for customers across the Group. Importantly, the Group shared data asset will continue to be underpinned by continued investment in privacy, security and data governance.

Enable new revenue streams

Scaling OnePass will support development of new businesses and incremental revenue streams across the Group, including a retail media network.

Improve Catch performance

The focus is to shift Catch from a first-party-led business to a capital-light, third-party-led business of scale and better utilise Catch's supply chain assets and capacities. This involves scaling the marketplace range, with a focus on growing the number of international sellers to introduce greater customer choice and seller competition.

Catch will reset the customer value proposition by returning to Catch's deals heritage and providing reliable and fast delivery. The business will also enhance the seller value proposition by providing sellers with tools for growth and improved services.

The business will leverage OnePass and Flybuys to accelerate growth, which will drive free customer traffic, reduce customer acquisition costs and increase customer engagement and value.

Catch is focused on developing new revenue streams, including through the continued growth of 'Fulfilled by Catch', last-mile fulfilment solutions and its recently launched retail media platform.

Year in review

Catch's gross transaction value (GTV) declined 28.5 per cent to \$524 million, driven by significant reductions to its in-stock range to exit unprofitable lines and focus on profitable, in-demand categories. GTV performance was also impacted by lower customer traffic due to reduced marketing spend and increased competitive intensity.

Catch's reported loss of \$96 million includes \$23 million in restructuring costs and a non-cash impairment to Catch's brand value. Excluding these costs, EBT losses improved by \$50 million compared to the prior year and losses in the second half were lower compared to the first half.

This year, Catch took significant actions to reset the operating model and cost base. A priority was to remediate the in-stock business, with Catch reducing the in-stock range to approximately 70 per cent below peak historical levels. Catch also executed a range of efficiency initiatives to lower costs, which supported a reduction in warehouse labour cost per order of 34 per cent. Together, these actions delivered a material reduction in losses on the prior year with Catch's contribution per order increasing by 54 per cent.

The cost base is now reset following a material reduction in employee costs.

OnePass and Flybuys continued to drive customer traffic while contributing to lower customer acquisition and retention costs. The Catch offer continues to resonate with OnePass members, with OnePass members spending materially more per annum on average compared to non-members at Catch.

Catch year in review

Key financial indicators (year ended 30 June)	2024	2023
Gross transaction value (\$m)	524	733
Revenue (\$m)	227	354
Earnings before tax (\$m) ¹	(96)	(163)
Cash capital expenditure (\$m)	5	10

Sustainability results	2024	2023
Total recordable injury frequency rate (TRIFR) ² R12	10.0	4.7
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	1.9	2.8

¹ 2024 includes a non-cash impairment to Catch's brand value of \$18 million and restructuring costs of \$5 million. 2023 includes restructuring costs of \$40 million.

² TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

Customer trust

Data privacy continues to be a focus for OneDigital and Wesfarmers, due to the nature of information they hold including customer information collected through the OnePass membership program; the scale and diversity of the data in the Group; the shared data asset; and the ongoing responsibility for handling customer information through the Catch marketplace.

Actions in 2024 focused on continued efforts to safeguard customer data and privacy by implementing key policies, educating team members.

Highlights during the year included:

- increased awareness of privacy issues and the importance of protecting personal information during Privacy Awareness Week 2024. This included reinforcing the core privacy principles of transparency, accountability and security, and promotion of the division's privacy training and materials, which were also updated during the year
- updated customer facing documentation, such as OnePass and Catch privacy policies and collection statements, to reflect changes to the way personal information was collected and handled, with a focus on continued transparency and clarity. For OnePass, this is supplemented by the OnePass Privacy Promise, which outlines OnePass' commitment to privacy and recognises that trust, transparency, security and responsible data custodianship are important to its members.

OneDigital continued to refine and build upon its existing privacy enhancing processes such as privacy by design, privacy impact assessments, de-identification, cyber security controls, data retention and deletion and other privacy-related controls across the division to support the division's commitment to being a trusted and responsible custodian of the data it holds and to comply with the laws governing privacy.

Ethical sourcing

OneDigital is continuing on its ethical sourcing journey and is committed to working with its suppliers in accordance with international human rights obligations and in compliance with applicable laws.

During the year, the division's efforts concentrated on reinforcing ethical sourcing controls and program



Foodbank community contributions

When customers buy online through the Catch marketplace, they can choose to round-up their purchase to the next dollar at the checkout. The round-up amount is donated to Catch's community partner, Foodbank. In 2024, Catch customers contributed more than \$103,000 to support Foodbank's work to feed vulnerable Australians.

monitoring activities with a focus on high-risk, own-brand suppliers at Catch. Factories involved in producing Catch own-brand merchandise continued to be managed under the Catch Factory Management Program.

Achievements during the year included:

- Reinforcing the application of key processes and frameworks to marketplace sellers, to support the continued focus on scaling the marketplace. This included updates to the OneDigital Ethical Sourcing Code, Catch marketplace agreements and supplier agreements to reinforce the application of the Code, and provide additional rights to Catch in cases of non-compliance.
- OneDigital undertook a review of the ethical sourcing risk rating and controls applicable to Catch marketplace sellers. The ethical sourcing risk rating was upgraded to acknowledge the level of ethical sourcing risk posed by marketplace sellers and recognises that a greater level of control needs to be applied across all sellers.
- 269 team members completed ethical sourcing and modern slavery online training. The training explained modern slavery and ethical sourcing risks and how the OneDigital Ethical Sourcing Program works to mitigate them.

Energy and climate

In the 2024 financial year, OneDigital's Scope 1 and Scope 2 (market-based) emissions decreased by 31.7 per cent. This can be attributed to a 30 per cent decrease in electricity consumption due to office space consolidation and a seven per cent reduction in emission factors.

This was the first year OneDigital reported its Scope 3 emissions as a stand-alone division. This will assist in establishing a data baseline to inform future energy and climate targets and activities.

Safety

After a positive first half with no recordable incidents, the key safety measure, TRIFR for Catch was 10.0 in the 2024 financial year. The increase in Catch's TRIFR was driven by seven incidents in the second half, combined with a near-halving in worked hours compared to the prior year.



Visit our website to read more:
wesfarmers.com.au/sustainability

Other activities

Wesfarmers is an investor in Flybuys, the BWP Trust, Gresham Partners and Wespine Industries.

Flybuys

Wesfarmers owns a 50 per cent shareholding in Flybuys, one of Australia's leading loyalty programs, with Coles Group Limited holding the other 50 per cent. Following the demerger of Coles from Wesfarmers in November 2018, the Flybuys business was set up as an independent, stand-alone business.

As at 30 June 2024, there were 9.5 million active members in the Flybuys loyalty scheme. For more information on Flybuys, visit flybuys.com.au

Gresham Partners

Wesfarmers has a 50 per cent shareholding in Gresham Partners Group Limited, the holding company for the Gresham Partners operations. Gresham Partners is a leading independent financial services business with activities in corporate advisory, funds management, property and capital solutions.

For more information on Gresham Partners, visit gresham.com.au

BWP Trust

Wesfarmers' investment in the BWP Trust (the Trust) contributed earnings of \$40 million for the financial year compared to \$9 million in the prior year, reflecting favourable property revaluation movements.

The Trust was established in 1998 with a focus on large format retailing properties and, in particular, properties leased to Bunnings. BWP Management Limited, the responsible entity for the Trust, is a wholly-owned subsidiary of Wesfarmers Limited. Units in the Trust are listed on the Australian Securities Exchange and Wesfarmers holds, through a wholly-owned subsidiary, 22.3 per cent of the total units issued by the Trust as at 30 June 2024.

The Trust's portfolio as at 30 June 2024 consisted of a total of 82 properties, including nine properties from the Newmark Property REIT acquisition completed in June 2024. For more information on the Trust, visit bwptrust.com.au

Wespine Industries

The 50 per cent-owned Wespine Industries (Wespine) operates a plantation softwood sawmill in Dardanup, Western Australia. Wespine manufactures structural timber used for the construction, landscaping and packaging industries.

Following unprecedented demand through the COVID-19 pandemic, demand for sawn timber products has continued to moderate as home buyer incentives and other government stimulus has tapered. Wespine delivered revenue of \$131 million in 2024, down from \$150 million in the prior financial year.

Safety continues to be a focus for management with ongoing investment and operational initiatives to ensure a strong safety performance. For more information on Wespine, visit wespine.com.au

Group sustainability

Sustainability is core to the Wesfarmers Way, driving long-term value creation and supporting our commitment to deliver satisfactory returns to shareholders.

Our divisions are committed to reducing their impact on the environment and realising opportunities associated with sustainable business practices, driving improved outcomes for our stakeholders.

During the year, we remained concentrated on improving safety performance, managing ethical sourcing and human rights risks in our operations and supply chains and delivering on our commitment to reduce emissions.

Each year, we determine our most material sustainability issues, with input from internal and external stakeholders. We monitor these issues closely and our approach embeds them into decision-making, with the objective of supporting sustainable long-term value creation.

During 2024, our most material sustainability issues were:

- health, safety and wellbeing
- climate change and energy
- ethical sourcing and human rights
- governance, corporate conduct and ethics
- Aboriginal and Torres Strait Islander reconciliation and engagement
- people development, diversity and inclusion
- data and cyber security
- circular economy (including waste, packaging and plastics)
- economic and community contributions
- government policy and compliance
- product quality and safety.

All Wesfarmers' sustainability disclosures are prepared in accordance with the Global Reporting Initiative (GRI) and linked to the United Nations Sustainable Development Goals.

We have established new processes to deliver future reporting in alignment with the Australian Sustainability Reporting Standards for climate-related disclosures and will elaborate on our work in this space in future reports.

\$88.2m

in direct and indirect community contributions

73.5%

operational waste diverted from landfill



3.8%

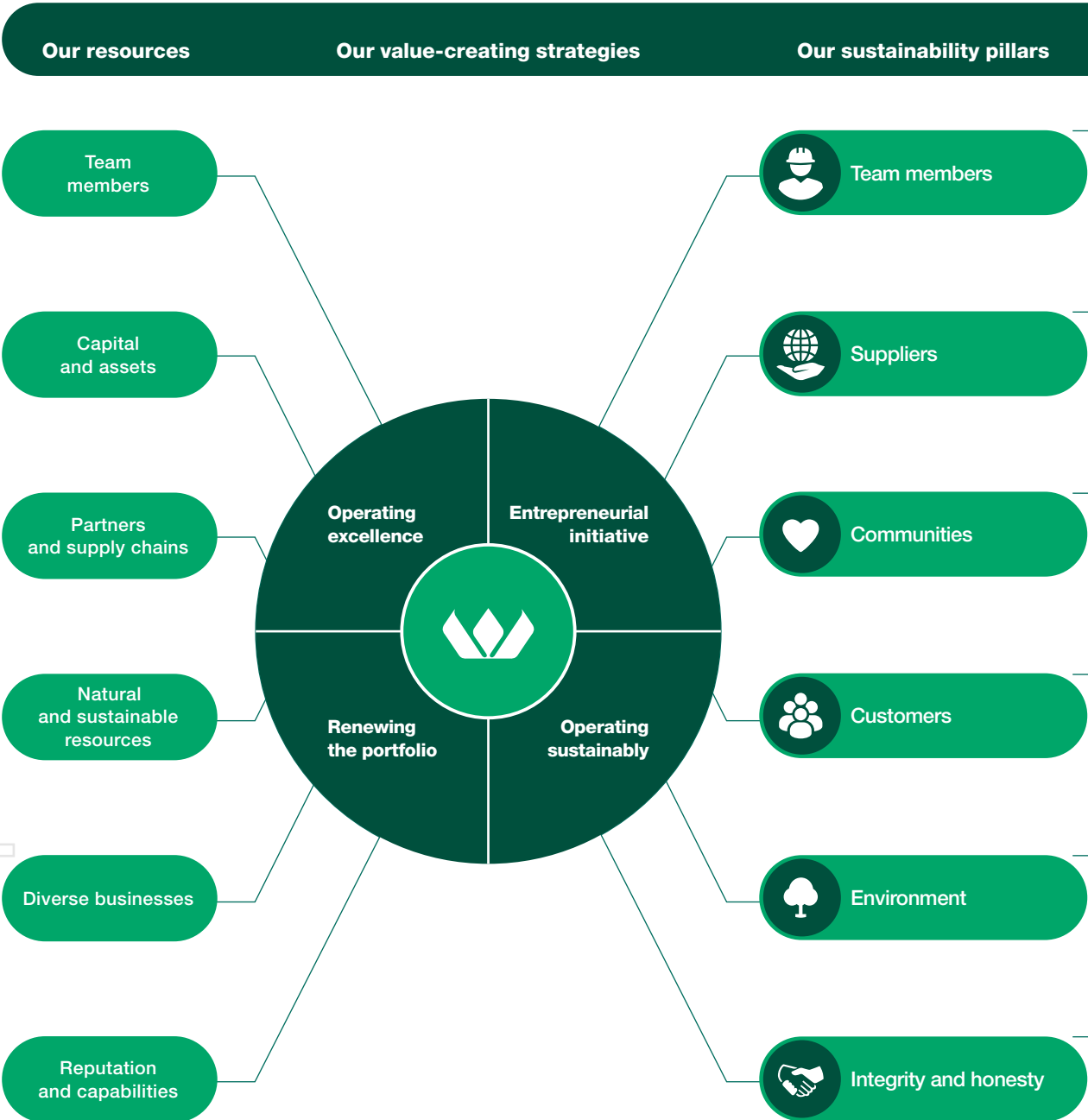
of Wesfarmers' Australian workforce self-identify as Aboriginal or Torres Strait Islander



Visit our website to read more on our sustainability disclosures, including performance data at wesfarmers.com.au/sustainability

How our approach creates value for Wesfarmers' stakeholders

Sustainability is integrated into Wesfarmers' approach to capital allocation and how Wesfarmers oversees and manages its businesses. We invest considerable resources, including human and financial capital, often alongside partners, to support the delivery of satisfactory returns to shareholders.



Our approach	Our most material sustainability issues	Our performance	
Looking after our team members and providing a safe, fulfilling work environment	 Health, safety and wellbeing  People development, diversity and inclusion  Aboriginal and Torres Strait Islander reconciliation and engagement	2.7% improvement in total recordable injury frequency rate to 11.0	3.8% of Wesfarmers' Australian workforce self-identify as Aboriginal or Torres Strait Islander, maintaining population parity
Engaging fairly with our suppliers and sourcing ethically and sustainably	 Ethical sourcing and human rights	4,472 supplier sites in the ethical sourcing programs with 71% monitored during the year	87% of reportable breaches detected this year have been remediated or have remediation underway
Supporting the communities in which we operate	 Economic and community contributions	\$88.2m in direct and indirect contributions to community organisations, primarily in Australia and New Zealand	
Anticipating the needs of our customers and delivering competitive goods and services	 Data and cyber security  Product quality and safety	OnePass launched an enhanced omnichannel customer value proposition to broaden benefits for members	
Taking care of the environment	 Climate change and energy  Circular economy (including waste, packaging and plastics)	5.4% decrease in Scope 1 and Scope 2 (market-based) emissions relative to 2023	73.5% of Group operational waste diverted from landfill
Acting with integrity and honesty in all our dealings	 Governance, corporate conduct and ethics  Government policy and compliance	Remuneration for senior executives includes consideration of a broad range of matters, including financial, safety, data ecosystem and sustainability performance	



Team members

To support Group performance, we focus on safety, health and wellbeing, we embrace diversity and inclusion and we invest significant resources in training and development

Health, safety and wellbeing

Wesfarmers has an unwavering commitment to team member health, safety and wellbeing, which has yielded positive results, making workplaces safer for our team members.

This year, while Wesfarmers reported 1,974 workers' compensation claims, compared to 1,744¹ last year, at a Group level, TRIFR has reduced to 11.0, with improvements recorded across most businesses. The increase in workers' compensation claims was most notably due to higher claims at Bunnings Group, and to a lesser extent, Kmart Group.

Mental health among team members remained a priority, with extensive work undertaken to implement a framework for the identification and management of psychosocial hazards.

People development, diversity and inclusion

A diverse and inclusive culture is central to our success, as greater diversity within teams supports better business outcomes and improves the ability to attract and retain talent.

Wesfarmers is a member of various diversity and inclusion research organisations including the Diversity Council Australia and we share best practice and research from these organisations across the Group.

We train our managers and leaders to equip them with the skills to foster a sense of belonging among increasingly diverse teams.

Gender balance

Gender balance and gender diversity are key components of our approach to diversity.

Across the Group and among leadership roles, we strive for gender balance with a minimum 40 per cent female and 40 per cent male team members, and the remaining 20 per cent being any gender or gender diverse.

The Wesfarmers Board and Leadership Team maintain gender balance. The Wesfarmers workforce is 58 per cent female and 42 per cent male.

There are opportunities to strengthen female representation in senior executive positions. Currently, female team members hold 37 per cent of senior executive roles and 41 per cent of roles at management and professional levels.

Gender pay gap

This year, public reporting of gender pay gaps was introduced by the Australian Government's Workplace Gender Equality Agency (WGEA).

We reported gender pay gaps of 3.5 per cent at median total remuneration and 7.0 per cent at median base salary, as at February 2024.

While WGEA calculations produce a single organisation-wide gap, we recognise the need to comprehensively review pay equity across all elements of remuneration and to challenge and update our approach and practices on a divisional basis as well as a Group basis.

Training and development

We continue to provide opportunities for our approximately 120,000 team members to participate in training and development.

Our divisions maintain primary responsibility for training and developing their team members. In addition, the Wesfarmers Corporate Office partners with each division to develop executive leaders. We train leaders from across the Group together, to encourage collaboration and align with Wesfarmers' objective.

Building data and digital skills and cultural awareness have been a priority, alongside investment in technologies to enable flexible working (for those in roles that can work flexibly) and on-demand learning.

In recent years, the Group has added training for leaders and team members on wellbeing and mental health.

Advancing reconciliation

Our vision for reconciliation is an Australia that affords equal opportunities to all and we are committed to ensuring Aboriginal and Torres Strait Islander people feel welcome in our businesses as team members, customers, suppliers and visitors.

In 2022, we produced our eighth Reconciliation Action Plan (RAP) but our first at the Elevate level. The RAP guides the Group's Indigenous affairs strategy in the following areas:

- sustainable employment
- career development
- supplier engagement
- community partnerships
- celebrating Aboriginal and Torres Strait Islander peoples' cultures.

¹ Last year's number has been restated to exclude New South Wales workers' compensation regulations that require employees who tested positive for COVID-19 to register a notification claim.

As one of Australia's largest employers, we were pleased the Group maintained Indigenous employment parity, with 4,172 Aboriginal and Torres Strait Islander team members, representing 3.8 per cent of Wesfarmers' Australian workforce as at 30 June 2024.

To build cultural competency in our organisation, Wesfarmers makes a significant commitment in cultural awareness training. During the year, more than 33,000 instances of cultural awareness training were delivered to team members.

With our extensive supply chains, Wesfarmers can increase spend with Indigenous suppliers, recognising that this may strengthen economic prosperity of Aboriginal and Torres Strait Islander communities. This year, our spend with Indigenous businesses totalled \$46.8 million, of which 96 per cent was with certified Supply Nation businesses.

We also awarded additional Building Outstanding Aboriginal and Torres Strait Islander Business (BOAB) Fund grants to Circular Head Aboriginal Corporation (CHAC), to support the ranging in Bunnings of organic indoor plant seaweed spray, as detailed on page 28.

All these actions support reconciliation, add strength and resilience to our businesses and are aligned with our Group purpose.

13.1%

increase in Aboriginal and Torres Strait Islander team members across the Group



Indigenous Cultural and Intellectual Property

Wesfarmers supports the responsible procurement of Indigenous art as part of its commitment to promote Indigenous cultures, communities and businesses.

As the Group evolves its engagement with Indigenous artists and suppliers, it is important that these relationships are conducted in a fair and culturally appropriate way, consistent with the Group's Ethical Sourcing and Modern Slavery Policy.

During the year, we engaged Dr Terri Janke, an internationally recognised authority on Indigenous Cultural and Intellectual Property

(ICIP), to support the development of the Wesfarmers guide to working with First Nations artists.

The guide provides information on the unique ICIP rights of Indigenous artists, as informed by the United Nations Declaration on the Rights of Indigenous Peoples. It establishes a framework for best practice engagement with Indigenous artists for product development and commissioning and licensing of artwork.

To support the rollout and understanding of the guide, an ICIP workshop was hosted with Dr Janke including participants from across the Group. Acknowledging the various contact points throughout the Indigenous art procurement process, participants included representatives spanning from Indigenous engagement, product development, marketing and legal teams.



Communities

Fostering stronger community connection

Community contributions

Wesfarmers and its businesses recognise the benefits of connecting and investing in the communities where we operate. We believe connected, creative communities are more agile, inclusive and innovative, providing the best opportunity for the Group and its businesses to succeed over the long term.

Having strong, high-performing businesses allows us to make significant financial and other contributions to local, regional and national community organisations with meaningful impact.

Wesfarmers is a significant contributor to the communities in which we operate. This year, the Group generated wealth of \$44.4 billion, of which \$28.8 billion related to supplies of raw materials and inventory, \$4.4 billion for rent, freight, services and other external expenses, \$6.3 billion in salaries, wages and other benefits for team members and \$1.5 billion in taxes and other charges.

The Group also contributed \$88.2 million to community organisations in Australia and New Zealand, comprising \$22.5 million in direct community contributions and \$65.7 million in indirect contributions, facilitated by our divisions, from our customers and team members.

Our divisions continued to have a positive impact in the communities where they operate, making \$13.9 million in direct community contributions. Bunnings Group contributed \$6.8 million in cash, gift cards, products and labour.

Kmart Group contributed \$3.1 million and Officeworks contributed \$2.5 million directly to a mix of local and national charities as well as community organisations. WesCEF, OneDigital, Wesfarmers Health and Industrial and Safety collectively contributed \$1.5 million to a wide range of charities and causes.

The divisions also facilitated more than \$65.7 million in indirect community contributions, raised from team members and customers. During the year, approximately \$54.3 million in indirect contributions was enabled by Bunnings Group, through activities such as community sausage sizzles and instore fundraising.

Kmart continued its support of The Salvation Army through the annual Kmart Wishing Tree Appeal, raising \$7.9 million through the generosity of its customers for the year.

Officeworks customers raised more than \$2.9 million for the year, some of which supports The Smith Family's Core Learning for Life Scholarship Program through the Back to School Appeal, designed to help young Australians to overcome educational inequality.

Wesfarmers Health, through the Priceline Sisterhood Foundation, facilitated the contribution of \$1.2 million from Priceline customers towards various charities and organisations supporting women and families.

\$88.2m

in direct and indirect
community contributions

Telethon Kids Institute 30-year partnership

This year, Wesfarmers and Telethon Kids Institute celebrated the 30-year anniversary of their partnership. The Wesfarmers Centre for Vaccines and Infectious Diseases was established in 2014, with Wesfarmers

committing more than \$14 million to advance critical research. Since then, the Centre has emerged as a national leader in paediatric infectious disease research, improving the quality of life for children around the world.

In 2024, the Centre used data-driven epidemiology modelling to guide an \$11 million Respiratory Syncytial Virus (RSV) immunisation program, currently being implemented across Western Australia to reduce RSV-related hospitalisations among infants.



The Wesfarmers Corporate Office contributed \$8.6 million to more than 47 community organisations during the year, in three main areas: medical research and wellbeing, education and the arts. Across these areas, Wesfarmers endeavours to support organisations that are Indigenous-led or have meaningful outcomes for First Nations people.

During the year, Wesfarmers announced a five-year partnership with the Australian National University (ANU) to provide educational opportunities for Indigenous Australians, with a \$5 million donation to the ANU Kambri Scholars Program.

For more than four decades, Wesfarmers has been a leading supporter of the performing arts. We are proud that our partnerships with a wide range of premier arts organisations, including the Australian Chamber Orchestra and Bell Shakespeare, allow regional Australian communities to enjoy performances and educational programs with leading national and international artists.

A highlight of the year, and one of three leadership projects supporting our Elevate RAP, was the continuing international tour of the exhibition *Ever Present: First Peoples Art of Australia*, developed in partnership with National Gallery Australia. *Ever Present* has travelled from the Art Gallery of Western Australia to the National Gallery Singapore and Auckland Art Gallery Toi o Tamaki, with global audiences in excess of 220,000 people. *Ever Present* will feature at the National Gallery Australia in Canberra from September 2024 to August 2025.



First Nations arts and culture commission

During the year, our support for First Nations arts and culture enabled the world premiere of *Wundig wer Wilura* – the new Wesfarmers Arts musical theatre commission from award-winning songwriters and storytellers, Gina Williams AM and Guy Ghouse.

Wundig brings Noongar language, history and culture to the stage in an acclaimed follow-up to the duo's first opera collaboration, *Koolbardi wer Wardong* commissioned by Wesfarmers Arts in 2020.

Six-time winners of the Indigenous Act of the Year at the West Australian Music Industry Awards, Williams and Ghouse use their music and performances to highlight the Noongar language of the southern corner of Western Australia.

Williams composed *Wundig wer Wilura* with collaborator Ghouse, in consultation with Elders on Ballardong Country. Through the opera, Williams wanted to tell a story she grew up with – one of a young man and young woman who are promised to other people but fall in love and decide to elope, causing an epic conflict between their family groups.

Wundig is a story of forbidden love and feuding families that has endured for thousands of years, passed down by generations of Ballardong Elders.

Opening in February at His Majesty's Theatre as the centrepiece of the 2024 Perth Festival, *Wundig* starred an all-First Nations cast. *Wundig* was performed under the baton of viola player, composer and conductor Aaron Wyatt, a Noongar man from Western Australia recognised as the first Australian First Nations person to conduct a major Australian orchestra.

Wesfarmers is Principal Partner of West Australian Opera and a major partner of Perth Festival.



Customers

Putting customer needs first

Product quality and safety

Providing products that are safe and comply with relevant standards and regulations is of utmost importance to Wesfarmers and our divisions.

We require our suppliers to conduct product testing and quality checks, as do our dedicated in-house divisional teams, prior to sale of products. During the year, there were five own-brand product recalls, supporting customer confidence and safety.

We collaborate to share developments, learnings and best practice in product quality and safety through the Wesfarmers Product Safety Forum, which meets quarterly with members from across the Group. During the year, participating divisions shared product safety information, recalls, product safety incidents and other relevant information to continue improving Wesfarmers' endeavours to achieve product safety objectives.

Data and cyber security

Wesfarmers is committed to being a trusted and responsible custodian of the customer and team member data we hold and we invest significant resources in data and digital assets and capabilities.

Across our businesses and supply chains, we observe and respond to a heightened, active global and local cyber threat landscape.

During the year, the Group enhanced its privacy frameworks, processes and resourcing, including through initiatives to:

- update privacy policies, privacy hubs and preference centres
- improve privacy impact assessments, de-identification frameworks and controls
- increase focus on privacy-by-design, including during digital product development.

The Group maintains a data governance policy, which aligns standard foundational data types to a Group data classification scheme. This approach helps to support the strategic value of our data assets while balancing security, integrity, compliance and reputational issues inherent in collecting, using, retaining, sharing and destroying or deleting data. In addition, where customer cardholder data is managed or handled, we continue to demonstrate Payment Card Industry Data Security Standard assurance.

With a focus on cyber resilience, we continuously review and adjust our capabilities as new threats, frauds and scams emerge and as cyber criminals change how they operate. We have implemented several initiatives across the Group to protect online customers from cyber criminals, strengthen our control environment for enterprise and operational technology and manage supply chain cyber risk. These initiatives included:

- multi-factor authentication (MFA) for many of our online retail businesses (currently optional for customers)
- continued uplift in preventative investments
- monitoring capabilities to detect cyber security threats, digital fraud and scams.

We also continued to monitor emerging local and international practice to support the safe and secure use of AI technologies and innovation that drives customer experience, product development and operational efficiency. In this context, we have enhanced technology-related governance to include the appropriate use of generative AI, new cyber security awareness programs, security architecture frameworks and patterns, and share best practices.



Everyday lowest prices

Our divisions aim to anticipate the needs of customers and deliver competitive goods and services, while also engaging fairly with our suppliers and sourcing ethically and sustainably.

During the year, as cost of living pressures affected the community, our retail businesses concentrated on their everyday low price (EDLP) offers to customers.

This year, Kmart implemented more than 3,000 price drops across diverse categories, supporting customers with cost of living pressures, while continuing to invest in sustainability strategies.

Over the long term, responsible engagement with suppliers is critical, including consideration of ethical sourcing, resource use, packaging and end-of-life treatment.



Suppliers

Engaging fairly with our suppliers and sourcing ethically and sustainably

Ethical sourcing and human rights

Wesfarmers' businesses take a proactive, risk-based approach to managing human rights risks in their operations and supply chains, each implementing their own ethical sourcing and supplier due diligence programs. These align with the Group's minimum standards in the Wesfarmers Ethical Sourcing and Modern Slavery Policy, consistent with leading international practice.

Wesfarmers' minimum standards prohibit forced and bonded labour, require adherence to laws governing working ages and hours, seek to ensure safe and healthy working conditions and transparent record keeping, recognise the rights to freedom of association and collective bargaining and support the implementation of trusted grievance mechanisms.

If a supplier is unwilling to meet minimum standards or to implement required improvements within mutually agreed timeframes, arrangements with the supplier may be suspended or terminated.

Wesfarmers' approach to ethical sourcing and human rights provides customers and other stakeholders with confidence in our sourcing practices, including how suppliers and manufacturers manage risks and impacts on the supplier workforce.

To support their ethical sourcing programs, Wesfarmers' divisions employed 33 team members in total with ethical sourcing responsibilities, some of which are based in Bangladesh and China, including Hong Kong. By employing teams in major sourcing markets, we strengthen supplier relationships and embed minimum standards across our supply chains.

In late 2023, the Group released its eighth Modern Slavery Statement, which details progress to proactively identify, prevent, mitigate and manage modern slavery risks across the Group's supply chains and operations.

Our progress

This year, there were more than 27,000 suppliers to the Group, of which 2,742 were in our ethical sourcing program. Of these suppliers, 93 per cent supplied goods for resale, three per cent supplied goods not for resale and four per cent were service providers.

The total number of suppliers in the ethical sourcing program declined 4.8 per cent during the year. Of the suppliers in our ethical sourcing program, 56 per cent were monitored or assessed during 2024.

During the year, the Bunnings Group ethical sourcing team conducted monitoring activities across 398 suppliers, covering some 1,170 supplier sites.

In 2024, for operational reasons, Bunnings Group deferred monitoring activities for a portion of Australian and New Zealand suppliers (constituting 3.4 per cent of suppliers within the Bunnings Group ethical sourcing program) by approximately two months. These activities have resumed and will be reported in 2025.

During the year, monitoring activities included supplier pre-qualifications, supplier visits, third-party monitoring (such as independent audits), grievance mechanisms, whistleblower programs or worker voice surveys. For suppliers in the ethical sourcing program, the frequency of third-party audits varies from three to 24 months, depending on prior audit findings and the level of assessed risk.

Where we identify instances of non-conformance with our minimum standards, these are reviewed and classified as minor, major or reportable breaches and a remediation process is activated.

This year, the ethical sourcing program identified reportable breaches related to:

- health, safety and hygiene (40 per cent of reportable breaches)
- working hours (27 per cent of reportable breaches)

- wages and compensation (18 per cent of reportable breaches), and
- other breaches, including in relation to management systems and environmental management (15 per cent of reportable breaches).

Our divisions regard grievance mechanisms, whistleblower programs and worker voice surveys as important tools to monitor and improve worker conditions at supplier sites.

Through these programs, workers can confidentially raise concerns, including business-related human rights and modern slavery risks.

Operational grievance mechanisms have now been deployed in 14 countries by six divisions. Twenty-four contacts were made by workers, of which three were found to be substantiated grievances. In these instances, divisions worked with suppliers to develop remediation action plans. Where the supplier was unwilling to engage, the supplier was exited.

87%

of reportable breaches detected in 2024 have been remediated or have remediation underway

Remediation and training

We are committed to working with suppliers to remedy minor, major and reportable breaches, when identified, if it is appropriate in the circumstances to do so.

Our approach depends on the severity of harm (or potential harm) and may include immediate rectification or making good any harm experienced by an individual, and working to prevent future harm.

All sites with non-conformances, whether minor, major or reportable, are subject to ongoing due diligence monitoring. The type of non-conformance detected determines the follow-up. Where possible, we engage with suppliers to support remediation through a corrective action plan, with supplier exits being used as a last resort.

This year, 87 per cent of reportable breaches identified have been remediated or remediation is underway.

We exited nine suppliers or supplier sites this year, where remediation of a reportable breach could not be achieved.

Training and capacity building

The Group invests in human rights training and capacity building with our teams and suppliers. This year, more than 5,400 team members and more than 1,900 suppliers received ethical sourcing and modern slavery training, totalling 4,719 hours.

Team members complete divisional and business-specific online modern slavery and human rights training to support the ethical procurement of goods and services. The training generally describes modern slavery and forced labour, how to identify modern slavery risks and what can be done to protect and safeguard human rights.

The Group's divisional ethical sourcing teams also train other relevant team members (including merchandising and procurement teams), third-party auditors and suppliers (including their factory teams), to promote a shared understanding of Wesfarmers' expectations.

Visit our website and 2023 Modern Slavery Statement to read more on our Group ethical sourcing programs at wesfarmers.com.au/sustainability



Officeworks improves factory audit program

Factory audits are one of several tools in the Officeworks ethical sourcing program helping to identify and address modern slavery risks.

A comparison of audit findings for sites with reportable breaches in the 2023 financial year against ratings in the prior period showed an improvement in the audit status in 76 per cent of suppliers or supplier sites. Compliance items were classified as a lower impact and at a lower risk rating. This demonstrates that the audit program is driving ongoing improvements in Officeworks' ethical sourcing risks.

Out of 499 audits reviewed in 2024, the audit program identified 33 reportable breaches across 18 supplier sites, involving 14 suppliers. The most common reportable breaches related to excessive recruitment fees charged by agencies or employers, a lack of evidence or inconsistent records to verify workers' rights to work and working hours and failure to provide workers with legally required leave entitlement.

In accordance with the Officeworks ethical sourcing program procedure, the 18 supplier sites with reportable breaches were given red audit ratings. The Officeworks ethical sourcing team worked with the suppliers or their sites to remediate the items identified and followed-up with an independent audit. Two of these sites were exited after the supplier refused to remediate breaches relating to recruitment fees and insufficient fire safety.

76%

Improvement in factory audits

This year, 27 reportable breaches were remediated, 10 of which were identified in the previous reporting period. Most of these prior breaches related to a lack of documentation to verify the right to work and excessive overtime.

Where the auditor was unable to review consistent evidence at seven supplier sites, Officeworks worked with suppliers to obtain documentation, which was verified in a follow-up audit.

Where overtime hours were excessive at four supplier sites, suppliers were supported to develop better planning and rostering for peak production periods, systems were implemented to monitor overtime and to alert management when excessive hours were worked, and new policies were introduced to ensure a regular rest day.

Of the breaches identified during the year, 11 are still open and Officeworks is working to remediate these with the suppliers as part of its regular supplier audits.

Audits are complemented by worker grievance mechanisms, ethical sourcing training for suppliers and team members and worker surveys.



Environment

Protecting the environment

We are committed to reducing the impact on the environment of our operations and implementing strategies that reduce the impact on the environment of products and services sold across the Group.

Our approach to environmental management is set out in our Group Environment Policy, which aligns with this commitment.

During the year, we continued our work to gain a better understanding of the impact that our businesses may have on climate and nature.

We also designed and commenced implementation of a new sustainability data capture and reporting system. The system will strengthen our understanding of environmental performance and associated risk management across the Group, and enable analysis of environmental information for strategic purposes. It will also support more streamlined reporting, with strong data governance frameworks.

Circular economy

We recognise there are limited natural resources in the world and our large, diverse businesses have a responsibility to reduce their reliance on natural resources. Our customers have a growing interest in reuse, recycling and regeneration and we understand we can create long-term value by procuring and selling products that factor in circular economy principles.

For Wesfarmers, circular economy principles extend from product design to lifecycle management. They include consideration of resource intensity in manufacture, packaging, energy intensity in use and end-of-life treatment. We recognise the linkages between consumption and waste, including waste from manufacture, packaging and disposal of products at end-of-life.

Across the Group, cross-functional teams continued to build awareness and progress delivery of improvements in product design and end-of-life treatment. Our divisions continued to take action to minimise operational waste and waste associated with our products. This work has included continued participation in takeback schemes and partnerships with industry, government and organisations, such as the Australian Packaging Covenant Organisation (APCO).

Waste

We recognise the important role we play in reducing waste generated across the Group.

During 2024, we continued to take action to minimise waste, with 73.5 per cent of Group operational waste recovered and diverted from landfill, up from 71.6 per cent on the prior year, driven principally by a reduction in waste at Bunnings Group and WesCEF.

Across circular economy and waste, highlights include:

- Bunnings and Officeworks operate recycling programs that enable customers to divert diverse waste from landfill (including toner cartridges, pens, batteries and devices).
- Workwear Group has collaborated with Brisbane-based BlockTexx to recover materials from uniforms at end-of-life.
- Bunnings introduced a uniform recycling program.

Packaging and plastics

We have opportunities to reduce the volume and impact of packaging used by our businesses.

Across the Group, our businesses work closely with suppliers to specify and use sustainable packaging materials.

We support an industry-led approach through APCO, while also working closely with government and the recycling industry, to ensure our work meets the expectations of authorities and consumers.

As members of APCO, Bunnings, Officeworks, Workwear Group, Blackwoods, Kmart and Target are working towards 100 per cent reusable, recyclable or compostable packaging for own-brand products. While some progress has been made, significant uplift is required by all parties to meet these targets. Wesfarmers supports proposals to introduce mandatory requirements for packaging, including minimum recycled content under a new regulatory scheme, which is expected by the end of 2025.

Helping our retail customers with at-home recycling, including by providing clear and consistent information on packaging, is important to divert waste from landfill. As part of our APCO membership, we have made a commitment to adopt the Australasian Recycling Label for the packaging on own-brand products, using APCO's Packaging Recyclability Evaluation Portal.



Climate-related disclosures

Wesfarmers recognises it can play an important role in supporting global efforts to transition to a low-emissions economy.

Our approach

The Group's response to climate change aligns with our purpose and focus on long-term value creation.

Climate change presents a material risk to our businesses, with the potential to impact operations, team members, supply chains, customers and the communities in which we operate.

Our businesses are managed with climate and carbon awareness and we work in a disciplined way to decarbonise, manage climate-related risks, develop climate-related partnerships and invest in climate-related growth opportunities.

We are focused on reducing our operational Scope 1 and Scope 2 greenhouse gas emissions (operational emissions) and our divisions have set interim and net zero operational emissions targets. The pathways to decarbonise vary across the sectors in which our businesses operate, with each reflecting unique divisional attributes and emissions profiles.

We continue to monitor and report emissions, including performance and progress towards interim and net zero operational emissions targets.

For the third consecutive year, each of the divisions is reporting all material categories of Scope 3 emissions (value chain emissions), with the divisions continuing to refine their reporting to identify emissions reduction opportunities within their value chain.

This year, to better identify climate-related risks and realise climate-related opportunities, we refreshed the Group's climate scenario analysis. This analysis supports work to identify and progress opportunities to invest in new or growing markets. It also supports enhanced integration with enterprise risk and strategic planning processes, to further embed climate-related considerations into business strategies.

Building partnerships and pursuing opportunities are essential to Wesfarmers' decarbonisation and future growth. As a large, diversified Group, our transition to a low-emissions economy depends on a range of technologies becoming commercially viable and operating at scale. Partnerships are also essential to support decarbonisation of our value chain.

To prepare for Australia's mandatory climate-related financial disclosures, this year we also commissioned a gap analysis to identify priorities and guide work to meet future disclosure requirements and associated Australian Sustainability Reporting Standards from 2025. In the interim, the Group continues to report climate-related disclosures using the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Mt Holland mine and concentrator

commenced production of spodumene concentrate to produce battery-quality lithium hydroxide for use in electric vehicles

5.4%

reduction in Group Scope 1 and Scope 2 (market-based) greenhouse gas emissions

46MW

of rooftop solar generation capacity from 212 systems



Visit our website to read more on Wesfarmers' approach to climate at wesfarmers.com.au/sustainability

Governance

Climate change is recognised as a material risk for the Group. In this context, the Wesfarmers Board has ultimate responsibility for overseeing the Group's approach to managing climate-related risks, opportunities and reporting. Effective governance is central to the Group's approach to responding to climate change.



Climate Policy

Wesfarmers' Climate Policy is considered and endorsed by the Wesfarmers Board. It establishes minimum expectations to manage climate-related risks and opportunities across the Group. The Climate Policy is reviewed annually to ensure it remains relevant and reflects changing context and expectations among our stakeholders. The Climate Policy is available at wesfarmers.com.au/cg

Corporate Office

Wesfarmers Corporate Office supports the divisions by setting the Climate Policy, determining the internal shadow carbon price and supporting the development of climate-related aspects of corporate plans. Wesfarmers Corporate Office also facilitates cross-divisional collaboration through a quarterly Carbon and Energy Forum, which brings together subject matter experts from across the Group with day-to-day responsibility for coordinating and managing climate-related programs. It provides opportunities to share knowledge across our divisions, with businesses that operate in different industries and sectors.

Strategy

To continue to create long-term sustainable value, Wesfarmers needs to mitigate, adapt and build resilience to the impacts of climate change and participate in the transition to a low-emissions economy.

As a large, diversified conglomerate, Wesfarmers acknowledges the decarbonisation pathway will vary across the sectors in which we operate. We take a disciplined approach to embed carbon awareness into our culture, operations and strategy. Consistent with our model of divisional autonomy, each division has its own climate strategy that reflects its unique emissions profile, risks and opportunities.

The Group has four overarching areas of strategic focus, building on actions and progress in prior years:

Operational decarbonisation

The Climate Policy requires divisions to set interim and net zero Scope 1 and Scope 2 emissions targets.

Value chain emissions

Our divisions continue to report Scope 3 emissions and identify opportunities to address these value chain emissions.

Growth opportunities

Wesfarmers and our divisions invest in opportunities that align with and support decarbonisation and a low-emissions economy.

Partnerships

Through partnerships, our divisions support the decarbonisation of our operational and value chain emissions.

Climate scenario analysis

Climate scenario analysis helps challenge and develop our understanding of the Group's resilience under different climate futures, across two time horizons: 2030 and 2050. It helps assess the Group's exposures to climate change across a range of physical and transition risks and informs our strategic response and plans to mitigate and adapt to the impacts of climate change across Wesfarmers' portfolio and value chain.

This year, we refreshed the Group's climate scenario analysis using scenarios and datasets from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report. For physical analysis we used the IPCC's projected temperature outcomes based on the Shared Socioeconomic Pathways (SSP) framework. For transition analysis we used the Network for Greening the Financial System's (NGFS) scenarios.

To ensure our approach remains current, we made two key revisions to the Group's climate scenarios:

- 1. The upper physical scenario is now SSP 3-7.0, corresponding to approximately 3.6°C warming by 2100, to align with Australian and New Zealand Governments' regional climate modelling.
- 2. The transition scenarios now include the NGFS Net Zero 2050, Delayed Transition and Nationally Determined Contributions scenarios, as transition risks are greatest with accelerated action. In selecting the transition scenarios, we considered the availability of metrics for the most relevant and uncertain risks and opportunities across Wesfarmers' portfolio and value chain.

Climate scenarios are based on climate and socio-economic models. They are not forecasts intended to predict or provide probabilities of likely outcomes.

Actual future climate outcomes may differ due to a range of factors, including changes in government policy, market conditions, technological advancements and the speed, sensitivity, interplay and uncertainty of climate change impacts.

Caution should be exercised when considering any forward-looking statements associated with climate scenario analysis, including statements regarding strategy and the anticipated impact or effectiveness of strategy.

Climate scenarios for physical and transition analysis

Aggressive mitigation (+1.4°C – 1.7°C by 2100)

Physical risks are low and transition risks are high

There is global collaboration among governments to aggressively decarbonise, aligned to the goals of the Paris Agreement. Long-term global warming is limited, through stringent climate policies and innovation, with medium to high regional variation. The introduction and development of low and zero-carbon technologies is fast and the global economy achieves net zero emissions by around 2050. For physical analysis, the SSP 1-2.6 scenario was used. For transition analysis, the NGFS Net Zero 2050 and Delayed Transition scenarios were used.

Current pledges and targets (+2.7°C by 2100)

Transition risks are relatively low and physical risks are high

Global emissions decline based on existing policies and commitments but fall short of the goals of the Paris Agreement. Climate hazards become more intense and frequent requiring greater investment in adaption. For physical analysis, the SSP 2-4.5 scenario was used. For transition analysis, the NGFS Nationally Determined Contributions scenario was used.

Limited climate action (+3.6°C by 2100)

Transition risks are low and physical risks are high

There is continued use of fossil fuels and energy intensive activities as climate pledges and targets are not achieved. Extreme weather is the key feature of this scenario with climate hazards intensifying, affecting operations, consumer behaviour and health services, including in Australia and New Zealand. For this scenario, we focused principally on the physical risks and for the physical analysis, SSP 3-7.0 was used.

Scenarios: Aggressive mitigation Current pledges and targets Limited climate action

Risks and opportunities

This year, we evolved our approach to identifying and assessing climate-related risks and opportunities, to further integrate them with the Group Risk Management Framework and corporate planning processes, elevating the visibility of potential climate-related impacts across the divisions.

While the divisions are exposed to climate-related physical and transition risks, there are also growth opportunities associated with the transition to a low-emissions economy.

Group Risk Management Framework

The Wesfarmers Risk Management Framework (Framework) supports and guides the processes by which risk is identified, assessed, managed, communicated and reported.

The Framework also includes the mechanisms by which Wesfarmers articulates its commitment to risk management practices and oversees the effectiveness of those practices, including the provision of assurance and continual improvement activities.

The Wesfarmers Board maintains a Risk Appetite Statement which includes climate-related risks and was last reviewed and approved in May 2024. For further information on Wesfarmers’ approach to risk management see page 92.

Physical risks

Physical risks can be acute or chronic. Acute or event-driven physical risks are influenced by the frequency and severity of extreme weather events, while chronic physical risks are associated with long-term shifts in climate patterns (including sustained increased temperatures), resulting in sea level rise and chronic heatwaves.

Although impacts vary across regions, with every degree of warming, there may be non-linear, disproportionate changes in the magnitude, intensity and frequency of individual and concurrent extreme weather events. This could exacerbate and increase the frequency and intensity of physical impacts across our businesses.

In recent years, our businesses, team members, customers, suppliers and communities have been impacted by an increase in the frequency and intensity of extreme weather events, such as floods, fires and extreme heat days. In some locations, these events have disrupted store networks and supply chains, causing physical damage, including losses and infrastructure damage and adverse impacts on team members and local communities.

Transition risks

The risks associated with a transition to a low-emissions economy will be driven by changes in policy, regulation, technology, markets and stakeholder expectations. The speed, intensity and our ability to respond to the changing external environment will impact the magnitude of the Group’s exposures.

Opportunities

Changes in markets, technology, customer preferences and stakeholder expectations provide opportunities for growth across products and services. There may be opportunities associated with the energy transition, including renewable energy, low-emissions hydrogen, ammonia and critical minerals (such as lithium). There may be opportunities in adjacencies in the energy transition and opportunities that support a circular economy.

The following parameters were used to identify, assess, prioritise and monitor Wesfarmers’ climate-related risks and opportunities.

Specifications	Physical		Transition	
Drivers and metrics	Extreme rain	Storm surge	Policy	Markets
	Extreme heat	Cyclones	Regulation	Stakeholder perceptions
	Extreme dry	Sea level rise	Technology	
	Fire weather			
Regions	Assets in Australia and New Zealand (Wesfarmers sites and offices)			
	Key sourcing markets in Australia, New Zealand and internationally including exposure to certain ports and raw materials			

The following tables summarise, in no particular order, material physical risks and transition risks and opportunities for the Group, including their impact on our businesses and potential responses and mitigation strategies.

Physical risks

Scenarios: ● Aggressive mitigation ● Current pledges and targets ● Limited climate action

Time horizons: **Short:** 1 to 5 years **Medium:** 5 to 15 years **Long:** 15+ years

Description and impact		Potential response and mitigation strategies
Damage to physical assets and disruption to store network		
Scenario: ●●	Time horizon to impact: Short	Financial impact: Direct costs
Wesfarmers' businesses are exposed to extreme wet weather, including more frequent and intense flooding, storm surges and tropical cyclones, especially across northern and eastern Australia and New Zealand. This risk is expected to increase over time. Increased intensity and frequency of extreme wet weather may disrupt and damage our physical assets and store networks, reducing operational efficiency and increasing operational costs. Extreme weather (including drought conditions) may affect consumer behaviour and customer foot traffic. This may impact sales and demand in certain businesses (including the retailers, Wesfarmers Health and CSBP Fertilisers). Climate-related claims may lead to increased insurance premiums for certain locations and difficulty in obtaining or unavailability of insurance.		– Redesign or retrofit stores and warehouses to adapt to extreme weather conditions – Consideration of implications for the location of new sites, stores and store renewals – Invest in measures to maintain comfort for team members and customers, including automated building management systems – Invest in omnichannel capabilities to provide flexibility to meet changing customer needs and preferences – Reflect climate risk assessments in capital allocation, including approach to mergers, acquisitions, portfolio management decisions and insurance
Acute weather events may disrupt Wesfarmers' supply chain		
Scenario: ●●	Time horizon to impact: Short to Medium	Financial impact: Direct and indirect costs
Wesfarmers' divisions and supply chains could be exposed to an increase in hot days (over 35°C) across most of Australia. Internationally, these risks are relevant in the subcontinent, the Middle East and the Mediterranean where some suppliers are located. Flooding, storm surges and cyclone events may result in disruptions to supply chains, interrupting port, airport, road and rail operations. These disruptions could result in delays and bottlenecks in accessing products, affecting customer service levels. Longer and more intense extreme weather events may affect the quality and yield of raw materials, upstream in the value chain, especially impacting our retail businesses. For our industrial businesses, extreme weather events may impact customer demand for products downstream in the value chain.		– Diversify supplier base and geographic sourcing regions – Hold additional inventory to buffer delays from supply chain disruption – Deploy strategies to reduce dependence on virgin raw materials by using more recycled materials and reducing reliance on raw materials, which are more likely to be impacted by climate change – For WesCEF, assess markets, customers and end uses for products like fertilisers in regions that may be less impacted by acute weather events – Collaborate and build partnerships (including within supply chains) to help suppliers build their own climate resilience
Impacts on the health, safety and wellbeing of team members and the communities in which we operate		
Scenario: ●●●	Time horizon to impact: Short to Medium	Financial impact: Direct and indirect costs
Physical and psychological health, safety and wellbeing of team members is a critical business issue. Environmental hazards may affect team members' safety, wellbeing and productivity as a result of extreme heat (causing heat stress and related illnesses), bushfires (causing poor air quality or limiting access to workplaces and homes) or extreme wet weather resulting in flooding (restricting access to workplaces and homes). Impact on our suppliers, customers and local communities may result in business interruption, affecting business performance.		– Continue to invest in improving store and facility design, including implementing automated building management systems to support team member and customer comfort – Adapt shift hours, introduce additional breaks, implement further automation and adopt other measures to help manage heat stress at stores, distribution centres and manufacturing facilities – Assess new store locations and designs, taking into account future climate scenarios

Transition risks and opportunities

Scenarios: ● Aggressive mitigation ● Current pledges and targets ● Limited climate action

Time horizons: **Short:** 1 to 5 years **Medium:** 5 to 15 years **Long:** 15+ years

Description and impact	Response and potential mitigation strategies
Changing customer preferences	
Scenario: ● ● ● Time horizon to impact: Short to Medium Financial impact: Direct costs	
Changing customer preferences and expectations may impact existing product ranges as customers favour lower-emissions, circular, locally-sourced and more sustainable alternatives. For some products and market segments, customers may be unwilling to pay higher prices for these characteristics. OPPORTUNITY – Leverage our scale and expertise to respond to emerging customer needs by leading the development and offering of more sustainable, low-emissions products.	– Adjust product and service ranges to reflect emerging customer needs and offer more sustainable products and services – Explore new markets and investment opportunities that support a low-emissions economy – Seek partnerships and invest in new technologies that accelerate the transition to a low-emissions economy
Carbon policies and pricing impact our competitiveness	
Scenario: ● ● Time horizon to impact: Short to Medium Financial impact: Direct and indirect costs	
Uneven global policies and strategies may add to manufacturing costs. If imports are not subject to similar carbon abatement policies, the competitiveness of domestic production may be disadvantaged. Access to some products and raw materials, including domestic gas, may be impacted or limited as regulation or policy impact their cost, competitiveness, availability and supply. The costs for businesses or products with large emissions footprints may increase, affecting margins, which may limit opportunities for growth including into alternative markets.	– Implement an internal shadow carbon price on investments that attaches a cost to emissions – Engage stakeholders to ensure policies support the transition to a low-emissions economy while maintaining competitiveness against imports, including on policies that support key inputs, such as domestic gas supply, until an alternative is widely available – Decarbonise operations, including setting emissions reduction and net zero targets, consistent with the Climate Policy. This action may mitigate possible future exposure to direct carbon pricing while factoring in future costs – Diversify supplier base and sourcing regions to manage risks and exposures
Stranded assets in the global transition to a low-emissions economy	
Scenario: ● ● Time horizon to impact: Long Financial impact: Direct and indirect costs	
Emissions intensive operations and assets may be at risk of becoming stranded or obsolete if they cannot cost-effectively decarbonise or transition in response to market, technology and regulatory changes. The development of solutions such as CCUS may face challenges or take longer than expected, including to overcome regulatory issues or provide access to transportation infrastructure, potentially delaying their deployment and exacerbating these risks. OPPORTUNITY – Partner and invest in new markets for low-emissions hydrogen, ammonia and lithium, leveraging our expertise to support the global transition to a low-emissions economy.	– Collaborate with partners to support solutions such as CCUS, including by repurposing existing assets – Investigate the introduction of low-emissions ammonia into WesCEF's existing production processes – Identify investment opportunities aligned with new products, markets and industries, supporting the transition to a low-emissions economy – Continue progressing towards interim and net zero targets and apply an internal shadow carbon price to investment decisions, to mitigate future exposures – Explore new markets and investment opportunities that support a low-emissions economy, including low-emissions hydrogen, ammonia and lithium
Erosion of our reputation and community support	
Scenario: ● ● Time horizon to impact: Short to Medium Financial impact: Direct and indirect costs	
There may be a risk of negative impacts on our reputation and community support due to our exposure to emissions intensive or hard-to-abate businesses, including to natural gas, with increasing pressure for greater action at a faster pace. OPPORTUNITY – Invest for the future in low-emissions technologies and resources for the energy transition, including portfolio renewal into new industries such as lithium.	– Continue decarbonising operations consistent with interim and net zero targets and evaluate opportunities to reduce value chain emissions – Report on performance, consistent with best practice standards and frameworks, to provide stakeholders with consistent, comparable and transparent information – Proactively leverage expertise and financial capability to partner and invest in low-emissions technologies, solutions and industries

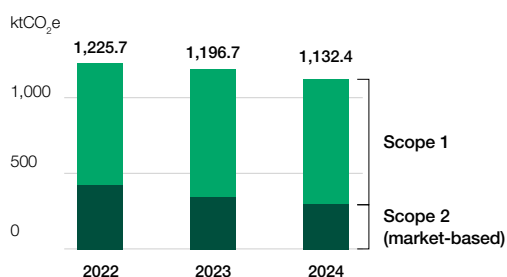
Operational decarbonisation

This year, the Group's Scope 1 and Scope 2 (market-based) emissions decreased to 1,132.4 kilotonnes of carbon dioxide equivalent (ktCO₂e), falling 5.4 per cent relative to 2023. While decarbonisation pathways vary across the sectors in which we operate, our divisions (except OneDigital¹), have set interim and net zero Scope 1 and Scope 2 emissions reduction targets.

With our commitment to reduce emissions, Bunnings Group, Kmart Group, WesCEF, Officeworks, Industrial and Safety and Wesfarmers Health have set interim and net zero operational emissions targets.

Group performance

Group Scope 1 and Scope 2 (market-based) emissions²



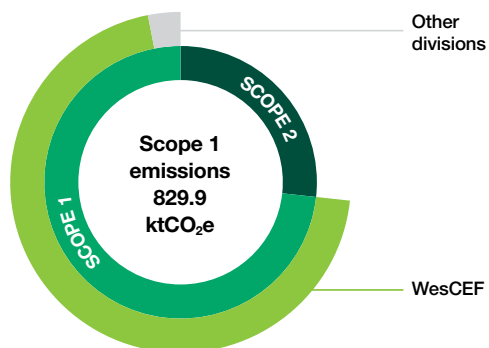
During the year, Group Scope 1 and Scope 2 (market-based) emissions were 1,132.4 ktCO₂e.

Scope 1 emissions were 829.9 ktCO₂e, a modest 1.9 per cent decrease relative to 2023, due principally to improvements to ammonia emissions intensity at WesCEF.

Scope 2 (market-based) emissions were 302.5 ktCO₂e, a decrease of 13.8 per cent relative to 2023. This decrease was achieved through ongoing energy efficiency measures, rooftop solar installations, renewable electricity procurement and lower electricity emission factors (reflecting a higher proportion of renewable electricity in the grid).

Group operational emissions profile

Scope 1 emissions by division

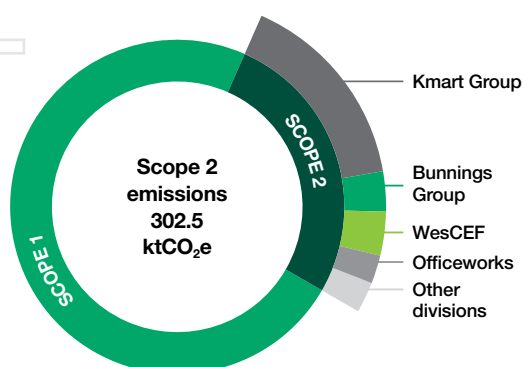


During the year, Scope 1 emissions accounted for 73.3 per cent of the Group's total operational emissions. They are 'direct' emissions released from the Group's operations.

WesCEF's industrial processes include manufacturing and processing ammonia, ammonium nitrate, sodium cyanide, LNG and LPG, which account for 95.8 per cent of the Group's Scope 1 emissions. These emissions are difficult to abate.

The remaining 4.2 per cent arise from fuels used in fleet vehicles, natural gas for heating, LPG in forklifts and equipment and refrigerants in cooling systems.

Scope 2 (market-based) emissions by division



During the year, Scope 2 (market-based) emissions accounted for 26.7 per cent of the Group's total operational emissions. They are 'indirect' emissions associated with grid electricity use across the Group.

Bunnings Group, Kmart Group and Officeworks contribute 78.4 per cent of the Group's Scope 2 (market-based) emissions.

Given Scope 2 emissions are material for our retail divisions and represent around 95 per cent of their operational emissions, Scope 2 emissions reductions are being prioritised in those divisions.

¹ OneDigital (including Catch) has yet to set net zero Scope 1 and Scope 2 targets. The division contributes 0.2 per cent of Group Scope 1 and Scope 2 (market-based) emissions.

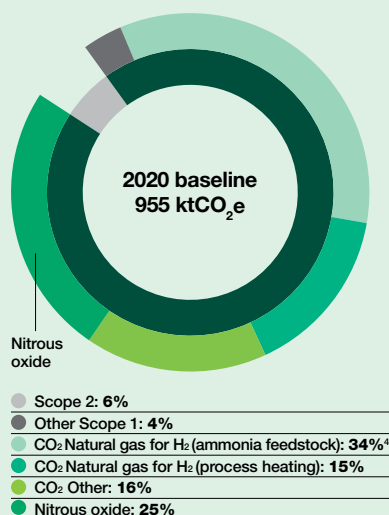
² Wesfarmers' reporting boundary is based on operational control as defined by the *National Greenhouse and Energy Reporting Act 2007* (Cth). Scope 2 emissions are stated using market-based accounting, in accordance with the World Resources Institute Greenhouse Gas Protocol Scope 2 Guidance. Supplementary location-based data can be found from page 189 and at [wesfarmers.com.au/sustainability](https://www.wesfarmers.com.au/sustainability)

Scope 1 operational decarbonisation

To reduce Scope 1 emissions, our divisions will need to make capital investments and enter into partnerships. It will also be important for low-emissions technologies to become commercially viable, operate at scale and for the policy and regulatory environment to remain supportive of decarbonisation.

Decarbonisation initiatives in WesCEF's 2050 net zero roadmap^{1,5} are expected to drive the Group's Scope 1 emissions reduction as 95.8 per cent of the Group's Scope 1 emissions arise from WesCEF's industrial processes. Other divisions account for 4.2 per cent of the Group's Scope 1 emissions, which will be addressed by replacing, electrifying or improving the efficiency of fleet, plant and equipment.²

WesCEF's interim 2030 target



This figure shows the greenhouse gas composition of WesCEF's 2020 baseline³ operational emissions.

Prior to 2020, WesCEF implemented solutions to avoid more than 40 per cent of its operational emissions, principally from secondary nitrous oxide catalytic abatement.

WesCEF's net zero roadmap includes an interim target to reduce operational emissions by 30 per cent by 2030, relative to its 2020 baseline. This interim target is largely expected to be achieved through investments in additional catalytic abatement in WesCEF's three nitric acid plants at CSBP Kwinana.

This year, WesCEF's operational emissions were 12.8 per cent below its 2020 baseline due to operational efficiencies and increased maintenance of existing secondary abatement catalysts in its nitric acid plants.

WesCEF has committed to upgrade its newest nitric acid plant to include tertiary catalytic abatement during the planned maintenance shutdown in the 2025

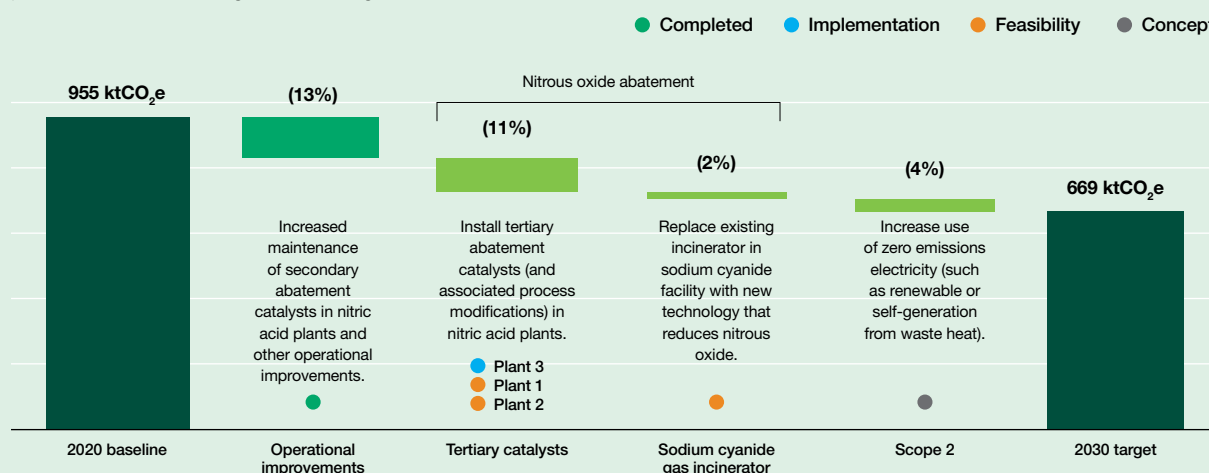
financial year, supported by \$500,000 in funding from the Western Australian Government.

WesCEF was also awarded \$33 million from the Australian Government's Powering the Regions Fund to partially fund the implementation of tertiary catalytic abatement in its remaining two nitric acid plants. The funding reflects the criticality of WesCEF's chemical manufacturing operations to Australia and is intended to support trade exposed facilities covered by the Safeguard Mechanism to reduce emissions and help WesCEF and Australia meet emissions reduction targets.

Implementation of tertiary catalytic abatement across all three nitric acid plants is expected to be completed by the end of the 2028 financial year, delivering a further 11 per cent reduction in operational emissions.

2030 pathway

This pathway represents WesCEF's current view. WesCEF continues to evaluate additional opportunities to reduce emissions and assess potential risks to achieving its interim target.



¹ Further information on WesCEF's net zero roadmap is available at [Wescef.com.au/Wescefs-roadmap-to-net-zero/](https://wescef.com.au/Wescefs-roadmap-to-net-zero/)

² Offsets may be required to address residual Scope 1 emissions across the Group. Around 10 per cent of WesCEF's remaining emissions may require the use of offsets if no commercially viable technological solutions emerge. Further information on divisional targets can be found from page 79.

³ Baseline emissions may be adjusted for significant changes to our business, including product volume expansions, portfolio changes such as mergers, acquisitions and divestments and changes to greenhouse gas reporting methodologies. If baseline emissions require revision, targets may also be adjusted.

⁴ This is high purity CO₂ and presented net of volumes captured and sold to third parties.

⁵ In setting its 2050 net zero target and roadmap, WesCEF assumed low-emissions technologies such as CCUS will advance and become commercially viable and operate at scale well before 2050. WesCEF also assumes government policy will remain supportive of climate action and technologies required to decarbonise. The assumptions underpinning WesCEF's targets will be regularly tested to ensure they are reasonable.

Scope 2 operational decarbonisation

Reducing Scope 2 emissions requires a transition to renewable electricity, through a portfolio of on-site and off-site solutions.

Bunnings, Kmart Group and Officeworks account for 78.4 per cent of the Group's Scope 2 emissions. Their targets to source 100 per cent renewable electricity by the end of calendar year 2025 will substantially reduce the Group's Scope 2 emissions.

We have three overarching strategies to reduce Scope 2 emissions.

Reducing electricity use

Improving energy efficiency of existing stores through retrofitting, automating building management systems, installing LED lighting and improving the efficiency of heating and cooling systems. For new stores, there are opportunities to apply sustainable design principles.

Generating on-site electricity

Investing in behind-the-meter electricity generation from renewable and waste-heat sources to replace grid-electricity use. For most divisions, this is through rooftop solar and for WesCEF, it is principally through waste-heat recovery. Where feasible, battery systems are considered, complementing rooftop solar installations.

Procuring renewable electricity

A portfolio of solutions including sourcing renewable electricity and associated large-scale generation certificates (LGCs) through power purchase agreements with electricity retailers and/or generators and retail renewable electricity products like GreenPower. Unbundled renewable energy certificates, including LGCs, will also be required.

ROOFTOP SOLAR ACROSS THE GROUP

212 systems

As at 30 June 2024, 212 rooftop solar systems with 46 MW of generation capacity were installed across the Group, with 47 systems installed during the year.

These systems generated 33,810 MWh of renewable electricity, equivalent to the annual electricity use of more than 5,300 Australian households.



Sustainable buildings by design

By reducing energy use and improving building energy efficiency at new facilities, Officeworks is progressing towards its net zero Scope 1 and Scope 2 targets.

In late 2023, Officeworks relocated approximately 900 team members to

its new Support Centre at the recently redeveloped Chadstone Place in Victoria, a zero emissions building.

The Support Centre integrates sustainable design into a purposeful, engaging space that allows for a collaborative and flexible work environment, aligning to Officeworks' commitment to People and Planet.

The Officeworks project team collaborated with Vicinity Centres to transform an 8,100 sqm building, prioritising energy efficiency, responsible construction, procurement and finishes.

It includes modern design elements for team member comfort, such as tall interior spaces, landscaped inclusions, high-efficiency lighting, natural ventilation and rooftop solar generation.

The refurbished office achieved a 6-star Green Star Built rating and 5.5-Star Energy and 4-Star Water NABERS ratings.



Sourcing renewable electricity

In 2022, Bunnings entered into renewable electricity agreements with ZEN Energy and Red Energy. From January 2024, the ZEN Energy project links 89.3 per cent of Bunnings' electricity use in South Australia to the 87 MW Tailem Bend 2 Solar Farm, located approximately 90 kilometres southeast of Adelaide.

Similarly, the Red Energy agreement supplies large sites¹ in New South Wales and the Australian Capital Territory, representing 99.2 per cent of their electricity use across the state and territory. From July 2023, the agreement links to the 110 MW Sebastopol Solar Farm near Temora, New South Wales.

The Sebastopol Solar Farm covers 248 hectares and combines sheep farming with a large-scale solar farm, allowing sheep to graze beneath and around the panels. The Sebastopol Solar Farm showcases how renewable energy projects can coexist with agriculture, providing dual land use and additional income for farmers.

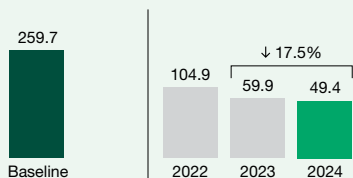
The ZEN Energy and Red Energy agreements continue to support Bunnings' progress towards its 100 per cent renewable energy target. In 2024, 79.6 per cent of Bunnings' electricity needs were met from renewable sources.

¹ Large sites are sites with electricity consumption that is equal to or exceeds 100 megawatt hours (MWh) per annum.

Operational decarbonisation divisional progress

Progress against targets¹ (ktCO₂e)

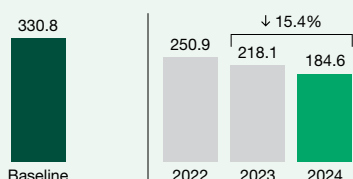
Bunnings Group



Net zero Scope 1 and Scope 2 by 2030

100 per cent renewable electricity by the end of calendar year 2025

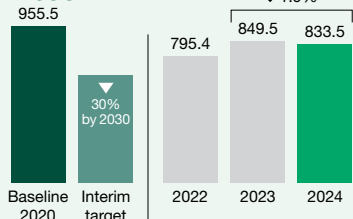
Kmart Group



Net zero Scope 1 and Scope 2 by 2030

100 per cent renewable electricity by the end of calendar year 2025

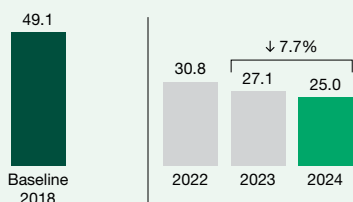
WesCEF



Net zero Scope 1 and Scope 2 by 2050

Interim target – 30 per cent Scope 1 and Scope 2 reduction by 2030

Officeworks



Net zero Scope 1 and Scope 2 by 2030

100 per cent renewable electricity by the end of calendar year 2025

Baseline emissions profile

Scope 1 emissions represent around 5 per cent of Bunnings Group's baseline operational emissions and come from natural gas for heating, LPG for community BBQs and forklifts and fuels in fleet vehicles.

Scope 2 emissions represent around 95 per cent of Bunnings Group's baseline emissions and come from grid electricity use across its stores, distribution centres and offices.

Bunnings Group's target to achieve 100 per cent renewable electricity by the end of calendar year 2025 will address its Scope 2 (market-based) emissions and contribute significantly to its net zero target.

Scope 1 emissions represent around 5 per cent of Kmart Group's baseline operational emissions and come from natural gas for heating, LPG for forklifts, fuels in fleet vehicles and small refrigerant losses from cooling systems.

Scope 2 emissions represent around 95 per cent of Kmart Group's baseline operational emissions and come from grid electricity use.

Kmart Group's target to achieve 100 per cent renewable electricity by the end of calendar year 2025 will address its Scope 2 (market-based) emissions and contribute significantly to its net zero target.

WesCEF's baseline operational emissions profile and 2030 interim target pathway are detailed on page 77.

CSBP Kwinana's Scope 1 emissions represents 84.5 per cent of WesCEF's **Scope 1 emissions**. This facility is covered by the Safeguard Mechanism.

In 2024, the CSBP Kwinana facility is expected to generate Safeguard Mechanism credits as its emissions are below its Safeguard Mechanism baseline emissions.

Scope 1 emissions represent a negligible proportion of Officeworks' baseline operational emissions and come primarily from fuel use in fleet vehicles.

Scope 2 emissions represent almost all of Officeworks' operational baseline emissions and are associated with the use of grid electricity across Officeworks' stores and distribution centres.

Officeworks' target to achieve 100 per cent renewable electricity by the end of calendar year 2025 will address its Scope 2 (market-based) emissions and contribute significantly to its net zero target.

Progress in 2024

This year, Bunnings Group achieved a 17.5 per cent reduction in Scope 1 and Scope 2 (market-based) emissions relative to the prior year. Bunnings Group is 81.0 per cent below its 2018 baseline, materially exceeding its interim target of 10 per cent by 2025.

Bunnings Group's emissions reductions were driven by efficiency measures, installation of rooftop solar systems and the commencement of renewable electricity contracts.

During the year, Bunnings Group installed 26 rooftop solar systems, for a total of 153 systems across its store network.

In 2024, Kmart Group achieved a 15.4 per cent reduction in Scope 1 and Scope 2 (market-based) emissions relative to the prior year. It is 44.2 per cent below its 2018 baseline, exceeding its interim target of 20 per cent by 2025.

Kmart Group's emissions reductions were driven by efficiency measures in its operations. Small volumes of renewable electricity from the installation of rooftop solar and lower electricity emission factors also contributed to the reductions.

In 2024, Kmart Group executed contracts to purchase 100 per cent renewable electricity in New Zealand, commencing in 2025. Kmart Group is working to source additional renewable electricity agreements to meet its 100 per cent renewable electricity target.

WesCEF's Scope 1 and Scope 2 (market-based) emissions decreased 1.9 per cent in 2024 and are 12.8 per cent below its 2020 baseline.

The modest decrease in WesCEF's 2024 emissions was principally due to an improvement in the emissions intensity of ammonia production as a result of operational improvements and an increase in carbon dioxide captured and sold.

In 2024, Officeworks achieved a 7.7 per cent reduction in Scope 1 and Scope 2 (market-based) emissions relative to the prior year. Officeworks is 49.1 per cent below its 2018 baseline, exceeding its interim target of 25 per cent by 2025.

During the year, Officeworks installed 15 rooftop solar systems, for a total of 41 across its business.

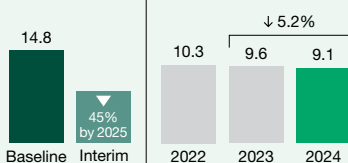
¹ Interim and net zero targets assume low-emissions technologies will advance and become commercially viable and operate at scale to meet these targets. Baseline emissions may be adjusted for significant changes to our business, including product volume expansions, portfolio changes such as mergers, acquisitions and divestments and changes to greenhouse gas reporting methodologies. If baseline emissions require revision, targets may also be adjusted.

Operational decarbonisation divisional progress

Progress against targets¹ (ktCO₂e)

Baseline emissions profile

Progress in 2024

Industrial and Safety
(ex-Coregas)

Net zero Scope 1 and Scope 2 by 2035

Interim target – 45 per cent Scope 1 and Scope 2 emissions reduction by 2025

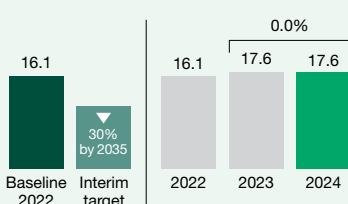
Scope 1 emissions represent 29 per cent of Industrial and Safety's (ex-Coregas) baseline operational emissions and arise from fuel use in fleet vehicles.

Scope 2 emissions represent 71 per cent of Industrial and Safety's (ex-Coregas) baseline operational emissions and are associated with electricity use at its distribution centres, branches and trade stores.

In 2024, Industrial and Safety (ex-Coregas) achieved a 5.2 per cent reduction in Scope 1 and Scope 2 (market-based) emissions relative to the prior year and is 38.5 per cent below its 2018 baseline.

The reductions were driven by operational efficiencies, including site closures, installation of rooftop solar and procuring renewable electricity in New Zealand. Lower electricity emission factors also contributed to the decrease.

Coregas



Net zero Scope 1 and Scope 2 by 2050

Interim target – 30 per cent Scope 1 and Scope 2 emissions reduction by 2035

Scope 1 emissions represent 54 per cent of Coregas' baseline operational emissions and arise from Coregas' industrial processes and fuel use in fleet vehicles.

Reducing Scope 1 emissions involves increasing efficiency, optimising production, freight network improvements and substituting internal combustion engine vehicles with low-emissions alternatives, such as hydrogen and electric vehicles.

Scope 2 emissions represent 46 per cent of Coregas' baseline operational emissions and come from grid electricity use across its facilities.

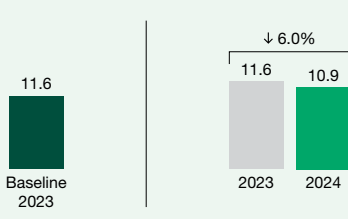
In 2024, Coregas' emissions were stable and remain 9.3 per cent above its baseline.

The increase is due to continued business growth since 2022 when Coregas' operational emissions baseline was established.

In December 2023, Coregas announced a \$16 million investment in a new Air Separation Unit (ASU) at its existing facility in Darra, Queensland. The ASU will increase cryogenic fluid production, serving increased demand in the region, currently supplied from Coregas' facility in Port Kembla, New South Wales. Bringing production closer to customers will help reduce Coregas' transport-related Scope 1 emissions.

Commissioning of the facility is planned for mid-calendar year 2025.

Wesfarmers Health



Net zero Scope 1 and Scope 2 by 2035

Interim target – 100 per cent renewable electricity at new distribution centres

Scope 1 emissions represent around 2 per cent of Wesfarmers Health's baseline operational emissions and arise from fuel use in fleet vehicles.

Scope 2 emissions represent over 98 per cent of Wesfarmers Health's baseline operational emissions and come from electricity use across its company stores, clinics, distribution centres and offices. Reductions will be achieved through improved energy efficiency across its sites, installation of rooftop solar at its distribution centres and procuring of renewable electricity.

In 2024, Wesfarmers Health reported a 6.0 per cent reduction in Scope 1 and Scope 2 (market-based) emissions relative to the prior year.

The reduction was principally due to closures of stores and clinics across its portfolio.

During the year, Wesfarmers Health set a net zero Scope 1 and Scope 2 emissions target by 2035 and an interim commitment to source 100 per cent renewable electricity at its distribution centres, aligned to the implementation of its network strategy.

Internal carbon price

Since 2014, Wesfarmers has incorporated an internal carbon price (as a shadow price) in capital allocation and expenditure decisions through the Wesfarmers Project Expenditure and Disposals Policy. An internal carbon price acts as a commercial incentive for businesses to strategically plan emissions reductions or anticipate future costs by attaching a price to emissions associated with an investment or operation.

During the year, the Climate Leaders Coalition² (CLC) developed an internal carbon price playbook, providing businesses with practical steps to establish an internal carbon price as a strategic tool to support decarbonisation objectives. As a CLC signatory, Wesfarmers piloted the CLC playbook for decision-makers on internal carbon pricing before it was published. Through the pilot, Wesfarmers provided input on various use cases of an internal carbon price across its diverse portfolio of businesses.

¹ Interim and net zero targets assume low-emissions technologies will advance and become commercially viable and operate at scale to meet these targets. Baseline emissions may be adjusted for significant changes to our business, including product volume expansions, portfolio changes such as mergers, acquisitions and divestments and changes to greenhouse gas reporting methodologies. If baseline emissions require revision, targets may also be adjusted.

² The CLC is a group of cross-sectoral Australian corporate CEOs supporting corporate decarbonisation. For further information visit climateleaders.org.au

Value chain emissions

Wesfarmers' value chain, or Scope 3, emissions are material and reflect the scale and nature of the Group's businesses. During the year, work continued to refine the Group's Scope 3 emissions data to help identify decarbonisation opportunities within the value chain.

Scope 3 emissions are 'indirect' greenhouse gas emissions arising from activities upstream and downstream of our divisions' operations. These emissions are outside our direct control and represent the Scope 1 and Scope 2 emissions of direct and indirect suppliers, customers and team members.

In 2024, the Group's Scope 3 emissions were approximately 35.8 MtCO₂e, approximately 32 times the Group's operational emissions. The Bunnings Group, Kmart Group and WesCEF value chains represent 79.9 per cent of the Group's Scope 3 emissions. For Bunnings Group and Kmart Group, Scope 3 emissions are primarily linked to the volume and nature of products sold. For WesCEF, Scope 3 emissions principally arise from the purchase and use of ammonia, natural gas and fertilisers.

Three Scope 3 categories¹ represent 93.9 per cent of the Group's Scope 3 emissions.

Category 1 – Purchased goods and services

These emissions arise from upstream activities relating to the extraction, manufacture and production of goods and services. These emissions are the largest contributor to the Group's Scope 3 emissions as they represent the 'cradle-to-gate' emissions of products sold by our divisions.

Category 11 – Use of sold products

These emissions arise from customer use of products sold by our divisions. They include emissions associated with energy use, such as electricity to power electrical goods or secondary activities such as laundering apparel.

This category also includes emissions from the use of fertilisers and combustion of fuels sold.

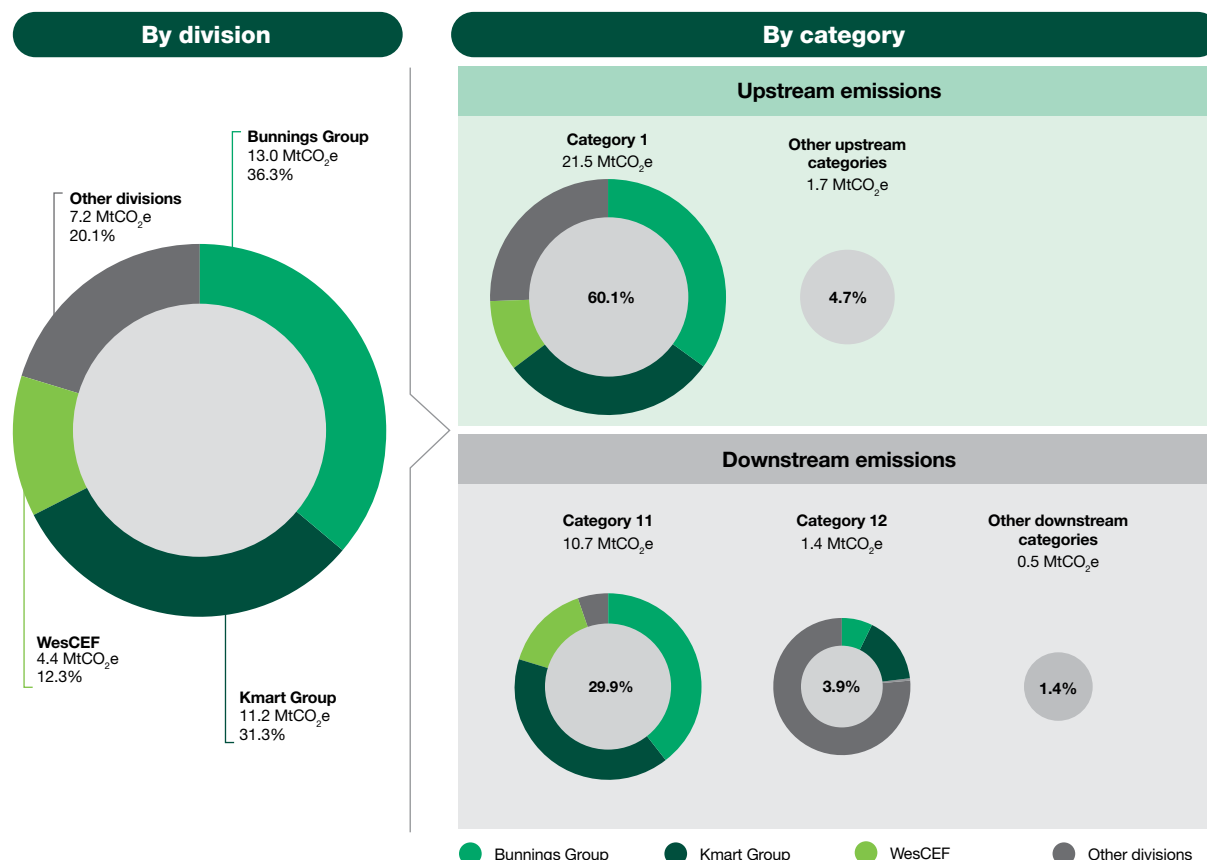
Category 12 – End-of-life treatment of sold products

These emissions arise from the treatment, processing and disposal of products sold at the end of their life (such as waste disposal, recycling and reprocessing).

This category also includes emissions from the release of industrial, medical and specialty gases by our customers after use.

Group Scope 3 emissions by division and category

Total Scope 3 emissions 35.8 MtCO₂e



¹ There are 15 Scope 3 categories listed in the World Resources Institute Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard. Our full Scope 3 inventory can be found at wesfarmers.com.au/sustainability

Value chain emissions

Our progress

Collaboration, partnerships and a whole-of-economy approach are essential in addressing Scope 3 emissions.

Recognising the importance of partnerships, in 2024, Bunnings joined the European DIY Retail Association and Global Home Improvement Network (EDRA/GHIN) Scope 3 Taskforce (Taskforce). The Taskforce provides an opportunity to support standardisation and refinement of Scope 3 emissions reporting and to share best practice with global peers.

Kmart Group continued to collect supplier-specific emissions data, achieving coverage of more than half of its suppliers

Scope 3 focus areas

With indirect influence over our value chain, it is important to understand where and how we can engage with suppliers, customers and others to support emissions reductions.

Across the Group, there are three overarching focus areas.

Data

Calculating Scope 3 emissions is complex and we use a blend of spend-, activity-, supplier- and life cycle-based approaches to calculate our Scope 3 inventory. Some divisions have continued to refine their approach, improving the resolution of their calculation methods where possible.

Suppliers

Upstream Category 1 emissions are the largest source of Scope 3 emissions across the Group. It will be essential to engage with key suppliers to understand their emissions profiles, including emissions that are further upstream in their supply chains, to identify and support efforts to deliver emissions reduction opportunities.

Customers

Reducing downstream emissions from Category 11 and Category 12 requires further improvements to product efficiencies and support for responsible disposal of products at their end-of-life, including through take-back and recycling programs across our divisions' store networks. Emissions from electricity used by products sold will decrease as the electricity grid decarbonises.

in Category 1. The data indicates that over half the thermal energy needs in upstream apparel production processes come from non-renewable sources, highlighting potential emissions reduction opportunities with suppliers.

WesCEF conducted a desktop analysis of key suppliers to gather information that will allow it to assess upstream value chain decarbonisation opportunities. Key findings indicate that in 2023, about half of WesCEF's Scope 3 emissions were from purchased inputs and energy. Of these emissions, 60 per cent come from six suppliers, each with net zero Scope 1 and Scope 2 targets. Decarbonisation by these suppliers will likely require the implementation of low-emissions ammonia technologies and use of renewable electricity.

Recognising the importance and challenge of reducing Scope 3 emissions, we have taken a systematic approach to refine our inventory to help identify achievable and measurable reduction opportunities that are backed by data.

Supporting sustainable agriculture

CSBP Fertilisers' data and nutritional management tool, DecipherAg, provides insights for farmers to optimise production and support emissions reduction in agriculture.

DecipherAg's 'Review' features visualisation tools to analyse crop yield, nutrient use efficiency (NUE) assessment and greenhouse gas emissions. The analysis may help optimise inputs to improve agricultural supply chain sustainability.

By correlating crop yield, biomass imagery, water availability and soil nutrition data, farmers can evaluate their crop performance and identify efficiency opportunities, including optimising fertiliser use. By comparing emissions data at the farm, paddock and crop level, farmers can make informed decisions on crop selection and fertiliser inputs, optimising production and contributing to more sustainable agricultural practices.



Pilot on quantifying emissions avoided

As a leading provider of workwear solutions, Workwear Group connects its customers with garment recycling solutions to support responsible disposal of uniforms at end-of-life. These initiatives aim to divert textile waste from landfill, which reduces raw or virgin material consumption in other industries.

Recognising the complexities in quantifying these benefits, in 2024, Workwear Group launched a pilot to evaluate how recycling and end-of-life treatment of garments can contribute to emissions reduction.¹ The pilot is evaluating whether recovered or regenerated materials contribute to avoided emissions in diverse industries, by replacing virgin resources required to manufacture products, such as insulation, filling materials, fertiliser and plastic pellets.

While avoided emissions from end-of-life treatment represent a small portion of Group Scope 3 emissions, the pilot is an important first step in quantifying avoided emissions from end-of-life treatment and enabling Workwear Group to test assumptions, improve data accuracy and enhance its Scope 3 reporting. Together, Workwear Group and its customers will gain clearer insights into emissions benefits and challenges from garment end-of-life treatments, while supporting circular business models.

¹ Recycled and end-of-life treatment of products may help to displace the use of virgin materials. This may contribute to emissions reduction outside our value chain, in separate industries or sectors.

Growth opportunities

Decarbonisation will provide Wesfarmers with opportunities to invest in adjacent or supporting industries and growing markets.

New industries and agencies

Globally, the transport sector accounts for around one-fifth of global emissions, 70 per cent of which arise from road vehicles.¹ Decarbonising road transport will require replacing fossil fuel-based internal combustion engine vehicles with battery-electric and hydrogen-electric fuel cell vehicles.

Wesfarmers' investment in integrated lithium production and in advancing the hydrogen supply chain plays a role in supporting decarbonisation of the transport sector. Further information on the Covalent lithium project can be found from page 36.

Customer preferences

Changing consumer preferences may provide opportunities to invest in new or growing markets, such as low-emissions hydrogen, ammonia and other products that support decarbonisation across the economy.

For our retailers, omnichannel and circular business models may evolve as demand rises for low-emissions products and products with sustainability credentials.



The energy transition fuels growth for Coregas

Coregas is leveraging its expertise in industrial and specialty gases to advance its business and help fuel the energy transition.

Coregas plays an important role in the hydrogen supply chain in Australia and New Zealand, with customer and supplier net zero targets and ambitions providing opportunities for investment.

The launch of Coregas' H2Station – Australia's first hydrogen refuelling station for heavy vehicles – supported Aluminium Revolutionary Chassis Company (ARCC), Premier Illawarra and Remondis to deploy hydrogen vehicles in the Illawarra-Shoalhaven region.

Coregas and Halcyon also launched New Zealand's first green hydrogen fast refuelling station at Wiri, South Auckland.

This year, Coregas expanded its operations with the acquisition of a hydrogen liquefier in Port Hastings, Victoria. Prior to Coregas' acquisition, the hydrogen liquefier played an important role supporting the Hydrogen Energy Supply Chain pilot, which successfully demonstrated that hydrogen can be produced, liquefied and transported to Japan. Currently, Coregas is working with stakeholders to identify opportunities to leverage this asset to advance the hydrogen supply chain for Australia.

During the year, Coregas also secured a major contract to support a trial to develop low-emissions aluminium. The decarbonised process replaces natural gas with hydrogen in the calcination combustion process. Coregas will be supplying liquid oxygen, to enable the 'clean' combustion of hydrogen.²

Coregas' expertise and focus on partnerships has enabled it to capture growth opportunities while supporting decarbonisation efforts of its customers and value chain.

¹ IPCC: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

² Combustion of hydrogen and oxygen produces water vapour.

Partnerships

Partnerships are essential to support and accelerate operational and value chain decarbonisation.

Partnerships and collaboration with governments, research organisations, industry, suppliers, customers and others, help to trial, commercialise and scale up low-emissions technologies and advance emerging solutions that support decarbonisation.

For some divisions, such as WesCEF, partnerships will be essential to support operational decarbonisation of industrial processes. Diverse partners will be important to the discovery and development of low-emissions technologies, as they are piloted and become commercially viable and capable of operating at scale.

For other divisions, partnerships with suppliers, customers and adjacent businesses will be essential to support value chain decarbonisation.



Partnerships for transition

WesCEF's 2050 net zero Scope 1 and Scope 2 target depends on the deployment of a combination of solutions, including new and emerging technologies.

WesCEF collaborates and partners with industry and researchers to identify, study and deploy low-emissions technologies and solutions, including with:

- Australian and state governments to accelerate implementation and investment in low-emissions technology
- APA Group and the Parmelia Green Hydrogen Project to investigate the feasibility of a large-scale renewable hydrogen production facility south of Kwinana, Western Australia. This project received funding from the Australian Renewable Energy Agency (ARENA) as part of ARENA's Advancing Renewables Program

- Jupiter Ionics, as part of a consortium to develop novel green ammonia technology, to deploy small scale units to produce distributed green ammonia from renewable energy
- Monash University as part of the Australian Research Council Research Hub for Carbon Utilisation and Recycling to develop technologies to transform carbon dioxide emissions into useful products from the manufacturing and energy sectors
- Mitsui E&P Australia to study low-emissions ammonia solutions, including a carbon capture and storage project. A successful carbon dioxide injection test was completed during the year at Mitsui E&P Australia's proposed carbon storage facility in Dongara, Western Australia. This project is now preparing for front-end engineering design.

These partnerships aim to reduce uncertainty relating to WesCEF's net zero roadmap and accelerate commercialisation of technologies detailed in its net zero roadmap.

Policy and industry engagement

During the year, Wesfarmers and its divisions engaged with the Australian and state governments, industry associations and member organisations on policies and actions to support climate action and ensure Australia remains competitive in the transition to a low-emissions economy. Examples of the Group's engagement on climate policy include:

– Mandatory climate-related financial disclosures

Wesfarmers engaged in consultations in support of Australia's proposed mandatory climate-related financial disclosures. As part of the consultations, we provided input into the opportunities and challenges associated with the standardisation of sustainability reporting.

– New vehicle efficiency standard

Bunnings, through industry associations, provided insights on critical issues affecting the retail sector, while supporting Australia's New Vehicle Efficiency Standard to accelerate transport decarbonisation.

– Carbon leakage review

WesCEF supported the assessment of measures to address carbon leakage risks, including scope to introduce a Carbon Border Adjustment Mechanism to ensure Australian emissions intensive businesses remain internationally competitive as they decarbonise.

– Low-emissions ammonia (green and blue)

Decarbonising ammonia production will be essential to WesCEF's net zero roadmap. While low-emissions ammonia produced from electrolysis processes with renewable energy is technically feasible, renewable electricity supply and costs are substantial barriers to deployment at scale. Low-emissions ammonia produced with natural gas and CCUS is expected to play a critical role in WesCEF's net zero roadmap, with policy reforms required to advance CCUS and access to natural gas during the transition. During the year, in submissions to the Australian and Western Australian Governments, WesCEF highlighted the challenges and opportunities with low-emissions ammonia production.

Independent Limited Assurance Statement to the Management and Directors of Wesfarmers Limited

Our Conclusion: Ernst & Young ("EY", "we") were engaged by Wesfarmers Limited ("Wesfarmers") to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a "review", over the Subject Matter defined below for the year ended 30 June 2024. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter has not been prepared, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed the following Subject Matter in the Annual Report and related website content (the "Report"):

- Wesfarmers' approach to defining report content ("materiality assessment")
- Risk based check of disclosures in Annual Report and related website content
- Disclosures in the 'Climate-related disclosures' with reference to the recommendations of the Task Force on Climate-related Financial Disclosures
- Wesfarmers' reported alignment to 'in accordance with' requirements of the Global Reporting Initiative's (GRI) Sustainability Reporting Standards ('GRI Standards')
- Selected material performance metrics set out in the table below, presented on Wesfarmers' website under wesfarmers.com.au/sustainability as at 28 August 2024.

Performance metrics

Environment

- Greenhouse gas emissions (tonnes CO₂e):
 - Scope 1
 - Scope 2 market-based
 - Scope 2 location-based
 - Scope 3
- Energy use (petajoules)
- Water use (megalitres)
- Operational waste disposed (kilotonnes)

Safety, health and wellbeing

- Total Recordable Injury Frequency Rate (%)
- Workers Compensation Claims (#)

Community contributions

- Direct community contributions (\$million)
- Indirect community contributions (\$million)

People, diversity and inclusion

- Team members by gender and region (#)
- Team members by employment type (#)
- Team members by gender and age (%)
- Team members turnover rate (%)
- Female representation in leadership roles (% female)
- New team member hires by gender and employment type (#)

Advancing reconciliation

- Aboriginal and Torres Strait Islander employment (#)
- Aboriginal and Torres Strait Islander procurement spend (\$million)
- Instances of cultural awareness training (#)

Ethical sourcing

- Monitoring data:
 - Number of suppliers (#)
 - Number of suppliers in the ethical sourcing program (#)
 - Number of sites in the ethical sourcing program (#)

- Number of sites monitored in the ethical sourcing program (#)
- Number of sites with reportable breaches (#)
- Number of reportable breaches (#)
- Number of suppliers or their sites exited where remediation of a reportable breach could not be achieved (#)
- Number of sites with a grievance mechanism deployed (#)
- Number of countries with a grievance mechanism (#)
- Number of factory workers at a site with a grievance mechanism (#)
- Sourcing locations of own-brand goods:
 - Number of own-brand supplier sourcing locations (#)
 - Top 10 own-brand supplier sourcing locations (country)
- Modern slavery and ethical sourcing training and capacity building:
 - Number of suppliers trained (#)
 - Number of team members trained (#)
 - Supplier training hours (#)
 - Team member training hours (#)

Other than as described in the preceding paragraphs, which set out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion or conclusion on this information.

Criteria applied by Wesfarmers Limited

In preparing its sustainability disclosures, Wesfarmers applied the following criteria:

- GRI Standards, including the Reporting Principles for defining report quality and report content
- National Greenhouse and Energy Reporting Act 2007
- National Greenhouse and Energy Reporting Regulations 2008
- National Greenhouse and Energy Reporting (Measurement) Determination 2008 as amended
- GHG Protocol Standards
- Recommendations of the Task Force on Climate-related Financial Disclosures; and
- Other Custom Criteria, as determined by Wesfarmers, and as set out in its Sustainability Reporting.

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review. We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services*

Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Wesfarmers' responsibility

Wesfarmers' management is responsible for selecting the Criteria, and for presenting the selected sustainability disclosures and related information in the Annual Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Our approach to conducting the review

We conducted our review in accordance with the *Australian Auditing and Assurance Standards Board's Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000') and the terms of reference for this engagement as agreed with Wesfarmers on 16 February 2024 and amended on 21 July 2024. That standard requires that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the selected sustainability disclosures and related information in the Annual Report and applying analytical and other review procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- Evaluating Wesfarmers' adherence to the GRI Standards Reporting Principles for defining report quality and report content, including the processes involved at a divisional and corporate level
- Assessing whether material topics and performance issues identified during our procedures had been adequately disclosed
- Interviewing selected personnel from divisional and corporate offices, to understand the key sustainability issues related to the subject matter and processes for collecting, collating and reporting the performance data during the reporting period
- Where relevant, gaining an understanding of systems and processes for data aggregation and reporting
- Performing analytical tests and detailed substantive testing to source documentation for material qualitative and quantitative information
- Assessing the accuracy of calculations performed
- Obtaining evidence to support key assumptions in calculations and other data

- Obtaining evidence for selected management information supporting assertions made in the Subject Matter
- Assessing that data and statements had been accurately transcribed from corporate systems and/or supporting evidence
- Assessing the presentation of claims, case studies and data against the relevant GRI principles contained in the Criteria
- Assessing the presentation of the 'Climate-related disclosures' with reference to the Recommendations of the Task Force on Climate-related Financial Disclosures requirements

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

Inherent Limitations

Procedures performed in a review engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

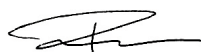
The greenhouse gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of greenhouse gases. Additionally, greenhouse gas procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Other matters

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Subject Matter. Our report does not extend to any disclosures or assertions made by Wesfarmers relating to future performance plans and/or strategies disclosed in Wesfarmers' report and supporting disclosures online.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Wesfarmers, or for any purpose other than that for which it was prepared. Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.



Patrick Miller
Partner



Ernst & Young
Melbourne, Australia
28 August 2024

Board of Directors



Michael Chaney AO

CHAIRMAN

BSc, MBA, Hon. LLD W.Aust, FAICD

Age 74

Term: Chairman since November 2015;
Director since June 2015.

Skills and experience: After an early career in petroleum geology and corporate finance, Michael joined Wesfarmers in 1983 as Company Secretary and Administration Manager. He became Finance Director in 1984 and was appointed Managing Director in July 1992. He retired from that position in July 2005. Michael was Chairman of National Australia Bank Limited from 2005 to 2015 and of Woodside Petroleum Limited from 2007 to 2018; a director of BHP and BHP Billiton Limited from 1995 to 2005; Chancellor of The University of Western Australia from 2005 to 2017 and President of the Business Council of Australia from 2005 to 2007.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of Australians for Indigenous Constitutional Recognition Ltd (since December 2022)
- Chairman of Northern Star Resources Limited (since July 2021)
- Chairman of the National School Resourcing Board (retired October 2023)
- Director of the Centre for Independent Studies (retired July 2022)
- Member of the Gresham Resources Royalties Fund Investment Committee (retired October 2022)



Rob Scott

MANAGING DIRECTOR

B.Comm, MAppFin, CA, GradDipAppFin, OLY

Age 55

Term: Director since November 2017.

Skills and experience: Rob joined Wesfarmers in 1993 before moving into investment banking in various roles in Australia and Asia. Rob rejoined Wesfarmers in 2004 in Business Development before being appointed Managing Director of Wesfarmers Insurance in 2007 and then Finance Director of Coles in 2013. He was Managing Director, Financial Services in 2014 and Managing Director of the Wesfarmers Industrials division in 2015. Rob became the Group's Deputy Chief Executive Officer in February 2017 and assumed the role of Managing Director and Chief Executive Officer at the conclusion of the 2017 Annual General Meeting in November 2017.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of Brisbane 2032 Olympic Organising Committee (since April 2022)
- Director of Business Council of Australia (since November 2021)
- Director of Gresham Partners Group Limited (since November 2020)
- Director of Gresham Partners Holding Limited (since November 2020)
- Director of Flybuys joint venture with Coles Group Limited (since December 2018)
- Member of UWA Business School Advisory Board (since August 2017)
- Chairman of Rowing Australia (retired June 2024)



Mike Roche

DIRECTOR

BSc, GAICD, FIA (London), FIAA (Australia)

Age 71

Term: Director since February 2019.

Skills and experience: Mike has more than 40 years' experience in the finance sector where he held senior positions firstly as an actuary with National Mutual/AXA and then in investment banking where he provided strategic, financial, merger and acquisition, and capital advice to major corporations, private equity and government clients. Mike spent more than 20 years with Deutsche Bank including 10 years as Head of Mergers and Acquisitions where he advised on major takeovers and privatisations. He stepped down as Deutsche Bank's Chairman of Mergers and Acquisitions (Australia and New Zealand) in 2016 and was a member of the Takeovers Panel for two terms from 2008 to 2014.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of Macquarie Bank (since January 2021)
- Director of Macquarie Group (since January 2021)
- Director of MaxCap Group Pty Ltd (since April 2019)
- Director of Te Pahau Management Ltd (since November 2017)
- Founder and Director of Sally Foundation (since April 2013)
- Trustee Director of Energy Industries Superannuation Scheme Pty Ltd (retired September 2021)
- Panel member of Adara Partners (Aust) Pty Ltd (retired December 2022)
- Director of Six Park Asset Management (retired February 2023)



Sharon Warburton

DIRECTOR

BBus (Accounting & Business Law), FCA, FAICD

Age 54

Term: Director since August 2019.

Skills and experience: Sharon has extensive board and executive experience in corporate strategy, business operations, finance, accounting and risk management, particularly in the resources, construction, infrastructure and property sectors, along with significant expertise in governance and remuneration. She was previously Executive Director Strategy and Finance at Brookfield Multiplex and held senior management roles with ALDAR Properties PJSC in the United Arab Emirates, Citigroup in Sydney and Rio Tinto Limited in London and Perth.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of South 32 Limited (since November 2023)
- Director of Mirvac Funds Management Australia Limited (since July 2022)
- Director of Northern Star Resources Limited (since September 2021)
- Director of Thiess Group Holdings Pty Limited (since July 2021)
- Director of Worley Limited (since February 2019)
- Director of Karika Nyiyaparli Aboriginal Corporation RNTBC (since December 2020)
- Member of the Australia Takeovers Panel (retired April 2024)
- Director of Blackmores Limited (retired August 2023)
- Director of the Perth Children's Hospital Foundation (retired February 2023)
- Director of Gold Road Resources Limited (retired September 2021)



Anil Sabharwal

DIRECTOR

BMATH, BCompSc

Age 46

Term: Director since February 2021.

Skills and experience: Anil is Vice President of Product Management at Google and the company's most senior product and engineering leader in Asia Pacific. He is also an advisor to venture capital firm AirTree Ventures. Anil's experience in over 15 years at Google includes leading the product strategy and engineering team behind the launch of Google Photos which reached more than 1 billion active users in less than four years. He has also led product, design and engineering for Google Chrome and ChromeOS, and was on the founding team that built and launched Google Drive. Anil currently leads Google's Health and Wearables division focussed on products that safely help kids lead more active and independent lives. Before joining Google, he co-founded online learning company Desire2Learn, headquartered in Canada, and was General Manager of the knowledge management division in Australia for human resources company, Talent2. He holds an Honors Bachelor of Mathematics in Computer Science from the University of Waterloo.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Advisor to AirTree Ventures (since March 2017)
- Vice President of Product Management at Google (since April 2016, various other roles held at Google since January 2009)



Vanessa Wallace

DIRECTOR

B.Comm (UNSW), MBA (IMD Switzerland), MAICD
Age 60

Term: Director since July 2010.

Skills and experience: Vanessa is an experienced board director, strategy management consultant, and innovative, early stage business investor and founder. She was a Senior Partner at Strategy& (formerly Booz & Company), a member of the global board and finished her 27 year career as Executive Chairman of the business in Japan. Vanessa's industry experience was focussed on financial services across the spectrum of wealth management, retail banking and insurance as well as the health providers and consumer products companies. Her functional depth is in risk management, post-merger integration and business growth associated with revenue levers of channels, customers, and markets.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chairman of Ecofibre Limited (since November 2021, Director since July 2021)
- Director of SEEK Limited (since March 2017)
- Co-founder and Chairman of Drop Bio Limited (since December 2018)
- Director of O'Connell Street Associates (since June 2018)
- Director of Doctor Care Anywhere PLC (retired March 2023)
- Director of Palladium Global Holdings Inc (retired November 2023)
- Member of University of NSW Business School Advisory Council (since April 2021)
- Managing Director of MF Advisory, providing advisory services into Japan (since 2015)



Alison Watkins AM

DIRECTOR

BCom, FCA, FAICD, FFIN
Age 61

Term: Director since September 2021.

Skills and experience: Alison holds a Bachelor of Commerce (University of Tasmania), is a Fellow of Chartered Accountants ANZ, the Financial Services Institute of Australasia, and the Australian Institute of Company Directors. She is an experienced Chief Executive and Non-executive Director. Alison's previous roles include Group Managing Director of Coca-Cola Amatil, Chief Executive Officer of GrainCorp Limited and Berri Limited, and Managing Director of Regional Banking at ANZ. She spent 10 years at McKinsey & Company from 1989 to 1999 and became a partner of the firm in 1996 before moving to ANZ as Group General Manager, Strategy.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of PGA Australia (since December 2022)
- Director of The Geoff Ogilvy Foundation (since September 2022)
- Director of CSL Limited (since August 2021)
- Chancellor of the University of Tasmania (since July 2021)
- Member of Reserve Bank of Australia Board (since December 2020)
- Director of Centre for Independent Studies (retired June 2024)
- Member of Low Emissions Technology Roadmap Ministerial Reference Panel (retired May 2023)
- Director of Business Council of Australia (retired October 2021)



Jennifer Westacott AO

DIRECTOR

BA (Honours), FAICD, FIPAA, FANZSOG
Age 64

Term: Director since April 2013.

Skills and experience: Jennifer was Chief Executive of the Business Council of Australia from 2011 to 2023. Prior to that, she was a Board director and lead partner at KPMG. Jennifer has extensive experience in critical leadership positions in the New South Wales and Victorian governments.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chancellor of Western Sydney University (since January 2023)
- Director of Atco Australia Pty Ltd and ATCO Gas Australia Networks Pty Ltd (since March 2024)
- Chair of Future Generation Global (since November 2023)
- Chair of Studio Schools of Australia (since July 2019)
- Chair of the Western Parkland City Authority (since February 2019)
- Board member of Cyber Security Research Centre (CSRC) Ltd (since February 2018)
- Special Advisor to KPMG (since July 2024)
- Business Champion to Indonesia for Department of Foreign Affairs and Trade (since March 2024)
- Committee member of 2050 Point Paramatta (since March 2024)
- Patron of The Pinnacle Foundation (since March 2019)
- Co-Patron of Pride in Diversity (since November 2017)
- Adjunct Professor at the City Futures Research Centre of the University of New South Wales (since 2013)
- Patron of Fairbreak Global Pty Ltd (retired December 2021)



Alan Cransberg

DIRECTOR

BEng(Civil Eng) (Hons)
Age 65

Term: Director since October 2021.

Skills and experience: Alan holds an Honours Degree in Civil Engineering from the University of Western Australia (UWA). He has 36 years of experience from roles in the mining, processing and resources. Alan joined Alcoa in 1980 and worked in a variety of assignments and locations across their Australian and international businesses, prior to being appointed as Chairman and Managing Director of Alcoa Australia, and President of Alcoa Refining in 2008. He retired from these positions in 2016. Alan was previously a Director and Chairman of the West Coast Eagles Football Club. He was also a founding member of the Foundation to Prevent Violence Against Women and Their Children, as well as being a founding member of the CEO's for Gender Equity in Western Australia.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chairman of the Waaitj Foundation (since November 2017)
- Member of the UWA Business School Board (since October 2016)
- Director and Lead Investment Committee member of SAS Resources Trust (since October 2016)
- Ambassador to the Foundation to Prevent Violence to Women and Their Children (since September 2016)
- Director of John Swire and Sons Pty Ltd (resigned June 2023)
- Deputy Chairman of Peel Development Commission (retired December 2021)



The Right Honourable Sir Bill English KNZM

DIRECTOR

BA(Hons), BCom (Otago)
Age 62

Term: Director since April 2018.

Skills and experience: Bill was Minister of Finance and Deputy Prime Minister of New Zealand from October 2008 to December 2016, and Prime Minister until the change of government in October 2017. He retired from parliament in March 2018. Bill now invests with his family in technology and data businesses and consults with government and business in Australia and New Zealand.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of TMG Cloudland (since January 2024)
- Director of Paul Ramsay Foundation (since December 2021)
- Chairman of Jarden Wealth Investment Committee (since June 2021)
- Director of The Todd Corporation Limited (since May 2021)
- Director of Centre for Independent Studies (since March 2021)
- Director of Impact Lab Ltd (since May 2019)
- Director of Manawanui Support Ltd (since April 2019)
- Chairman of Mount Cook Alpine Salmon (since July 2018)
- Director of The Stillery (resigned December 2023)
- Member of Macquarie Infrastructure and Real Assets' Impact Advisory Group (resigned March 2022)



Kate Munnings

DIRECTOR

LLB (UNSW), BHSc(Nursing) (UTS), AMP INSEAD
Age 57

Term: Director since August 2024.

Skills and experience: Kate holds a Bachelor of Health Science (Nursing) (UTS) and a Bachelor of Laws (UNSW). Kate is an accomplished senior executive and director with a background in healthcare and services, having commenced her career as a registered nurse before studying law, practising as a lawyer and working in senior executive and board positions in healthcare organisations.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chief Executive Officer of Vitray Life Sciences Ltd (since January 2024)
- Director of Ryman Healthcare Limited (since November 2023)
- Chair of the Digital Health Cooperative Research Centre (since November 2019)
- Managing Director and Chief Executive Officer of Virtus Health Limited (from March 2020 to December 2023)

Corporate governance overview

The Board of Wesfarmers Limited

The Board of Wesfarmers Limited is committed to providing a satisfactory return to its shareholders and fulfilling its corporate governance obligations and responsibilities in the best interests of the company and taking into account the interests of its stakeholders. The 2024 Corporate Governance Statement on the company's website at wesfarmers.com.au/cg details the key aspects of the governance framework and practices of Wesfarmers. Wesfarmers regularly reviews its governance framework and practices so as to ensure that they consistently reflect market practice and stakeholder expectations.

The Board believes that the governance policies and practices adopted by Wesfarmers during the reporting period for the year ended 30 June 2024 follow the recommendations contained in the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Principles).

Roles and responsibilities of the Board and management

The role of the Board is to:

- approve the purpose, values and strategic direction of the Group
- guide and monitor the management of Wesfarmers and its businesses in achieving its strategic plans
- oversee good governance practice
- set the Group's risk appetite and review, approve and monitor the Group's financial and non-financial risk management systems
- appoint the Group Managing Director and approve remuneration of, and review the performance of, the Group Managing Director and executive key management personnel

The Board aims to protect and enhance the interests of its shareholders, while taking into account the interests of other stakeholders, including team members, customers, suppliers, government, regulators and the communities in which the Group's businesses operate.

A key area of responsibility of the Board is monitoring and guiding the culture of the Group - with its unique focus on delivering satisfactory returns to shareholders - and the reputation of the Group. The Board maintains ultimate responsibility for strategy and control of Wesfarmers and its businesses.

In performing its role, the Board is committed to a high standard of corporate governance practice and to fostering a culture of compliance which values ethical behaviour, personal and corporate integrity, accountability, transparency and respect for others. The Group Managing Director has responsibility for the day-to-day management of Wesfarmers and its businesses, and is supported in this function by the Wesfarmers Leadership Team.

Details of the members of the Wesfarmers Leadership Team are set out on pages 14 and 15 and in the corporate governance section of the company's website at wesfarmers.com.au/cg

Structure and composition of the Board

Wesfarmers is committed to ensuring that the composition of the Board continues to include directors who collectively bring an appropriate mix of skills, commitment, experience, expertise and diversity (including gender diversity) to Board decision-making.

As at 30 June 2024, the Board comprised 10 directors, including nine non-executive and independent directors. Detailed biographies of all current directors are set out on pages 86 and 87.

The Board is of the view that the current directors possess an appropriate mix of skills, commitment, experience, expertise (including knowledge of the Group and the relevant industries in which the Group operates) and diversity to enable the Board to discharge its responsibilities effectively and deliver the company's strategic priorities as a diversified corporation. In fulfilling its roles and responsibilities, the key focus areas of the Board during the 2024 financial year are set out below.

Key focus areas of the Board during the 2024 financial year included:

- Overseeing the continuing development of the Covalent lithium project through commissioning of the Mt Holland mine and concentrator and construction and operational readiness preparations at the Kwinana lithium hydroxide refinery
- Overseeing the continuing development of OnePass (the Group's retail subscription program), shared data asset, online marketplace offerings and omnichannel retail proposition
- Monitoring the Group's safety performance, evaluating areas of underperformance and overseeing implementation of strategies to improve safety and enhance workplace safety awareness
- Reviewing and providing input into the business operations and strategic plans of each division to drive long-term shareholder value creation
- Monitoring changes in the domestic and global external environment, including inflationary and supply chain pressures, and overseeing management's strategies in relation to these areas
- Overseeing management's performance in strategy implementation
- Overseeing the implementation of strategy to address areas of underperformance and reposition the portfolio to deliver growth in shareholder returns
- Monitoring and evaluating growth opportunities that leverage Wesfarmers' capabilities and complement the existing portfolio
- Monitoring the Group's operating and cash flow performance, financial position and key metrics, including financial covenants and credit ratings
- Reviewing the Group's risk management framework, overseeing the implementation of strategies to improve the Group's risk management framework and monitoring that the Group is operating with due regard to the risk appetite set by the Board
- Reviewing and updating the Group's risk appetite statement to reflect new and emerging risks and changing circumstances
- Overseeing sustainability risks, including by monitoring the Group's performance on key ESG metrics and overseeing implementation of strategies to improve ESG performance and enhance ESG awareness
- Evaluating cyber security and data privacy risks across the Group and overseeing the implementation of measures to manage those risks
- Overseeing the Group's remuneration framework and remuneration outcomes for senior management
- Reviewing the processes in place to attract, develop, motivate and retain talent and overseeing succession planning
- Reviewing and updating policies, reporting and processes to make improvements to the Group's system of corporate governance and compliance

Corporate governance overview

The Board, through the Nomination Committee, is responsible for evaluating the composition, skills and experience of the Board to ensure that the Board has the attributes required to fulfil its roles and responsibilities. One aspect of this is an annual assessment of the combined skills, experience and expertise of the Board against a skills matrix which sets out the competencies relevant to the Wesfarmers Board.

The process for completing the Board skills matrix requires each director to complete an online self-assessment against the different capability areas in the matrix, in which directors assess themselves in each capability area on an ascending scale of competency - 'competent', 'experienced' and 'expert'. While the description of what is required to meet a particular level of competency varies by capability area, the requirements generally move from:

- at 'competent' level, a working understanding of the subject matter; to
- at 'experienced' level, a sound knowledge of the subject matter through time spent in the area as a director, executive or advisor, or through formal study; to
- at 'expert level', demonstrated and recognised expertise through extensive tenure in the area as a director, executive or advisor.

Each director's self-assessment has been adjusted to account for feedback from the other directors through the online platform's peer review process. Directors have also been asked to provide evidence in support of any capability areas in which they self-assessed as 'expert'.

The adjusted Board skills matrix for the 2024 financial year is set out below.¹

Wesfarmers Board skills and experience

Leadership

Experience in a senior management position in a listed company, large or complex organisation or government body.



Corporate governance

Experience in and commitment to the highest standards of corporate governance and includes experience as a director or senior executive in a listed company, large organisation or government body.



Financial acumen

Understanding of financial statements and reporting, key drivers of financial performance, corporate finance and internal financial controls.



Risk management

Experience in identification, monitoring and management of material financial and non-financial risks and understanding, implementation and oversight of risk management frameworks and controls.



Digital, data and technology

Experience and expertise in identifying, assessing, implementing and leveraging digital technologies and other innovations, understanding the use of data and analytics and responding to digital disruption.



People and culture

Experience in overseeing workplace culture, people management, development and succession planning, setting remuneration frameworks and promoting inclusion and diversity.



Strategy

Experience in corporate planning, including identifying and analysing strategic opportunities and threats, developing, implementing and delivering strategic objectives and monitoring performance against strategic objectives.



Corporate transactions

Experience in assessing and completing complex business transactions, including mergers, acquisitions, divestments, capital management, major projects and business integration.



Retail markets

Knowledge and experience in the retail and consumer goods industry, including merchandising, brand development, customer relationships and supply chain.



Industrial, resources and infrastructure

Senior executive or non-executive director experience and expertise in the industrial, resources or infrastructure sectors, including project construction.



Regulatory and public policy

Experience in the management and oversight of compliance with legal and regulatory requirements and/or experience in the development, implementation and review of regulatory and public policy.



Government and regulatory engagement

Professional experience working or interacting with government and regulators.



Climate and decarbonisation

Understanding and experience in managing climate change risks and decarbonisation strategies.



Human rights and ethical sourcing

Understanding and experience in best practice in human rights and ethical sourcing.



Community engagement and social responsibility

Understanding and experience in community and stakeholder relations and corporate social responsibility.



International experience

Experience in international business, trade and/or investment at a senior executive level and exposure to global markets and a range of different political, regulatory and business environments.



Competent Experienced Expert

The Board also augments its skills, experience and expertise through management and external advisors. The Board benefits from the experience of David Cheesewright who has extensive experience in international retailing and manufacturing, including 19 years with Walmart. He was appointed as an advisor to the Wesfarmers Board in August 2018.

¹ Kate Munnings was appointed to the Wesfarmers Board on 1 August 2024 and did not participate in the Board skills matrix process in the 2024 financial year.

Corporate governance overview

Director independence

Directors are expected to bring views and judgement to Board deliberations that are independent of management and free of any interest, position, association, business or other relationship or circumstance that could materially interfere with the exercise of objective, unfettered or independent judgement, having regard to the best interests of the company as a whole.

The Board's assessment of independence and the criteria against which it determines the materiality of any facts, information or circumstances is formed having regard to the ASX Principles. In particular, the Board focuses on the factors relevant to assessing the independence of a director set out in recommendation 2.3 of the ASX Principles and the materiality guidelines applied in accordance with Australian Accounting Standards.

The Board has reviewed the position and relationships of all directors in office as at 30 June 2024 and considers that all nine non-executive directors holding office at the time are independent.

Committees of the Board

The Board has established a Nomination Committee, a Remuneration Committee, and an Audit and Risk Committee as standing committees to assist with the discharge of its responsibilities. Details of the current membership and composition of each committee are set out in the 2024 Corporate Governance Statement.

Role of the Nomination Committee

The Nomination Committee oversees Board succession planning. As part of this role, the Nomination Committee is responsible for identifying suitable candidates to fill Board vacancies as and when they arise, or to identify candidates to complement the existing Board and to make recommendations to the Board on their appointment. Where appropriate, external consultants are engaged to assist in searching for candidates.

The Nomination Committee is responsible for ensuring there is a robust and effective process for evaluating the performance of the Board, its committees and individual non-executive directors. In relation to the re-appointment of a non-executive director, the Nomination Committee reviews the performance of the relevant non-executive director during their term of office and makes recommendations to the Board. The form of the Board, committee and individual non-executive director performance reviews are considered and determined each year. The outcomes of each Board and committee performance review are discussed by the Board and each respective committee. The outcomes of the performance review for each non-executive director are discussed between the non-executive director and the Chairman (and in the case of the performance review of the Chairman, between the Chairman and the longest-serving non-executive director). Periodically, a full evaluation process is facilitated by an external consultant. More details are available in the 2024 Corporate Governance Statement.

Key focus areas of the Nomination Committee during the 2024 financial year included:

- Consideration of feedback from major shareholders during the Chairman's Roadshow conducted in late 2023
- Recommending to the Board the process for the Board, committee and individual non-executive director performance reviews, considering and discussing the outcomes and recommendations from these review processes and agreeing actions to be implemented
- Considering potential non-executive director candidates as part of succession planning
- Considering and making recommendations to the Board regarding director independence and tenure

Role of the Remuneration Committee

Full details of the remuneration paid to non-executive directors and executive key management personnel (KMP), along with details of Wesfarmers' policy on the remuneration of the executive KMP are set out in the Remuneration Report on pages 98 to 127.

The executive KMP, comprising the Group Managing Director, the Group Chief Financial Officer and those executives who have authority and responsibility for planning, directing and controlling the activities of a major profit generating division of Wesfarmers, have a remuneration package that includes fixed cash remuneration and a variable or 'at risk' component via participation in the Key Executive Equity Performance Plan (KEEPP).

The Remuneration Committee and the Board conduct an annual review of the fixed component of each executive KMP's remuneration package in which this is assessed against market remuneration benchmarks for roles with comparable responsibilities in comparable organisations.

The mix of remuneration components and the performance measures used in the KEEPP have been chosen to ensure there is a strong link between remuneration earned and the achievement of the Group's strategic and business objectives, alignment with the Group's values, management of risk in accordance with the Group's risk appetite, and ultimately, generating satisfactory returns for shareholders.

Annual performance reviews of each member of the Wesfarmers Leadership Team, including the Group Managing Director, for the 2024 financial year have been undertaken. More details about Wesfarmers' performance and development review process for the executive KMP are set out in the 2024 Corporate Governance Statement.

Key focus areas of the Remuneration Committee during the 2024 financial year included:

- Reviewing and making recommendations to the Board in relation to the fixed and variable remuneration of the Group Managing Director and the other executive KMP
- Reviewing and, where appropriate, approving management's recommendations in relation to the fixed and variable remuneration of the other members of the Wesfarmers Leadership Team, in accordance with the Board-approved delegated authority for remuneration-related approvals
- Reviewing and making recommendations to the Board in relation to the Wesfarmers variable remuneration plans, including consideration of any new plans
- Reviewing and making recommendations to the Board for the vesting outcomes of the 2019 KEEPP Performance Shares based on the assessment of performance against the performance targets
- Reviewing the succession and transition plans for the Wesfarmers Leadership Team
- Reviewing and making a recommendation to the Board on non-executive director fees
- Reviewing and monitoring of diversity and inclusion matters, including gender pay equity and reporting to the Workplace Equality Agency

Corporate governance overview

Role of the Wesfarmers Audit and Risk Committee

The Wesfarmers Audit and Risk Committee assists the Board in fulfilling its responsibilities in overseeing the company's financial reporting, compliance with its requirements (legal and regulatory) and other commitments. This includes setting, articulating and monitoring the risk appetite of the Wesfarmers Group, and proactively overseeing the Group's systems of internal control and its financial and non-financial risk management framework in accordance with the Group's purpose, values and strategic direction.

Role of the external auditor

The company's external auditor is Ernst & Young. The lead audit partner is required to rotate after a maximum of five years. Mr Trevor Hammond is the lead audit partner and was appointed on 1 July 2019. Ms Fiona Campbell will replace Mr Hammond as lead audit partner for the year ending 30 June 2025 in line with the auditor rotation requirements under the *Corporations Act 2001*.

Ernst & Young has provided the required independence declaration to the Board for the financial year ended 30 June 2024. The independence declaration forms part of the directors' report and is provided on page 97.

Governance policies

The corporate governance section of the company's website at wesfarmers.com.au/cg contains access to all relevant corporate governance information, including Board and committee charters, and Group policies referred to in the 2024 Corporate Governance Statement.

Ethical and responsible behaviour

The Wesfarmers Way is the framework for the company's business model and comprises its values of integrity, openness, accountability and entrepreneurial spirit, details of which are published on the company's website at wesfarmers.com.au

The Wesfarmers Way, together with the Code of Conduct and other policies, guide the behaviour of everyone who works at or for Wesfarmers as the company strives to achieve its primary objective. The Board and senior executives of the Group strive to ensure their own actions and decisions reference and reinforce Wesfarmers' values, and they instil and reinforce a culture of acting lawfully, ethically and responsibly.

Investor engagement

Wesfarmers recognises the importance of providing its shareholders and the broader investment community with facilities to access up-to-date, high-quality information, participate in shareholder decisions of the company and provide avenues for two-way communication between the company, the Board and shareholders.

Wesfarmers has developed an investor engagement program for engaging with shareholders, debt investors, the media and the broader investment community.

The company's share registry, Computershare, provides shareholders with the option to receive communications from and send communications to the registry electronically. Contact information for Computershare and other information relating to shareholder communications is available on the company's website at wesfarmers.com.au/investor-centre/your-shareholding/shareholder-communications

For sustainability reasons, shareholders are encouraged to elect to receive documents relating to their shareholding electronically.

Key focus areas of the Wesfarmers Audit and Risk Committee during the 2024 financial year included:

- Reviewing and assessing the Group's processes to ensure the integrity of financial statements and reporting, and associated compliance with accounting, taxation, legal and regulatory requirements
- Reviewing and recommending to the Board amendments to the Group's data governance framework, including setting out the requirements for data collection, classification, integrity, access, security, use, retention and disposal
- Overseeing the Group's technology and cyber security governance framework, including the evolution of the Group's maturity assessment processes
- Reviewing and recommending to the Board for approval public disclosures regarding climate and other sustainability-related matters, including disclosures in the annual report and on the company's sustainability website, the company's annual modern slavery statement and other climate change reporting
- Reviewing, assessing and monitoring:
 - the effectiveness of the Group's relevant frameworks for emissions reduction
 - engagement with the company's key stakeholders on material sustainability topics
 - the progress made towards achievement of the Group's sustainability-related targets and commitments
- Preparing for the Group's compliance with new sustainability reporting and governance requirements
- Monitoring the ethical sourcing of products and services throughout the Group to ensure there are appropriate processes and controls in place to manage the risk of modern slavery
- Reviewing the Group's risk management framework and systems of internal control, overseeing the implementation of strategies to improve the Group's risk management framework and monitoring that the Group is operating with due regard to the risk appetite set by the Board
- A review of the effectiveness of divisional risk management frameworks
- Reviewing and recommending to the Board amendments to the Group's risk appetite statement to reflect existing, new and emerging sources of financial and non-financial risks and changing circumstances
- Reviewing and evaluating the adequacy of the Group's insurance arrangements to ensure appropriate cover for identified operational and business risks
- Monitoring the Group's tax compliance program both in Australia and overseas, including cross-border intra-Group transactions, to ensure its obligations are met in the jurisdictions in which the Group operates
- Overseeing the Group's compliance program, supported by approved guidelines and standards, covering safety, sustainability, the environment, legal liability, compliance with key governance policies, including the Wesfarmers Code of Conduct, whistleblower reporting, information technology, cyber security, data privacy and the Group's approach to human rights
- Overseeing the Group's internal audit program, including approving the annual internal audit plan
- Overseeing the payroll assurance and remediation activities of the relevant Group businesses
- Developing the framework for the review of the external auditor
- Reviewing and assessing the performance of the Group's external auditor, including their independence, objectivity and professional scepticism, quality of the engagement team and quality of communications

Corporate governance overview

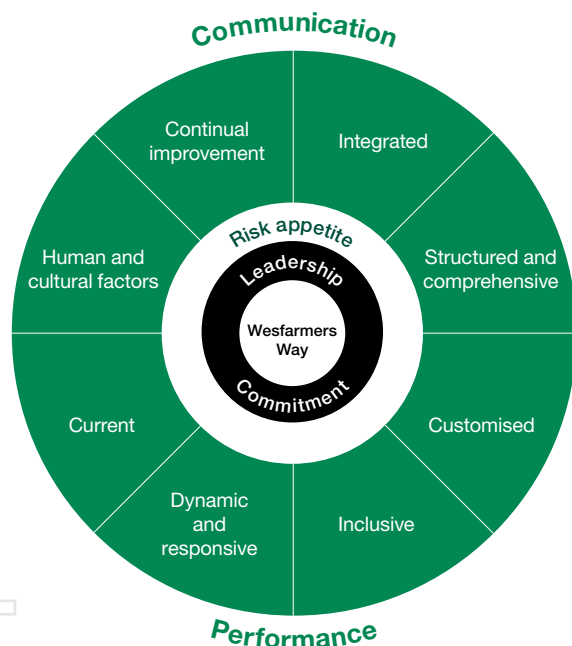
Risk management

Wesfarmers believes that good risk management practice is crucial for informed decision-making, effective management of operations to drive commercial outcomes and ultimately underpins the objective of delivering shareholder value over the long term.

Robust, integrated and effective risk management is central to Wesfarmers' broader governance framework and is fully supported by the Board and the Wesfarmers Leadership Team. This commitment is outlined in the Wesfarmers Board-approved Risk Management Policy, which is available in the corporate governance section of the company's website at wesfarmers.com.au/cg

The Board recognises that a values-based culture is fundamental to an effective risk management framework. Wesfarmers, through the Board, instils and promotes a culture that is underpinned by the Wesfarmers Way, including Wesfarmers' core values.

Wesfarmers' approach to risk management is aligned with the principles and requirements of International Standard ISO 31000:2018 – Risk Management Guidelines and is depicted diagrammatically below. These elements are necessary to maintain a risk-aware culture and inform professional judgements about risk-taking within the parameters and risk appetite set by the Board.



Wesfarmers has adopted a three-lines approach to risk management whereby all team members have an important role in the operation of the risk framework. The three-lines approach:

- promotes accountable decision-making
- reinforces the responsibility of divisional management and Group management in:
 - identifying, understanding and managing the risks within their respective realms of responsibility
 - seeking to ensure that business operations and risk-taking remain within the risk appetite
 - implementing appropriate action if risk exposure is deemed to be either too conservative or outside risk appetite.

Risk Management Framework

The Wesfarmers Risk Management Framework is reviewed by the Board on an annual basis to satisfy itself that it is sound, continues to operate effectively and that the Group is operating with due regard to the risk appetite set by the Board, or that appropriate action is taken should performance fall outside the risk appetite.

The framework was last comprehensively reviewed in May 2024. The Group Risk Appetite Statement was reviewed and updated in May 2024 to reflect new and emerging risks and changing circumstances.

Diversity and inclusion

Wesfarmers considers building a diverse and inclusive workforce a key enabler for delivering its objective of satisfactory returns to shareholders. Wesfarmers' customers and stakeholders are diverse and to gain the best insight into their needs and expectations, and how to meet them, diverse and inclusive teams are essential. A diversity of perspectives and backgrounds also strengthens creativity in teams. Moreover, creating an environment that attracts, retains and develops team members with a wide range of strengths and experiences ensures Wesfarmers is best equipped for future growth.

Wesfarmers' Diverse, Inclusive and Respectful Workplaces Policy encourages an inclusive work environment where everybody feels respected and safe at work and includes fostering diversity in all its facets at all levels across the Group.

Further details on diversity and inclusion are set out on pages 62 and 63 and in the 2024 Corporate Governance Statement.

Directors' report

Wesfarmers Limited and its controlled entities

The information appearing on pages 6 to 92 forms part of the directors' report for the financial year ended 30 June 2024 and is to be read in conjunction with the following information:

Results and dividends

Year ended 30 June	2024 \$m	2023 \$m
Profit		
Profit attributable to equity holders of the parent	2,557	2,465
Dividends		
The following dividends have been paid or are payable* by the company or have been determined to be paid by the directors since the commencement of the financial year ended 30 June 2024:		
(a) for the year ended 30 June 2023:		
(i) fully-franked final dividend of 103 cents (2022: 100 cents) per share paid on 5 October 2023 (as disclosed in last year's directors' report)	1,169	1,134
(b) for the year ended 30 June 2024:		
(i) fully-franked interim dividend of 91 cents (2023: 88 cents) per share paid on 27 March 2024	1,033	998
(ii) fully-franked final dividend of 107 cents (2023: 103 cents) per share to be paid on 9 October 2024	1,214	1,169

* The payment of dividends for the 2022 and 2023 Deferred Shares and Performance Shares issued under the Key Executive Equity Performance Plan (KEEPP) are delayed until either the shares vest (with the dividends paid to the participant) or upon forfeiture (with the dividends paid to the trustee). This means no component of any dividend will be paid to the executive KMP unless and until the vesting outcome is known. For further details, see the remuneration report on pages 98 to 127.

Principal activities

The principal activities of the entities within the consolidated Group during the year were:

- retailing of home improvement and outdoor living products and supply of building materials;
- retailing of general merchandise and apparel products;
- retailing of office and technology products;
- retailing and provision of health, beauty and wellness products and services;
- management of retail subscription program shared data asset and online marketplace;
- wholesale distribution of pharmaceutical goods;
- manufacturing and distribution of chemicals and fertilisers;
- participation in a joint venture for an integrated lithium project, including operation of a mine and concentrator and development of a refinery;
- industrial and safety product distribution;
- gas processing and distribution; and
- management of the Group's investments.

Directors

The directors in office at the date of this report are:

- M A Chaney (Chairman)
- R G Scott (Group Managing Director)
- A J Cransberg
- S W English
- K M Munnings
- M Roche
- A Sabharwal
- V M Wallace
- S L Warburton
- A M Watkins
- J A Westacott

All directors served on the Board for the period from 1 July 2023 to 30 June 2024, except for K M Munnings who was appointed as a director of the company effective from 1 August 2024.

Wesfarmers has announced the appointment of F von Oertzen as a director of the company, with the appointment effective from 1 October 2024. Further information on Mr von Oertzen's appointment is available at [wesfarmers.com.au](https://www.wesfarmers.com.au)

The qualifications, experience, special responsibilities and other details of the directors in office as at the date of this report appear on pages 86 and 87.

Directors' report

Wesfarmers Limited and its controlled entities

Directors' shareholdings

Securities in the company in which directors had a relevant interest as at the date of this report are:

	Shares
M A Chaney	87,597
A J Cransberg	4,473
S W English	5,347
K M Munnings	1,375
M Roche	13,500
A Sabharwal	6,502
R G Scott*	1,073,216
V M Wallace	13,983
S L Warburton	7,536
A M Watkins	9,000
J A Westacott	6,788

* R G Scott holds 336,879 KEEPP Deferred Shares (previously referred to as Restricted Shares) and 277,352 KEEPP Performance Shares. For further details, see the remuneration report on pages 98 to 127.

Directors' meetings

The following table sets out the number of directors' meetings (including meetings of Board committees) held during the year ended 30 June 2024 and the number of meetings attended by each director.

	Board		Audit and Risk Committee		Remuneration Committee		Nomination Committee	
	Eligible to attend ¹	Attended ²	Eligible to attend ¹	Attended ²	Eligible to attend ¹	Attended ²	Eligible to attend ¹	Attended ²
M A Chaney³	7	7	-	-	8	8	4	4
A J Cransberg	7	7	-	-	8	8	4	4
S W English	7	7	7	7	-	-	4	4
M Roche	7	7	-	-	8	8	4	4
A Sabharwal	7	7	7	7	-	-	4	4
R G Scott	7	7	-	-	-	-	-	-
V M Wallace	7	7	-	-	8	7	4	4
S L Warburton⁴	7	7	7	7	-	-	4	4
A M Watkins	7	7	-	-	8	8	4	4
J A Westacott⁵	7	6	7	7	-	-	4	3

¹ Number of meetings held while the director was a member of the Board/Committee.

² Number of meetings attended.

³ Notwithstanding he is not a member, M A Chaney attended all meetings of the Audit and Risk Committee held during the year.

⁴ Notwithstanding she is not a member, S L Warburton attended all meetings of the Remuneration Committee held during the year.

⁵ J A Westacott was absent under a leave of absence approved by the Board for one meeting.

Insurance and indemnification of directors and officers

During or since the end of the financial year, the company has paid premiums in respect of a contract insuring all directors and officers of Wesfarmers Limited and its related entities against certain liabilities incurred in that capacity. Disclosure of the nature of the liabilities covered by the insurance and premiums paid is subject to confidentiality requirements under the contract of insurance.

In accordance with the company's constitution, the company has entered into Deeds of Indemnity, Insurance and Access with each of the directors of the company. These Deeds:

- indemnify a director to the full extent permitted by law against any liability incurred by the director:
 - as an officer of the company or of a related body corporate; and
 - to a person other than the company or a related body corporate, unless the liability arises out of conduct on the part of the director which involves a lack of good faith;
- provide for insurance against certain liabilities incurred as an officer; and
- provide a director with continuing access, while in office and for a specific period after the director ceases to be a director, to certain company documents which relate to the director's period in office.

In addition, the company's constitution provides for the indemnity of officers of the company from liability incurred as an officer of the company or its related bodies corporate to the full extent permitted by law.

No indemnity payment has been made under any of the documents referred to above during or since the end of the financial year.

Directors' report

Wesfarmers Limited and its controlled entities

Directors' and other officers' remuneration

Discussion of the Board's policy for determining the nature and amount of remuneration for directors and senior executives and the relationship between such policy and company performance are contained in the remuneration report on pages 98 to 127.

Options

No options over unissued shares in the company were in existence at the beginning of the financial year or granted during or since the end of the financial year.

Company Secretary

Vicki Robinson was appointed as Executive General Manager, Company Secretariat in March 2020 and held the position of Company Secretary of Wesfarmers Limited for the period 2 March 2020 to 30 October 2023. While in the role of Executive General Manager, Company Secretariat, Vicki was a member of the Wesfarmers Leadership Team and she was the Company Secretary of a number of Wesfarmers Group subsidiary companies. Vicki holds a Bachelor of Laws (Honours) and a Bachelor of Commerce from The University of Western Australia and was admitted to practise as a barrister and solicitor in 1999. Vicki is director of RACWA Holdings Pty Ltd, RAC Finance Ltd, St Ives Group Pty Ltd and Perron Institute for Neurological and Translational Science Ltd. She was a member of the Methodist Ladies College Council from 2018 to 2024 and a director of the Black Swan State Theatre company from 2009 to 2018. Vicki is a Fellow of the Governance Institute of Australia and a member of the Australian Institute of Company Directors.

Following Vicki's retirement, Sheldon Renkema was appointed Executive General Manager, Company Secretariat on 30 October 2023 and was appointed as Company Secretary of Wesfarmers Limited from this same date and a member of the Wesfarmers Leadership Team on that date. From July 2021, Sheldon was General Manager of Business Development at Wesfarmers Chemicals, Energy & Fertilisers. Prior to that, Sheldon held roles within the Wesfarmers Corporate Office, including leading the corporate and retail legal teams. He commenced at Wesfarmers in 2007 as a legal counsel and has a background in advising on corporate transactions. Sheldon holds a Bachelor of Laws (Honours) degree from Murdoch University, a Master of Business Administration degree from the Australian Graduate School of Management at the University of New South Wales and is a Graduate of the Australian Institute of Company Directors. He was admitted to practise as a barrister and solicitor in 2001. From 2019 to 2024, Sheldon was a director of Activ Foundation Limited.

Significant changes in the state of affairs

Particulars of the significant changes in the state of affairs of the Group during the financial year are as follows:

- revenue from ordinary activities up from \$43,550 million to \$44,189 million
- net profit for the year up from \$2,465 million to \$2,557 million
- dividends per share of \$1.98 (2023: \$1.91 per share)
- total assets up from \$26,546 million to \$27,309 million
- shareholders' equity up from \$8,281 million to \$8,585 million
- net debt up from \$4,009 million to \$4,272 million
- net cash flows from operating activities up from \$4,179 million to \$4,594 million

Review of results and operations

The operations, financial position, business strategies and prospects for future financial years of the Group are detailed in the operating and financial review on pages 16 to 85.

Events after the reporting period

The following significant event has arisen since the end of the financial year:

Dividends

A fully-franked final dividend of 107 cents per share resulting in a dividend payment of \$1,214 million was determined with a payment date of 9 October 2024. The final dividend has not been provided for in the 30 June 2024 full-year financial statements.

Directors' report

Wesfarmers Limited and its controlled entities

Non-audit services

Ernst & Young provided non-audit services to the Group during the year ended 30 June 2024 and received or is due to receive the following amounts for the provision of these services:

	\$'000
Tax compliance	562
Other	-
Total	562

The total non-audit services fees of \$562 thousand represents 8.1 per cent of the total fees paid or payable to Ernst & Young and related practices for the year ended 30 June 2024. Total non-audit services fees and other assurance and agreed-upon procedures fees were \$1,302 thousand. Further details of amounts paid or payable to Ernst & Young and its related practices are disclosed in note 27 to the financial statements.

The Audit and Risk Committee has, following the passing of a resolution of the Committee, provided the Board with written advice in relation to the provision of non-audit services by Ernst & Young.

The Board has considered the Audit and Risk Committee's advice and the non-audit services provided by Ernst & Young, and is satisfied that the provision of these services during the year by the auditor is compatible with, and did not compromise, the general standard of auditor independence imposed by the *Corporations Act 2001* for the following reasons:

- the non-audit services provided do not involve reviewing or auditing the auditor's own work or acting in a management or decision-making capacity for the company;
- all non-audit services were subject to the corporate governance procedures and policies adopted by the company and have been reviewed by the Audit and Risk Committee to ensure they do not affect the integrity and objectivity of the auditor; and
- there is no reason to question the veracity of the auditor's independence declaration (a copy of which has been reproduced on the following page).

External auditor quality review assessment

Wesfarmers conducts an external auditor quality review process annually following the completion of the audit of the Group's financial statements and remuneration report. The quality review process considers a range of external and internal information sources to assess the:

- external auditor's independence, objectivity and professional scepticism;
- quality of the audit engagement team; and
- quality of the communications with the external auditor.

The findings of the annual review are considered by the Audit and Risk Committee as part of its consideration of the external auditor's appointment and the feedback provided is used to improve the external audit process.

The annual review following the completion of the audit of the financial statements and remuneration report for the year ended 30 June 2023 reaffirmed the Group's position that, while there are some opportunities for improvement, the quality of Ernst & Young's service in their performance of the external audit is sound.

The Audit and Risk Committee will also perform a periodic comprehensive review of the external auditor at least every five years, in accordance with the guidelines issued by the Australian Institute of Company Directors, with the first comprehensive review to be completed for the year ended 30 June 2024. The comprehensive review will have regard to the annual auditor quality review assessment but is extended to include additional qualitative and quantitative data. The findings of the comprehensive review will be published in the 2025 annual report.

Directors' report

Wesfarmers Limited and its controlled entities

The directors received the declaration below from Ernst & Young:



EY

**Building a better
working world**

Ernst & Young
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GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the directors of Wesfarmers Limited

As lead auditor for the audit of the financial report of Wesfarmers Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- No contraventions of any applicable code of professional conduct in relation to the audit; and
- No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Wesfarmers Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

T S Hammond
Partner
28 August 2024

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Environmental regulation and performance

The activities of the Group are subject to environmental regulation by various authorities throughout Australia and the other countries in which the Group operates.

Licences granted to the Group regulate the management of air and water quality and quantity, the storage and carriage of hazardous materials, the disposal of wastes and other environmental matters associated with the consolidated entity's operations.

During the year, there have been no known material breaches of the consolidated entity's licence conditions.

Proceedings on behalf of the company

No proceedings have been brought on behalf of the company, nor have any applications been made in respect of the company, under section 237 of the *Corporations Act 2001*.

Corporate governance

In recognising the need for high standards of corporate behaviour and accountability, the directors of Wesfarmers Limited believe the governance policies and practices adopted for the year ended 30 June 2024 follow the recommendations contained within the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. An overview of the company's corporate governance statement can be found on pages 88 to 92. The full corporate governance statement is available in the corporate governance section of the company's website at wesfarmers.com.au/cg

Corporate information

Wesfarmers Limited is a company limited by shares that is incorporated and domiciled in Australia. The company's registered office and principal place of business is Level 14, Brookfield Place Tower 2, 123 St Georges Terrace, Perth, Western Australia.

Rounding

The amounts contained in this report and in the financial statements have been rounded to the nearest million dollars unless otherwise stated (where rounding is applicable) under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The company is an entity to which the instrument applies.

Remuneration report

Message from the Chairman of the Remuneration Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present the 2024 Remuneration Report.

Over the 2024 financial year, our businesses have executed well and the Board is pleased with the Group's overall financial performance. Sustained improvements in productivity and efficiency have enabled our divisions to continue to provide compelling value for customers in uncertain trading and market conditions. Group net profit after tax (NPAT) was \$2,557 million, an increase of 3.7 per cent on the prior year, and reflected pleasing earnings growth in the retail divisions. We have continued to deliver long-term shareholder returns, with dividends (determined) in the 2024 financial year increasing by 3.7 per cent to \$1.98, and our five-year total shareholder return (TSR) of 17.4 per cent per annum outperforming the ASX 100 over the same period (7.6 per cent per annum). In this report, we explain how our remuneration for the executive key management personnel (KMP) for the 2024 financial year and other remuneration-related decisions taken by the Board reflect this performance.

Our approach and framework

The Key Executive Equity Performance Plan (KEEPP), which was introduced in 2016, is the variable incentive plan for the executive KMP. It is heavily weighted to long-dated equity, creating a strong relationship between executive KMP remuneration and performance, as well as alignment with shareholder outcomes. The Board did not make any changes to fundamentals of the KEEPP structure during the 2024 financial year.

The Board incorporates shareholder feedback into the approach to remuneration, and shareholders have continued to support our framework, with more than 96 per cent of votes in favour of the Remuneration Report at the 2023 Annual General Meeting. This is due to two core features:

- 100 per cent of variable remuneration is delivered in equity for the Group Managing Director and Group Chief Financial Officer (the portion is slightly lower for other executive KMP who are also eligible to receive a portion of their KEEPP award in cash). This equity is restricted for up to six years, thereby directly linking long-term shareholder value and the value of current and prior year share grants;
- at least 50 per cent of all executive KMP's share awards are subject to further performance testing over a four-year period subsequent to grant against a range of measures, including Wesfarmers' TSR performance relative to that of the S&P/ASX 100.

In the annual KEEPP scorecards, prior to 1 July 2021, the weighting to financial performance measures was 60 per cent, with a 30 per cent weighting attributed to the individual performance objectives, and the balance being attributed to a safety performance measure. These weightings were adjusted for the 2022 financial year to 55 per cent and 20 per cent respectively to facilitate the inclusion of a 15 per cent weighting to the Group ecosystem (including data and digital initiatives) performance measure. This change was to emphasise the importance of the Group ecosystem initiative to the Group and to drive focus on this Group-wide initiative across the retail businesses.

For the 2025 financial year, the Board has approved the removal of the separately weighted Group ecosystem performance measure from the annual KEEPP scorecards. Weightings will revert to 60 per cent to financial performance measures and 30 per cent to individual performance objectives. This reflects the Board's comfort

that progress on Group data and digital initiatives is now well embedded in strategic and operational plans and no longer requires a separate measure in the scorecard.

Company performance

As noted above, the Board is pleased with the Group's overall financial performance for the 2024 financial year.

Bunnings demonstrated the resilience of its offer and ability to deliver growth through a range of market conditions. Kmart Group delivered significant earnings growth, supported by its market-leading value credentials. WesCEF's earnings were impacted by lower global commodity prices, but operating performance was strong. Officeworks and Industrial and Safety delivered continued earnings growth, and the Wesfarmers Health result reflected ongoing investment and transformation activities. The Catch result was an improvement on the prior financial year, following actions to reduce costs, clear inventory and shift focus towards the third-party marketplace, although the result did include \$23 million in restructuring costs and a non-cash impairment to Catch's brand value. Significant enhancements made to the OnePass program during the financial year broadened the benefits to members, with new retail partnerships and unique online and instore benefits providing additional value. These benefits saw growth in OnePass' member base, improved customer retention and drove incremental sales for Wesfarmers' businesses during the financial year.

Safety outcomes within Bunnings have again been disappointing. Following a deterioration in the total recordable injury frequency rate (TRIFR) in the 2023 financial year, Bunnings implemented strategies to improve safety outcomes, but the impacts have not yet flowed through to results. For the second year, the safety result in Bunnings meant there was no award made to the Group Managing Director, Group Chief Financial Officer, and Managing Director, Bunnings Group in respect of the safety component in their annual KEEPP scorecards for the 2024 financial year. The Board is supportive of measures undertaken within Bunnings to address safety outcomes, and looks forward to improved TRIFR in the 2025 financial year.

Remuneration outcomes

In relation to financial measures, the published financial results for the 2024 financial year were adopted for remuneration purposes. The Board considered the financial components of the scorecard outcomes for the executive KMP to be fair and reasonable, and did not make any adjustments. After considering the individual contributions from each of the executive KMP, alongside the business performance over the 2024 financial year measured against the demanding and ambitious targets within the 2024 KEEPP scorecards, the Board has approved above target KEEPP outcomes for all participants, except for the Managing Director, Bunnings Group, as set out in more detail in sections 5.2 to 5.4.

Group Managing Director

The Board continues to be pleased with the performance of the Group Managing Director. The financial component of his annual KEEPP scorecard for the 2024 financial year was measured against NPAT and return on equity (ROE) targets for the Group as a whole. Group NPAT and Group ROE were above target for both measures and therefore 89.8 per cent of the maximum KEEPP award was made for the financial component. TRIFR for the Group did not reach the threshold level of performance set by the Board in the 2024 KEEPP scorecard, as a result of the Bunnings Group TRIFR outcome, resulting in no award for that component.

The remaining 35 per cent non-financial component was awarded at an average level of 84.5 per cent of the maximum. The total 2024

Remuneration report

KEEPP award represents 79.0 per cent of the Group Managing Director's maximum variable remuneration opportunity.

Other executive KMP

The total 2024 KEEPP awards for the other executive KMP as a percentage of their maximum variable incentive opportunities were 77.9 per cent for the Group Chief Financial Officer, 97.0 per cent for the Managing Director, Kmart Group, and 63.6 per cent for the Managing Director, Bunnings Group (inclusive of the minimum grant of KEEPP Performance Shares).

Vesting of 2020 KEEPP Performance Shares

Following 30 June 2024, the Board assessed the vesting outcomes of the 2020 KEEPP Performance Shares against the performance conditions set for each participant.

The four-year TSR result accounts for 80 per cent of the vesting result of the 2020 KEEPP Performance Shares for the Group Managing Director and Group Chief Financial Officer – an increase from 60 per cent under the 2019 KEEPP Performance Shares following the removal of the 'strategic objectives' component. For the divisional managing directors, the TSR result continues to account for 50 per cent of the vesting result.

Over the four-year performance period, Wesfarmers Limited shares recorded a TSR of 99.95 per cent, placing it at the 71st percentile relative to peer companies in the S&P/ASX 100. As a result, the component subject to the relative TSR performance condition vested at 92.4 per cent.

For the Group Managing Director and Group Chief Financial Officer, the Board's assessment of their performance in relation to their portfolio management and investment outcomes accounts for the remaining 20 per cent of the vesting result. Performance over the four-year period was assessed. The assessment resulted in vesting of the portfolio management and investment outcomes component at 60.0 per cent. Further details of these results are provided in section 5.5.

For the divisional managing directors, the remaining 50 per cent of the award was based on divisional outcomes over the four-year performance period. The 2020 KEEPP was the first year annual earnings before tax (EBT) results were measured against individually weighted annual hurdles.

The Managing Director, Bunnings Group's divisional hurdle was annual EBT subject to average return on capital (ROC). After exceeding the ROC gate, Bunnings Group exceeded the annual EBT targets for three out of the four years and partially met the targets in one year resulting in this component vesting overall at 98.7 per cent for the Managing Director, Bunnings Group.

The Managing Director, Kmart Group had a similarly structured Kmart Group performance hurdle, plus, due to Catch being included within Kmart Group at the start of the performance period, a performance hurdle relating to Catch Gross Transaction Value (GTV) and the customer lifetime value and cost per acquisition ratio. In June 2022, in recognition that Catch would cease to be included within the Kmart Group from 1 July 2022 and instead be included within the OneDigital division, the Board approved that from 1 July 2022, the portion of the Managing Director, Kmart Group's 2020 Performance Shares subject to divisional financial performance will no longer be assessed against Catch, with Kmart Group EBT and ROC being the relevant performance conditions from this time.

The performance hurdles were set during the COVID-19 pandemic. Consistent with the approach taken to the KEEPP scorecard targets in the 2021 and 2022 financial years and with the approach for

the 2019 KEEPP Performance Share hurdles, as detailed in the 2023 Annual Report, the Board determined it was appropriate to make a corresponding COVID-19 adjustment to the respective EBT and ROC performance targets for Kmart Group for the 2022 financial year. There was no adjustment to the Catch targets, nor to the Bunnings EBT and ROC targets.

Following assessment, Kmart Group exceeded the annual EBT target in each year and partially met the Catch GTV target, resulting in this component vesting overall at 94.0 per cent for the Managing Director, Kmart Group. The Board acknowledges that Catch has underperformed in recent years and this has been recognised in the incentives for other Group executives.

Further details of these results are provided in section 5.5.

Fixed annual remuneration for executive KMP

As reported in the 2023 Remuneration Report, the Board approved a four per cent increase to the annual fixed remuneration of the Group Managing Director to \$2,600,000, which became effective on 1 October 2023. No other changes were made to the fixed remuneration for the executive KMP during the 2024 financial year.

In July 2024, as part of the annual remuneration review cycle, the Board considered the fixed remuneration for the executive KMP. Following consideration, no change was approved to the fixed remuneration for the Group Managing Director. The Board determined there was a need to increase fixed remuneration for the Group Chief Financial Officer, the Managing Director, Kmart Group and the Managing Director, Bunnings Group. These are the first increases in fixed remuneration for these three executive KMP since 2021. Further details are provided in section 5.1.

Non-executive director fees

In June 2024, the Board reviewed the fees payable to the non-executive directors having regard to benchmark data, market position and relative fees. Benchmarking data of the ASX 25 indicated that the Chairman's fee was below the median of our peers. Following consideration, the Board, excluding the Chairman, approved a 7.1 per cent increase to the Chairman's fee, effective from 1 July 2024, from \$770,000 to \$825,000 per annum. This was the first increase in the Chairman's fee since January 2017. No other changes to Board member or committee fees were approved. Further details are provided in section 6.1.

The Board aggregate fee limit (AFL) was also reviewed by the Board in June 2024. The Board endorsed an increase to the AFL, from \$3.6 million to \$4.0 million, for which shareholder approval will be sought at the 2024 Annual General Meeting. If approved by shareholders, the increase to the AFL would be the first since 2015.

The table on the following page summarises the remuneration outcomes for the executive KMP for 2024. Refer to the relevant section of this report as indicated for further information.

Thank you for your continued support of Wesfarmers. We look forward to our ongoing engagement with you and sharing in the company's future success.



Mike Roche

Chairman, Remuneration Committee

Remuneration report

Executive KMP 2024 remuneration outcomes summary

The information in the tables below summarises the remuneration outcomes for the executive KMP for the 2024 financial year. Refer to the relevant section in this report for further information.

		Rob Scott	Anthony Gianotti	Ian Bailey	Mike Schneider	Section
		Group Managing Director	Group Chief Financial Officer	Managing Director, Kmart Group	Managing Director, Bunnings Group	
Fixed remuneration						
Fixed annual remuneration (FAR)	Changes to FAR approved by the Board in July 2023 that became effective during the 2024 financial year	Increased by \$100,000 to \$2,600,000 effective 1 October 2023	Remained unchanged at \$1,450,000	Remained unchanged at \$1,550,000	Remained unchanged at \$1,700,000	5.1
The Board conducts an annual review of the remuneration for the executive KMP, including benchmarking to peer companies and roles.	Changes to FAR approved by the Board in July 2024 that will become effective during the 2025 financial year	No change approved	Increase to \$1,550,000 effective 1 October 2024	Increase to \$1,650,000 effective 1 October 2024	Increase to \$1,800,000 effective 1 October 2024	

To determine the 2024 KEEPP outcomes, executive KMP performance for the 2024 financial year was measured against the performance measures in the annual KEEPP scorecards for the 2024 financial year. 2024 KEEPP outcomes for each executive KMP are summarised below.

2024 KEEPP scorecard outcomes						
Scorecard measures (weightings)	Financial (55%)	89.8% of maximum	89.8% of maximum	100% of maximum	56.1% of maximum	5.2 to 5.4
	Group ecosystem (15%)	75.0% of maximum	70.8% of maximum	83.3% of maximum	75.0% of maximum	
	Safety (10%)	0.0% of maximum	0.0% of maximum	100% of maximum	0.0% of maximum	
	Business enhancing (10%) and Sustainability (10%)	91.7% of maximum	89.2% of maximum	97.5% of maximum	92.5% of maximum	
2024 KEEPP scorecard outcomes		\$6,161,691	\$3,387,390	\$4,510,500	\$3,244,980	5.2 to 5.4
Amount available for allocation, including minimum Performance Shares		79.0% of maximum	77.9% of maximum	97.0% of maximum	63.6% of maximum	
2024 KEEPP cash amount		N/A	N/A	30.0% of FAR	30.0% of FAR	
To be paid in August 2024		KEEPP delivered entirely in shares	KEEPP delivered entirely in shares			
2024 KEEPP Deferred Shares		118.5% of FAR ¹	116.8% of FAR	130.5% of FAR	75.9% of FAR	
To be allocated later in FY25, subject to vesting and restriction conditions for up to 6 years						
2024 KEEPP Performance Shares		118.5% of FAR ¹	116.8% of FAR	130.5% of FAR	85.0% of FAR	
To be allocated later in FY25 and subject to vesting and performance conditions for 4 years						

Following the end of the 2024 financial year, KEEPP Performance Share awards from prior years that were due to vest, were tested and vested to the executive KMP, as set out in the table below.

Vesting of prior year performance share awards						
2020 KEEPP Performance Shares vesting result	Vesting result	85.9%	85.9%	93.2%	95.5%	5.5
	Number of shares vested	24,580	13,901	12,971	37,042	
	Number of shares forfeited	4,029	2,278	947	1,726	

Other information for the 2024 financial year is shown in the table below.

Vested and unrestricted shareholdings					
Pre-vesting and pre-release risk and conduct check completed by the Audit and Risk Committee for all equity grants.	✓	✓	✓	✓	4(b)
As at the date of this report, the market value of shareholding (direct or beneficial) for each executive KMP is at least equal to or greater than FAR.	✓	✓	✓	✓	5.8

¹ Allocation for the Group Managing Director is subject to shareholder approval at the 2024 Annual General Meeting.

Remuneration report (audited)

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Remuneration report (audited)

1. 2024 Key management personnel

The key management personnel (KMP) include the directors of Wesfarmers Limited and the executive KMP (the Group Managing Director and the Group Chief Financial Officer and those executives who have authority and responsibility for planning, directing and controlling the activities of a major profit generating division of Wesfarmers). The KMP for the 2024 financial year are as follows:

Directors for the 2024 financial year

Michael Chaney AO (Chairman)	These directors were members of the Board of Wesfarmers Limited throughout the whole of the 2024 financial year.
Vanessa Wallace	
Jennifer Westacott AO	
The Right Honourable Sir Bill English KNZM	
Mike Roche	
Sharon Warburton	
Anil Sabharwal	
Alison Watkins AM	
Alan Cransberg	

Executive KMP for the 2024 financial year

Rob Scott, Group Managing Director	These executive KMP held their positions throughout the whole of the 2024 financial year.
Anthony Gianotti, Group Chief Financial Officer	
Ian Bailey, Managing Director, Kmart Group	
Michael Schneider, Managing Director, Bunnings Group	

On 16 July 2024, Wesfarmers announced that Kate Munnings would join the Wesfarmers Limited Board as a non-executive director, effective from 1 August 2024, and will stand for election at the 2024 AGM.

On 28 August 2024, Wesfarmers resolved to appoint Friedrich (Tom) von Oertzen as a non-executive director of the Wesfarmers Limited Board, effective from 1 October 2024. Mr von Oertzen will stand for election at the 2024 AGM.

There have been no other changes to KMP since 30 June 2024.

Remuneration report (audited)

2. Overview of Group performance

Wesfarmers' results for the 2024 financial year demonstrated the quality of the Group's portfolio of businesses and strength of execution in a challenging market environment, which included cost of living pressures, rising costs of doing business, subdued activity in residential construction and significant volatility in key commodities.

Wesfarmers' businesses executed well, with the retail divisions responding effectively as households increasingly shifted to value during the financial year. Sales and earnings growth in the retail divisions was supported by everyday low price offerings and products with broad customer appeal. The Group benefited from improvements in productivity and efficiency, which was the result of ongoing investment and a proactive focus in recent years. These improvements enabled the retail divisions to provide compelling value for customers and mitigate cost of doing business pressures.

Bunnings recorded sales growth in consumer and commercial segments, with pleasing growth in the second half. Kmart Group's performance was a standout, delivering significant earnings growth supported by the market-leading value credentials of its Anko products, unique sourcing capabilities and actions to reduce costs.

Lower global commodity prices impacted earnings at WesCEF but operating performance remained strong. Officeworks and Industrial and Safety delivered continued earnings growth. Wesfarmers Health also increased earnings while continuing to invest in transformation activities and integrate recent acquisitions. The Catch result was an improvement on the prior financial year following actions to reduce costs, clear inventory and shift the focus towards the third-party marketplace. Actions are now shifting from remediation to scaling the marketplace and better utilisation of supply chain assets and capabilities.

Benefits to members of the OnePass program were further expanded, generating growth in the member base, improving customer retention and driving incremental sales for Wesfarmers' businesses during the financial year.

The Group reported statutory NPAT of \$2,557 million for the 2024 financial year.

Five-year statutory results

Financial year ended 30 June (as reported)	2020	2021	2022	2023	2024
Net profit after tax (NPAT) (\$m)	1,697	2,380	2,352	2,465	2,557
NPAT (excluding significant items) (\$m) ¹	2,075	2,421	2,352	2,465	2,557
Return on equity (ROE) (rolling 12 months) (%) ²	17.8 ³	25.8 ³	29.4	31.4	31.3
ROE (excluding significant items) (rolling 12 months) (%) ¹	22.1	26.1	29.4	31.4	31.3
Earnings per share (EPS) (cents)	150.0 ³	210.4 ³	207.8	217.8	225.7
EPS (excluding significant items) (cents) ¹	183.4	214.1	207.8	217.8	225.7

¹ These are considered non-IFRS measures. 2021 post-tax significant items include restructuring costs of \$41 million in the Kmart Group. 2020 post-tax significant items include the gain on sale of Wesfarmers' 10.1 per cent interest in Coles Group Limited (Coles) completed in February 2020 (4.9 per cent) and March 2020 (5.2 per cent) of \$203 million, gain from revaluation of the retained Coles investment of \$154 million and the benefit from the finalisation of tax positions on prior financial year disposals of \$83 million, offset by the \$298 million non-cash impairment of the Industrial and Safety division, and the \$520 million non-cash impairment of the Target brand name and other assets and associated restructuring costs and provisions in the Kmart Group. The Board exercises its judgement in determining whether these significant items are adjusted for when determining remuneration outcomes.

² This is considered a non-IFRS measure.

³ 2020, 2021 EPS and ROE include the items outlined in footnote 1 above.

Five-year shareholder returns

Financial year ended 30 June (as reported)	2020	2021	2022	2023	2024
Total dividends per share (determined) (cents)	170 ³	178	180	191	198
Closing share price (\$ as at 30 June) ¹	44.83	59.10	41.91	49.34	65.18
Five-year rolling Total Shareholder Return (% per annum) ²	15.9	21.5	13.8	12.5	17.4
ASX 100 five-year rolling Total Shareholder Return (% per annum) ²	5.8	11.2	7.1	7.7	7.6

¹ The opening share price on 1 July 2019 was \$36.23.

² Source: Bloomberg.

³ 2020 total dividends per share includes the 18 cent special dividend reflecting the distribution of profits on the sale of the 10.1 per cent interest in Coles.

Remuneration report (audited)

3. KEEPP history for the Group Managing Director

The table below summarises the KEEPP scorecard outcomes, the associated awards of KEEPP Deferred Shares and KEEPP Performance Shares, and the vesting levels for the KEEPP Performance Shares for the Group Managing Director.

The financial measures for the Group Managing Director in the KEEPP scorecards have been NPAT and ROE and these accounted for 60 per cent of the weighting for the scorecard in the 2018 to 2021 financial years and 55 per cent of the weighting for the scorecard in the 2022, 2023 and 2024 financial years.

Relative TSR accounted for 50 per cent of the performance conditions for the 2017 KEEPP Performance Shares, 60 per cent of the performance conditions for the 2018 and 2019 KEEPP Performance Shares, and 80 per cent of the performance conditions since the 2020 KEEPP Performance Shares award.

	KEEPP scorecard performance period	Percentage of maximum opportunity granted		KEEPP Performance Shares performance period	Percentage of Performance Shares vested (%)
		Deferred Shares (%)	Performance Shares ¹ (%)		
2017 KEEPP ²	1 July 2016 – 30 June 2017	100.0	100.0	1 July 2017 – 30 June 2021	95.5
2018 KEEPP	1 July 2017 – 30 June 2018	84.4	84.4	1 July 2018 – 30 June 2022	95.0
2019 KEEPP	1 July 2018 – 30 June 2019	86.6	86.6	1 July 2019 – 30 June 2023	87.0
2020 KEEPP	1 July 2019 – 30 June 2020	37.0	37.0	1 July 2020 – 30 June 2024	85.9
2021 KEEPP	1 July 2020 – 30 June 2021	98.3	98.3	1 July 2021 – 30 June 2025	Not yet vested
2022 KEEPP	1 July 2021 – 30 June 2022	91.4	91.4	1 July 2022 – 30 June 2026	
2023 KEEPP	1 July 2022 – 30 June 2023	65.0	66.7	1 July 2023 – 30 June 2027	
2024 KEEPP	1 July 2023 – 30 June 2024	79.0 ³	79.0 ³	1 July 2024 – 30 June 2028	

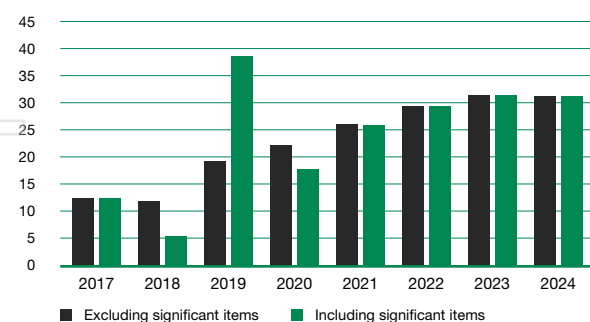
¹ Including minimum Performance Shares where applicable.

² The 2017 KEEPP scorecard outcome relates to Mr Scott's performance as Managing Director, Wesfarmers Industrials, and the 2017 KEEPP Performance Shares performance period relates to his time as Group Managing Director.

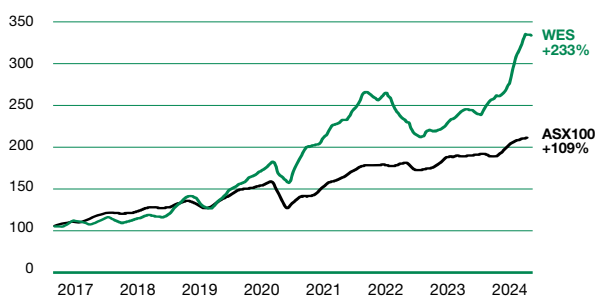
³ Allocation of 2024 KEEPP Performance Shares and Deferred Shares to Mr Scott is subject to shareholder approval at the 2024 Annual General Meeting.

The charts below summarise the performance of the Group for two key performance measures under the KEEPP over the same time frames as above.

ROE (%)



TSR: Wesfarmers and ASX100 (3-month moving average)



Remuneration report (audited)

Executive remuneration

4. Executive KMP remuneration framework and policy

Wesfarmers' primary objective is to provide satisfactory returns to shareholders over the long term. Wesfarmers considers that we can only achieve our primary objective by: looking after our team members, customers and suppliers; taking care of the environment; by acting ethically and honestly in all of our dealings; and by making meaningful contributions to the communities in which the Group operates.

The guiding remuneration principles are focused on driving leadership performance and behaviours consistent with this objective, as well as with the Wesfarmers Way (as explained on page 16-17) and the Group's overall strategies. The Board also believes embedding the right culture and ensuring the Group operates within effective risk management protocols are enablers of strategic execution over the long term.

Our guiding remuneration principles

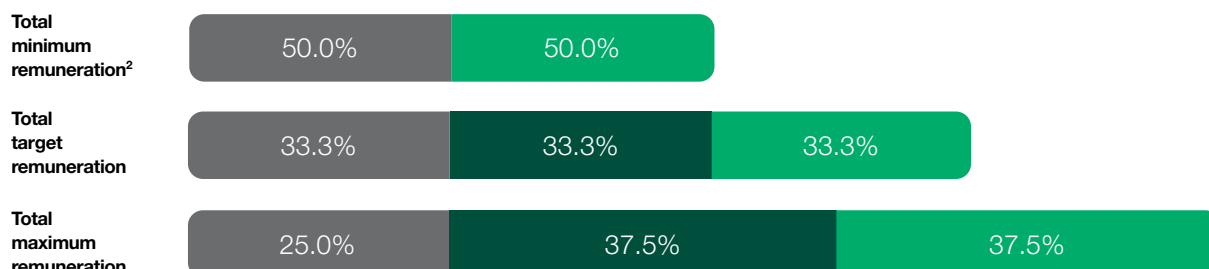
- 1 Attract, motivate and retain world-class talent and outstanding people to drive outcomes
- 2 Align executive and stakeholder interests through share ownership while strengthening focus on Group results through awards of long-term, at-risk deferred equity
- 3 Be transparent and fit for purpose, recognising our operating model of divisional autonomy by linking rewards to the achievement of objectives for which executives are directly accountable and responsible while retaining a direct link to Group performance
- 4 Recognise and reward high performance with a strong focus on the long term
- 5 Align effective risk management and demonstration of appropriate behaviours, ethics and values with rewards
- 6 Drive strategic achievement, which aligns with long-term shareholder interests

The Board considers these principles in setting the executive KMP remuneration framework.

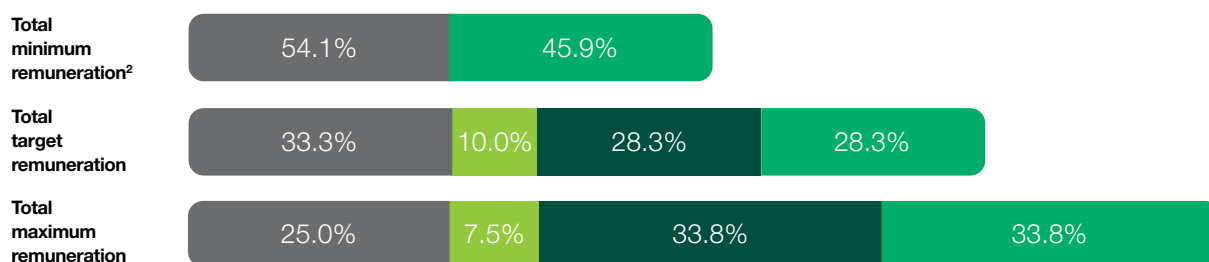
(a) Remuneration mix

The charts below show each component of the remuneration framework for the executive KMP as a percentage of total remuneration.

Group Managing Director and Group Chief Financial Officer¹



Other Executive KMP (divisional managing directors)¹



Key: Fixed remuneration (guaranteed) KEEPP cash (variable remuneration) KEEPP Deferred Shares (variable and at-risk remuneration) KEEPP Performance Shares (variable and at-risk remuneration)

¹ The sum of the components of total remuneration do not equal 100 per cent in some instances, due to rounding.

² Under the KEEPP scorecard process, 100 per cent of FAR as Performance Shares is the minimum allocation for the Group Managing Director and the Group Chief Financial Officer, and 85 per cent of FAR for the divisional managing directors. These Performance Shares vest only to the extent the performance conditions are met over the following four years. This ensures that variable remuneration is sufficiently tied to performance over time. Notwithstanding this, the Board has discretion to reduce the number of Deferred Shares and/or Performance Shares to be allocated, or to award no Deferred Shares and/or Performance Shares if, in its view, this outcome is fair and reasonable.

Remuneration report (audited)

(b) Remuneration framework

The remuneration framework for the executive KMP comprises fixed annual remuneration (FAR) and variable at-risk remuneration (through participation in the KEEPP). Total remuneration is set at a competitive level to attract, retain and engage key talent, with FAR set at a level that is appropriate for the requirements of the role.

FAR

FAR comprises salary and other benefits (including statutory superannuation). FAR, along with the other elements of executive remuneration, including total remuneration and each component of remuneration, is benchmarked to our external peers and levels vary between the executive KMP. FAR for each executive KMP is based upon: role and responsibility; business and individual performance; internal and external relativities; and contribution, competencies and capabilities. FAR is not varied by reference to inflation or indexation as a matter of course. Changes are based on merit, a material change in role or responsibility, the market rate for comparable roles varying materially, or as a result of internal relativities, while protecting the significant investment of Wesfarmers in developing our key talent.

Variable remuneration - KEEPP

Opportunity

The KEEPP is a single total incentive established for each executive KMP, with each cycle operating over seven years.

The quantum of the KEEPP award is determined against an individually personalised 12-month scorecard. For the 2024 financial year, this was split into financial performance measures, safety performance measures, Group ecosystem performance measures (including data and digital initiatives) and individual performance objectives, weighted 55 per cent, 10 per cent, 15 per cent and 20 per cent respectively. The scorecard sets out the threshold, target and stretch level of performance required for each performance measure.

The Remuneration Committee and the Board set the scorecards at the beginning of the financial year following consultation with the Group Managing Director (however, the Group Managing Director is not involved in setting his own KEEPP scorecard). The KEEPP award can vary up to a maximum of 300 per cent of FAR and is delivered through up to three delivery vehicles. See section 5.2 to 5.4 for further information on the KEEPP scorecards. The Board has discretion to adjust the scorecard measures or objectives where, in its opinion, it is appropriate to do so.

Delivery vehicles

Cash: There is no cash component for the Group Managing Director and the Group Chief Financial Officer, with their awards delivered solely in equity. For the other executive KMP, cash is zero for awards at or below 100 per cent of FAR, excluding any Performance Shares awarded to ensure the minimum Performance Shares level is achieved. For awards above this level, a maximum of 30 per cent of FAR may be awarded in cash. This represents 15 per cent of an 'at target' award or 10 per cent of a 'stretch level' award.

Equity: KEEPP equity awards are delivered as long-dated equity, with the 'at target' awards split equally between Deferred Shares and Performance Shares. Deferred Shares are restricted up to a total of six years once granted and can be subject to additional conditions if set by the Board at allocation. Performance Shares are subject to further performance conditions over a future four-year performance period.

KEEPP equity awards are satisfied in unquoted Wesfarmers shares. These shares are identical to other ordinary Wesfarmers shares except that they are not quoted (i.e. tradeable) on the ASX and the payment of dividends during the vesting period is delayed until either the shares vest (with the dividends then paid to the participant), or upon forfeiture (with the dividends then paid to the trustee). No component of any dividend will be paid to the executive KMP unless and until the vesting outcome is known. Upon the vesting or forfeiture of the Deferred Shares and the Performance Shares, as applicable, the company will apply for the relevant unquoted shares to be quoted on the ASX.

Where the KEEPP scorecard process results in an award of Performance Shares lower than 100 per cent of FAR (or 85 per cent of FAR for the divisional managing directors), additional Performance Shares (which vest only to the extent the performance conditions are met over the following four years) will be allocated to achieve that level. This ensures variable remuneration is sufficiently tied to performance over time. Notwithstanding this, the Board has discretion to reduce the number of Deferred Shares and/or Performance Shares to be allocated, or to award no Deferred Shares and/or Performance Shares if, in its view, this outcome is fair and reasonable.

Determining outcomes

Performance outcomes against the KEEPP scorecard:

The financial performance measures and safety performance measures are assessed after the preparation and audit of the relevant results each financial year. The Group ecosystem performance measures and individual performance outcomes are simultaneously assessed after a review against the measures and objectives set. If performance against any measure or objective is assessed as below threshold, no outcome is awarded for that measure or objective.

Vesting outcomes for KEEPP Performance Shares:

Performance Shares allocated as a result of KEEPP scorecard outcomes are subject to further performance conditions over a four-year performance period. Performance against measures, including performance of Wesfarmers' TSR relative to the TSR of the constituents of the S&P/ASX 100 Index, divisional financial performance and Wesfarmers portfolio management and investment outcomes, is measured over a four-year performance period. Vesting of Performance Shares occurs only to the extent that performance conditions are met. These are tested following the availability of audited results at the end of the performance period, independent calculation of rTSR and assessment of any non-financial performance conditions.

Board consideration of other factors

Prior to the Remuneration Committee recommending any variable remuneration outcomes to the Board (for example, for the KEEPP scorecards or the vesting or release of KEEPP shares), the Audit and Risk Committee completes a risk and audit check for each executive KMP.

Prior to finalising the KEEPP scorecard outcome, the Board calibrates the scorecard result with the personal performance and behaviours of each participant and the consideration of whether the calculated outcome is fair and reasonable, including that it is not inappropriate or simply formulaic.

Prior to finalising the vesting result for KEEPP Performance Shares, the Board considers whether the outcomes are fair and reasonable rather than simply formulaic. Further, the Board has discretion to adjust the performance conditions in appropriate circumstances, so that participants are not unfairly advantaged or disadvantaged by, for example, portfolio management activity or external events.

Remuneration report (audited)

(c) 2023 KEEPP life cycle

The life cycle for each element of the 2023 KEEPP is set out below. The 2023 KEEPP follows this life cycle and was awarded in the 2024 financial year, based on performance during the 2023 financial year. For further information on the timing for the 2023 KEEPP award, see section 5.7.

Scorecards established	Scorecards are established at the beginning of the 12-month period, for each executive KMP, and include financial and non-financial performance measures.
Scorecard period	12-month period (1 July 2022 to 30 June 2023)
Performance assessed Performance was assessed after the end of the 2023 financial year.	The financial and safety performance measures are assessed after the preparation and audit of the relevant results each financial year. The Group ecosystem performance measures and individual performance outcomes are simultaneously assessed after a review against the measures and objectives set.
Award determined KEEPP awards were determined following performance assessment in August 2023, after the end of the 12-month scorecard period. For details of the assessment and outcomes of the 2023 KEEPP scorecards and the determination of the 2023 KEEPP awards see sections 5.2 - 5.4 of the 2023 Remuneration Report.	If the assessment determines that performance on any measure is below threshold, the amount of the award for that measure is zero. If performance for a measure is assessed as at threshold, the award is 50 per cent of the target opportunity for that measure. If performance for a measure is assessed as at or above threshold, there is a straight-line calculation up to the target level and then a straight-line calculation up to the maximum level. The target opportunity across all measures is 200 per cent of FAR and the maximum award opportunity is 300 per cent of FAR. To reduce dependence on performance over the initial 12-month period, where the scorecard process results in an allocation of Performance Shares lower than 100 per cent of FAR (or 85 per cent of FAR for the divisional managing directors), additional Performance Shares (which vest only to the extent they meet the performance conditions over the four-year performance period) will be allocated to achieve that level. Once the scorecard is assessed and the award amount is calculated, the Board then considers whether the proposed award is fair and reasonable in the circumstances. This assessment is a deliberate consideration by the Board as to whether to exercise its judgement to apply modifiers to decrease or increase the amount of the award. Prior to finalising the scorecard outcome, the Board calibrates the scorecard result with the personal performance and behaviours of each participant alongside the consideration of whether the calculated outcome is fair and reasonable, including that it is not inappropriate or simply formulaic. KEEPP awards are then delivered as follows: – Equity: The Group Managing Director and the Group Chief Financial Officer receive all of their KEEPP awards in equity and are not eligible to receive any cash under the KEEPP. For 'on target' or above awards, equity is allocated equally in unquoted Deferred Shares and Performance Shares at no cost to participants. The number of shares allocated is determined using a face value equal to the 10-day, volume-weighted average price (VWAP) of Wesfarmers shares typically over the period following the full-year results announcement in August of that year. Where required, the 10-day period will be delayed to include shares trading ex-dividend or ex-entitlement only. The 10-day period for the 2023 KEEPP award was 30 August to 12 September 2023. The allocation of equity generally occurs shortly after the Annual General Meeting. While the equity is unquoted, the payment of any dividends on these shares during the vesting period is delayed. Upon the vesting or forfeiture of the Deferred Shares and the Performance Shares, the company will apply for the associated unquoted shares to be quoted on the ASX. Once quoted, the delayed dividend is paid to the participant on the vested shares only, with no dividends ever having been paid to the participant on shares subsequently forfeited. – Cash: KEEPP participants other than the Group Managing Director and the Group Chief Financial Officer may receive a cash component where the award exceeds 100 per cent of FAR, excluding any Performance Shares allocated to achieve the minimum award of Performance Shares. An award above that level is paid in cash up to a maximum of 30 per cent of FAR, with the remainder then delivered in equity. Any cash is generally paid in August, following the release of Wesfarmers' full-year results.
Deferred Shares and Performance Shares allocated Deferred Shares and Performance Shares were allocated following the 2023 Wesfarmers AGM.	Deferred Shares: Deferred Shares are subject to a 12-month service condition (the forfeiture period) and any additional conditions that may be set by the Board at the date of allocation. Deferred Shares are also subject to trading restrictions, which are lifted in three equal tranches after four, five and six years. Performance Shares: Performance Shares remain at risk and will vest only to the extent further performance conditions are met when tested over a future four-year performance period. Deferred Shares and Performance Shares are granted as newly-issued, unquoted securities. An application to quote the shares is made upon vesting or forfeiture of the shares.
Final number of vested Performance Shares determined Performance Shares will vest to the participant four years after grant, to the extent that performance conditions are met.	Performance Shares: four-year performance period Performance Shares are held in trust and can only be transferred to the executive KMP once vested. The performance conditions relating to the 2023 KEEPP Performance Shares are role-specific and will be tested over a four-year period ending 30 June 2027. The Performance Shares will only vest to the extent that these conditions are met. At the end of the 2027 financial year, the Board has discretion to adjust the vesting result for the 2023 KEEPP Performance Shares to ensure participants are not unfairly advantaged or disadvantaged by, for example, portfolio management or external events.
Deferred Shares released Deferred Shares will be released to the participant after four, five and six years.	Deferred Shares: 12-month forfeiture and four-, five- and six-year trading restrictions Deferred Shares are held in trust and can only be transferred to the executive KMP once all trading restrictions and any other conditions are met. For the 2023 KEEPP Deferred Shares, one-third will be released from the trading restriction in August 2027, one-third will be released in August 2028 and the remainder released in August 2029.

Remuneration report (audited)

5. Executive KMP remuneration

5.1 Fixed annual remuneration (FAR)

Fixed remuneration levels are set so as to sufficiently reward the executive KMP for performing the key requirements of their roles, having regard to the competitive environment for talent and other internal and external factors.

As outlined in the 2023 Remuneration Report, in July 2023, the Board approved an increase of \$100,000 per annum for Mr Scott, taking his FAR to \$2,600,000, which took effect from 1 October 2023. This increase is the first change in FAR since Mr Scott's appointment as Group Managing Director in November 2017.

There were no changes to FAR approved for the other executive KMP for the 2024 financial year.

In July 2024, the Board undertook a review of the remuneration for the executive KMP to apply from October 2024. Following this review, the Board concluded that there was a need to increase the FAR for the Group Chief Financial Officer, Managing Director, Kmart Group and Managing Director, Bunnings Group. This will be the first change in fixed remuneration for these executive KMP since October 2021.

The Board considered each executive KMP's performance and leadership, the strong company performance delivered and the shareholder value created, and the competitiveness of each remuneration package, including the impact on FAR in real terms given sustained elevated inflation. In addition, the Board acknowledges the variable remuneration opportunity under the KEEPP is lower in comparison to some peer companies, and is delivered in long-dated equity, has no cash component for the Group Managing Director and the Group Chief Financial Officer and a smaller cash component for the other executive KMP. Further, the Board also acknowledges the KEEPP is subject to more rigorous testing than most other plans in the market (with the initial award determined by annual performance and then at least half of the equity subject to further performance conditions over the following four years). After considering these factors, the Board firmly believes these increases are justified and in the best interests of the company, and therefore shareholders. Following consideration, there will be no change to the fixed remuneration for the Group Managing Director.

5.2 2024 KEEPP award outcomes

The 2024 KEEPP award outcomes relate to performance from 1 July 2023 to 30 June 2024. The table below sets out specific information relating to the actual award outcomes for the 2024 financial year.

Name	Balance available for allocation			Percentage of maximum 2024 KEEPP opportunity awarded	Percentage of maximum 2024 KEEPP opportunity forfeited
	for Deferred Shares	for Performance Shares ¹	for cash award		
	(\$)	(\$)	(\$)	%	%
R G Scott	3,080,845	3,080,845	Not eligible	79.0	21.0
A N Gianotti	1,693,695	1,693,695	Not eligible	77.9	22.1
I Bailey	2,022,750	2,022,750	465,000	97.0	3.0
M D Schneider	1,289,980	1,445,000	510,000	63.6	36.4

¹ Inclusive of the minimum KEEPP Performance Shares award for Mr Schneider.

The cash component for the 2024 KEEPP award is expected to be paid to Mr Bailey and Mr Schneider on 30 August 2024. The KEEPP Deferred Shares and KEEPP Performance Shares are expected to be allocated in November 2024 once performance conditions are set, subject to shareholder approval at the 2024 Annual General Meeting in the case of the Group Managing Director. Further details of these grants will be provided in the 2025 Remuneration Report.

5.3 Details of the 2024 KEEPP scorecards

The 2024 KEEPP scorecards comprise financial performance measures, safety performance measures, Group ecosystem performance measures (including measures relating to the Group's data and digital initiatives) and individual performance objectives relevant to the role of each executive KMP. The Group ecosystem measures were introduced in 2022 KEEPP scorecards and it is expected that these will not be included as a separately weighted measure in scorecards beyond the 2024 financial year. In the KEEPP scorecards, the performance measures set by the Board are designed to drive strategic outcomes that benefit the Group and our shareholders. The Board takes a balanced approach to setting the performance range for objectives, including setting the threshold and stretch performance targets, as well as in assessing the outcomes. The maximum outcome under the KEEPP scorecards can only be achieved if all of the financial performance measures, safety performance measures, the Group ecosystem performance measures and the individual performance objectives are assessed at stretch performance and the Board judges this outcome to be fair and reasonable.

Targets set by the Board are assessed to seek to ensure they are suitably risk-adjusted in accordance with the risk management framework so as to avoid inappropriate customer, team member or financial risk in the pursuit of the KEEPP outcomes. In assessing performance against the KEEPP scorecards, the Board also considers how the outcomes have been achieved, for example, through the demonstration of behaviours aligned with appropriate ethics, values and culture, including a focus on team member safety and wellbeing, and consideration of any actions impacting Group reputation. Section 5.4 contains further information on the KEEPP scorecards for the 2024 financial year.

Financial performance measures (55 per cent weighting)

Scorecard financial targets are set in relation to the annual budgets. Group NPAT and ROE were chosen for the Group Managing Director and the Group Chief Financial Officer because they reflect how Wesfarmers uses capital to generate earnings, manages total costs within the business and ultimately generates a profit to provide shareholder returns. Group NPAT and ROE performance is assessed following the preparation and audit of the annual financial statements. Group NPAT and ROE may be adjusted, where the Board considers it appropriate, to ensure participants are not unfairly advantaged or disadvantaged by, for example, portfolio management activity.

Remuneration report (audited)

Divisional financial measures of EBT, ROC (calculated as divisional EBT divided by divisional rolling 12-months capital employed, where capital employed excludes right-of-use assets and lease liabilities) and sales growth were chosen for the divisional managing directors because they are key financial measures directly linked to accountability at a divisional level that align with the Group financial measures and drive successful and sustainable financial business outcomes. Divisional performance is assessed following the preparation and audit of the annual financial statements. Similar to Group NPAT and ROE, divisional financial measures may be adjusted, where the Board considers it appropriate, to ensure participants are not unfairly advantaged or disadvantaged by, for example, portfolio management activity.

Threshold performance is required for EBT and ROC before any award is made in respect of either of these measures. Threshold EBT performance is also required before any award is made in respect of sales growth.

Safety performance measures (10 per cent weighting)

Safety targets are generally based upon an improvement on the previous financial year's result. Safety performance is measured through the total recordable injury frequency rate (TRIFR) at the Group or divisional level, as relevant to the executive KMP, and was chosen to reflect the Group's relentless focus on providing safe workplaces for all team members, in addition to the priority placed on the health and safety of the Group's customers and the community. TRIFR performance is assessed following completion of the annual sustainability assurance process. No award will be made in respect of the relevant safety measure if there is a fatality or a significant incident, for example, a workplace event that resulted in serious harm or a life-altering injury or illness (physical or psychological) within a managed entity.

Group ecosystem performance measures (including data and digital initiatives) (15 per cent weighting)

The Board again approved that the scorecard measures should have an appropriate focus on the Group ecosystem and other data and digital initiatives. As a result, to ensure the executive KMP are incentivised to deliver suitable returns from the Group ecosystem and other data and digital initiatives, the Board approved the continuation of the 15 per cent weighting to the Group ecosystem performance measures in the 2024 KEEPP scorecards. The Group ecosystem measure will no longer be a separately weighted performance measure for future years. Instead, targets relating to the Group ecosystem and other data and digital initiatives will be included within the individual performance objectives.

In the 2024 KEEPP scorecards, the Group ecosystem targets are customised based upon the participant's role and the specific circumstances and strategic priorities of the Group and/or division, as appropriate.

Performance in relation to the Group ecosystem measures is assessed against the success of key strategies within OneDigital, including the shared data asset and the OnePass membership program as well as the value-add delivered through various data and digital initiatives at the Group and divisional level. These measures were chosen to directly incentivise the executive KMP to contribute to and lead these initiatives, specifically given their cross-divisional nature. The Group ecosystem measures are designed to maximise Group and divisional opportunities within the data and digital environment. Progress against the Group ecosystem measures is assessed by the Board following a review of performance against the objectives by the Group Managing Director or Chairman, as appropriate, as part of the performance review cycle.

Individual performance objectives (20 per cent weighting)

Individual performance objectives are specific to the participant's role and the Group/division's circumstances and strategic priorities. Where the Board considers it is appropriate to do so, the scorecard targets will be adjusted so that participants are not unfairly advantaged or disadvantaged, for example, following portfolio management activity.

The individual performance objectives are split into two categories, comprising business enhancing objectives and sustainability objectives, each with 10 per cent weighting. The individual performance objectives were chosen because they are key focus areas in enabling the Group to achieve our primary objective of generating satisfactory returns to shareholders over the long term. Focusing on the strategic priorities set as objectives within the KEEPP scorecards will enable our divisions to retain and improve their leading positions in their respective markets as well as generating long-term growth. Progress against the individual performance objectives is assessed by the Board following a review of performance against the individual performance objectives by the Group Managing Director or Chairman, as appropriate, as part of the performance review cycle.

Business enhancing objectives are designed to maximise business and growth opportunities over the long term. Examples include assessing growth and investment opportunities and operational optimisation projects. Sustainability objectives are set in several interrelated areas where strong performance is recognised as a driver of long-term shareholder value. This includes our corporate reputation as well as Group-wide initiatives, such as progress against emissions reduction targets and operational risk controls, including cyber security. Sustainability objectives also have regard to team diversity measures, such as gender balance and Indigenous employment, recognising that maintaining diverse teams, which reflect the diversity of the communities they serve, make our businesses more resilient and provides incremental growth opportunities.

5.4 Assessment and outcome of the 2024 KEEPP scorecards

In assessing the 2024 KEEPP scorecards, the Board reviewed performance against the financial measures and the non-financial measures in the scorecard, plus any other factors it considers relevant, before determining the scorecard outcome and the allocation of any KEEPP Deferred Shares and KEEPP Performance Shares. The divisional managing directors may also receive an allocation of cash where applicable.

Assessment and consideration of other factors

In assessing performance against the scorecards, the Board considers the behaviours demonstrated by each executive KMP and, if the Board considers it appropriate, the outcome is modified. This includes, for example, behaviours in relation to risk management and demonstration of appropriate ethics, values and culture, actions negatively impacting the Group's reputation, and team member safety and wellbeing. Further, the Board considers whether the calculated outcome is fair and reasonable, and may decrease or increase the outcome where appropriate.

The results of the performance against the 2024 KEEPP scorecard and final outcome for each of the executive KMP for the 2024 KEEPP allocation are outlined on the following pages.

Remuneration report (audited)

Rob Scott - Group Managing Director

2024 KEEPP award

Mr Scott's total 2024 KEEPP outcome, being 79.0 per cent of the maximum opportunity, will be allocated as:

Deferred Shares	\$3,080,845
Performance Shares	\$3,080,845

2024 Performance highlights

Financial (55% weighting)

Outcome: 89.8% of maximum opportunity / 148.2% of FAR

Wesfarmers 2024 financial results

	Target	Result
Group NPAT	\$2,448m	\$2,557m
Group ROE	30.6%	31.3%

Mr Scott's financial targets were set in relation to achievement of the Group's NPAT and ROE targets. Threshold performance was set at 90% of target with maximum at 105%

The Board continues to be very pleased with the performance and strategic leadership of Mr Scott in achieving the Group's financial results for the 2024 financial year under challenging economic conditions. As a result, Mr Scott achieved 89.8% of the maximum opportunity on financial measures.

Group ecosystem (15% weighting)

Outcome: 75.0% of maximum opportunity / 33.8% of FAR

The Board continues to be pleased with the work and progress made throughout the financial year in relation to the Group ecosystem, specifically the development of the shared data platform and the OnePass program. The total number of OnePass accounts continues to grow with the benefits attributable to divisions from increased transaction frequency and sales. The relaunch with the improved offering in the first half of the financial year was well received by customers. Divisional alignment among the retail and health divisions in relation to the Group ecosystem and digital and data initiatives is strong. As the Group's capabilities in data and digital continue to mature and are incorporated in the retail and health division strategies, the Board is confident momentum will continue without the Group ecosystem being a separately weighted measure in future years.

Safety (10% weighting)

Outcome: 0% of maximum opportunity / 0% of FAR

The Group TRIFR result was 10.99, which was below the Group TRIFR target of 9.43. This result was again largely due to the safety results in Bunnings Group. Significant effort and investment was directed to Bunnings' safety reporting, processes and training throughout the financial year, and this intensive focus will continue throughout the 2025 financial year. There were no fatalities and no significant incidents (being a workplace event that resulted in serious harm or a life-altering injury or illness, either physical or psychological) across managed entities. As this result was below the minimum performance level set by the Board, no award was made in respect of safety. The safety and wellbeing of all team members across the Group remains the highest priority and therefore the 2024 financial year TRIFR result is disappointing. The Board looks forward to improved results in the 2025 financial year, and is closely monitoring Bunnings Group's three-year safety improvement plan.

Business enhancing (10% weighting)

Outcome: 83.3% of maximum opportunity / 25.0% of FAR

Business growth: Progress continued on the construction of the Kwinana lithium hydroxide refinery, which was approximately 80 per cent complete at the end of the financial year. The concentrator was commissioned and the first sale of spodumene concentrate occurred this financial year. The supply chain projects across the Group have progressed with pleasing results from recent investments and initiatives and solid progress towards longer-term plans.

Turnaround/newly acquired businesses: The Health division again ended the financial year with financial performance ahead of budget with momentum building across retail and wholesale. Pleasingly, Industrial and Safety has continued to grow year on year. Remediation activities in Catch have reduced losses and established a lower cost and capital-light model for scaling the marketplace, but further work and progress is required to deliver satisfactory returns.

Sustainability (10% weighting)

Outcome: 100% of maximum opportunity / 30.0% of FAR

Strong progress was made with talent development and the Board is pleased with the quality of succession planning at a Group and divisional level. The Group's Scope 1 and Scope 2 (market-based) emissions reduced by 5.4 per cent, with the divisions continuing progress towards their interim and long-term targets. Reductions in Scope 2 emissions were achieved by further increases in renewable electricity generation and renewable electricity purchases. Gender balance has improved across all areas of management. Indigenous employment remains above parity for Australian team members with 87 graduates of the Wesfarmers Indigenous Leadership Program earning a Cert II or Cert IV in Indigenous Leadership. Based on internal and independent surveys and assessments of brand strength and reputation, the reputation of Wesfarmers and our major divisions remains strong with Group and sustainability reporting highly regarded.

2024 KEEPP scorecard

Scorecard measure	Weighting (%)	Threshold not met	Threshold achieved	Threshold exceeded	Target achieved	Target exceeded	Maximum achieved
Financial	55					●	
Group ecosystem	15					●	
Safety	10	●					
Business enhancing	10					●	
<i>Business growth</i>						●	
<i>Turnaround/newly acquired businesses</i>						●	
<i>Reputation</i>							●
Sustainability	10						●
<i>Risk management</i>							●
<i>People and culture</i>							●
<i>Climate change-related initiatives</i>							●

Remuneration report (audited)

Anthony Gianotti - Group Chief Financial Officer

2024 KEEPP award

Mr Gianotti's total 2024 KEEPP outcome, being 77.9 per cent of the maximum opportunity, will be allocated as:

Deferred Shares	\$1,693,695
Performance Shares	\$1,693,695

2024 Performance highlights

Financial (55% weighting)

Wesfarmers 2024 financial results		
	Target	Result
Group NPAT	\$2,448m	\$2,557m
Group ROE	30.6%	31.3%

Mr Gianotti has contributed significantly to the financial results of the Group for the 2024 financial year. Mr Gianotti's strong commercial and financial oversight of the Group, combined with detailed attention to cash and capital management, were key in delivering growth in profit and cash flows in difficult economic conditions.

As Group Chief Financial Officer, Mr Gianotti's Group financial measures were the same as those of the Group Managing Director. As a result, Mr Gianotti achieved 89.8% of the maximum opportunity on financial measures.

Group ecosystem (15% weighting)

Mr Gianotti has continued to provide support to the Group's digital ecosystem. His active involvement with the OneDigital Board, financial and risk management oversight and commercial expertise have been significant to OneDigital's continued strengthening, including the OnePass platform. In addition, during the financial year he has had a particular focus on the appointment of financially and commercially strong individuals to support the program and assist with key strategic projects.

Safety (10% weighting)

Mr Gianotti's Group safety measure was the same as for the Group Managing Director. As this result was below the minimum performance level set by the Board, no award was made in respect of safety.

Business enhancing (10% weighting)

As per prior years, Mr Gianotti continued to deliver very effective management of the Group's balance sheet and external relationships with the capital markets, particularly debt providers, investors, analysts and rating agencies. Mr Gianotti has successfully supported a number of business improvement projects across the Group, for example, within OneDigital, Health, WesCEF and Kmart Group, and has played a key role in Group-wide supply chain initiatives. Mr Gianotti provided strong cash and capital management over the 2024 financial year. In addition, Mr Gianotti has overseen pleasing improvements in cost and productivity within the Industrial and Safety division.

Sustainability (10% weighting)

Group risk, especially cyber risk, has again been a significant focus for Mr Gianotti throughout the financial year with continued maturation of the risk and compliance frameworks at the Group and divisional level. Cyber risk and management strategies continue to evolve rapidly with good progress during the financial year. Within his focus on talent management, Mr Gianotti plays a leading role in the attraction, development and retention of key commercial and financial talent across the Corporate finance and business development teams, together with divisional roles. This has enabled a strengthening of the succession pipelines. Further, Mr Gianotti has contributed to significant change processes to support readiness to report pursuant to the new Australian sustainability reporting standards and to implement the Sphera ESG data system, and efforts to better embed ESG considerations into annual risk and corporate planning processes.

2024 KEEPP scorecard

Scorecard measure	Weighting (%)	Threshold not met	Threshold achieved	Threshold exceeded	Target achieved	Target exceeded	Maximum achieved
Financial	55					●	
Group ecosystem	15					●	
Safety	10	●					
Business enhancing	10	Balance sheet and capital management					
		Business growth					
		Turnaround/newly acquired businesses					
		Reputation					
Sustainability	10	Risk management					
		People and culture					
		Climate change-related initiatives					

Remuneration report (audited)

Ian Bailey - Managing Director, Kmart Group

2024 KEEPP award

Mr Bailey's total 2024 KEEPP outcome, being 97.0 per cent of the maximum opportunity, will be allocated as:

KEEPP cash	\$465,000
Deferred Shares	\$2,022,750
Performance Shares	\$2,022,750

2024 Performance highlights

Financial (55% weighting)

Mr Bailey's financial targets were set in relation to the achievement of Kmart Group EBT and ROC and Kmart comparable sales growth. Threshold performance for the EBT and ROC measures was set at 90% of target with stretch performance at 105%.

Kmart Group 2024 financial results

EBT	\$957.8m
ROC	65.7%
Kmart comparable sales growth	6.4%

The performance of Kmart Group throughout the 2024 financial year has been very strong, reflecting the strength of Mr Bailey's leadership, the continued transformation of the division over this year and recent years, as well as other digitisation, growth and productivity initiatives across a number of areas. Kmart Group has delivered strong financial results for the financial year with EBT, ROC and sales growth more than 20% above target. As a result, Mr Bailey achieved the maximum 2024 KEEPP outcome on financial measures.

Group ecosystem (15% weighting)

Mr Bailey has continued to make a significant contribution to the Group ecosystem through the OneDigital Board, and Kmart Group has taken a leading role in the development of the OnePass program. His support to the Group Managing Director and to the OneDigital and Flybuys boards is highly valued.

Safety (10% weighting)

Kmart Group TRIFR for the financial year was 6.45, which was 4.2% above target, and a 13.3% improvement on the prior year.

Business enhancing (10% weighting)

The transformation to more deeply integrate Target into the Kmart Group, led by Mr Bailey early in the 2024 financial year, was well-executed, and has delivered the expected value. In addition, Mr Bailey has continued to drive Kmart Group's strategic priorities and to build the Anko Global business, laying strong foundations for future performance.

Sustainability (10% weighting)

Kmart Group again achieved strong Aboriginal and Torres Strait Islander employment outcomes and maintained gender balance in all areas of management. Kmart Group is on track to achieve its renewable energy target by the end of the 2025 financial year, progressing renewable electricity contracts during the financial year. Kmart Group's ethical sourcing program remains leading. The risk and data governance framework across Kmart Group, including cyber security, continues to mature. Talent management and succession planning within Kmart Group continues to develop in a positive manner with strong development and promotion of talent within the division. Pleasingly, Kmart continues to be one of the most trusted brands within Australia, further strengthening its corporate reputation.

2024 KEEPP scorecard

Scorecard measure	Weighting (%)	Threshold not met	Threshold achieved	Threshold exceeded	Target achieved	Target exceeded	Maximum achieved
<i>EBT</i>							●
Financial							
<i>ROC</i>	55						●
<i>Kmart comparable sales growth</i>							●
Group ecosystem	15				●		
Safety	10						●
Business enhancing							
<i>Business growth</i>	10						●
<i>Turnaround/newly acquired businesses</i>							●
<i>Reputation</i>							●
Sustainability							
<i>Risk management</i>	10					●	
<i>People and culture</i>						●	
<i>Climate change-related initiatives</i>							●

Remuneration report (audited)

Michael Schneider – Managing Director, Bunnings Group

2024 KEEPP award

Mr Schneider's total 2024 KEEPP outcome, being 63.6 per cent of the maximum opportunity, will be allocated as:

KEEPP cash	\$510,000
Deferred Shares	\$1,289,980
Performance Shares	\$1,445,000

2024 Performance highlights

Financial (55% weighting)

Mr Schneider's financial targets were set in relation to the achievement of Bunnings Group EBT, ROC and total sales growth. Threshold performance for the EBT and ROC measures was set at 90% of target with stretch performance at 105%.

Bunnings Group 2024 financial results

EBT	\$2,250.6m
ROC	69.2%
Sales growth	2.3%

Under Mr Schneider's leadership, Bunnings has continued to deliver pleasing financial results and growth through a range of market conditions. Bunnings again delivered record EBT for the year and very strong ROC although the EBT result was below the Board-approved budget for the 2024 financial year by between 0 and 5%. ROC however, was between 5 and 10% above target. Total sales growth (including trade centres) did not meet threshold for the financial year. The Board acknowledges the Bunnings sales budget for the 2024 financial year was ambitious, given the weakening economic environment, especially in the commercial sector. In total, Mr Schneider's 2024 KEEPP outcome on financial measures was 92.5% of FAR.

Group ecosystem (15% weighting)

Mr Schneider continues to play an active leadership and advocacy role within the Group ecosystem initiative, including with the shared data platform and OnePass and as a director of OneDigital. OnePass was successfully extended into Bunnings during the year, and Bunnings' capabilities in the data analytics area have improved materially through the financial year. Mr Schneider has also been deeply involved with OneDigital on the development of retail media.

Safety (10% weighting)

Bunnings TRIFR was again disappointing at 16.97. While significant effort and investment was directed to Bunnings Group's safety reporting, processes and training throughout the year, and this intensive focus will continue throughout the 2025 financial year, the TRIFR remained above the target. This result was below the minimum performance level set by the Board, and therefore no payment was made in respect of safety.

Business enhancing (10% weighting)

Mr Schneider oversaw a number of positive strategic initiatives throughout the 2024 financial year, including productivity improvements in store operations, new category expansions and global sourcing initiatives. Bunnings Group's continued growth in sales and profit, in a challenging market environment, has been supported by Mr Schneider's leadership on these important business enhancing projects, and is resulting in relative outperformance to competitors.

Sustainability (10% weighting)

Very good progress has continued during the financial year towards Bunnings' climate change-related targets, by operating more efficiently, generating behind the meter and procuring renewable electricity. Together, these measures have supported long term sustainable value creation. There has also been strong progress in gender balance, Aboriginal and Torres Strait Islander employment and supplier diversity strategies. Bunnings grew its community program with more than 79,000 activities during the year, contributing and helping community organisations to raise \$61.1 million.

Bunnings Group's talent development and succession plans have strengthened through the year, and enabled changes in organisational and leadership structures to support future business growth and performance. Pleasingly, Bunnings continues to be one of the most trusted brands within Australia further strengthening its corporate reputation.

2024 KEEPP scorecard

Scorecard measure	Weighting (%)	Threshold not met	Threshold achieved	Threshold exceeded	Target achieved	Target exceeded	Maximum achieved
<i>EBT</i>				●			
Financial	55						●
<i>ROC</i>							
<i>Sales growth</i>		●					
Group ecosystem	15				●		
Safety	10	●					
<i>Business growth</i>					●		
Business enhancing	10				●		
<i>Turnaround/newly acquired businesses</i>							
<i>Reputation</i>							●
Sustainability	10					●	
<i>Risk management</i>							
<i>People and culture</i>							●
<i>Climate change-related initiatives</i>							●

Remuneration report (audited)

5.5 2020 KEEPP awards that vested during the 2024 financial year

In 2020, eligible executive KMP were awarded Deferred Shares and Performance Shares under the 2020 KEEPP. The four-year performance period for the 2020 KEEPP Performance Shares ended on 30 June 2024. Further details of the terms of the 2020 KEEPP are set out in the 2021 Remuneration Report. All of the current executive KMP participated in the 2020 KEEPP. The table below summarises the applicable performance conditions and the vesting outcome of the 2020 KEEPP Performance Shares for each, as approved by the Board in August 2024.

Consistent with the approach to the 2021 and 2022 KEEPP scorecard targets and the assessment last year regarding the 2019 KEEPP Performance Share vesting outcomes for the divisional managing directors, the Board has considered the impact of the COVID-19 pandemic on the segment results targets under the 2020 KEEPP Performance Shares, as set out on the following page. In addition, prior to approval of the vesting outcome, the Board considered whether it needed to exercise any judgement to amend entitlements, however, concluded it did not. Further information on each performance condition is provided below. Refer to section 5.7(a) of the 2021 Remuneration Report for the terms applying to the 2020 KEEPP Performance Shares.

	Vesting condition	Weighting of vesting condition	Performance condition result (2020-2024)	% of maximum opportunity	Total % of Performance Shares vested	Number of Performance Shares vested
R G Scott	rTSR	80%	4-year TSR of 99.95% ranked at the 71.2 percentile of the ASX 100	92.4%	85.9%	24,580
	Portfolio management and investment outcomes	20%	Met expectations	60.0%		
A N Gianotti	rTSR	80%	4-year TSR of 99.95% ranked at the 71.2 percentile of the ASX 100	92.4%	85.9%	13,901
	Portfolio management and investment outcomes	20%	Met expectations	60.0%		
I Bailey	rTSR	50%	4-year TSR of 99.95% ranked at the 71.2 percentile of the ASX 100	92.4%	93.2%	12,971
	Segment result	43% ¹	Outcomes are detailed on the following page	100%		
	Catch GTV and CLV/CPA ratio	7% ¹	Outcomes are detailed on the following page	57.1%		
M D Schneider	rTSR	50%	4-year TSR of 99.95% ranked at the 71.2 percentile of the ASX 100	92.4%	95.5%	37,042
	Segment result	50%	Outcomes are detailed on the following page	98.7%		

¹ The weightings on the performance conditions relating to Mr Bailey's 2020 KEEPP Performance Shares were adjusted due to the removal of Catch from Kmart Group, effective 1 July 2022. The adjustments are detailed on the following page.

Relative total shareholder return (rTSR) condition

This condition measures the performance of Wesfarmers' TSR relative to the TSR of the constituents of the S&P/ASX 100 Index. The Group outperformed the majority of our peers over the performance period with regard to rTSR and was ranked at the 71st percentile in the ASX 100.

Portfolio management and investment outcomes condition

The Board assessed Mr Scott's contribution and outcomes over the four-year performance period. The Board considered the contribution of the portfolio management and investment decisions and actions during the performance period and also the opportunities that had been considered but not pursued. The early years of the performance period were characterised by COVID-19 and the unforeseen uncertainty that the pandemic brought. During this period, the relevant portfolio management and investment decisions were more focused internally within the Group with small organic changes rather than significant external portfolio-related activity. Overall, after weighing up the varying success of the decisions over this period, the Board assessed Mr Scott as having achieved outcomes that met their expectations.

In addition, the Group Managing Director and the Board assessed Mr Gianotti's outcomes and Mr Gianotti was also deemed to have achieved outcomes that met expectations.

Segment result condition

This condition measures the annual segment result for each of the four years in the performance period against the relevant Corporate Plan for the division, subject to a simple average ROC gate. Years one to four of the performance period are weighted 40 per cent, 30 per cent, 20 per cent and 10 per cent respectively. The EBT and ROC targets in the relevant Corporate Plan are not typically adjusted subsequently. The Board can, however, adjust these targets where it considers it appropriate, so that participants are not unfairly advantaged or disadvantaged, for example, due to major external events or portfolio management activity.

Due to the significant and unforeseen impact of COVID-19, the EBT and ROC performance conditions were set equal to the annual financial targets applicable for Kmart Group and Bunnings Group in the 2021 financial year, with the remainder of the performance conditions taken from the 2021 Corporate Plan approved at the end of the 2021 financial year. As the impact of COVID-19 continued into the 2022 financial year, to ensure a consistent approach, the Board considered the relevant relative increase or decrease to the financial targets within the Board-approved KEEPP scorecards for the 2022 financial year for Kmart Group and Bunnings Group. These scorecard targets were set to drive a reasonable but still demanding level of performance. The same relative increase or decrease was then applied to the 2020 Performance Share performance conditions for Kmart Group and Bunnings Group for the 2022 financial year. For Mr Bailey, the Board determined to reduce the target EBT for

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2022 by 39.6 per cent, due mainly to mandated store closures. For Mr Schneider, the Board determined that there be no change to the EBT target for 2022.

Over the four-year performance period, Kmart Group (excluding Catch) reported an average ROC of 51.8 per cent, which was above the required average ROC condition of 50.5 per cent. The annual segment EBT result (excluding Catch) was met in each of the financial years, as shown in the table below:

Financial Year	Weighting	Percentage of annual target achieved
2021	40%	100%
2022	30%	100%
2023	20% ¹	100%
2024	10% ¹	100%

¹ The weightings for the 2023 and 2024 financial years became 22% and 11% respectively as a result of Catch no longer being included within Kmart Group (as discussed below).

Over the four-year performance period, the Bunnings Group reported an average ROC of 72.5 per cent, which was above the required average ROC condition of 58.9 per cent. The annual segment EBT target result was met in full in the 2021, 2022 and 2023 financial years, and partially met (87.4 per cent) in the 2024 financial year, as shown in the table below. Overall, this resulted in 98.7 per cent of the award vesting.

Financial Year	Weighting	Percentage of annual target achieved
2021	40%	100%
2022	30%	100%
2023	20%	100%
2024	10%	87.4%

Catch GTV and CLV/CPA condition

Mr Bailey's 2020 KEEPP Performance Shares also had a Catch gross transaction value (GTV) and customer lifetime value to the cost per acquisition ratio (CLV/CPA) condition. This condition measures the annual total price paid by Catch's customers for all items sold via Catch, subject to achieving the average CLV/CPA gate over the four-year performance period. The GTV targets and CLV/CPA gate were set by the Board with reference to the original approved investment case. Once set by the Board, no adjustments were made to these targets as a result of COVID-19.

Subject to the CLV/CPA ratio gate being passed, a portion of the Performance Shares would vest for achievement of the annual GTV targets. The annual GTV target was individually weighted for each year of the performance period, with a 40 per cent weighting to the first year of the performance period, followed by 30 per cent, 20 per cent and 10 per cent weighting for years two, three and four respectively.

As explained in the 2022 Remuneration Report, in June 2022, Catch ceased to be included within the Kmart Group from 1 July 2022 and instead became part of the OneDigital division. In recognition of this, the Board approved that from 1 July 2022, the portion of Mr Bailey's 2020 KEEPP Performance Shares subject to divisional financial performance would no longer be assessed against Catch GTV and CLV/CPA, with Kmart Group EBT and ROC being the relevant performance conditions from that time. As a result, only years one and two of the performance period have been tested subject to the GTV and CLV/CPA condition and this has effectively adjusted the weighting in the performance conditions with the Catch GTV and CLV/CPA condition having an overall 7 per cent weighting and the segment result condition having an overall weighting of 43 per cent.

Over the performance period, Catch reported an average CLV/CPA ratio of 2.1, which met the required average CLV/CPA ratio condition. The annual GTV target was met in the 2021 financial year but not the 2022 financial year, as shown in the table below:

Financial Year	Weighting	Percentage of annual target achieved
2021	40%	100%
2022	30%	0.0%
2023	0.0% ¹	N/A
2024	0.0% ¹	N/A

¹ Following the removal of Catch from Kmart Group, the original weightings for the 2023 and 2024 financial years for GTV and the CLV/CPA ratio were reduced with a corresponding increase in the 2023 and 2024 financial year segment result weightings, as shown above. The 2023 and 2024 financial years are not, therefore, part of the final performance period.

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5.6 Executive KMP remuneration (statutory presentation)

(a) Statutory executive KMP remuneration table

In the following table, remuneration outcomes are presented based on the requirements of the *Corporations Act 2001* and accounting standards (which has the benefit of being readily comparable with other companies) rather than a take-home pay basis (generally being cash and benefits and the value of equity received during the financial year). In this regard:

- The KEEPP cash component is recognised for the year in which it is earned. The KEEPP Deferred Shares are recognised as an expense over a 12-month period typically spanning two financial years and the KEEPP Performance Shares are recognised over the performance period (four years) based on the assessed value when originally granted to the executive KMP. The value recognised for the KEEPP Deferred Shares and KEEPP Performance Shares may be significantly different to their value if and/or when the incentive vests to the executive KMP. Note, as at 30 June 2024, the service and performance conditions to determine vesting of the 2024 KEEPP Deferred Shares and 2024 KEEPP Performance Shares had not yet been finalised and therefore the following table does not include the expensing of these grants.
- In some circumstances, amounts are recorded as remuneration even when no equity vests to the executive KMP and in other cases there can be negative remuneration from equity awards in a given year, for example, due to non-vesting.

	Short-term benefits				Long-term benefits ¹	Post-employment benefits ²	Share-based payments ³	Termination benefits	Total	Performance related ⁴
	Cash salary (\$)	KEEPP cash ⁵ (\$)	Non-monetary benefits ⁶ (\$)	Other (\$)	Leave (\$)	Super-annuation (\$)	KEEPP and other equity (\$)	Termination payments (\$)	(\$)	(%)
Executive director										
R G Scott – Group Managing Director, Wesfarmers Limited										
2024	2,459,305 ⁷	–	105,456	–	42,916	27,399	4,482,168	–	7,117,244	63.0
2023	2,323,194	–	203,364	–	41,666	25,292	5,581,883	–	8,175,399	68.3
Senior executives										
A N Gianotti – Group Chief Financial Officer, Wesfarmers Limited										
2024	1,380,330	–	52,756	–	24,166	27,399	2,564,022	–	4,048,673	63.3
2023	1,371,182	–	63,885	–	24,166	25,292	3,151,563	–	4,636,088	68.0
I Bailey – Managing Director, Kmart Group										
2024	1,522,500	465,000	1,143	–	25,833	27,500	2,917,086	–	4,959,062	68.2
2023	1,522,500	465,000	6,973	–	25,833	27,500	3,336,233	–	5,384,039	70.6
M D Schneider – Managing Director, Bunnings Group										
2024	1,622,414	510,000	81,370	–	28,333	27,500	2,451,943	–	4,721,560	62.7
2023	1,589,418	510,000	137,236	–	28,333	27,500	3,229,011	–	5,521,498	67.7
Total										
2024	6,984,549	975,000	240,725	–	121,248	109,798	12,415,219	–	20,846,539	–
2023	6,806,294	975,000	411,458	–	119,998	105,584	15,298,690	–	23,717,024	–

¹ Long-term benefits relate to leave entitlements earned during the year.

² Post-employment benefits relate to superannuation contributions made on behalf of the executive KMP in accordance with Wesfarmers' statutory superannuation obligations. Also included is any part of the executive KMP's salary that has been sacrificed into superannuation.

³ The amounts included in share-based payments relate to the KEEPP, as applicable.

– The portion of the 2020 KEEPP, 2021 KEEPP and 2022 KEEPP that continue to be expensed in the 2024 financial year based on probability of vesting (i.e., achieving service or non-market conditions), as these shares are subject to performance and service conditions, together referred to as the service period. The amounts included for the 2023 KEEPP are detailed in section 5.7.

– The expensing for the Deferred Shares and Performance Shares that are yet to be granted under the 2024 KEEPP will be included in the remuneration table in the 2025 Remuneration Report.

⁴ The percentage performance related to the 2024 financial year is the sum of the KEEPP cash and share-based payments divided by the total remuneration, reflecting the actual percentage of remuneration at risk for the financial year. The percentage of total remuneration that consists of KEEPP shares only, being the amount expensed in the 2024 financial year for the 2020, 2021, 2022 and 2023 KEEPP shares, as applicable, is as follows – R G Scott 63.0 per cent, A N Gianotti 63.3 per cent, I Bailey 58.8 per cent, and M D Schneider 51.9 per cent.

⁵ Cash payments expected to be made in August 2024 to eligible participants in relation to the KEEPP for the 2024 financial year.

⁶ Short-term benefits, 'Non-monetary benefits' (inclusive of FBT where applicable), include the cost to the company of providing vehicles, travel and the fair value of discounts received for goods and services acquired by the executive KMP below retail price, under the general team member discount schemes (noting that these purchases are on the same terms and conditions as those entered into by other Group team members or customers and are minor or domestic in nature).

⁷ The increase in Mr Scott's 2024 'Cash salary' for the 2024 financial year compared with the 2023 financial year was the result of the increase to his FAR which became effective on 1 October 2023, and reduced salary packaged vehicle costs in the 2024 financial year.

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(b) Summary of KEEPP shares that were expensed during the 2024 financial year

The table below sets out details of the KEEPP shares that were expensed during the 2024 financial year. In addition, this table shows the KEEPP shares that vested during the financial year.

Name	Year	Deferred Shares vested during the year ¹		Performance Shares vested during the year ²		Range that could be expensed over the remaining performance period ³
		Number	%	Number	%	
R G Scott	2020 KEEPP	–	–	24,580	85.9	–
	2021 KEEPP	–	–	–	–	0 to 605,108
	2022 KEEPP	73,204	100	–	–	0 to 1,198,344
	2023 KEEPP	–	–	–	–	0 to 2,188,223
A N Gianotti	2020 KEEPP	–	–	13,901	85.9	–
	2021 KEEPP	–	–	–	–	0 to 349,212
	2022 KEEPP	41,142	100	–	–	0 to 673,492
	2023 KEEPP	–	–	–	–	0 to 1,269,160
I Bailey	2020 KEEPP	–	–	12,971	93.2	–
	2021 KEEPP	–	–	–	–	0 to 392,808
	2022 KEEPP	30,584	100	–	–	0 to 568,327
	2023 KEEPP	–	–	–	–	0 to 1,908,224
M D Schneider	2020 KEEPP	–	–	37,042	95.5	–
	2021 KEEPP	–	–	–	–	0 to 420,328
	2022 KEEPP	39,917	100	–	–	0 to 923,540
	2023 KEEPP	–	–	–	–	0 to 1,232,472

¹ The 2020 Deferred Shares were subject to a 12-month service condition and vested in December 2021, although these remained subject to a four-, five- and six-year trading restriction until August 2024, August 2025 and August 2026 respectively. The 2021 Deferred Shares were subject to a 12-month service condition and vested in December 2022, although these remain subject to a four-, five- and six-year trading restriction until August 2025, August 2026 and August 2027 respectively. The 2022 Deferred Shares were subject to a 12-month service condition and vested in November 2023, although these remain subject to a four-, five- and six-year trading restriction until August 2026, August 2027 and August 2028 respectively. The 2023 Deferred Shares remain unvested. The Deferred Shares are held in trust and can only be transferred to the executive KMP once all trading restrictions and any other conditions are met.

² The 2020 KEEPP Performance Shares were subject to a four-year performance period that ended on 30 June 2024 (see section 5.5 for further information). The 2021 KEEPP Performance Shares, 2022 KEEPP Performance Shares and 2023 KEEPP Performance Shares will reach the end of the four-year performance period on 30 June 2025, 30 June 2026 and 30 June 2027 respectively. KEEPP Performance Shares are held in trust and can only be transferred to the executive KMP once vested.

³ Should the executive KMP resign prior to vesting, the KEEPP Deferred Shares and KEEPP Performance Shares would be forfeited. Accordingly, the minimum value of the unvested award would be nil. The fair value at the grant date represents the maximum possible total fair value of the shares. See the relevant Remuneration Report in the year of grant for further details.

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5.7 Details of equity allocated during the 2024 financial year

The 2023 KEEPP outcomes were presented in section 5.2 of the 2023 Remuneration Report, including the percentage of the 2023 KEEPP award opportunity that was forfeited.

The 2023 KEEPP Deferred Shares and Performance Shares were granted during the 2024 financial year, with any cash component paid on 29 August 2023. Approval from Wesfarmers shareholders for the issuance of these shares to the Group Managing Director was obtained under ASX Listing Rule 10.14 at the 2023 Annual General Meeting.

The terms applicable to the grant of Deferred Shares and Performance Shares for the 2023 KEEPP are set out on the following pages. Details of prior year grants are set out in the Remuneration Report for the relevant year.

Name	Deferred Shares allocated (subject to a four-, five- and six-year restriction from trading) ^{1,3}	Performance Shares allocated (vesting subject to performance conditions over a four-year performance period) ^{2,3}	Fair value of Deferred Shares at grant date ⁴ (\$)	Fair value of Performance Shares at grant date ⁴ (\$)
R G Scott	45,549	46,700	2,294,303	1,858,379
A N Gianotti	26,418	27,086	1,330,675	1,077,857
I Bailey	37,966	37,966	1,912,347	1,661,392
M D Schneider	17,816	26,992	897,392	1,181,169

¹ The 2023 KEEPP Deferred Shares were granted on 26 October 2023 and are still subject to restrictions, in accordance with the relevant service conditions and ongoing tenure. No 2023 KEEPP Deferred Shares vested or were forfeited during the reporting period.

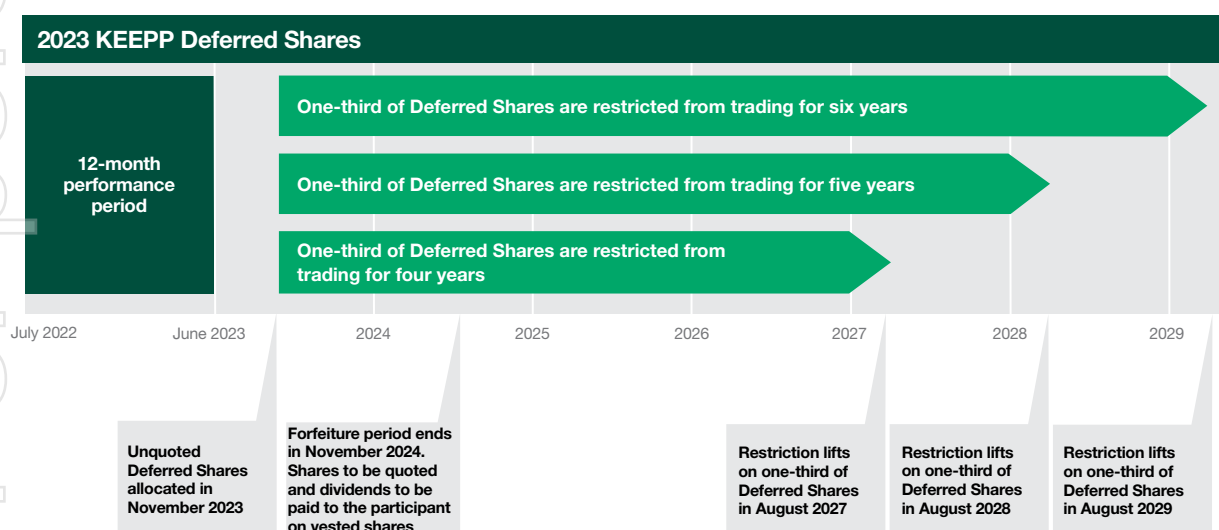
² The 2023 KEEPP Performance Shares were granted on 26 October 2023 and are still subject to performance conditions until 30 June 2027. Accordingly, no 2023 KEEPP Performance Shares vested or were forfeited during the reporting period.

³ The number of Deferred Shares and Performance Shares allocated was determined using the face value of Wesfarmers shares, based upon the 10-day VWAP of Wesfarmers shares over the period following the commencement of trading ex-dividend (i.e. 30 August to 12 September 2023) being \$53.532995.

⁴ For accounting purposes, the fair value at grant date is shown above, in accordance with AASB 2 *Share-based Payment*. The Performance Shares subject to market conditions (rTSR condition) have been independently valued using the Monte Carlo simulation using the Black-Scholes framework. The Deferred Shares and the Performance Shares subject to non-market conditions (e.g. divisional EBT and ROC) have been valued with reference to the Wesfarmers share price on grant date. The value per Performance Share for the rTSR performance condition is \$37.15 and the value per Deferred Share and per Performance Share subject to the portfolio management and investment outcomes condition or the divisional financial performance condition is \$50.37, valued as at 26 October 2023 following approval of the grant to the Group Managing Director at the Wesfarmers 2023 Annual General Meeting. The fair value at the grant date represents the maximum possible total fair value of the shares. The minimum value of unvested shares is nil.

2023 KEEPP Deferred Shares

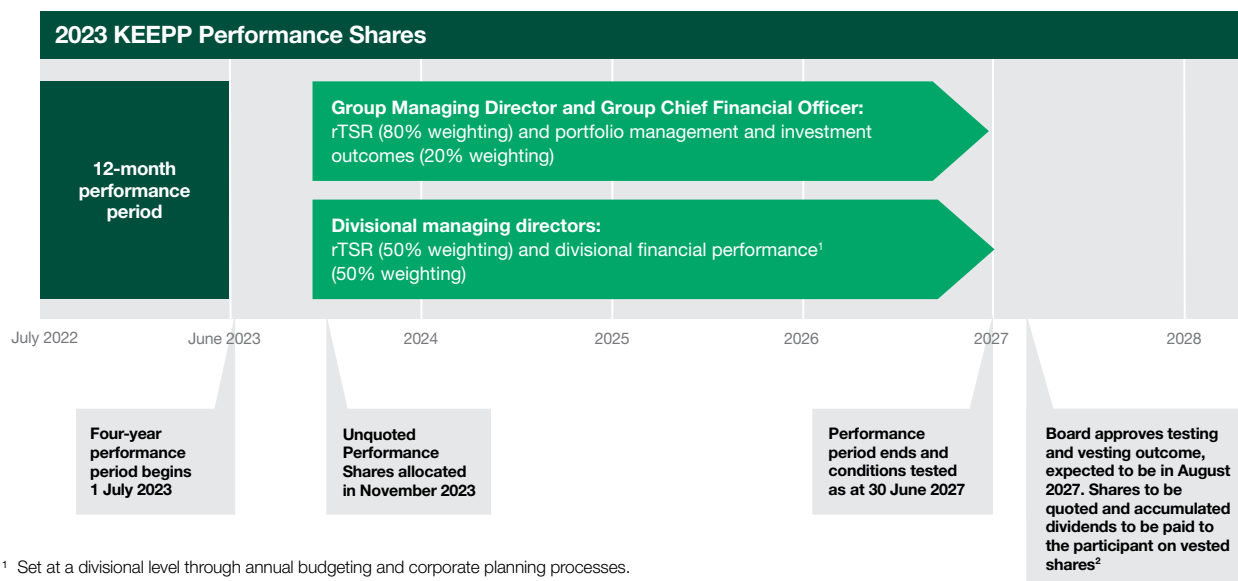
The 2023 KEEPP Deferred Shares were allocated in November 2023 and did not have further conditions applied but did have a 12-month service condition (the forfeiture period) from the date they were allocated to participants and continue to be subject to trading restrictions as outlined below. Prior to allocation, the executive KMP had the option of voluntarily applying a longer restriction period to their 2023 KEEPP Deferred Shares of up to 15 years.



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2023 KEEPP Performance Shares

The 2023 KEEPP Performance Shares were allocated in November 2023. These have performance conditions over a four-year performance period, from 1 July 2023 to 30 June 2027. The performance conditions will be tested shortly after the end of the performance period. KEEPP Performance Shares will only vest based on the extent of the satisfaction of the performance conditions outlined below. Following testing, any KEEPP Performance Shares that do not vest will be forfeited. The performance conditions applicable to the 2023 KEEPP Performance Shares vary as set out below and on the following page.



¹ Set at a divisional level through annual budgeting and corporate planning processes.

² Accumulated dividends on any unvested (forfeited) shares are paid to the trustee.

Assessment of the performance conditions and achievement against the performance conditions will be determined by the Board having regard to any matters that it considers relevant.

Specific divisional financial performance conditions have been set with regard to each divisional managing director and the relevant key financial measures for their respective division:

- the portion of Mr Bailey's 2023 Performance Shares subject to divisional financial performance (being 50 per cent of his overall Performance Shares allocation) will be wholly assessed against Kmart Group EBT and ROC.
- the portion of Mr Schneider's 2023 Performance Shares subject to divisional financial performance (being 50 per cent of his overall Performance Shares allocation) will be wholly assessed against Bunnings Group EBT and ROC.

The table below provides further detail on the performance conditions, including how the testing and vesting, if applicable, will occur:

Measure	Detail										
Relative TSR	For the Group Managing Director and the Group Chief Financial Officer, 80 per cent of their 2023 KEEPP Performance Shares will be tested against the rTSR condition. For the divisional managing directors, 50 per cent of their 2023 KEEPP Performance Shares are tested against the rTSR condition. The rTSR condition measures the performance of an ordinary Wesfarmers share (including the value of any dividend and any other shareholder benefits paid during the performance period) against TSR performance of a comparator group of companies, comprising the S&P/ASX 100 Index, over the same period. TSR performance is independently assessed over the performance period against the constituents of the S&P/ASX 100 Index as at the start of the performance period. Vesting schedule against rTSR: <table> <tr> <th>Percentile ranking</th><th>Percentage of awards vesting</th></tr> <tr> <td>Below the 50th percentile</td><td>0% vesting</td></tr> <tr> <td>Equal to the 50th percentile</td><td>50% vesting</td></tr> <tr> <td>Between the 50th and 75th percentile</td><td>Straight-line vesting between 50% and 100%, i.e. an additional 2% of awards vest for each percentile increase</td></tr> <tr> <td>Equal to the 75th percentile or above</td><td>100% vesting</td></tr> </table>	Percentile ranking	Percentage of awards vesting	Below the 50th percentile	0% vesting	Equal to the 50th percentile	50% vesting	Between the 50th and 75th percentile	Straight-line vesting between 50% and 100%, i.e. an additional 2% of awards vest for each percentile increase	Equal to the 75th percentile or above	100% vesting
Percentile ranking	Percentage of awards vesting										
Below the 50th percentile	0% vesting										
Equal to the 50th percentile	50% vesting										
Between the 50th and 75th percentile	Straight-line vesting between 50% and 100%, i.e. an additional 2% of awards vest for each percentile increase										
Equal to the 75th percentile or above	100% vesting										

Wesfarmers' rTSR was chosen because it provides a relative external market performance measure having regard to Wesfarmers' ASX 100 peers and ensures all executive KMP are remunerated in relation to Group results.

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Wesfarmers' portfolio management and investment outcomes

For the Group Managing Director and the Group Chief Financial Officer, 20 per cent of their 2023 KEEPP Performance Shares will be tested against the Wesfarmers' portfolio management and investment outcomes condition.

Wesfarmers' portfolio management and investment outcomes were chosen to recognise the criticality of decision-making with regards to potential acquisitions, investments and disposals on shareholder value creation.

At the end of the four-year performance period, the Board will consider the performance of the Group Managing Director and the Group Chief Financial Officer in relation to the acquisition, investment and disposal activities of the Group over that period.

Throughout the performance period, the Board maintains a log of the portfolio management and investment decisions and rationale, including the decisions not to proceed with portfolio changes or investments. At the end of the performance period, the Board will consider the validity of these decisions from a shareholder value creation perspective, with a greater weighting placed upon decisions made in the first year of the performance period.

Divisional financial performance

For the divisional managing directors, 50 per cent of the 2023 KEEPP Performance Shares are tested against the divisional financial performance condition.

The EBT condition measures the respective division's before tax profit against its profit targets, subject to achieving a weighted average ROC gate over the four-year performance period.

ROC is calculated as divisional EBT divided by divisional rolling 12-months capital employed, where capital employed excludes right-of-use assets and lease liabilities. The EBT targets and weighted average ROC gate have been calculated using the division's 2024 financial year budget and targets in the respective division's 2023 Corporate Plan.

The ROC gate has been set at 90 per cent of the average ROC target over the four-year performance period. Subject to the ROC gate being passed, a portion of the KEEPP Performance Shares will vest for achievement against the annual EBT targets. The annual EBT target is individually weighted for each year of the performance period, with a 40 per cent weighting to the first year of the performance period, followed by 30 per cent, 20 per cent and 10 per cent weighting for years two, three and four respectively. Similarly the weighted average ROC is calculated using the same weighting profile.

The EBT and ROC results are calculated after the preparation and audit of the financial statements following the end of the final year of the performance period and assessed against the targets set.

The vesting schedule against EBT and ROC is:

Subject to achieving the four-year weighted average ROC gate,

Annual EBT result	Percentage of awards vesting
Below 90% of target	0% vesting
Equal to 90% of target	50% vesting
Between 90% and 100% of target	Straight-line vesting between 50% and 100%
Equal to 100% of target or above	100% vesting

Divisional annual EBT, subject to weighted average ROC, was chosen to ensure the remuneration of divisional managing directors is directly linked to the achievement of long-term financial returns for the business for which they are directly accountable.

The EBT and ROC targets may be adjusted, where the Board considers it appropriate to do so, so that participants are not unfairly advantaged or disadvantaged, for example, due to significant external events or portfolio management activity.

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Further terms of the 2023 KEEPP

The table below sets out further terms applying to Deferred Shares and Performance Shares granted under the 2023 KEEPP.

Cessation of employment	If an executive KMP ceases employment with Wesfarmers before the end of the forfeiture period, restriction period or performance period (as applicable), their entitlement to the shares (if any) will depend on the circumstances of their departure. The table below summarises the treatment that will generally apply, subject to the Board's judgement to determine a different treatment to the treatment outlined below.		
	Reason	Deferred Shares	Performance Shares
	Resignation	During the forfeiture period (i.e. within 12 months of allocation) – the Deferred Shares will be forfeited. After the forfeiture period has ended – the Deferred Shares will remain on foot and subject to the original conditions.	The Performance Shares will be forfeited.
	Dismissal by the Board for cause or significant underperformance or in circumstances justifying 'bad leaver' treatment	The Deferred Shares will be forfeited.	The Performance Shares will be forfeited.
	Breach of restraint under the executive's service contract	The Deferred Shares will be forfeited.	The Performance Shares will be forfeited.
	All other reasons (including for example, due to death, disability or serious injury)	The Deferred Shares will remain on foot and subject to the original conditions. Vesting outcomes will be assessed by the Board at the conclusion of the service period.	The Performance Shares will remain on foot and subject to the original conditions. Testing and vesting (if applicable) outcomes will be assessed by the Board at the conclusion of the performance period.
Following cessation of employment (where Deferred Shares remain on foot):			
If, following cessation of employment, the Board determines in good faith that:			
- the executive KMP has breached any restriction or undertaking owed to the Wesfarmers Group or any compromise or arrangement in relation to their cessation of employment, or - the executive KMP's circumstances have changed making it no longer appropriate for them to retain the benefit of their award,			
the Board may determine that:			
- some or all of the executive KMP's vested or unvested KEEPP Deferred Shares will be forfeited, and/or - the executive KMP is required to pay or repay as a debt the net proceeds of the sale of shares or dividends provided to them.			
Change of control	If a change of control event occurs, the Board has broad discretion to determine the treatment of KEEPP Deferred Shares and KEEPP Performance Shares, having regard to any matter that the Board considers relevant.		
Clawback and adjustment	The terms of the KEEPP allow for the Board to clawback or adjust any incentive awards (including cash or shares) which were granted, vest or may vest, or are released or may be released (as applicable). For example, these powers can be exercised as a result of a material misstatement in, or omission from, the financial statements or otherwise as a result of fraud, dishonesty or breach of obligations. In such circumstances, the Board may, up to the value of the overpaid remuneration, reduce or defer or otherwise require the repayment of any amount paid or payable to the executive to ensure no inappropriate benefit is derived. The Board has discretion to adjust any conditions applicable to an award, if considered appropriate.		
Dividend and voting rights	The KEEPP Deferred Shares and the KEEPP Performance Shares carry dividend and voting rights. While the shares are unquoted shares, any dividends determined are accumulated and are not paid until the shares are quoted. Where the KEEPP Deferred Shares and the KEEPP Performance Shares vest, the dividends are paid to the participant and where the KEEPP Deferred Shares and the KEEPP Performance Shares are forfeited, the dividends are paid to the trustee. The participant does not therefore receive any dividends on unvested KEEPP Deferred Shares or KEEPP Performance Shares.		

Remuneration report (audited)

5.8 Executive KMP share ownership

The Board considers it an important foundation of the Wesfarmers remuneration framework that the executive KMP hold or have a beneficial interest in a significant number of Wesfarmers shares to encourage them to behave like long-term owners. As at the date of this report, all current executive KMP hold or have a beneficial interest in significantly more than their respective FAR in Wesfarmers shares.

The following table sets out the number of shares held directly, indirectly or beneficially by the current executive KMP (including their related parties), and provides a summary of the number of shares available to the executive and the number of shares that remain under restriction. For details of shares that vested and for which final expensing occurred during the 2024 financial year, refer to section 5.6(b).

Name	Opening balance (at 1 July 2023) ¹	Allocated under a remuneration framework ²	Net change ³	Closing balance (at 30 June 2024) ⁴	Breakdown of balance at year-end		
					Not vested ⁵	Vested ⁶	Ordinary shares ⁷
R G Scott	1,074,041	92,249	(93,074)	1,073,216	228,726	411,279 of which 195,548 are restricted	433,211
A N Gianotti	539,191	53,504	(83,578)	509,117	126,205	172,509 of which 105,864 are restricted	210,403
I Bailey	271,775	75,932	(16,547)	331,160	133,928	181,858 of which 75,923 are restricted	15,374
M D Schneider	348,369	44,808	(63,181)	329,996	114,668	213,949 of which 111,214 are restricted	1,379
Total	2,233,376	266,493	(256,380)	2,243,489	603,527	979,595	660,367

¹ This number reflects the fully-paid ordinary shares held directly or nominally, unvested and vested equity under the incentive plans. The unvested equity may include the 2020 KEEPP Performance Shares, the 2021 KEEPP Performance Shares, and the 2022 KEEPP Deferred Shares and Performance Shares, as appropriate.

² The number of KEEPP Deferred Shares and KEEPP Performance Shares allocated under the 2023 KEEPP, as appropriate. Refer to section 5.7 for details.

³ Includes personal trades, shares received under the dividend investment plan or other corporate actions.

⁴ This number reflects the fully-paid ordinary shares held directly or nominally, unvested and vested equity under the incentive plans.

⁵ The unvested equity includes the 2021 KEEPP Performance Shares, the 2022 KEEPP Performance Shares and the 2023 KEEPP Deferred Shares and Performance Shares, as appropriate.

⁶ Vested equity reflects any share-based awards received by the executive KMP that are now fully vested, and includes shares that have vested but which remain subject to a restriction within the incentive plans.

⁷ This number reflects the fully-paid ordinary shares held directly outside of an equity plan by the executive KMP including their related parties.

5.9 Executive service agreements

The remuneration and other terms of employment for the Group Managing Director, the Group Chief Financial Officer and other executive KMP are covered in formal employment contracts. All service agreements are for unlimited duration and may be terminated immediately for serious misconduct. All executives are entitled to receive pay in lieu of any accrued but untaken annual and long service leave on cessation of employment.

The executive KMP must give a minimum 12 months' notice should they wish to resign and Wesfarmers must give 12 months' notice should it wish to terminate employment (other than for cause).

The Group Managing Director and the Group Chief Financial Officer may terminate their employment within 30 days of an event giving rise to fundamental change. This includes Mr Scott ceasing to be the most senior executive of the Group, a delisting of Wesfarmers or a material reduction in role, status or delegated authority.

In addition, and upon further payment (where required), Wesfarmers may invoke a restraint period of up to 12 months following separation, preventing the executive KMP from engaging in any business activity with competitors of the Group.

Remuneration report (audited)

Non-executive director remuneration

6. Non-executive directors

6.1 Overview of non-executive director remuneration policy and arrangements

Our policy objective

To provide market-competitive remuneration for non-executive directors

To safeguard and preserve independence: to not include any performance-related element in remuneration

Aggregate fees approved by shareholders

The current maximum aggregate fee pool for non-executive directors of \$3,600,000 was approved by shareholders at the 2015 Annual General Meeting. Fees paid to Wesfarmers' non-executive directors for membership of the Wesfarmers Board and committees and superannuation contributions made on behalf of the non-executive directors in accordance with Wesfarmers' statutory superannuation obligations, are included in this aggregate fee pool. In order to continue to provide the Board with sufficient flexibility to appoint additional directors, as required, and adjust fees as appropriate, and noting that there has been no change to the aggregate fee pool since 2015, the Board is proposing an increase in the aggregate fee pool for non-executive directors to \$4,000,000, and this is subject to approval from shareholders at the 2024 Annual General Meeting.

Regular reviews of remuneration

The Board annually reviews the level of fees paid to the non-executive directors, including consideration of external benchmarking. There was no change to the fees paid to non-executive directors during the 2024 financial year.

In June 2024, the Board reviewed the Board fees and the committee fees payable to the non-executive directors and the Chairman of the Board having regard to benchmark data, market position and relative fees to apply from 1 July 2024. Benchmarking data of the ASX 25 indicated that the Chairman's fee was below the median of our peers. After consideration, there were no changes to the Board member fees or committee fees for the 2025 financial year, but the Board, excluding the Chairman of the Board, approved an increase in the Chairman's annual fee from \$770,000 to \$825,000 effective 1 July 2024.

6.2 Non-executive director fees and other benefits

The fees shown in the table below (inclusive of superannuation) took effect from 1 January 2021 and applied throughout the 2024 financial year.

Fees/benefits	Description	2024 (\$)
Board fees	Chairman – M A Chaney	770,000
	Members – all non-executive directors	240,000
Committee fees	Audit and Risk Committee	
	Chairman – S L Warburton	70,000
	Members – J A Westacott, S W English, A Sabharwal	40,000
	Remuneration Committee	
	Chairman – M Roche	60,000
	Members – M A Chaney, ¹ V M Wallace, A M Watkins, A J Cransberg	30,000
	Nomination Committee	
	Chairman – M A Chaney	No fees
	Members – all non-executive directors	No fees

¹ The Chairman of the Board does not receive a separate fee for membership of any of the Board's committees.

Remuneration report (audited)

6.3 Non-executive director remuneration

The fees paid or payable to the non-executive directors in relation to the 2024 financial year are set out below. Kate Munnings joined the Board after 30 June 2024, and has no reportable remuneration for the 2024 financial year.

		Fees – Wesfarmers Limited	Superannuation ¹	Total fees	Other benefits ²	Grand total
		(\$)	(\$)	(\$)	(\$)	(\$)
Non-executive directors						
M A Chaney	2024	742,601	27,399	770,000	11,870	781,870
	2023	744,708	25,292	770,000	16,120	786,120
A J Cransberg	2024	242,922	27,078	270,000	2,647	272,647
	2023	244,708	25,292	270,000	–	270,000
S W English	2024	252,601	27,399	280,000	978	280,978
	2023	254,708	25,292	280,000	–	280,000
M Roche	2024	293,150	6,850	300,000	–	300,000
	2023	300,000	–	300,000	–	300,000
A Sabharwal	2024	280,000	–	280,000	–	280,000
	2023	254,708	25,292	280,000	–	280,000
V M Wallace	2024	263,150	6,850	270,000	–	270,000
	2023	244,708	25,292	270,000	–	270,000
S L Warburton	2024	282,601	27,399	310,000	–	310,000
	2023	284,708	25,292	310,000	–	310,000
A M Watkins	2024	242,922	27,078	270,000	–	270,000
	2023	244,708	25,292	270,000	–	270,000
J A Westacott	2024	259,451	20,549	280,000	11,339	291,339
	2023	280,000	–	280,000	–	280,000
Total						
	2024	2,859,398	170,602	3,030,000	26,834	3,056,834
	2023	2,852,956	177,044	3,030,000	16,120	3,046,120

¹ Superannuation contributions are made on behalf of non-executive directors in accordance with Wesfarmers' statutory superannuation obligations, except where approval was obtained from the Australian Taxation Office by individual non-executive directors to be exempt from making superannuation contributions due to obligations being met by other employers. Also included is any part of a non-executive director's fees that have been sacrificed into superannuation.

² Other benefits include the cost of other expenses, including fringe benefits tax, if applicable, such as travel or retirement gifts for retired directors.

Remuneration report (audited)

6.4 Non-executive director share ownership

The Board considers it an important foundation of the Wesfarmers remuneration framework that the directors hold a significant number of Wesfarmers shares to encourage them to behave like long-term owners. Directors are required to hold a minimum of 1,000 Wesfarmers shares within two months of appointment and are also expected to increase their holdings in Wesfarmers shares to the equivalent of their annual main Board fee within five-years of appointment.

The following table sets out the number of shares held directly, indirectly or beneficially by directors (including their related parties), and includes fully-paid ordinary shares held directly as well as vested and unrestricted equity under equity plans.

Name	Balance at beginning of year	Net change ¹	Balance at year-end	Minimum shareholding requirement compliance
M A Chaney	87,597	-	87,597	Compliant
A J Cransberg	4,473	-	4,473	Compliant ²
S W English	5,175	172	5,347	Compliant
M Roche	12,060	1,440	13,500	Compliant
A Sabharwal	6,293	209	6,502	Compliant ²
V M Wallace	13,983	-	13,983	Compliant
S L Warburton	7,536	-	7,536	Compliant ²
A M Watkins	9,000	-	9,000	Compliant ²
J A Westacott	6,788	-	6,788	Compliant
Total	152,905	1,821	154,726	

¹ The net change includes changes due to any reason, including personal trades during the year.

² As at 30 June 2024, these directors were appointed to the Board within the last five years and therefore their minimum shareholding requirement is 1,000 shares. For all other directors, the minimum shareholding requirement is to hold shares equivalent in value to their annual main Board fee.

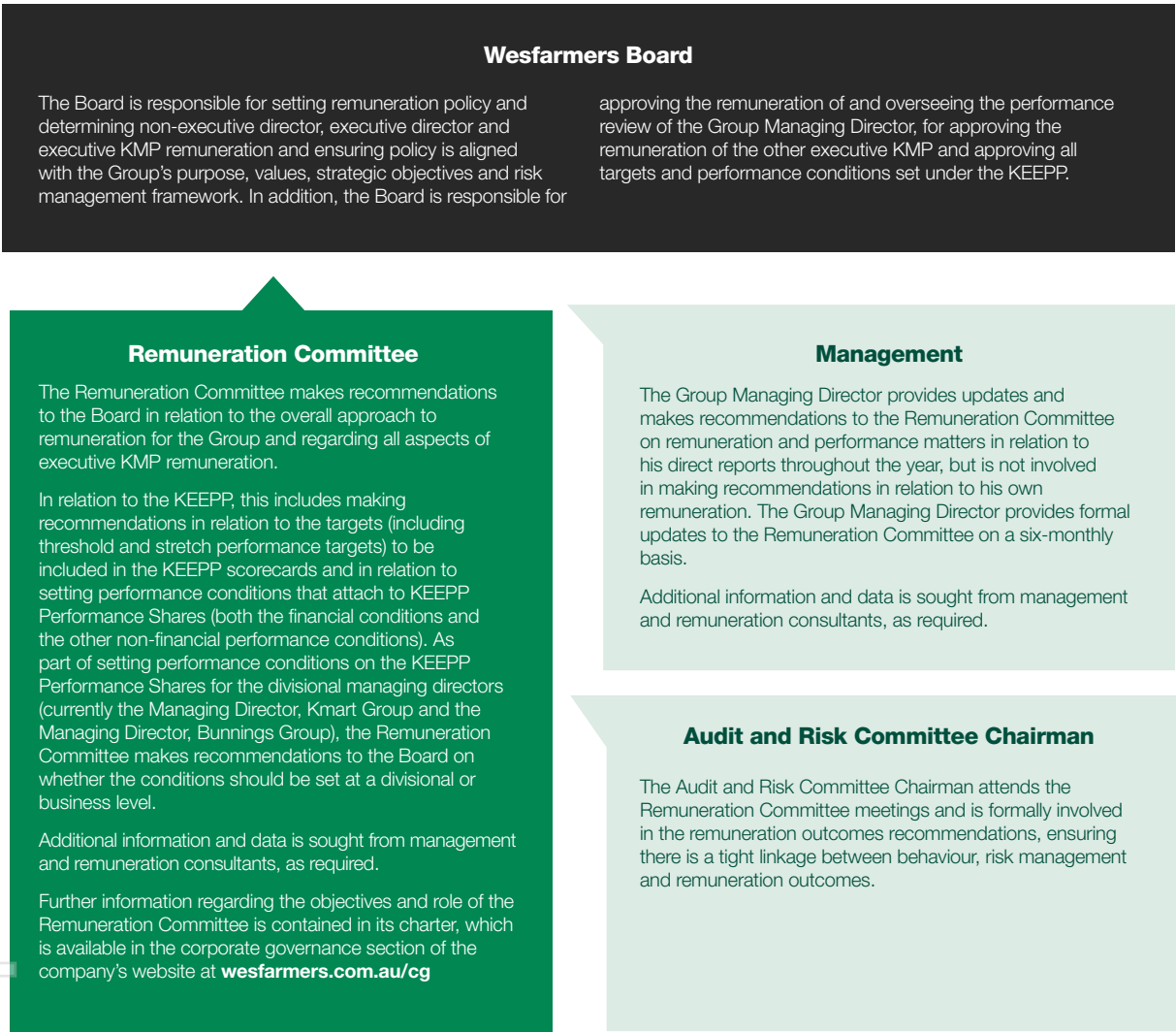
Remuneration report (audited)

Other remuneration information

7. Remuneration governance

7.1 Role of the Board and the Remuneration Committee

The diagram below illustrates the roles of the Board, its Committees, and Wesfarmers management in making executive KMP remuneration decisions.



7.2 Non-executive director remuneration

Non-executive directors' fees, including committee fees, are reviewed annually. The Remuneration Committee and the Board (or only the Board if this relates to Remuneration Committee fees) consider benchmarking and other factors such as the reasonableness of any change to the fees in the context of the external environment and any regulatory changes impacting Board accountability, before proposing any increase in fees. The Remuneration Committee and the Board may seek an external opinion, where considered necessary. See section 6 for further information on non-executive director remuneration.

7.3 Use of remuneration consultants

To inform the Board and Remuneration Committee, and to assist with their decision-making processes, additional information and data is sought from management and remuneration consultants, as required.

No remuneration recommendations as defined in section 9B of the *Corporations Act 2001* (Cth) were obtained from external remuneration consultants during the financial year ended 30 June 2024.

Remuneration report (audited)

8. Further information on remuneration

8.1 Share trading restrictions

Wesfarmers' Securities Trading Policy reflects the *Corporations Act 2001* (Cth) prohibition on KMP and their closely related parties entering into any arrangement that would have the effect of limiting the KMP's exposure to risk relating to an element of their remuneration that remains subject to restrictions on disposal.

Wesfarmers directors, the Wesfarmers Leadership Team and certain members of their immediate family and controlled entities are also required to obtain clearance from the Wesfarmers Company Secretary for the sale, purchase or transfer of Wesfarmers and BWP Trust securities and for short selling, short-term trading, security interests, margin loans and hedging relating to Wesfarmers and BWP Trust securities. The Wesfarmers Company Secretary refers all requests for clearance to at least two members of the Disclosure Committee. Clearance from the Chairman is also required for requests from Wesfarmers directors. Clearance cannot be requested for dealings that are subject to the *Corporations Act 2001* (Cth) prohibition referred to above.

The policy is available in the corporate governance section of the company's website at wesfarmers.com.au/cg

Breaches of the policy are subject to disciplinary action, which may include termination of employment.

8.2 Other transactions and balances with key management personnel

From time to time, the executive KMP and directors of the company or our controlled entities, or their related entities, may purchase goods or services from the Group. These purchases are on the same terms and conditions as those entered into by other Group team members or customers and are minor or domestic in nature.

There were no loans made during the financial year, or remaining unsettled at 30 June 2024, between Wesfarmers and our directors or executive KMP and/or their related parties.

9. Independent audit of remuneration report

The remuneration report has been audited by Ernst & Young. See page 187 for Ernst & Young's report on the remuneration report.

The directors' report, including the remuneration report, is signed in accordance with a resolution of the directors of Wesfarmers Limited.



M A Chaney AO
Chairman



R G Scott
Managing Director

Perth
28 August 2024

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Financial statements

For the year ended 30 June 2024 – Wesfarmers Limited and its controlled entities

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Income statement

For the year ended 30 June 2024

		Consolidated	
	Note	2024	2023
		\$m	\$m
Revenue	1	44,189	43,550
Expenses			
Raw materials and inventory		(28,828)	(28,905)
Employee benefits expense	2	(6,639)	(6,333)
Freight and other related expenses		(687)	(704)
Occupancy-related expenses	2	(541)	(505)
Depreciation and amortisation	2	(1,800)	(1,701)
Impairment expenses	2	(44)	(36)
Other expenses	2	(1,840)	(1,677)
Total expenses		(40,379)	(39,861)
Other income	1	144	165
Share of net profits of associates and joint ventures	19	35	9
		179	174
Earnings before finance costs and income tax expense		3,989	3,863
Interest on lease liabilities	9	(236)	(219)
Other finance costs	2	(166)	(135)
Profit before income tax expense		3,587	3,509
Income tax expense	3	(1,030)	(1,044)
Profit for the year attributable to equity holders of the parent		2,557	2,465
Earnings per share attributable to equity holders of the parent	14	cents	cents
Basic earnings per share		225.7	217.8
Diluted earnings per share		225.7	217.6

Statement of comprehensive income

For the year ended 30 June 2024

	Note	Consolidated	
		2024 \$m	2023 \$m
Profit for the year		2,557	2,465
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve	13		
Exchange differences on translation of foreign operations		(4)	5
Cash flow hedge reserve	13		
Fair value gains on cash flow hedges		80	229
Gains on cash flow hedges reclassified to income statement		(3)	-
Share of associates and joint ventures reserves		-	2
Tax effect	3	(23)	(70)
Items that will not be reclassified to profit or loss:			
Financial assets reserve	13		
Changes in the fair value of financial assets designated at fair value through other comprehensive income		-	24
Share of associates and joint ventures reserves		(2)	6
Tax effect	3	-	(7)
Other comprehensive income for the year, net of tax		48	189
Total comprehensive income for the year, net of tax, attributable to equity holders of the parent		2,605	2,654

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Balance sheet

As at 30 June 2024

		Consolidated	
	Note	2024	2023
		\$m	\$m
ASSETS			
Current assets			
Cash and cash equivalents	4	835	673
Trade and other receivables	5	2,210	2,046
Inventories	6	6,102	6,039
Income tax receivable		-	43
Derivatives	17	19	116
Other		248	237
Total current assets		9,414	9,154
Non-current assets			
Investments in associates and joint ventures	19	938	943
Deferred tax assets	3	641	624
Property, plant and equipment	7	5,653	5,365
Goodwill and intangible assets	8	5,051	4,692
Right-of-use assets	9	5,497	5,676
Derivatives	17	22	27
Other		93	65
Total non-current assets		17,895	17,392
Total assets		27,309	26,546
LIABILITIES			
Current liabilities			
Trade and other payables		5,377	5,268
Lease liabilities	9	1,165	1,135
Income tax payable		124	-
Provisions	10	1,163	1,117
Derivatives	17	36	10
Other		363	327
Total current liabilities		8,228	7,857
Non-current liabilities			
Interest-bearing loans and borrowings	15	4,756	4,430
Lease liabilities	9	5,357	5,604
Provisions	10	383	374
Total non-current liabilities		10,496	10,408
Total liabilities		18,724	18,265
Net assets		8,585	8,281
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	13	13,574	13,574
Reserved shares	13	(102)	(102)
Retained earnings		1,173	818
Reserves	13	(6,060)	(6,009)
Total equity		8,585	8,281

Cash flow statement

For the year ended 30 June 2024

		Consolidated	
	Note	2024 \$m	2023 \$m
Cash flows from operating activities			
Receipts from customers		48,768	48,253
Payments to suppliers and employees		(43,039)	(42,684)
Dividends and distributions received from associates and joint ventures		62	48
Dividends received from other investments		19	25
Interest received		28	16
Interest component of lease payments		(236)	(219)
Borrowing costs		(152)	(140)
Income tax paid		(856)	(1,120)
Net cash flows from operating activities	4	4,594	4,179
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles	4	(1,047)	(1,286)
Payments for mineral exploration	4	(29)	(2)
Proceeds from sale of property, plant and equipment and intangibles	4	32	105
Net proceeds from sale of businesses		-	13
Net proceeds from disposal of other investments		-	686
Investments in associates and joint ventures		(23)	(42)
Acquisition of subsidiaries, net of cash acquired	21	(298)	(24)
Payments for other financial assets		(4)	(2)
Net cash flows used in investing activities		(1,369)	(552)
Cash flows from financing activities			
Repayment of borrowings		(30)	(765)
Net proceeds from revolving facilities		347	380
Principal component of lease payments		(1,180)	(1,142)
Dividends paid		(2,200)	(2,132)
Net cash flows used in financing activities		(3,063)	(3,659)
Net increase/(decrease) in cash and cash equivalents		162	(32)
Cash and cash equivalents at beginning of year		673	705
Cash and cash equivalents at end of year	4	835	673

Statement of changes in equity

For the year ended 30 June 2024

	Note	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				
		Issued capital	Reserved shares	Retained earnings	Reserves	Total equity
Consolidated		\$m	\$m	\$m	\$m	\$m
Balance at 1 July 2023		13,574	(102)	818	(6,009)	8,281
Net profit for the year		-	-	2,557	-	2,557
Other comprehensive income						
Exchange differences on translation of foreign operations	13	-	-	-	(4)	(4)
Changes in the fair value of cash flow hedges, net of tax	13	-	-	-	54	54
Changes in the fair value of financial assets designated at fair value through other comprehensive income, net of tax	13	-	-	-	(2)	(2)
Total other comprehensive income for the year, net of tax		-	-	-	48	48
Total comprehensive income for the year, net of tax		-	-	2,557	48	2,605
Share-based payment transactions	13	-	-	-	11	11
Dividends	12	-	-	(2,202)	-	(2,202)
Transfer of cash flow hedge reserve to non-financial assets, net of tax	13	-	-	-	(110)	(110)
		-	-	(2,202)	(99)	(2,301)
Balance at 30 June 2024		13,574	(102)	1,173	(6,060)	8,585
Balance at 1 July 2022		13,574	(102)	485	(5,976)	7,981
Net profit for the year		-	-	2,465	-	2,465
Other comprehensive income						
Exchange differences on translation of foreign operations	13	-	-	-	5	5
Changes in the fair value of cash flow hedges, net of tax	13	-	-	-	161	161
Changes in the fair value of financial assets designated at fair value through other comprehensive income, net of tax	13	-	-	-	23	23
Total other comprehensive income for the year, net of tax		-	-	-	189	189
Total comprehensive income for the year, net of tax		-	-	2,465	189	2,654
Share-based payment transactions	13	-	-	-	14	14
Dividends	12	-	-	(2,132)	-	(2,132)
Transfer of cash flow hedge reserve to non-financial assets, net of tax	13	-	-	-	(229)	(229)
Other		-	-	-	(7)	(7)
		-	-	(2,132)	(222)	(2,354)
Balance at 30 June 2023		13,574	(102)	818	(6,009)	8,281

Notes to the financial statements: About this report

For the year ended 30 June 2024

About this report

Wesfarmers Limited (referred to as 'Wesfarmers') is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX). The nature of the operations and principal activities of Wesfarmers and its subsidiaries (referred to as 'the Group') are described in the segment information.

The consolidated financial report of the Group for the financial year ended 30 June 2024 (FY2024) was authorised for issue in accordance with a resolution of the directors on 28 August 2024. The directors have the power to amend and reissue the financial report.

The financial report is a general purpose financial report which:

- has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- has been prepared on a historical cost basis, except for investment properties held by associates and joint ventures and certain financial instruments, which have been measured at fair value. The carrying values of recognised assets and liabilities that are the hedged items in fair value hedge relationships, which are otherwise carried at amortised cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged;
- is presented in Australian dollars with all values rounded to the nearest million dollars (\$'000,000) unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191;
- presents reclassified comparative information where required for consistency with the current year's presentation;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or before 1 July 2023. Refer to note 29 for further details; and
- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year-end is contained in note 20.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profits and losses resulting from intra-Group transactions have been eliminated.

Subsidiaries are consolidated from the date on which control is obtained to the date on which control is disposed. Acquisitions of subsidiaries which qualify as business combinations are accounted for using the acquisition method of accounting.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the income statement. Any investment retained is initially recognised at fair value.

Key judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates in relation to future events.

Judgements and estimates which are material to the financial report are found in the following notes:

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Foreign currency

The functional currencies of overseas subsidiaries are disclosed in note 20. As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into Australian dollars at the rate of exchange ruling at the balance sheet date and the income statements are translated at the average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Exchange differences arising from the application of these procedures are taken to the income statement.

Other accounting policies

Material and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

Notes to the financial statements: About this report

For the year ended 30 June 2024

Notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business – for example, acquisitions, disposals and impairments; or
- it relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

- **Group performance:** provides a breakdown of individual line items in the income statement that the directors consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these line items;

- **Group balance sheet:** provides a breakdown of individual line items in the balance sheet that the directors consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these line items;
- **Capital:** provides information about the capital management practices of the Group and shareholder returns for the year;
- **Risk:** discusses the Group's exposure to various financial risks, explains how these affect the Group's financial position and performance and what the Group does to manage these risks;
- **Group information:** explains aspects of the Group structure and how changes have affected the financial position and performance of the Group, as well as disclosing related party transactions and balances; and
- **Other:** provides information about items that are not recognised in the financial statements but could potentially have a material impact on the Group's financial position and performance; and provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements.

Significant items impacting the current reporting period

Acquisition of InstantScripts Pty Ltd

On 3 July 2023, Wesfarmers, through its wholly-owned subsidiary Australian Pharmaceutical Industries Pty Ltd (API), completed the acquisition of 100 per cent of the shares in InstantScripts Pty Ltd (InstantScripts).

Total consideration was \$142 million, or \$133 million net of cash acquired. Refer to note 21 for further details.

Acquisition of SILK Laser Australia Limited

On 29 November 2023, Wesfarmers, through its wholly-owned subsidiary API, completed the acquisition of 100 per cent of the shares in SILK Laser Australia Limited (SILK) by way of a Scheme of Arrangement.

Total consideration was \$175 million, or \$160 million net of cash acquired. At 30 June 2024, the acquisition accounting balances are provisional due to the ongoing work finalising valuations and tax matters that may impact acquisition accounting entries. Refer to note 21 for further details.

Notes to the financial statements: Segment information

For the year ended 30 June 2024

Segment information

The Group's operating segments are organised and managed separately according to the nature of the products and services provided.

Each segment represents a strategic business unit that offers different products and operates in different industries and markets. The Board and executive management team (the chief operating decision-makers) monitor the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment.

The types of products and services from which each reportable segment derives its revenues are disclosed below. Segment performance is evaluated based on operating profit or loss (segment result) which, in certain respects, is presented differently from operating profit or loss in the consolidated financial statements.

Interest income and other finance costs are not allocated to operating segments, as this type of activity is managed on a Group basis.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. Those transfers are eliminated on consolidation and are not considered material.

The operating segments and their respective types of products and services are as follows:

Bunnings Group

- Retailer of building materials and home, garden and lifestyle improvement products; and
- Servicing households and commercial customers, including builders, tradespeople and businesses.

Kmart Group

- Kmart is a retailer of apparel and general merchandise, including toys, leisure, entertainment, home and consumables;
- Target is a retailer of apparel and general merchandise, including toys and soft home products; and
- Developer of Anko-branded products which are sold in Kmart, Target and internationally.

Chemicals, Energy and Fertilisers (WesCEF)

- Manufacturer and marketer of chemicals for industry, mining and mineral processing;
- Manufacturer and marketer of broadacre and horticultural fertilisers;
- Producer, marketer and distributor of LPG and LNG;
- Distributor of PVC and manufacturer of wood-plastic composite decking and screening products; and
- 50 per cent joint operator of the Mt Holland lithium project.

Officeworks

- Retailer and supplier of office products and solutions for households, small-to-medium sized businesses and the education sector.

Industrial and Safety

- Supplier and distributor of maintenance, repair and operating products;
- Manufacturer and marketer of industrial, specialty and medical gases and equipment;
- Supplier, manufacturer and distributor of workwear clothing in Australia and internationally; and
- Specialised supplier and distributor of industrial safety products and services.

Wesfarmers Health (Health)

- Wholesaler and retailer of pharmaceutical goods, health, wellness and beauty products;
- Provider of clinical cosmetic and skin care treatments;
- Provider of retail support services to pharmacies through Priceline Pharmacy franchises and banner brands; and
- Provider of digital health services.

Catch

- Online retailer offering branded products on a first-party basis and a third-party online marketplace.

Other

Includes:

- **OneDigital**: includes OnePass and supporting capabilities;
- **Forest products**: joint control of Wespine Industries Pty Ltd;
- **Property**: non-controlling interest in BWP Trust and joint control of BPI No 1 Pty Ltd;
- **Investment banking**: joint control of Gresham Partners Group Limited;
- **Loyalty program**: joint control of loyalty and data company Loyalty Pacific Pty Ltd (Flybuys); and
- **Corporate**: includes treasury, central and administrative support functions and other corporate entity expenses. Corporate is not considered an operating segment and includes activities that are not allocated to other operating segments.

Revenue from contracts with customers by segment for FY2024

	\$m	%
Bunnings Group	18,964	43.1
Kmart Group	11,033	25.0
WesCEF	2,741	6.2
Officeworks	3,418	7.7
Industrial and Safety	2,022	4.6
Health	5,624	12.8
Catch	220	0.5
Other	25	0.1
Total	44,047	



Segment result for FY2024

	\$m	%
Bunnings Group	2,251	60.0
Kmart Group	958	25.5
WesCEF	440	11.7
Officeworks	208	5.5
Industrial and Safety	109	2.9
Health	50	1.3
Catch	(96)	(2.6)
Other	(167)	(4.3)
Total	3,753	

● Total segment result

Notes to the financial statements: Segment information

For the year ended 30 June 2024

Segment information

	BUNNINGS GROUP ¹		KMART GROUP		WesCEF ²	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m
Revenue from contracts with customers	18,964	18,537	11,033	10,563	2,741	3,303
Other revenue	4	2	74	72	6	3
Segment revenue	18,968	18,539	11,107	10,635	2,747	3,306
EBITDA	3,195	3,127	1,546	1,347	578	769
Depreciation and amortisation	(821)	(782)	(505)	(498)	(137)	(99)
Interest on lease liabilities	(123)	(115)	(83)	(80)	(1)	(1)
Segment result	2,251	2,230	958	769	440	669
Other finance costs						
Profit before income tax expense						
Income tax expense						
Profit attributable to equity holders of the parent						
Other segment information						
Segment assets ⁵	8,673	8,900	5,646	5,582	4,152	3,811
Investments in associates and joint ventures	17	17	-	-	75	83
Tax assets						
Total assets						
Segment liabilities ⁵	(5,542)	(5,593)	(4,362)	(4,359)	(665)	(594)
Tax liabilities						
Interest-bearing loans and borrowings						
Total liabilities						
Net assets						
Capital expenditure ⁶	268	405	124	135	448	519
Share of net profit or loss of associates and joint ventures included in segment result	-	-	-	-	16	13

¹ The 2024 Bunnings Group segment result includes a net property contribution of \$2 million (2023: \$38 million).

² On 30 May 2024, WesCEF announced the sale of the LPG and LNG distribution businesses. The divestments are independent of each other and remain subject to conditions precedent at 30 June 2024. The divestments are not material to the Group's income statement or balance sheet.

³ The 2024 Catch segment result includes an impairment expense relating to Catch's brand name of \$18 million and restructuring costs of \$5 million. The 2023 Catch segment result includes costs of \$40 million in relation to inventory provisions, team member redundancies and asset write-offs.

⁴ The 2024 Other result includes an operating loss of \$70 million (2023: \$82 million) in relation to OnePass and supporting capabilities.

⁵ Segment assets and segment liabilities exclude intercompany financing arrangements and segment tax balances.

⁶ Capital expenditure, inclusive of capitalised interest, includes accruals for costs incurred during the year. The amount excluding movements in accruals is \$1,076 million (2023: \$1,288 million). Refer to note 4 for further details.

Notes to the financial statements: Segment information

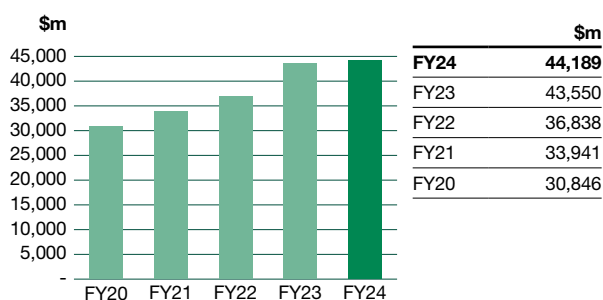
For the year ended 30 June 2024

OFFICEWORKS		INDUSTRIAL AND SAFETY		HEALTH		CATCH ³		OTHER ⁴		CONSOLIDATED	
2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m
3,418	3,342	2,022	1,992	5,624	5,312	220	348	25	20	44,047	43,417
16	15	-	-	-	-	7	6	35	35	142	133
3,434	3,357	2,022	1,992	5,624	5,312	227	354	60	55	44,189	43,550
360	335	195	184	133	124	(68)	(133)	(150)	(189)	5,789	5,564
(136)	(124)	(82)	(80)	(78)	(74)	(26)	(28)	(15)	(16)	(1,800)	(1,701)
(16)	(11)	(4)	(4)	(5)	(5)	(2)	(2)	(2)	(1)	(236)	(219)
208	200	109	100	50	45	(96)	(163)	(167)	(206)	3,753	3,644
										(166)	(135)
										3,587	3,509
										(1,030)	(1,044)
										2,557	2,465
2,224	2,141	1,778	1,787	2,649	2,088	149	209	459	418	25,730	24,936
2	3	-	1	1	-	-	-	843	839	938	943
								641	667	641	667
										27,309	26,546
(1,136)	(1,129)	(457)	(474)	(985)	(908)	(87)	(110)	(610)	(668)	(13,844)	(13,835)
								(124)	-	(124)	-
								(4,756)	(4,430)	(4,756)	(4,430)
										(18,724)	(18,265)
										8,585	8,281
64	71	79	73	48	40	5	9	38	29	1,074	1,281
-	-	-	-	-	-	-	-	19	(4)	35	9

Total revenue

\$44,189m

↑ 1.5%



Geographical information

The table below provides information on the geographical location of revenue from contracts with customers and non-current assets (other than financial instruments, deferred tax assets and pension assets). Revenue from contracts with customers are allocated to a geography based on the location of the contracting entity selling the goods and services. Non-current assets are allocated to a geography based on the location of the operation.

	Revenue		Non-current assets	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m
Australia	41,192	40,587	16,385	15,954
New Zealand	2,852	2,786	769	720
Other	3	44	34	24
Total	44,047	43,417	17,188	16,698

Notes to the financial statements: Group performance

For the year ended 30 June 2024

1. Revenue and other income

	Consolidated	
	2024	2023
	\$m	\$m
Revenue from contracts with customers		
Sale of retail goods in store	30,942	30,166
Sale of retail goods online	2,790	2,686
Sale of wholesale goods	5,211	5,024
Sale of chemicals, fertilisers and commodities	2,731	3,294
Sale of industrial products	2,022	1,988
Services revenue	351	259
	44,047	43,417
Other revenue		
Interest revenue	28	16
Dividend revenue	19	25
Other	95	92
	142	133
Total revenue	44,189	43,550
Other income		
Gains on disposal of property, plant and equipment and other assets	12	41
Other	132	124
Total other income	144	165

The Group's contracts with customers for the sale of retail goods generally incorporate a single performance obligation. Payment is generally received at the point of sale. Revenue from lay-by transactions is recognised on the date when the customer completes payment and takes possession of the merchandise. Any payment received in advance of the completion of the performance obligation is recognised on the balance sheet as a contract liability.

Where satisfaction of a performance obligation is completed over time, revenue is recognised in line with the progress towards complete satisfaction of the performance obligation.

A right of return is not a separate performance obligation and the Group recognises revenue net of estimated returns. A refund liability and a corresponding asset in inventory representing the right to recover the returned products from the customer is also recognised.

Other revenue

Interest revenue

Revenue is recognised as the interest accrues on the related financial asset. Interest is determined using the effective interest rate method, which applies the interest rate that exactly discounts estimated future cash receipts over the expected life of the financial instrument.

Dividend revenue

Revenue from dividends, other than those arising from associates, is recognised when the Group's right to receive the payment is established.

Recognition and measurement

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group generates a significant proportion of its revenue from the following:

- **Sale of retail goods in store:** relates to merchandise sold direct to customers through the Group's in store retail operations. Control of goods typically passes at the point of sale.
- **Sale of retail goods online:** relates to merchandise sold direct to customers through online platforms. Control of goods typically passes upon delivery, or when collected by the customer.
- **Sale of wholesale goods:** includes revenue from wholesale distribution of pharmaceuticals, building materials, household and other retail goods. Control of goods typically passes upon delivery of goods to the customer.
- **Sale of chemicals, fertilisers and commodities:** includes revenue from the sale of chemicals, fertilisers and commodities either manufactured or purchased by the Group.
- **Sale of industrial products:** includes revenue for which the Group has distribution rights, principally related to industrial maintenance and industrial safety.
- **Services revenue:** includes revenue received from services provided to customers, such as clinical treatments, franchise services, marketing and brand support. Revenue is recognised as the performance obligation is satisfied.

Key estimate: gift cards

Revenue from the sale of gift cards is recognised when the card is redeemed and the customer purchases goods by using the card, or when the gift card is no longer expected to be redeemed (breakage). At 30 June 2024, \$172 million of revenue is deferred in relation to gift cards (2023: \$165 million) included within other current liabilities. Gift card liabilities are contract liabilities as payment has been received for a performance obligation to be completed at a future point in time.

The key assumption in measuring the contract liability for gift cards and vouchers is the expected breakage, which is reviewed annually based on historical information. Any reassessment of expected breakage in a particular year impacts on the revenue recognised from expiry of gift cards and vouchers (either increasing or decreasing). Any reasonably possible change in the estimate is unlikely to have a material impact.

Notes to the financial statements: Group performance

For the year ended 30 June 2024

2. Expenses

	Consolidated	
	2024	2023
	\$m	\$m
Remuneration, bonuses and on-costs	6,054	5,795
Superannuation expense	489	447
Share-based payments expense	96	91
Employee benefits expense	6,639	6,333
Short-term and low-value lease payments	41	35
Contingent rental payments	54	51
Outgoings and other	446	419
Occupancy-related expenses	541	505
Depreciation and amortisation of property, plant and equipment	553	496
Amortisation of intangible assets	128	118
Depreciation of right-of-use assets	1,119	1,087
Depreciation and amortisation	1,800	1,701
Impairment of trade and other receivables	5	22
Impairment of property, plant and equipment	14	9
Impairment of goodwill and intangible assets	18	4
Impairment of right-of-use assets	7	1
Impairment expenses	44	36
Repairs and maintenance	319	315
Utilities and office expenses	686	608
Insurance expenses	72	52
Merchant fees	146	143
Other	617	559
Other expenses	1,840	1,677
Interest on interest-bearing loans and borrowings, net of borrowing costs capitalised	143	117
Discounting adjustments	8	6
Amortisation of debt establishment costs	5	4
Other finance-related costs	10	8
Other finance costs	166	135

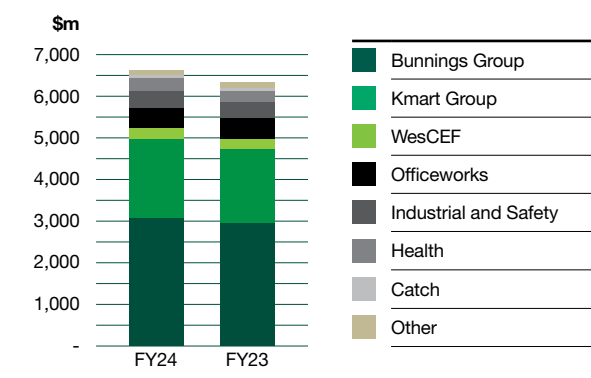
Recognition and measurement

Employee benefits expense

The Group's accounting policy for liabilities associated with employee benefits is set out in note 10. The policy relating to share-based payments is set out in note 30.

The majority of employees in Australia and New Zealand are party to a defined contribution superannuation scheme and receive fixed contributions from Group companies. The Group's legal or constructive obligation is limited to these contributions. Contributions to defined contribution funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Employee benefits expense by segment



Depreciation and amortisation

Refer to notes 7, 8 and 9 for details on depreciation and amortisation.

Impairment

Refer to note 5 for details on the impairment of trade and other receivables, including a reconciliation of the allowance for expected credit losses, and note 18 for further details on impairment of non-financial assets.

Other finance costs

Other finance costs are recognised as an expense when they are incurred, except for interest charges attributable to major projects with substantial development and construction phases.

Provisions and other payables are discounted to their present value when the effect of the time value of money is significant. The impact of the discount unwinding and any changes to the discounting is shown as a discounting adjustment in other finance costs.

Capitalisation of borrowing costs

To determine the amount of borrowing costs to be capitalised as part of the costs of major construction projects, the Group uses the weighted average interest rate applicable to its outstanding borrowings, including lease liabilities, during the year. The weighted average interest rate applicable for FY2024 was 3.69 per cent (2023: 3.25 per cent) and \$26 million (2023: \$42 million) of interest was capitalised to property, plant and equipment for the Mt Holland lithium project. Capitalised borrowing costs are included within WesCEF's capital expenditure.

Notes to the financial statements: Group performance

For the year ended 30 June 2024

3. Tax expense

	Consolidated	
	2024	2023
	\$m	\$m
The major components of tax expense are:		
Income statement		
Current income tax expense		
Current year (paid or payable)	1,060	994
Adjustment for prior years	(39)	(3)
Deferred income tax expense		
Temporary differences	6	50
Adjustment for prior years	3	3
Income tax expense reported in the income statement	1,030	1,044
Statement of comprehensive income		
Net movement on revaluing cash flow hedges	23	70
Net movement on revaluing financial assets	-	7
Income tax reported in statement of comprehensive income	23	77
Tax reconciliation		
Profit before tax	3,587	3,509
Income tax rate at the statutory rate of 30%	1,076	1,053
Adjustments relating to prior years	(36)	-
Non-deductible items	13	9
Share of results of associates and joint ventures	5	(7)
Non-assessable dividends	(15)	(8)
Utilisation of previously unrecognised tax losses	-	(2)
Other	(13)	(1)
Income tax on profit before tax	1,030	1,044
Deferred income tax in the balance sheet relates to the following:		
Provisions	116	95
Employee benefits	304	296
Accruals and other payables	85	73
Interest-bearing loans and borrowings	61	63
Leases	1,948	1,982
Derivatives	11	3
Inventories	69	81
Property, plant and equipment	258	249
Other individually immaterial balances	42	36
Deferred tax assets	2,894	2,878
Accelerated depreciation for tax purposes	238	222
Derivatives	12	43
Accrued income and other	199	155
Intangible assets	12	37
Leases	1,654	1,660
Other individually immaterial balances	138	137
Deferred tax liabilities	2,253	2,254
Net deferred tax asset	641	624
Deferred income tax in the income statement relates to the following:		
Provisions, employee benefits and leases	6	26
Depreciation, amortisation and impairment	10	14
Other individually immaterial balances	(7)	13
Deferred tax expense	9	53

Recognition and measurement

Current taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities at the tax rates and tax laws enacted or substantively enacted at the balance sheet date.

Deferred taxes

Deferred income tax is provided using the full liability balance sheet method. Deferred income tax assets are recognised for all deductible temporary differences, carried forward unused tax assets and unused tax losses, to the extent it is probable that future taxable profits will be available to utilise them.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided on temporary differences at the balance sheet date between accounting carrying amounts and the tax bases of assets and liabilities, other than for the following:

- Where they arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- Where taxable temporary differences relate to investments in subsidiaries, associates and interests in joint ventures:
 - Deferred tax liabilities are not recognised if the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
 - Deferred tax assets are not recognised if it is not probable that the temporary differences will reverse in the foreseeable future and future taxable profits will not be available to utilise the temporary differences.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Offsetting deferred tax balances

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Key judgement: unrecognised deferred tax assets

Capital losses: The Group has unrecognised benefits relating to carried forward unused capital losses. Currently, it is not certain that the Group will generate sufficient future taxable capital gains required to recognise a deferred tax asset for these carried forward capital losses. The unrecognised deferred tax assets of \$11 million (2023: \$11 million) relate wholly to capital losses in Australia.

Key judgement: unrecognised deferred tax liabilities

Deferred tax liabilities have not been recognised on indefinite life intangible assets for which the carrying value has been assessed as recoverable through sale, consistent with the Group's practice and strategy to maximise shareholder returns through value-adding transactions.

Refer to note 26 for tax transparency disclosures.

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

4. Cash and cash equivalents

	Consolidated	
	2024	2023
	\$m	\$m
For the purposes of the cash flow statement, cash and cash equivalents comprise the following:		
Cash on hand	44	49
Cash in transit	307	203
Cash at bank and on deposit	371	254
Cash held in joint operation	113	167
	835	673

Reconciliation of net profit after tax to net cash flows from operations

Net profit	2,557	2,465
Adjusted for		
Depreciation and amortisation	1,800	1,701
Impairment of assets	44	36
Net loss/(gain) on disposal of non-current assets including investments and associates	12	(32)
Share of net profits of associates and joint ventures	(35)	(9)
Dividends and distributions received from associates and joint ventures	62	48
Discounting adjustments in finance costs	8	6
Amortisation of debt establishment costs	5	4
Other	10	18
(Increase)/decrease in assets		
Trade and other receivables	(146)	13
Inventories	(59)	57
Income tax receivable	43	(40)
Prepayments	(7)	28
Deferred tax assets	8	(37)
Other assets	(3)	(1)
Increase/(decrease) in liabilities		
Trade and other payables	129	(48)
Income tax payable	124	-
Provisions	25	(62)
Other liabilities	17	32
Net cash flows from operating activities	4,594	4,179

Recognition and measurement

Cash in transit

Cash in transit includes physical cash in transit and receivables from electronic funds transfers, credit card and debit card point of sale transactions.

Cash at bank and on deposit

Cash and short-term deposits comprise cash at bank and deposits with an original maturity of three months or less and are classified as financial assets held at amortised cost. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective deposit rates.

Cash at bank and on deposit is held with banks and financial institutions with investment-grade credit ratings. Refer to note 16(D) for credit risk disclosures.

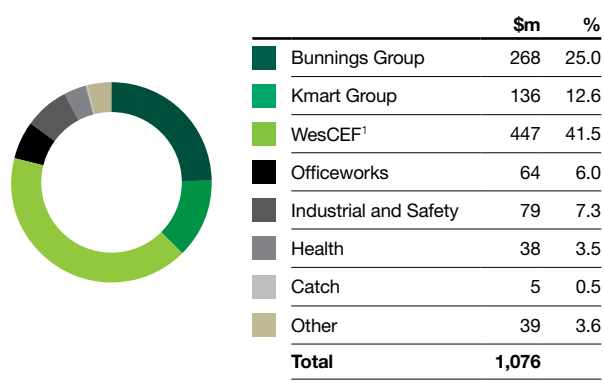
4. Cash and cash equivalents (continued)

Cash held in joint operation

Cash held in joint operation is restricted and only available for use within the joint operation.

	Consolidated	
	2024	2023
	\$m	\$m
Cash capital expenditure		
Payments for property	73	100
Payments for plant and equipment	821	1,054
Payments for intangibles	153	132
Payments for mineral exploration	29	2
	1,076	1,288
Proceeds from sale of property, plant, equipment and intangibles	(32)	(105)
Net cash capital expenditure	1,044	1,183

Cash capital expenditure by segment for FY2024



¹ Cash capital expenditure for WesCEF is net of \$19 million received from government grants and includes \$26 million of capitalised borrowing costs.

5. Receivables

	Consolidated	
	2024	2023
	\$m	\$m
Trade and other receivables		
Trade receivables	2,055	1,892
Other debtors	215	217
Allowance for credit losses	(60)	(63)
	2,210	2,046
Allowance for credit losses		
Movements in the allowance account for expected credit losses were as follows:		
Carrying amount at beginning of year	(63)	(55)
Net allowance for credit losses recognised	(5)	(22)
Acquisition of controlled entities	(2)	-
Write-offs	10	14
Carrying amount at the end of the year	(60)	(63)

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

5. Receivables (continued)

Recognition and measurement

Trade receivables and other debtors are classified as financial assets held at amortised cost on the basis they are held with the objective of collecting contractual cash flows and the cash flows relate to payments of principal and interest on the principal amount outstanding.

Trade receivables

Trade receivables generally have terms of up to 30 days, extending up to 120 days in relation to the Health segment. They are recognised initially in accordance with the Group's revenue policy and subsequently measured at amortised cost using the effective interest method, less an allowance for credit losses. Refer to note 16(D) for a description of the application of the simplified approach to determine lifetime expected credit loss (ECL) on trade receivables and details of the Group's credit risk exposure.

Other debtors

These amounts generally arise from transactions with the Group's suppliers. It is expected that other debtors' balances will be received when due.

Key estimate: recoverability of trade and other receivables

Management judgement is applied in assessing the recoverability of trade and other receivables on an ongoing basis. Recoverability of specific debtors is assessed with reference to the debtor's ability to repay, which includes:

- the anticipated liquidity of the debtor;
- the estimated value of security held by the Group over the debtor's property and assets;
- the estimated value of other security held, including retention of title of the inventory; and
- the ranking of the Group's debt compared to other creditors of the debtor.

The Group's exposure to potential bad debts is not significant and default rates have historically been low. Trade receivables are written off when there is no reasonable expectation of recovery, which may be indicated by the debtor failing to engage in a payment plan or failing to make timely contractual payments. Reasonably possible changes in these estimates are unlikely to have a material impact on the trade and other receivables balance.

Refer to note 16(D) for further information on the Group's ECL matrix.

6. Inventories

	Consolidated	
	2024	2023
	\$m	\$m
Raw materials	57	34
Finished goods	6,038	5,997
Right-of-return assets	7	8
	6,102	6,039

Recognition and measurement

Inventories are valued at the lower of cost and net realisable value. The net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs to sell.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** purchase cost on a weighted average basis.
- **Finished goods - manufactured:** cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- **Finished goods - wholesale and retail:** purchase cost on a weighted average basis, after deducting any settlement discounts and supplier rebates, and including logistics expenses incurred in bringing the inventories to their present location and condition.

Volume-related supplier rebates, and supplier promotional rebates where they exceed spend on promotional activities, are accounted for as a reduction in the cost of inventory and recognised in the income statement when the inventory is sold.

Key estimate: net realisable value

The key assumptions, which require the use of management judgement, are the variables affecting costs recognised in bringing the inventory to its location and condition for sale, estimated costs to sell and the expected selling price. These key assumptions are reviewed at least annually. The total net expense relating to inventory writedowns during the year was \$8 million (2023: \$50 million). Reasonably possible changes in these estimates are unlikely to have a material impact.

Key estimate: supplier rebates

The recognition of certain supplier rebates in the income statement requires management to estimate both the volume of purchases that will be made during a period of time and the related product that was sold and remains in inventory at the reporting date. Management's estimates are based on existing and forecast inventory turnover levels and sales. Reasonably possible changes in these estimates are unlikely to have a material impact.

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

7. Property, plant and equipment

	PROPERTY		PLANT AND EQUIPMENT			Total
	Land	Buildings	Leasehold improvements	Plant, vehicles and equipment	Mine properties	
	\$m	\$m	\$m	\$m	\$m	\$m
Consolidated						
Year ended 30 June 2024						
Gross carrying amount - at cost	383	541	986	9,151	965	12,026
Accumulated depreciation and impairment	-	(220)	(672)	(5,466)	(15)	(6,373)
Net carrying amount	383	321	314	3,685	950	5,653
Movement						
Net carrying amount at the beginning of the year	323	329	355	3,429	929	5,365
Additions ¹	73	-	33	753	36	895
Disposals and write-offs	(12)	(3)	(2)	(13)	-	(30)
Impairment	-	-	(1)	(13)	-	(14)
Depreciation and amortisation	-	(18)	(78)	(442)	(15)	(553)
Acquisition/(disposal) of controlled entities	-	-	7	15	-	22
Transfers	-	13	-	(43)	-	(30)
Other including foreign exchange movements	(1)	-	-	(1)	-	(2)
Net carrying amount at the end of the year	383	321	314	3,685	950	5,653
Assets under construction included above	-	67	28	972	24	1,091
Year ended 30 June 2023						
Gross carrying amount - at cost	323	535	954	8,490	929	11,231
Accumulated depreciation and impairment	-	(206)	(599)	(5,061)	-	(5,866)
Net carrying amount	323	329	355	3,429	929	5,365
Movement						
Net carrying amount at the beginning of the year	321	297	394	2,868	870	4,750
Additions ¹	7	93	39	978	59	1,176
Disposals and write-offs	(6)	(46)	(4)	(5)	-	(61)
Impairment	-	-	(1)	(8)	-	(9)
Depreciation and amortisation	-	(15)	(73)	(408)	-	(496)
Acquisition/(disposal) of controlled entities	-	-	-	2	-	2
Other including foreign exchange movements	1	-	-	2	-	3
Net carrying amount at the end of the year	323	329	355	3,429	929	5,365
Assets under construction included above	-	87	28	1,033	-	1,148

¹ The 2024 additions include the capitalisation of \$26 million of borrowing costs (2023: \$42 million).

Recognition and measurement

The carrying value of property, plant and equipment is measured as the cost of the asset, less accumulated depreciation and impairment. The cost of the asset includes the cost of replacing parts that are eligible for capitalisation, and the cost of major inspections. The cost of mine properties comprises the mineral rights, subsequent construction costs, any costs directly attributable to bringing the asset into operation, and, for qualifying assets, borrowing costs.

Depreciation and amortisation

Items of property, plant and equipment are depreciated on a straight-line basis over their useful lives. The estimated useful life of buildings is between 20 and 40 years and plant, vehicles and equipment is between three and 48 years. Land is not depreciated.

Mine properties are depreciated over the life of mine, based on the rate of depletion of economically recoverable reserves, once production has commenced.

Leasehold improvements are amortised over the period of the lease or the anticipated useful life of the improvements, whichever is shorter.

Derecognition

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Any gain or loss from derecognising the asset (the difference between the proceeds of disposal and the carrying amount of the asset) is included in the income statement in the period the item is derecognised.

Impairment

Refer to note 18 for details on impairment testing.

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

7. Property, plant and equipment (continued)

Key estimates: property, plant and equipment

The estimations of useful lives, residual value and depreciation and amortisation methods require management judgement and are reviewed annually. If they need to be modified, the change is accounted for prospectively from the date of reassessment until the end of the revised useful life (for both the current and future years). Such revisions are generally required when there are changes in economic circumstances impacting the specific assets or groups of assets, such as a change in store performance or the life of mine. These changes are limited to specific assets and as such, any reasonably possible change in the estimate is unlikely to have a material impact on the estimations of useful lives, residual values or depreciation and amortisation methods.

Key judgement: assets under construction

The Mt Holland lithium project (the Project) predominantly consists of mine properties, and plant, vehicles and equipment. The determination of when the individual components of the Project are substantially complete and ready for intended use, requires management judgement, which considers the following factors:

- the level of capital expenditure incurred to date compared with the original construction cost estimates;
- whether the majority of the assets are substantially complete and ready for use;
- whether the completion of a reasonable period of testing each asset has occurred;
- whether the ability to produce mineral resources in a saleable form (within specifications) has been demonstrated; and
- whether the ability to sustain ongoing production has been demonstrated.

During FY2024, the Project's concentrator (within plant, vehicles and equipment) was determined to be in production and commenced depreciation, with mine properties having commenced depreciation in FY2023. The refinery continues to be classified as assets under construction within plant, vehicles and equipment.

8. Goodwill and intangible assets

	Goodwill \$m	Brand \$m	Contractual and non-contractual relationships \$m	Software \$m	Total \$m
Consolidated					
Year ended 30 June 2024					
Gross carrying amount - at cost	4,082	1,355	174	1,185	6,796
Accumulated amortisation and impairment	(494)	(516)	(49)	(686)	(1,745)
Net carrying amount	3,588	839	125	499	5,051
Movement					
Net carrying amount at the beginning of the year	3,352	823	76	441	4,692
Additions	-	-	23	127	150
Disposals and write-offs	-	-	-	(8)	(8)
Impairment	-	(18)	-	-	(18)
Amortisation	-	-	(10)	(118)	(128)
Acquisition/(disposal) of controlled entities	236	34	36	27	333
Transfers	-	-	-	30	30
Net carrying amount at the end of the year	3,588	839	125	499	5,051
Year ended 30 June 2023					
Gross carrying amount - at cost	3,846	1,321	131	1,013	6,311
Accumulated amortisation and impairment	(494)	(498)	(55)	(572)	(1,619)
Net carrying amount	3,352	823	76	441	4,692
Movement					
Net carrying amount at the beginning of the year	3,337	824	84	439	4,684
Additions	-	-	-	112	112
Disposals and write-offs	-	-	-	(6)	(6)
Impairment	-	-	-	(4)	(4)
Amortisation	-	(1)	(8)	(109)	(118)
Acquisition/(disposal) of controlled entities	15	-	-	9	24
Net carrying amount at the end of the year	3,352	823	76	441	4,692

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

8. Goodwill and intangible assets (continued)

Recognition and measurement

Goodwill

Goodwill acquired in a business combination is initially measured at cost. Cost is measured as the cost of the business combination minus the net fair value of the acquired and identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Intangible assets

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets not acquired as part of a business combination are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any impairment losses.

Intangible assets with finite lives are amortised on a straight-line basis over their useful lives and tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method are reviewed annually.

Intangible assets with indefinite useful lives are tested for impairment in the same way as goodwill.

A summary of the useful lives of intangible assets is as follows:

Intangible asset	Useful life
Brand ¹	Indefinite
Contractual and non-contractual relationships ²	Indefinite and finite (up to 15 years)
Software	Finite (up to 10 years)

¹ Includes trade names and other intangible assets with characteristics of a brand.

² Contractual and non-contractual relationships are intangible assets that have arisen through business combinations and asset acquisitions. They represent the value of pre-existing customer and contractual relationships in the acquired company.

Assets with an assumed indefinite useful life are reviewed at each reporting period to determine whether this assumption continues to be appropriate. If not, it is changed to a finite life and accounted for prospectively as a change in accounting estimate.

Impairment

Refer to note 18 for details on impairment testing.

Key judgement: useful lives of intangible assets

Brands have been assessed as having indefinite useful lives on the basis of brand strength, ongoing expected profitability and continuing support.

Key judgement: capitalisation of software costs

Configuration and customisation costs incurred in a Software-as-a-Service (SaaS) arrangement, that is a service agreement, are recognised as an operating expense. The exception is where the Group has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits. Under this scenario, an intangible asset that the Group controls is created and therefore capitalised.

	Consolidated	
	2024	2023
	\$m	\$m
Allocation of goodwill to groups of cash generating units		
Carrying amount of goodwill		
Bunnings Group	883	877
Kmart Group	856	856
WesCEF	2	2
Officeworks	816	816
Industrial and Safety	418	418
Health	613	383
	3,588	3,352
Allocation of indefinite life intangible assets to groups of cash generating units ¹		
Carrying amount of brand		
Bunnings Group	14	14
Kmart Group	415	415
Officeworks	160	160
Industrial and Safety	22	22
Health	228	194
Catch	-	18
	839	823

¹ Contractual and non-contractual relationships includes \$23 million (2023: nil) of indefinite life intangible assets allocated to Other.

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

9. Leases

Group as a lessee

The Group has leases primarily in relation to retail and distribution properties, in addition to leases for offices, motor vehicles and office equipment. The lease terms vary significantly and can include escalation clauses, renewal or purchase options and termination rights. Escalation clauses vary between fixed rate, inflation-linked, market rent and combination reviews. Changes to rental terms linked to inflation or market rent reviews typically occur on an annual or five-yearly basis.

Set out below are the carrying amounts of the right-of-use assets and the movements during the year.

	RIGHT-OF-USE ASSETS			
	Land \$m	Buildings \$m	Vehicles and other \$m	Total \$m
Consolidated				
Year ended 30 June 2024				
Gross carrying amount - at cost	117	10,302	74	10,493
Accumulated depreciation and impairment	(32)	(4,936)	(28)	(4,996)
Net carrying amount	85	5,366	46	5,497
Movement				
Net carrying amount at the beginning of the year	89	5,536	51	5,676
Net additions ¹	6	924	5	935
Impairment, net of reversals	-	(7)	-	(7)
Depreciation	(10)	(1,099)	(10)	(1,119)
Acquisition/(disposal) of controlled entities	-	14	-	14
Other including foreign exchange movements	-	(2)	-	(2)
Net carrying amount at the end of the year	85	5,366	46	5,497
Year ended 30 June 2023				
Gross carrying amount - at cost	111	9,442	73	9,626
Accumulated depreciation and impairment	(22)	(3,906)	(22)	(3,950)
Net carrying amount	89	5,536	51	5,676
Movement				
Net carrying amount at the beginning of the year	72	5,896	46	6,014
Net additions ¹	24	709	14	747
Impairment, net of reversals	-	(1)	-	(1)
Depreciation	(7)	(1,072)	(8)	(1,087)
Acquisition/(disposal) of controlled entities	-	(3)	(1)	(4)
Other including foreign exchange movements	-	7	-	7
Net carrying amount at the end of the year	89	5,536	51	5,676

¹ Includes new leases and remeasurements, net of terminated leases.

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

9. Leases (continued)

Set out below are the carrying amounts of the lease liabilities and the movements during the year.

	Consolidated	
	2024	2023
	\$m	\$m
Current	1,165	1,135
Non-current	5,357	5,604
Total lease liabilities	6,522	6,739
Movement		
Net carrying amount at the beginning of the year	6,739	7,123
Net additions ¹	940	755
Accretion of interest	236	219
Gross lease payments	(1,416)	(1,361)
Acquisition/(disposal) of controlled entities	25	(4)
Other including foreign exchange movements	(2)	7
Net carrying amount at the end of the year	6,522	6,739

¹ Includes new leases and remeasurements, net of terminated leases.

The maturity profile of the Group's lease liabilities based on contractual undiscounted payments is provided in note 16(B).

The Group has a number of lease contracts that include extension options. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised. Further details on this key judgement are provided on the following page.

Lease extension options are available in respect of 76 per cent (2023: 75 per cent) of the Group's land and building leases. The number and extent of available lease extension options differs considerably between leases. Where the Group has deemed the exercise of available option periods to be reasonably certain, those option periods have been included in the lease term and are therefore incorporated in the recorded lease liability of \$6,522 million (2023: \$6,739 million). A number of available option periods, which are exercisable at the discretion of the Group as lessee, have not been included in the recorded lease liability on the basis that they are not reasonably certain to be exercised, and do not represent liabilities of the Group at 30 June 2024.

The following are the lease-related amounts recognised in the income statement.

	Consolidated	
	2024	2023
	\$m	\$m
Depreciation of right-of-use assets	1,119	1,087
Interest on lease liabilities	236	219
Included in occupancy-related expenses:		
Short-term and low-value lease payments	41	35
Contingent rental payments	54	51
Outgoings and other	446	419
Total amount recognised in the income statement	1,896	1,811

Recognition and measurement

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, any restoration costs and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of the right-of-use land and building assets are between one and 42 years and right-of-use vehicles and other assets are between one and 20 years. The right-of-use assets are also subject to impairment, assessed in accordance with the Group's impairment policy.

Lease liabilities

Lease liabilities are recognised by the Group at the commencement date of the lease. Lease liabilities are measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option where it is reasonably certain to be exercised by the Group. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate (IBR) at the lease commencement date where the interest rate implicit in the lease is not readily determinable. After the commencement date, the lease liability is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment to purchase the underlying asset.

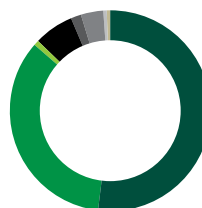
Short-term leases and lease of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases, which are defined as those leases that have a lease term of 12 months or less from the commencement date. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

Lease liabilities by segment

as at 30 June 2024

	\$m	%
Bunnings Group	3,402	52.2
Kmart Group	2,237	34.3
WesCEF	57	0.9
Officeworks	424	6.5
Industrial and Safety	109	1.7
Health	226	3.5
Catch	35	0.5
Other	32	0.4
Total	6,522	



Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

9. Leases (continued)

Key judgements and estimates: leases

Lease term

The lease term is considered to be a key judgement. At lease commencement, the Group considers an option to extend a lease to be reasonably certain when there is a clear economic incentive for extension, such as:

- favourable contractual terms and conditions in the option period compared to market rates;
- leasehold improvements have recently been undertaken and are likely to have significant residual value at the end of the current lease period;
- significant termination costs exist; or
- the underlying asset is important to the Group's operations.

After lease commencement, options to extend are reassessed upon the occurrence of a significant event or change in circumstance.

Discount rate

The discount rates applied in measuring the lease liability are a key estimate. As at 30 June 2024, the rates were between 1.0 and 6.5 per cent (2023: between 1.0 and 5.9 per cent) for the Group's land and buildings leases. On commencement of a lease, the future lease payments are discounted using the IBR where the interest rate implicit in the lease is not readily available. The lessee's IBR reflects the Group's IBR adjusted for lease tenure and the currency of the lease. Where there is a lease modification, a revised discount rate is applied in remeasuring the lease liability.

Stand-alone price of lease and non-lease components

As applicable, the calculated lease liability excludes an estimate of the gross lease payments allocated to non-lease components. This estimate is determined on a lease-by-lease basis on inception of the lease.

In determining the stand-alone price of the lease and non-lease components, consideration is given to benchmark property outgoings and historical information of the Group's lease portfolio.

10. Provisions

	Consolidated	
	2024	2023
	\$m	\$m
Current		
Employee benefits	940	869
Self-insured risks	98	123
Restoration and restructuring	49	48
Other	76	77
	1,163	1,117
Non-current		
Employee benefits	94	101
Self-insured risks	120	111
Restoration and restructuring	168	161
Other	1	1
	383	374
Total provisions	1,546	1,491

Recognition and measurement

Provisions are recognised when:

- the Group has a present obligation (legal or constructive) as a result of a past event;
- it is probable that resources will be expended to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Key estimate: discounting

Provisions, other than employee benefits, are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability to the extent they are not included in the cash flows.

Employee benefits provision balances are calculated using discount rates derived from the high-quality corporate bond (HQCBB) market in Australia provided by Milliman Australia. As at 30 June 2024, the rates were between 5.0 and 5.5 per cent (2023: between 5.2 and 5.6 per cent).

Notes to the financial statements: Group balance sheet

For the year ended 30 June 2024

10. Provisions (continued)

Employee benefits

The provision for employee benefits represents annual leave, long service leave entitlements and incentives accrued by employees.

Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits expected to be settled within 12 months of the reporting date, are recognised in provisions and other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Annual leave and long service leave

The liability for annual leave and long service leave is recognised in the provision for employee benefits. The obligation is measured using the projected unit credit method. Expected future payments are discounted using market yields at the reporting date on HQCB with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Key estimate: long service leave

Management judgement is required in determining the following key assumptions used in the calculation of long service leave at the balance sheet date:

- future increases in salaries and wages;
- future on-cost rates; and
- future probability of employee departures and period of service.

The total long service leave liability is \$439 million (2023: \$426 million). Given the magnitude of the liability and the nature of the key assumptions, any reasonably possible change in one or a combination of the assumptions is unlikely to have a material impact.

Key estimate: self-insured risks

The self-insured risk liability is based on a number of management estimates including, but not limited to:

- future inflation;
- investment return;
- average claim size;
- claim development; and
- claim administration expenses.

These assumptions are reviewed periodically and any reassessment of these assumptions will affect workers' compensation or claims expense (either increasing or decreasing the expense). Any reasonable change in these assumptions is unlikely to have a material impact.

Restoration and restructuring

Make good

The Group recognises the present value of the estimated costs that may be incurred in restoring leased premises to their original condition at the end of the respective lease terms as a provision for make good. The costs are recognised as the obligation is incurred either at commencement of the lease or as a consequence of using the asset and are included in the cost of the right-of-use assets. This estimate is reviewed at each reporting date and adjusted for any known changes in the initial cost estimate.

Mine and plant rehabilitation

The Group's mining activities create obligations for site closure and rehabilitation when the environmental disturbance occurs. Provisions for closure and rehabilitation have been measured by calculating the present value of future rehabilitation costs using a risk-free discount rate over a period of up to 50 years.

Restructuring

Provisions for restructuring are recognised where steps have been taken to implement a detailed plan, including discussions with those impacted by it and relate principally to:

- the closure of retail outlets or distribution centres;
- restructuring; and
- associated redundancies.

Self-insured risks

The Group is self-insured for workers' compensation and general liability claims. Provisions are recognised based on claims reported, and an estimate of claims incurred but not reported. These provisions are determined on a discounted basis, using an actuarial valuation performed at each reporting date.

Consolidated	Self-insured risks \$m	Restoration and restructuring \$m	Other \$m	Total \$m
Carrying amount at 1 July 2023	234	209	78	521
Net provisions arising during the year	50	18	26	94
Utilised	(66)	(14)	(35)	(115)
Acquisition/(disposal) of controlled entities	-	4	8	12
Carrying amount at 30 June 2024	218	217	77	512
Carrying amount at 1 July 2022	235	202	90	527
Net provisions arising during the year	61	16	20	97
Utilised	(62)	(8)	(32)	(102)
Acquisition/(disposal) of controlled entities	-	(1)	-	(1)
Carrying amount at 30 June 2023	234	209	78	521

Notes to the financial statements: Capital

For the year ended 30 June 2024

11. Capital management

The primary objective of Wesfarmers is to provide a satisfactory return to its shareholders. The Group aims to achieve this objective by:

- improving returns on invested capital relative to the cost of capital;
- ensuring a satisfactory return is made on any new capital invested; and
- returning capital to shareholders when appropriate.

Capital is defined as the combination of shareholders' equity, reserves and debt (interest-bearing loans and borrowings, exclusive of lease liabilities, less cash and cash equivalents). The Board is responsible for monitoring and approving the capital management framework within which management operates. The purpose of the framework is to safeguard the Group's ability to continue as a going concern while optimising its debt and equity structure to improve returns. The Group aims to maintain a capital structure that is consistent with a stable investment-grade credit rating.

	Consolidated	
	2024	2023
	\$m	\$m
Equity and reserves		
Issued capital	13,574	13,574
Reserved shares	(102)	(102)
Retained earnings	1,173	818
Reserves	(6,060)	(6,009)
	8,585	8,281
Debt (excluding lease liabilities)		
Total interest-bearing loans and borrowings	4,756	4,430
Less:		
Cash and cash equivalents	(835)	(673)
	3,921	3,757
Total capital	12,506	12,038
Net financial debt		
Total interest-bearing loans and borrowings	4,756	4,430
Less:		
Cash at bank and on deposit and cash held in joint operation ¹	(484)	(421)
Net debt	4,272	4,009
Less:		
Cross-currency interest rate swaps	(5)	(14)
Interest rate swaps	(9)	(11)
Net financial debt	4,258	3,984

¹ Exclusive of cash on hand and cash in transit. Refer to note 4 for further details.

The Group manages its capital through various means, including:

- adjusting the amount of dividends paid to shareholders;
- maintaining a dividend investment plan;
- raising or returning capital; and
- raising or repaying debt for working capital requirements, capital expenditure and acquisitions.

The Group regularly monitors its capital requirements using various benchmarks, with the main internal measures being free cash flow and debt to EBITDA. The principal external measures are the Group's credit ratings from S&P Global Ratings and Moody's Investors Service.

	Consolidated	
	2024	2023
	\$m	\$m
Free cash flow		
Net cash flows from operating activities	4,594	4,179
Less:		
Capital expenditure	(1,076)	(1,288)
Net (acquisitions)/disposals	(325)	631
Add:		
Proceeds from sale of property, plant and equipment and intangibles	32	105
Free cash flow	3,225	3,627
Debt to EBITDA¹		
Total interest-bearing loans and borrowings	4,756	4,430
Total lease liabilities	6,522	6,739
Less:		
Cash and cash equivalents	(835)	(673)
Debt (inclusive of lease liabilities) (A)	10,443	10,496
Profit before income tax	3,587	3,509
Interest on lease liabilities	236	219
Other finance costs	166	135
Depreciation and amortisation	1,800	1,701
EBITDA (B)	5,789	5,564
Debt to EBITDA (times) (A/B)	1.8	1.9
Group credit ratings		
S&P Global Ratings	A-(stable)	A-(stable)
Moody's Investors Service	A3(stable)	A3(stable)

¹ The calculation of debt to EBITDA may differ from the metrics calculated by the credit rating agencies, which each have their own methodologies for adjustments.

Notes to the financial statements: Capital

For the year ended 30 June 2024

12. Dividends and distributions

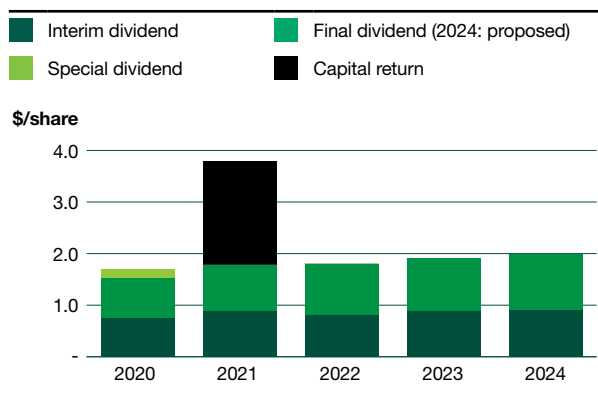
	Consolidated	
	2024 \$m	2023 \$m
Determined during the year (dividends fully-franked at 30 per cent)		
Interim dividend for 2024: \$0.91 (2023: \$0.88) per share	1,033	998
Final dividend for 2023: \$1.03 (2022: \$1.00) per share	1,169	1,134
	2,202	2,132
Proposed and unrecognised as a liability (dividends fully-franked at 30 per cent)		
Final dividend for 2024: \$1.07 (2023: \$1.03) per share	1,214	1,169
	1,214	1,169
Franking credit balance		
Franking credits available for future years at 30 per cent adjusted for debits and credits arising from the payment of income tax payable/(receivable) and from recognised dividends receivable or payable	886	884
Impact on the franking account of dividends proposed before the financial report was issued but not recognised as a distribution to equity holders during the year	(520)	(501)

Wesfarmers' dividend policy considers availability of franking credits, current earnings, future cash flow requirements and targeted credit metrics.

The Group operates a dividend investment plan which allows eligible shareholders to elect to invest their dividends in ordinary shares. All holders of Wesfarmers ordinary shares with addresses in Australia or New Zealand are eligible to participate in this plan. The allocation price for shares is based on the average of the daily volume-weighted average price of Wesfarmers ordinary shares sold on the ASX, calculated with reference to a pricing period as determined by the directors.

An issue of shares under the dividend investment plan could result in an increase in issued capital unless the Group elects to purchase the required number of shares on-market.

Shareholder distributions



13. Equity and reserves

The nature of the Group's contributed equity

Ordinary shares are fully paid and carry one vote per share and the right to dividends.

Reserved shares are ordinary shares that have been issued (including unquoted shares) or repurchased by the company and are being held to satisfy the Key Executive Equity Performance Plan (KEEPP).

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Movement in shares on issue	Ordinary shares ¹		Reserved shares	
	'000	\$m	'000	\$m
At 1 July 2023	1,134,514	13,574	(1,440)	(102)
KEEPP vested during the year	-	-	372	-
2020 Performance-tested shares vested during the year	-	-	60	-
Issue of unquoted fully-paid ordinary shares for the purposes of KEEPP	267	-	(267)	-
At 30 June 2024	1,134,781	13,574	(1,275)	(102)
At 1 July 2022	1,134,145	13,574	(2,349)	(102)
Exercise of in-substance options	-	-	939	-
KEEPP vested during the year	-	-	339	-
Issue of unquoted fully-paid ordinary shares for the purposes of KEEPP	369	-	(369)	-
At 30 June 2023	1,134,514	13,574	(1,440)	(102)

¹ As at 30 June 2024, there were 603,527 unquoted fully-paid ordinary shares (2023: 521,881). The unquoted fully-paid ordinary shares rank equally with other ordinary shares but the payment of dividend entitlements is deferred until quotation.

Notes to the financial statements: Capital

For the year ended 30 June 2024

13. Equity and reserves (continued)

The following table details the Group's reserves (net of tax), including the reserves' nature and purpose.

	Consolidated		Nature and purpose
	2024 \$m	2023 \$m	
Cash flow hedge reserve	(18)	38	To record the portion of the unrealised gain or loss on a hedging instrument in a cash flow hedge that is determined to be in an effective hedge relationship. The change in cash flow hedge reserve for the year ended 30 June 2024 includes the after-tax net movement in the market value of cash flow hedges from 30 June 2023, and comprised a \$(63) million (2023: \$(55) million) movement in foreign exchange rate contracts, a \$8 million (2023: \$(22) million) movement in cross-currency interest rate swaps, a \$(2) million (2023: \$8 million) movement in interest rate swaps, a \$1 million (2023: nil) movement in commodity swaps and a nil (2023: \$1 million) movement in associates and joint ventures reserves.
Demerger reserve	(5,860)	(5,860)	To recognise the gain on demerger of Coles and the demerger dividend.
Financial assets reserve	69	71	To record fair value changes on financial assets measured at fair value through other comprehensive income.
Foreign currency translation reserve	35	39	To record exchange differences arising from the translation of the financial statements of foreign subsidiaries.
Leasing reserve	(518)	(518)	To recognise the cumulative effect of applying AASB 16 Leases at the date of initial application.
Share-based payments reserve	65	54	To recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.
Other reserves	167	167	Includes the restructure tax reserve, capital reserve and general reserve.
Total reserves	(6,060)	(6,009)	

14. Earnings per share

	Consolidated	
	2024	2023
Profit attributable to ordinary equity holders of the parent (\$m)	2,557	2,465
WANOS ¹ used in the calculation of basic EPS (shares, million) ²	1,133	1,132
WANOS ¹ used in the calculation of diluted EPS (shares, million) ²	1,133	1,133
Basic EPS (cents per share)	225.7	217.8
Diluted EPS (cents per share)	225.7	217.6

¹ Weighted average number of ordinary shares.

² The variance in the WANOS used in the calculation of the basic earnings per share (EPS) and the diluted EPS is attributable to the dilutive effect of in-substance options and restricted shares.

There have been no transactions involving ordinary shares between the reporting date and the date of completion of these financial statements, apart from the normal conversion of employee reserved shares (treated as in-substance options) to unrestricted ordinary shares.

Basic EPS

Basic EPS is calculated as net profit attributable to equity holders of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares.

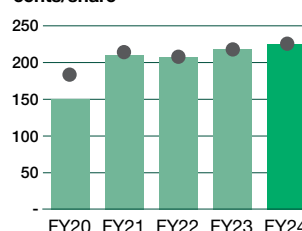
Diluted EPS

Diluted EPS is calculated as basic earnings per share with an adjustment for the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares. Dilution arises as a result of the employee reserved shares issued under the employee share plan being accounted for as in-substance options and unvested restricted shares.

Basic earnings per share

225.7 cents

cents/share



■ Reported basic EPS ● Basic EPS adjusted for significant items

	Reported basic EPS	Adjusted basic EPS
FY24	225.7	225.7
FY23	217.8	217.8
FY22	207.8	207.8
FY21 ¹	210.4	214.1
FY20 ²	150.0	183.4

¹ FY2021 EPS of 210.4 cents per share includes significant items relating to the restructure of the Kmart Group. Excluding these items, adjusted basic EPS is 214.1 cents per share.

² FY2020 EPS of 150.0 cents per share includes significant items relating to non-cash impairments, write-offs and provisions for the Kmart Group, the non-cash impairment of Industrial and Safety, the finalisation of tax positions on prior year disposals and the gain on sale of 10.1 per cent interest in Coles and subsequent revaluation of the retained interest. Excluding these items, adjusted basic EPS is 183.4 cents per share.

Notes to the financial statements: Capital

For the year ended 30 June 2024

15. Interest-bearing loans and borrowings

	Consolidated	
	2024 \$m	2023 \$m
Non-current		
Unsecured		
Bank debt	2,797	2,452
Capital markets debt	1,959	1,978
Total interest-bearing loans and borrowings	4,756	4,430

Recognition and measurement

Capital markets debt includes foreign and domestic corporate bonds. All loans and borrowings are initially recognised at fair value, less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the liabilities are derecognised.

The carrying values of liabilities that are the hedged items in fair value hedge relationships, which are otherwise carried at amortised cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged. Fair value gains and losses are recognised in the income statement.

Funding strategies

The Group's funding strategy is to maintain diversity of funding sources and a presence in key financing markets, maintain an appropriate average maturity, and balance exposures to fixed and floating rates.

Throughout the period, a number of bilateral bank agreements have been extended or entered into to maintain the Group's debt capacity and average maturity profile.

The Group had unused bank financing facilities available at 30 June 2024 of \$1,947 million (2023: \$2,625 million).

Sustainability and climate targets in sustainability-linked bonds and loans

As at 30 June 2024, the Group had outstanding Australian dollar and Euro denominated sustainability-linked bonds (SLBs) totalling A\$1,959 million (2023: A\$1,978 million). The SLBs highlight the significance of the Group's sustainability priorities in supporting long-term funding and value creation.

The interest rates payable on the SLBs are linked to two sustainability performance targets (SPTs). The SPTs relate to achieving 100 per cent renewable electricity in Bunnings, Kmart, Target and Officeworks by 31 December 2025 and limiting the CO₂e emissions intensity in ammonium nitrate production in the WesCEF division for the 24 months to 31 December 2025. If the SPTs are not met, there will be a maximum coupon step-up of 25 basis points (12.5 basis points per SPT).

The Group has sustainability-linked loans (SLLs) totalling \$400 million (2023: \$400 million). As at 30 June 2024, the Group had drawn \$119 million (2023: \$50 million). The interest rates payable on the SLLs are linked to the Group's progress on Indigenous employment and emissions intensity in ammonium nitrate production in the WesCEF division consistent with the SLBs.

	LIABILITIES FROM FINANCING ACTIVITIES			Total \$m
	Borrowings due within one year \$m	Borrowings due after one year \$m	Derivatives held to hedge borrowings \$m	
Consolidated				
Balance as at 1 July 2023	-	4,430	(14)	4,416
Cash inflows	-	347	-	347
Cash outflows	(30)	-	-	(30)
Acquisition of controlled entities	30	-	-	30
Foreign exchange adjustments	-	(20)	20	-
Other non-cash movements	-	(1)	(11)	(12)
Balance as at 30 June 2024	-	4,756	(5)	4,751
Balance as at 1 July 2022	988	3,970	(195)	4,763
Cash inflows	-	380	-	380
Cash outflows	(765)	-	-	(765)
Acquisition of controlled entities	1	-	-	1
Foreign exchange adjustments	(224)	78	149	3
Other non-cash movements	-	2	32	34
Balance as at 30 June 2023	-	4,430	(14)	4,416

Notes to the financial statements: Risk

For the year ended 30 June 2024

16. Financial risk management

The Group holds financial instruments for the following purposes:

- **Financing:** to raise finance for the Group's operations or, in the case of short-term deposits, to invest surplus funds. The types of instruments used include bank debt, capital markets debt, cash and short-term deposits.
- **Operational:** the Group's activities generate financial instruments, including cash, trade receivables and trade payables.
- **Risk management:** to reduce risks arising from the financial instruments described above, including cross-currency interest rate swaps, interest rate swaps, foreign exchange contracts and commodity swaps.

It is, and has been throughout the year, the Group's policy that no speculative trading in financial instruments shall be undertaken.

The Group's holding of these financial instruments exposes it to risk. The Board reviews and agrees the Group's policies for managing each of these risks, which are summarised in the table below:

Risk	Exposure	Management
Liquidity risk (note 16(B))		
	The Group's exposure to liquidity risk arises through volatility of cash flows due to trading patterns or conditions, interruptions to cash flows due to technological incidents or banking system incidents, or interruptions to funding sources and markets. The Group's exposure also includes a risk that the Group may not be able to repay or refinance its interest-bearing loans and borrowings when due.	Liquidity risk is managed centrally by Group Treasury through detailed forecasting of the operating cash flows of the underlying businesses and maintenance of appropriate cash and bank facility arrangements to cover reasonably foreseeable events. The Group maintains diversity of funding sources and an appropriate average maturity. The Group aims to spread maturities to avoid excessive refinancing in any period. The Group also maintains investment-grade credit ratings from S&P Global Ratings and Moody's Investors Service, which support its ability to raise additional debt in capital markets when necessary.
Market risk (note 16(C))		
Foreign exchange risk	The Group's primary currency exposure is to the US dollar and arises from sales or purchases by a division in currencies other than the division's functional currency. The Group is also exposed to the Euro through its capital markets debt. As a result of operations in New Zealand, the Group's balance sheet can also be affected by movements in the AUD/NZD exchange rate.	The objective of the Group's policy on foreign exchange hedging is to protect the Group from adverse currency fluctuations. Hedging is implemented for the following reasons: • protection of competitive position; and • greater certainty of earnings due to protection from sudden currency movements. The Group manages foreign exchange risk centrally by hedging material foreign exchange exposures for firm sales or purchases or when highly probable forecast transactions have been identified (including funding transactions). The level of hedging is higher for near-term forecast transactions than for longer-term forecast transactions. The Group also aims to hedge 100 per cent of capital expenditure-related foreign currency purchases to match expected payment dates and these may extend beyond 12 months. The Group mitigates the effect of its translational currency exposure to its New Zealand operations by borrowing in New Zealand dollars.
Interest rate risk	The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations that have floating interest rates.	The Group maintains a balance of exposure to floating and fixed rate debt, and aims to spread debt renewals to avoid all renewals occurring in the same period. The Group may hedge borrowings to fixed or floating rates as appropriate to manage exposure levels. These swaps are designated to hedge interest costs associated with underlying debt obligations.
Commodity price risk	The Group's exposure to commodity price risk mainly arises from changes in the prices of inputs and inventory used by divisions, including where the division must reimburse a third party for costs incurred by that party (for example, fuel costs as part of transport services). Some divisions also sell products that are in the nature of commodities or are priced with reference to commodity prices. Changes in relevant commodity prices may negatively impact the Group's cash flow or profitability.	When appropriate and effective, the Group manages commodity price risk centrally by hedging material commodity exposures. The foreign exchange risk component may be managed separately as part of the Group's foreign exchange risk management policies.

Notes to the financial statements: Risk

For the year ended 30 June 2024

16. Financial risk management (continued)

Risk	Exposure	Management
Credit risk (note 16(D))		
	The Group is exposed to credit risk from its operating activities (primarily from customer receivables) and from its financing activities, including deposits with financial institutions, foreign exchange transactions and other financial instruments. Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument or customer contract that will result in a financial loss to the Group.	Customer credit risk is managed by each division subject to established policies, procedures and controls relating to customer credit risk management. The Group trades primarily with recognised, creditworthy third parties. Customers who wish to trade on credit terms are subject to credit verification procedures, including an assessment of their independent credit rating, financial position, past experience and industry reputation. Receivables Credit risk management practices include reviews of trade receivables aging by days past due, the timely follow-up of past due amounts and the use of credit securities, such as credit insurance, retention of title and letters of credit. Financial instruments and cash deposits Credit risk from deposits with banks and financial institutions is managed by Group Treasury in accordance with Board-approved policy. Deposits are made within credit limits assigned to each counterparty according to their credit rating, which must be an investment-grade credit rating. The carrying amount of financial assets represents the maximum credit exposure. There are no significant concentrations of credit risk within the Group.

16(A) Offsetting financial instruments

The Group presents its derivative assets and liabilities on a gross basis. Derivative financial instruments entered into by the Group are subject to enforceable master netting arrangements, such as an International Swaps and Derivatives Association (ISDA) master netting agreement. In certain circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under an ISDA agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The amounts set out in note 17 represent the derivative financial assets and liabilities of the Group that are subject to the above arrangements, and are presented on a gross basis.

16(B) Liquidity risk

As at 30 June 2024, the Group had unused bank financing facilities available of \$1,947 million (2023: \$2,625 million).

The table on the following page classifies the Group's financial liabilities, including net and gross settled financial instruments and lease liabilities, into relevant maturity periods based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows and will not reconcile with the amounts disclosed in the balance sheet.

Trade and other payables and lease liabilities are recognised at the gross contractual cash flows to be paid using the spot currency exchange rates applicable at the reporting date. Expected future interest payments on loans and borrowings exclude accruals recognised in trade and other payables at the reporting date and have been estimated using forward currency exchange rates and forward interest rates applicable at the reporting date. For loans and borrowings before swaps, hedge cross-currency interest rate swaps, hedge interest rate swaps, hedge foreign exchange contracts and hedge commodity swaps, the amounts disclosed are the gross contractual cash flows to be paid estimated using forward currency exchange rates, forward interest rates and forward commodity prices applicable at the reporting date.

Early payment facility for suppliers

The Group has a facility in place to assist its suppliers to manage their cash flows. Suppliers can elect to receive early payment of some or all of their invoices by electing to sell their invoices to third-party financiers. They typically receive payment the same business day, or within one business day, of election. Supplier participation in the program is optional and the Group does not use this as an opportunity to extend payment terms or obtain any commission or financial benefit. The relevant invoices continue to be payable on their original due dates and continue to be classified as trade and other payables in the balance sheet, as the prepayment arrangement is between the supplier, the financiers and the third-party platform provider. The value of invoices sold by suppliers under the facility as at 30 June 2024 was \$651 million (2023: \$727 million).

Notes to the financial statements: Risk

For the year ended 30 June 2024

16(B) Liquidity risk (continued)

	On demand or < 3 months	3-12 months	1-5 years	>5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
Consolidated	\$m	\$m	\$m	\$m	\$m	\$m
As at 30 June 2024						
Trade and other payables	4,997	380	-	-	5,377	5,377
Lease liabilities	303	1,064	4,258	1,804	7,429	6,522
Expected future interest payments on loans and borrowings	38	138	348	71	595	-
Loans and borrowings before swaps	-	-	3,058	1,897	4,955	4,756
Hedge cross-currency interest rate swaps (gross settled)	-	20	76	(138)	(42)	(5)
Hedge interest rate swaps (net settled)	-	(4)	(5)	-	(9)	(9)
Hedge foreign exchange contracts (gross settled)	6	15	(8)	-	13	11
Hedge commodity swaps (net settled)	(2)	-	-	-	(2)	(2)
Total	5,342	1,613	7,727	3,634	18,316	16,650
As at 30 June 2023						
Trade and other payables	4,906	362	-	-	5,268	5,268
Lease liabilities	292	1,034	4,311	1,946	7,583	6,739
Expected future interest payments on loans and borrowings	35	129	193	92	449	-
Loans and borrowings before swaps	-	-	3,105	1,552	4,657	4,430
Hedge cross-currency interest rate swaps (gross settled)	-	20	75	(172)	(77)	(14)
Hedge interest rate swaps (net settled)	-	(5)	(10)	-	(15)	(11)
Hedge foreign exchange contracts (gross settled)	(37)	(69)	(2)	-	(108)	(108)
Total	5,196	1,471	7,672	3,418	17,757	16,304

16(C) Market risk

Foreign exchange risk

The Group's exposures to the US dollar and Euro (prior to hedging contracts) at the reporting date were as follows:

	2024		2023	
	USD A\$m	EUR A\$m	USD A\$m	EUR A\$m
Consolidated				
Financial assets				
Cash and cash equivalents	15	-	21	-
Trade and other receivables	55	-	40	-
Hedge cross-currency interest rate swaps	-	5	-	14
Hedge foreign exchange contracts	25	-	118	-
Hedge commodity swaps	2	-	-	-
Financial liabilities				
Trade and other payables	(1,411)	(11)	(1,305)	(10)
Interest-bearing loans and borrowings	-	(966)	-	(987)
Hedge foreign exchange contracts	(35)	(1)	(10)	-
Net exposure	(1,349)	(973)	(1,136)	(983)

Notes to the financial statements: Risk

For the year ended 30 June 2024

16(C) Market risk (continued)

Group's sensitivity to foreign exchange movements

The sensitivity analysis below shows the impact that a reasonably possible change in foreign exchange rates over a financial year would have on profit after tax and equity, based solely on the Group's foreign exchange risk exposures existing at the balance sheet date. The Group has used the observed range of actual historical rates for the preceding five-year period, with a heavier weighting placed on recently observed market data, in determining reasonably possible exchange movements to be used for the current year's sensitivity analysis. Past movements are not necessarily indicative of future movements. The following exchange rates have been used in performing the sensitivity analysis.

Consolidated	2024		2023	
	USD	EUR	USD	EUR
Actual	0.66	0.62	0.66	0.61
+10% (2023: +10%)	0.73	0.68	0.73	0.67
-10% (2023: -10%)	0.60	0.56	0.60	0.55

The impact on profit and equity is estimated by applying the hypothetical changes in the US dollar and Euro exchange rate to the balance of financial instruments at the reporting date.

The below sensitivity analysis does not include the impact on the Group's equity from the translation of subsidiaries with differing functional currencies (primarily the New Zealand dollar) to the Group's presentation currency.

The results of the foreign exchange rate sensitivity analysis are driven by three main factors, as outlined below:

- the impact of applying the above foreign exchange movements to financial instruments that are not in hedge relationships will be recognised directly in profit;
- to the extent that the foreign currency-denominated derivatives on the balance sheet form part of an effective cash flow hedge relationship, any fair value movements caused by applying the above sensitivity movements will be deferred in equity and will not affect profit; and
- movements in financial instruments forming part of an effective fair value hedge relationship will be recognised in profit. However, as a corresponding entry will be recognised for the hedged item, there will be no net impact on profit.

At 30 June 2024, had the Australian dollar moved against the US dollar and Euro, as illustrated in the table above, with all other variables held constant, the Group's profit after tax and other equity would have been affected by the change in value of its financial assets and financial liabilities as shown in the table below.

Consolidated	2024	2023
	A\$m	A\$m
AUD/USD +10% (2023: +10%)		
- impact on profit	11	7
- impact on equity	(165)	(151)
AUD/USD -10% (2023: -10%)		
- impact on profit	(14)	(8)
- impact on equity	222	182
AUD/EUR +10% (2023: +10%)		
- impact on profit	-	-
- impact on equity	4	7
AUD/EUR -10% (2023: -10%)		
- impact on profit	-	-
- impact on equity	(12)	(9)

Interest rate risk

As at the reporting date, the Group had financial assets and liabilities with exposure to interest rate risk as shown in the table below. Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument. The classification between fixed and floating interest takes into account applicable hedge instruments.

Consolidated	2024	2023
	\$m	\$m
Financial assets		
Fixed rate		
Finance advances and loans	3	3
Floating rate		
Cash at bank, on deposit and held in joint operation	484	421
Financial liabilities		
Fixed rate		
Capital markets debt	1,959	1,978
Unsecured bank debt	500	500
Floating rate		
Unsecured bank debt	2,297	1,952

At 30 June 2024, after taking into account the effect of interest rate swaps and economic hedging relationships, approximately 48 per cent of the Group's borrowings are exposed to movements in variable rates (2023: approximately 45 per cent).

Group's sensitivity to interest rate movements

The following sensitivity analysis shows the impact that a reasonably possible change in interest rates over a financial year would have on profit after tax and equity. The impact is determined by assessing the effect that such a reasonably possible change in interest rates would have had on interest income and expense and the impact on financial instrument fair values existing at the balance sheet date. This sensitivity is based on reasonably possible changes over a financial year, determined using observed historical interest rate movements for the preceding five-year period, with a heavier weighting given to more recent market data.

The results of the sensitivity analysis are driven by three main factors, as outlined below:

- for unhedged floating rate financial instruments, any increase or decrease in interest rates will impact profit;
- to the extent that derivatives form part of an effective cash flow hedge relationship, there will be no impact on profit and any increase/(decrease) in the fair value of the underlying derivative instruments will be deferred in equity; and
- movements in the fair value of derivatives in an effective fair value hedge relationship will be recognised directly in profit. However, as a corresponding entry will be recognised for the hedged item, there will be no net impact on profit.

Notes to the financial statements: Risk

For the year ended 30 June 2024

16(C) Market risk (continued)

The following sensitivity analysis is based on the Australian variable interest rate risk exposures in existence at the balance sheet date. If interest rates had moved by +/- 100bps (basis points) (2023: +/- 100bps) and with all other variables held constant, the Group's profit after tax and equity would have been affected as shown in the table below.

Consolidated	2024 \$m	2023 \$m
+100bps (2023: +100bps)		
- impact on profit	(12)	(12)
- impact on equity	50	57
-100bps (2023: -100bps)		
- impact on profit	12	12
- impact on equity	(54)	(63)

16(D) Credit risk

The carrying amount of current receivables represents the Group's maximum credit exposure.

The Group applies the simplified approach in measuring ECLs for trade receivables and other short-term debtors, whereby an allowance for impairment is considered across all trade receivables and other short-term debtors, regardless of whether a credit event has occurred, based on the expected losses over the lifetime of the receivable. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established the following provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to debtors and the economic climate.

Consolidated			
Trade and other receivables days past due	Estimated total gross carrying amount at default	Expected credit loss rate	Lifetime expected credit loss
	\$m	%	\$m
2024			
Current (not yet due)	1,916	0.4	7
Under one month	213	6.6	14
One to two months	61	4.9	3
Two to three months	14	21.4	3
Over three months	66	50.0	33
Total	2,270		60
2023			
Current (not yet due)	1,762	0.5	8
Under one month	200	2.0	4
One to two months	56	1.8	1
Two to three months	34	29.4	10
Over three months	57	70.2	40
Total	2,109		63

16(E) Fair values

The carrying amounts and estimated fair values of all the Group's financial instruments carried at amortised cost in the financial statements are materially the same with the exception of the following:

Consolidated	2024 \$m	2023 \$m
Capital markets debt: carrying amount	1,959	1,978
Capital markets debt: fair value	1,636	1,563

The methods and assumptions used to estimate the fair value of financial instruments are as follows.

Cash

The carrying amount is fair value due to the asset's liquid nature.

Receivables/payables

Due to the short-term nature of these financial rights and obligations, carrying amounts are estimated to represent fair values.

Derivatives

The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment-grade credit ratings. Foreign exchange contracts, interest rate swaps, cross-currency interest rate swaps and commodity swaps are all valued using forward pricing techniques. These include the use of market observable inputs, such as foreign exchange spot and forward rates, yield curves of the respective currencies, interest rate curves and forward rate curves of the underlying commodity. Accordingly, these derivatives are classified as Level 2 in the fair value measurement hierarchy.

Interest-bearing loans and borrowings

The fair value of capital markets debt as outlined above has been calculated using quoted market prices or dealer quotes for similar instruments. The fair value of bank debt is calculated by discounting the expected future cash flows at prevailing interest rates using market observable inputs and is not materially different to the carrying amount.

Valuation of financial instruments

For all fair value measurements and disclosures, the Group uses the following to categorise the method used:

- Level 1: the fair value is calculated using quoted prices in active markets.
- Level 2: the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The Group's financial instruments were primarily valued using market observable inputs (Level 2), with the exception of financial assets measured at fair value through other comprehensive income (FVOCI) (Level 1) and shares in unlisted companies at fair value (Level 3), which were \$18 million at 30 June 2024 (2023: \$14 million).

For financial instruments that are carried at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between Level 1 and Level 2 during the year.

Notes to the financial statements: Risk

For the year ended 30 June 2024

17. Hedging

Types of hedging instruments

The Group is exposed to risk from movements in foreign exchange, interest rates and commodity prices. As part of its risk management strategy set out in note 16, the Group holds the following types of derivative instruments:

Foreign exchange contracts: contracts denominated in US dollars, Euro and other foreign currencies to hedge highly probable sale and purchase transactions (cash flow hedges).

Interest rate swaps: to manage the Group's exposure to fixed and floating interest rates arising from borrowings. These hedges incorporate cash flow hedges, which fix future interest payments, and fair value hedges, which reduce the Group's exposure to changes in the value of its assets and liabilities arising from interest rate movements.

Cross-currency interest rate swaps: to manage the Group's exposure to foreign exchange rate variability in its interest repayments on foreign currency-denominated borrowings (cash flow hedges) or to hedge against movements in the fair value of those liabilities due to foreign exchange and interest rate movements (fair value hedges). The borrowing margin on cross-currency interest rate swaps has been treated as a 'cost of hedging' and deferred into equity. These costs are then amortised to the income statement as a finance cost over the remaining life of the borrowing.

Lithium hydroxide swaps: to manage the Group's exposure to price variability in its forecast sales of spodumene concentrate (cash flow hedge).

	2024				2023			
	Notional	Weighted average hedged rate	Asset A\$m	Liability A\$m	Notional	Weighted average hedged rate	Asset A\$m	Liability A\$m
Consolidated								
Foreign exchange contracts								
Cash flow hedge - sales (AUD)	US\$77m	Asset: 0.65; Liability: 0.67	1	-	US\$34m	Asset: 0.66; Liability: 0.68	-	(1)
Cash flow hedge - purchases (AUD)	US\$2,512m	Asset: 0.68; Liability: 0.66	21	(33)	US\$2,204m	Asset: 0.69; Liability: 0.65	109	(8)
Cash flow hedge - purchases (NZD)	US\$209m	Asset: 0.62; Liability: 0.60	3	(2)	US\$188m	Asset: 0.63; Liability: 0.59	9	(1)
Cash flow hedge - purchases (AUD)	€ 20m	Asset: 0.63; Liability: 0.61	-	(1)	€ 19m	Asset: 0.62; Liability: 0.60	-	-
Cross-currency interest rate swaps								
Cash flow hedge	€ 600m	3.04% fixed	5	-	€ 600m	3.04% fixed	14	-
Interest rate swaps								
Cash flow hedge	A\$500m	3.42% fixed	9	-	A\$500m	3.42% fixed	11	-
Lithium hydroxide swaps								
Cash flow hedge	255 tonnes	US\$19,656 per tonne	2	-	-	-	-	-
Total derivative asset/(liability)			41	(36)			143	(10)

Recognition and measurement

Recognition

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value as set out in note 16(E). The method of recognising any remeasurement gain or loss depends on the nature of the item being hedged. For hedging instruments, any hedge ineffectiveness is recognised directly in the income statement in the period in which it is incurred.

Hedge accounting

At the start of a hedge relationship, the Group formally designates and documents the hedge relationship, including the risk management strategy for undertaking the hedge. This includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). Hedge accounting is only applied where there is an economic relationship between the hedged item and the hedging instrument and the hedge ratio of the hedging relationship is the same as that resulting from actual quantities of the hedged item and hedging instrument used.

For the purposes of hedge accounting, hedges are classified as:

- fair value hedges when they hedge the exposure to changes in the fair value of a recognised asset, liability or firm commitment that could affect profit or loss; or
- cash flow hedges when they hedge a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions. A hedge of the foreign exchange risk of a firm commitment is accounted for as a cash flow hedge.

The Group will discontinue hedge accounting prospectively only when the hedging relationship or part of the hedging relationship no longer qualifies for hedge accounting, which includes where there has been a change to the risk management objective and strategy for undertaking the hedge and instances when the hedging instrument expires or is sold, terminated or exercised. For these purposes, the replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such a replacement or rollover is consistent with our documented risk management objective.

Notes to the financial statements: Risk

For the year ended 30 June 2024

17. Hedging (continued)

Hedges that meet the criteria for hedge accounting are classified and accounted for as follows:

Fair value hedges

The Group uses fair value hedges to mitigate the risk of changes in the fair value of foreign currency-denominated borrowings from foreign currency and interest rate fluctuations over the hedging period. Where these fair value hedges qualify for hedge accounting, gains or losses from remeasuring the fair value of the hedging instrument are recognised within finance costs in the income statement, together with gains or losses in relation to the hedged item where those gains or losses relate to the risk intended to be hedged.

If the hedged item is an unrecognised firm commitment, the subsequent cumulative change in the fair value of the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instrument are also recognised in profit or loss. As at 30 June 2024, the Group had no fair value hedges.

Cash flow hedges

The Group uses cash flow hedges to mitigate the risk of variability of future cash flows attributable to foreign currency fluctuations over the hedging period associated with our foreign currency-denominated borrowings and ongoing business activities, predominantly where we have highly probable purchase, sale or settlement commitments in foreign currencies. The Group uses cash flow hedges to hedge variability in cash flows due to interest rates on some of our borrowings and commodity hedges to hedge variability in cash flows due to commodity price movements on some of our sales.

For cash flow hedges, the portion of the gain or loss on the hedging instrument that is effective is recognised directly in equity, while the ineffective portion is recognised in profit or loss. The net amount recognised in the income statement in FY2024 was less than \$2 million (2023: less than \$1 million). The maturity profile of these hedges is shown in note 16(B) with the recognition of the gain or loss expected to be consistent with this profile.

	2024				2023		
	Trade	Foreign bonds	Domestic debt	Spodumene concentrate sales	Trade	Foreign bonds	Domestic debt
Consolidated	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Change in the fair value of the hedged item	(119)	(9)	(2)	2	(125)	(181)	11

Amounts recognised in equity are transferred to the income statement when the hedged transaction affects profit or loss, such as when hedged income or expenses are recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Notes to the financial statements: Risk

For the year ended 30 June 2024

18. Impairment of non-financial assets

Testing for impairment

The Group tests property, plant and equipment, goodwill and intangible assets, and right-of-use assets for impairment:

- at least annually for goodwill and indefinite life intangible assets; and
- where there is an indication that the asset may be impaired (which is assessed at least at each reporting date); or
- where there is an indication that conditions causing a previously recognised impairment (on assets other than goodwill) may no longer exist.

Annual impairment testing of goodwill and indefinite life intangible assets is performed at 31 March each year to coincide with the timing of the annual corporate plan and business forecasts, which are prepared by management and approved by the Board. The corporate plans are typically based on a five-year outlook.

If the asset does not generate independent cash inflows and its value in use cannot be estimated to be close to its fair value, the asset is tested for impairment as part of the cash generating unit (CGU) to which it belongs.

Assets are impaired if their carrying amount exceeds their recoverable amount. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal (FVLCD) and value in use (VIU).

Impairment calculations

Fair value less costs of disposal

In determining FVLCD for CGUs, a discounted cash flow model is used based on a methodology consistent with that applied by the Group in determining the value of potential acquisition targets, using market observed inputs where available.

Cash flow projections are based on Wesfarmers' corporate plans and business forecasts along with reasonably available market participant assumptions.

Value in use

In assessing VIU, the estimated future cash flows are discounted to their present value. Cash flow projections are based on Wesfarmers' corporate plans and business forecasts, and are adjusted to exclude the costs and benefits of expansion capital.

Discount rates

Discount rates used in both calculations are based on the weighted average cost of capital determined by prevailing or benchmarked market inputs, and risk adjusted where necessary.

Terminal value

Cash flows beyond the corporate plan period are extrapolated using estimated growth rates, which are based on Group estimates, taking into consideration historical performance as well as expected long-term operating conditions. Growth rates do not exceed the consensus forecasts of the growth rate for the industry in which the CGU operates.

Other

Other assumptions are determined with reference to external sources of information and use consistent estimates for variables, such as terminal cash flow multiples.

These calculations, classified as Level 3 on the fair value hierarchy, are compared to valuation multiples, or other fair value indicators where available, to ensure reasonableness.

Recognised impairment

During FY2024, impairment of \$39 million, net of reversals, was recognised in respect of non-financial assets (2023: \$14 million).

Reversal of impairment

Where there is an indication that previously recognised impairment losses may no longer exist or have decreased, the asset is tested for impairment reversal. Impairments recognised against goodwill are not reversed.

There were no material reversals of impairment during FY2024. In light of the current economic conditions and associated uncertainty, there was not sufficient evidence available to indicate that conditions giving rise to previously recognised impairment have reversed.

Climate-related risks

The Group's assessment of the potential financial impacts of climate-related risks, including the associated costs of achieving net zero Scope 1 and Scope 2 emissions targets for Bunnings, Kmart Group and Officeworks by 2030, Industrial and Safety (excluding Coregas) and Health by 2035 and WesCEF and Coregas by 2050, continues to mature.

The potential financial impacts of climate-related risks have been considered in the CGUs' impairment tests through the inclusion of costs for committed initiatives or through downside scenario analysis.

As at 30 June 2024, this analysis did not indicate a climate-related risk of material impairment due to the current headroom in each of the Group's affected CGUs.

The financial impact of this risk will continue to be assessed.

Notes to the financial statements: Risk

For the year ended 30 June 2024

18. Impairment of non-financial assets (continued)

Key estimates: impairment of non-financial assets

Health CGU

The Health CGU represents the level at which goodwill has been allocated and tested for impairment. The impairment test included the unallocated goodwill arising on the acquisition of SILK. Refer to note 21 for further details.

The recoverable amount has been determined using a FVLCOF discounted cash flow model. The key assumptions used for assessing the recoverable amount of the Health CGU included a post-tax discount rate of 10.0 per cent (2023: 9.6 per cent) and a terminal growth rate of 3.0 per cent (2023: 3.0 per cent). The post-tax discount rate incorporates a risk-adjustment relative to the risks associated with the net post-tax cash flows being achieved, while the growth rates beyond the corporate plan are based on consensus forecasts of the growth rate for the health industry.

The FVLCOF calculation determined headroom in excess of 10 per cent of the CGU's carrying value.

The recoverable amount of Health is sensitive to changes in the discount rate and the forecast terminal cash flow that drives the terminal value. A 70 basis point increase in the discount rate or a 12 per cent reduction in its forecast terminal cash flow eliminates the headroom in the recoverable amount.

Mt Holland lithium CGU

Mt Holland continues to be closely monitored for any indications of impairment, given price volatility, immaturity of the lithium market and status of the project.

External sources of information considered by the Group include long-term lithium hydroxide (LiOH) price forecasts, AUD/USD exchange rates and post-tax discount rates. Internal sources of information considered by the Group include estimated operating costs, production volumes and remaining project capital expenditure.

LiOH price assumptions are based on the latest internal forecasts and reflect the Group's long-term view of global supply and demand for battery grade LiOH. The LiOH price assumptions considered a range of external sources, including broker consensus, Wood Mackenzie, Fastmarkets and Benchmark Mineral Intelligence.

At 30 June 2024, the Group concluded that there were no indications that Mt Holland was impaired, but significant adverse movements in key assumptions may lead to future impairment. In the event of an adverse movement in an assumption, the Group would seek to take mitigating action.

Store and clinic CGUs

Store and clinic CGUs are reviewed for indicators of impairment using both external and internal sources of information. Detailed impairment testing is completed when the existence of an indication of impairment is identified. Where detailed impairment testing is required, the recoverable amount of the store or clinic CGU is determined using VIU calculations, based on forecast cash flows for the store over its remaining life.

Other CGUs

The Group has assessed the recoverable amounts of CGUs with material goodwill and other indefinite life intangible assets using a FVLCOF discounted cash flow model. Post-tax discount rates applied in the impairment testing for these CGUs ranged from 8.7 per cent to 11.7 per cent and terminal growth rates ranged from 2.0 per cent to 3.0 per cent. Key assumptions in the CGU's cash flow projections include growth rates and gross margins, which are based on corporate plans that take into consideration historic performance, forecast macroeconomic conditions and the estimated effect of strategies.

For CGUs with material goodwill and other indefinite life intangible assets, based on current economic conditions, the CGU's performance and available headroom, no reasonably possible change in a key assumption used in the determination of the recoverable value of these CGUs would result in a material impairment to the Group.

Notes to the financial statements: Group information

For the year ended 30 June 2024

19. Associates and joint arrangements

	Consolidated	
	2024	2023
	\$m	\$m
Investments in associates	636	629
Investments in joint ventures	302	314
	938	943
Movement in associates and joint ventures		
Net carrying amount at the beginning of the year	943	934
Share of net profits	35	9
Dividends received	(62)	(48)
Acquired during the year	-	15
Acquired as part of a business combination	2	-
Additional investment	23	27
Movements in reserves	(2)	8
Other	(1)	(2)
Net carrying amount at the end of the year	938	943
Total comprehensive income from associates and joint ventures		
Share of net profits of associates and joint ventures	35	9
Other comprehensive (losses)/gains of associates and joint ventures	(2)	8
Total comprehensive income for the year	33	17

Recognition and measurement

Investments in associates

The Group's investments in its associates, being entities in which the Group has significant influence and are neither subsidiaries or joint arrangements, are accounted for using the equity method. Under this method, the investments in the associates are carried in the balance sheet at cost plus any post-acquisition changes in the Group's share of the net assets of the associates.

Goodwill relating to associates is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's investment. The income statement reflects the Group's share of the results of the operations of the associates.

Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this in the statement of comprehensive income.

Where the reporting dates of the associates and the Group vary, the associates' management accounts for the period to the Group's balance date are used for equity accounting. The accounting policies of associates are consistent with those used by the Group for like transactions and events in similar circumstances.

Investment properties owned by associates are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss of the associate, in the year in which they arise. This is consistent with the Group's policy.

BWP Trust

During the financial year, BWP Trust acquired all of the issued securities of Newmark Property REIT. As a result, the Group's interest was diluted from 24.8 per cent to 22.3 per cent at 30 June 2024.

The fair value of the Group's interest, by reference to the closing unit price of BWP Trust on 30 June 2024, materially approximated its carrying value (Level 1 in the fair value hierarchy). The following table summarises the financial information of the Group's investment in BWP Trust.

	2024	2023
	\$m	\$m
Summarised balance sheet (100%)		
Current assets	52	23
Non-current assets	3,535	2,937
Current liabilities	(107)	(86)
Non-current liabilities	(772)	(468)
Net assets	2,708	2,406
Group's share of BWP Trust's net assets	604	595
Fair value adjustment	(22)	(15)
Carrying amount at end of year	582	580
Summarised income statement (100%)		
Revenue	174	158
Expenses	(55)	(45)
Unrealised gains/(losses) in fair value of investment properties	61	(76)
Profit attributable to the unit holders of BWP Trust	180	37
Group's share of profit for the year	40	9

Interests in joint arrangements

Joint operations

The Group recognises its share of the assets, liabilities, income and expenses from the use and output of its joint operations.

Joint ventures

The Group's investments in its joint ventures are accounted for using the equity method.

Key judgement: control and significant influence

The management agreements establish whether the Group has control, joint control or significant influence. The Group assesses whether it has the power to direct the relevant activities of the investee, including the rights it holds to appoint or remove key management, other decision-making rights and scope of powers specified in the contract.

Where the Group has the unilateral power to direct the relevant activities of an investee, the Group then assesses whether the power it holds is for its own benefit (acting as principal) or for the benefit of others (acting as agent). This determination is based on a number of factors, including an assessment of the magnitude and variability of the Group's exposure to variable returns associated with its involvement with the investee. In an agency capacity, the Group is considered to be acting on behalf of other parties and therefore does not control the investee when it exercises its decision-making powers.

Notes to the financial statements: Group information

For the year ended 30 June 2024

19. Associates and joint arrangements (continued)

Interests in associates and joint arrangements

Associates	Principal activity	Reporting date	Country of incorporation/ place of business	Ownership	
				2024	2023
				%	%
BWP Trust	Property investment	30 June	Australia	22.3	24.8
Geared Up Culcha Pty Ltd	Industrial workwear supplier	30 June	Australia	49.0	49.0
Gresham AC Trust No. 2	Investment trust	30 June	Australia	(a)	(a)
Tecsa Limited	Data consultants	30 September	United Kingdom	30.0	30.0
World's Biggest Garage Sale Pty Ltd	Restoration and resale of used goods	30 June	Australia	21.4	21.4
Joint operations					
Andreeva Enterprises Pty Ltd & Venture in Broadmeadows Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
ASC Altona Gate Pty Ltd & Venture in Altona Gate Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
Mt Holland Lithium	Lithium development	31 December	Australia	50.0	50.0
Sodium Cyanide	Sodium cyanide manufacture	30 June	Australia	75.0	75.0
Joint ventures					
ASC Epping Franchise Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
ASC Greensborough Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
ASC North Lakes Joint Venture Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
BPI No 1 Pty Ltd	Property investment	30 June	Australia	(b)	(b)
Covalent Lithium Pty Ltd	Management company	31 December	Australia	50.0	50.0
Gresham Partners Group Limited	Investment banking	30 September	Australia	50.0	50.0
Loyalty Pacific Pty Ltd	Loyalty programs	30 June	Australia	50.0	50.0
Queensland Nitrates Management Pty Ltd	Chemical manufacture	30 June	Australia	50.0	50.0
Queensland Nitrates Pty Ltd	Chemical manufacture	30 June	Australia	50.0	50.0
Silk Laser Clinic Glenelg Pty Ltd	Aesthetics clinic	30 June	Australia	55.0	-
Silk Tea Tree Plaza Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Bunbury Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Burnside Pty Ltd	Aesthetics clinic	30 June	Australia	51.0	-
SLC Castletown Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Casuarina Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Charlestown Pty Ltd	Aesthetics clinic	30 June	Australia	47.5	-
SLC Cockburn Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Doncaster Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Eastlands Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Fairfield Pty Ltd	Aesthetics clinic	30 June	Australia	62.5	-
SLC Hornsby Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Hurstville Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Marion Pty Ltd	Aesthetics clinic	30 June	Australia	47.5	-
SLC Maroochydore Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Palmerston Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Southland Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Toowoomba Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Townsville Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
SLC Wagga Pty Ltd	Aesthetics clinic	30 June	Australia	47.5	-
SLC West Lakes Pty Ltd	Aesthetics clinic	30 June	Australia	50.0	-
Wespine Industries Pty Ltd	Pine sawmillers	30 June	Australia	50.0	50.0

(a) Gresham AC Trust No. 2: While the Group's interest in the unit holders' funds of Gresham AC Trust No. 2 amounts to greater than 50.0 per cent, it is not a controlled entity as the Group does not have the practical ability to direct its relevant activities.

(b) BPI No 1 Pty Ltd: While the Group owns the only equity share in BPI No 1 Pty Ltd, the Group's effective interest approximates 50.0 per cent and joint control is effected through contractual arrangements with the joint venture partner.

Notes to the financial statements: Group information

For the year ended 30 June 2024

20. Subsidiaries

The consolidated financial statements include the financial statements of Wesfarmers Limited and the subsidiaries listed in the following table:

Entity	2024 %	2023 %	Entity	2024 %	2023 %
A.C.N. 003 921 873 Pty Limited	100	100	Beaumont Australia Pty Limited	100	100
A.C.N. 004 191 646 Pty Ltd	100	100	Beaumont Bathrooms Renovator (SA) Pty Limited	100	100
A.C.N. 061 462 593 Pty Ltd	100	100	Beaumont Tiles (Vic) Pty Limited	100	100
A.C.N. 112 719 918 Pty Ltd	100	100	Beaumont Tiles NZ Pty Limited	100	100
A.C.N. 645 670 711 Pty Ltd	100	100	Beaumont's Discount Tile Warehouse Pty Limited	100	100
A.C.N. 645 674 102 Pty Ltd	100	100	Beauty Services (New South Wales) Pty Ltd	@	100
Aesthetics Skincare Pty Ltd	@	100	Beauty Services Holdings Pty Ltd	@	100
ANKO Global (France) SAS (incorporated 19 December 2023)	†	100	Beauty Services Pty Ltd	@	100
ANKO Global Holdings Pty Ltd	+	100	Blacksmith Jacks Pty Ltd		100
ANKO PH Holdings Pty Ltd (formerly ConsortiumCo Pty Ltd)		100	Blackwoods 4PL Pty Ltd		100
ANKO Retail Incorporated (deregistered, confirmed 18 December 2023)	✓	-	BPI Management Pty Ltd		100
API (Canberra) Pty Ltd		100	BrandsExclusive (Australia) Pty Ltd		100
API Financial Services Australia Pty Limited		100	Bresnahan Exploration Pty Ltd		100
API Healthcare Holdings (NZ) Limited	■	100	BUKI (Australia) Pty Ltd	+	100
API Leasing Pty Ltd		100	Bullivants International Pty Ltd		100
API Owned CSC Pty Ltd		100	Bullivants Pty Limited	+	100
API Services Australia Pty Ltd		100	Bunnings (NZ) Limited	■	100
API Victoria Pty Ltd	+	100	Bunnings Group Limited	+	100
ASC Coomera Pty Ltd	@	100	Bunnings Joondalup Pty Ltd		100
ASC Hold Co Pty Ltd	@	100	Bunnings Limited	■	100
ASC IP Holdings Pty Ltd	@	100	Bunnings Management Services Pty Ltd	+	100
ASC Marion Pty Ltd	@	100	Bunnings Properties Pty Ltd	+	100
ASC Master Franchise Pty Ltd	@	100	Bunnings Technologies India Private Limited	# •	100
Australian Gold Reagents Pty Ltd		75	BWP Management Limited	<	100
Australian International Insurance Limited	+	100	C S Holdings Pty Limited	+	100
Australian Light Minerals Pty Ltd	+	100	Campbells Hardware & Timber Pty Limited		100
Australian Pharmaceutical Industries (Queensland) Pty Ltd	+	100	Canberra Pharmaceutical Supplies Trust		n/a
Australian Pharmaceutical Industries Pty Ltd	+	100	Catch Essentials Pty Ltd		100
Australian Skin Clinics Marketing Fund Pty Ltd	@	100	Catch Group Holdings Limited	+	100
Australian Underwriting Holdings Limited	+	100	Catch.com.au Pty Ltd	+	100
Australian Underwriting Services Pty Ltd		100	CGNZ Finance Limited	■	100
Australian Vinyls Corporation Pty Ltd	+	100	Chemical Holdings Kwinana Pty Ltd	+	100
AVC Holdings Pty Ltd	+	100	Clearskincare Adelaide Street Pty Ltd		100
AVC Trading Pty Ltd	+	100	Clearskincare Bendigo Pty Ltd		100
BBC Hardware Limited	+	100	Clearskincare Bondi Beach Pty Ltd		100
BBC Hardware Properties (NSW) Pty Ltd		100	Clearskincare Bondi Junction Pty Ltd		100
BBC Hardware Properties (Vic) Pty Ltd		100	Clearskincare Brighton Pty Ltd		100
			Clearskincare Canberra City Pty Ltd		100
			Clearskincare Carindale Pty Ltd		100
			Clearskincare Carousel Pty Ltd		100
			Clearskincare Chatswood Pty Ltd		100

Notes to the financial statements: Group information

For the year ended 30 June 2024

20. Subsidiaries (continued)

Entity	2024 %	2023 %	Entity	2024 %	2023 %
Clearskincare Chermside Pty Ltd	100	100	Crosby Tiles Pty Ltd	100	100
Clearskincare Chirnside Park Pty Ltd	100	100	CSBP Ammonia Terminal Pty Ltd	100	100
Clearskincare City Square Pty Ltd	100	100	CSBP Limited	+	100
Clearskincare Claremont Pty Ltd	100	100	CSC Ashfield Mall Pty Ltd		100
Clearskincare Clarence Street Pty Ltd	100	100	CSC Auckland Limited	■	100
Clearskincare Clinics Australia Pty Ltd	+	100	CSC Bayside Frankston Pty Ltd		100
Clearskincare Clinics Payroll Pty Ltd	+	100	CSC Camberwell Pty Ltd		100
Clearskincare Clinics Pty Ltd	100	100	CSC Forest Hill Pty Ltd		100
Clearskincare Cockburn Gateway Pty Ltd	100	100	CSC Forrest Chase Pty Ltd		100
Clearskincare Collins Street Pty Ltd	100	100	CSC Franchising Pty Ltd		100
Clearskincare Cremorne Pty Ltd	100	100	CSC Holdings Australia Pty Ltd	+	100
Clearskincare Cronulla Pty Ltd	100	100	CSC Holdings New Zealand Limited	■	100
Clearskincare Doncaster Pty Ltd	100	100	CSC Joondalup Pty Ltd		100
Clearskincare Fremantle Pty Ltd	100	100	CSC Manuka Pty Ltd		100
Clearskincare Hurstville Pty Ltd	100	100	CSC Mordialloc Pty Ltd		100
Clearskincare Leichhardt Pty Ltd	100	100	CSC Mt Ommaney Pty Ltd		100
Clearskincare Macarthur Square Pty Ltd	100	100	CSC North Sydney Pty Ltd		100
Clearskincare Macquarie Centre Pty Ltd	100	100	CSC Northbridge Pty Ltd		100
Clearskincare Miranda Pty Ltd	100	100	CSC Ponsonby Limited	■	100
Clearskincare Moonee Ponds Pty Ltd	100	100	CSC Port Melbourne Pty Ltd		100
Clearskincare Mt Lawley Pty Ltd	100	100	CSC Products Pty Ltd		100
Clearskincare Newmarket Limited	■	100	CSC Riverton Pty Ltd		100
Clearskincare Northland Pty Ltd	100	100	CSC Shared Services Pty Ltd		100
Clearskincare Norwood Pty Ltd	100	100	CSC West Lakes Pty Ltd		100
Clearskincare Parramatta Pty Ltd	100	100	CSC Whitford Pty Ltd		100
Clearskincare Quentin Ave Pty Ltd	100	100	CTE Pty Ltd		100
Clearskincare QV Melbourne Pty Ltd	100	100	Cuming Smith and Company Limited	+	100
Clearskincare Robina Pty Ltd	100	100	Dairy Properties Pty Ltd		100
Clearskincare Rockdale Pty Ltd	100	100	Davyston Exploration Pty Ltd (formerly Brenahan Exploration Pty Ltd)		100
Clearskincare South Australia Pty Ltd	100	100	Dowd Corporation Pty Ltd		100
Clearskincare South Yarra Pty Ltd	100	100	Eastfarmers Pty Ltd		100
Clearskincare Southland Pty Ltd	100	100	Eden Franchise Company Pty Ltd	@	-
Clearskincare Southport Pty Ltd	100	100	Eden Holding Company Pty Ltd	@	-
Clearskincare Sunshine Plaza Pty Ltd	100	100	Eden Laser Clinics (003) Pty Ltd	@	-
Clearskincare Takapuna Limited	■	100	Eden Laser Clinics (004) Pty Ltd	@	55
Clearskincare Toowong Pty Ltd	100	100	Eden Laser Clinics (005) Pty Ltd	@	100
Clearskincare Ventures Pty Ltd	100	100	Eden Laser Clinics (006) Pty Ltd	@	100
Clearskincare Warringah Mall Pty Ltd	100	100	Eden Laser Clinics (007) Pty Ltd	@	100
Clearskincare West End Pty Ltd	100	100	Eden Laser Clinics (008) Pty Ltd	@	100
Clinic Leasing Pty Ltd	@	-	Eden Laser Clinics (009) Pty Ltd	@	100
CM3 Contractor Management Pty Ltd	100	100	Eden Laser Clinics Pty Ltd	@	100
CMNZ Investments Pty Ltd	100	100	FIF Investments Pty Limited		100
Coo-ee Investments Pty Limited	100	100	Forward Scout Enterprises Pty Ltd	@	100
Coregas NZ Limited	■	100	Fosseys (Australia) Pty Ltd	+	100
Coregas Pty Ltd	+	100	Garrett Investments Limited	■	100
			Geeks2U Holdings Pty Limited		100

Notes to the financial statements: Group information

For the year ended 30 June 2024

20. Subsidiaries (continued)

Entity		2024 %	2023 %	Entity		2024 %	2023 %
Geeks2U International Pty Limited		100	100	Neat N' Trim Uniforms Pty Ltd		100	100
Geeks2U IP Pty Limited		100	100	New Price Retail Finance Pty Ltd	+	100	100
Geeks2U NZ Limited	■	100	100	New Price Retail Pty Ltd	+	100	100
Geeks2U Pty Limited		100	100	New Price Retail Services Pty Ltd		100	100
GPML Pty Ltd		100	100	New South Wales Hardwarehouse Unit Trust		n/a	n/a
HouseWorks Co Pty Ltd		100	100	Nitrates Investments Pty Ltd		100	100
Howard Smith Limited	+	100	100	NPR Management Limited (acquired 27 March 2024)	<	100	-
InstantClinics Pty Ltd	^	100	-	NZ Finance Holdings Pty Limited	■	100	100
InstantScripts Pty Ltd	^	100	-	Officeworks Businessdirect Pty Ltd		100	100
J Blackwood & Son Pty Ltd	+	100	100	Officeworks Holdings Pty Ltd	+	100	100
James Patrick & Co Pty Ltd (in liquidation)		100	100	Officeworks Ltd	+	100	100
KAS Direct Sourcing Private Limited	# •	100	100	Officeworks NZ Limited	■	100	100
KAS Global Trading Pty Limited	# ♦	100	100	Officeworks Property Pty Ltd		100	100
KAS International Sourcing Bangladesh Pvt Ltd	▴	100	100	One Data Pty Ltd		100	100
KAS International Trading (Shanghai) Company Limited	# ►	100	100	One Digital Pty Ltd	+	100	100
KAS Pty Limited	# ♦	100	100	Pailou Pty Ltd	+	100	100
KAS Services India Private Limited	# •	100	100	Patrick Operations Pty Ltd		100	100
KGA Sourcing (Singapore) Pte. Ltd	# ✱	100	100	Petersen Bros Pty Ltd		100	100
Kidman Gold Pty Ltd		100	100	Pharma-Pack Pty Ltd		100	100
Kleenheat Pty Ltd		100	100	Premier Power Sales Pty Ltd		100	100
Kmart Australia Limited	+	100	100	Priceline (NZ) Pty Limited	■	100	100
Kmart Group Asia Pty Ltd		100	100	Priceline Proprietary Limited	+	100	100
Kmart Holdings Pty Ltd	+	100	100	Protector Alsafte Pty Ltd		100	100
Kmart NZ Holdings Limited	■	100	100	PSM Healthcare Limited	■	100	100
Kwinana Nitrogen Company Proprietary Limited		100	100	PT Blackwoods Indonesia	○	100	100
Lawvale Pty Ltd		100	100	R & N Palmer Pty Ltd		100	100
Life's Tiles Pty Ltd		100	100	Relationship Services Pty Limited		100	100
Liftco Pty Limited	+	100	100	Retail Australia Consortium Pty Ltd		100	100
LMD2 Pty Ltd	@	100	-	Retail Investments Pty Ltd		100	100
Loggia Pty Ltd	+	100	100	RJ Beaumont & Co Pty Ltd	+	100	100
M.L.E. Unit Trust		n/a	n/a	Scones Jam n Cream Pty Ltd		100	100
M3K Holdings Pty Ltd	@	100	-	Second Priceline Unit Trust		n/a	n/a
M3K Services Pty Ltd	@	100	-	Sellers (SA) Pty Ltd		100	100
Making Life Easy - Mobility and Independent Living Superstore Pty Ltd		100	100	Share Nominees Limited		100	100
Manacol Pty Limited	+	100	100	Silk Laser & Skin Group Pty Ltd	@	100	-
Meredith Distribution (NSW) Pty Ltd		100	100	Silk Laser & Skin Holdings Pty Ltd	@	100	-
Meredith Distribution Pty Ltd		100	100	Silk Laser Australia Limited	@	100	-
MH Gold Pty Limited	+	100	100	Silk Laser Clinic Adelaide Pty Ltd	@	100	-
Millars (WA) Pty Ltd		100	100	Silk Laser Clinic Elizabeth Pty Ltd	@	100	-
Modwood Technologies Pty Ltd		100	100	Silk Laser Clinic Henley Beach Pty Ltd	@	100	-
Montague Resources Australia Pty Ltd		100	100	Silk Laser Clinic Hyde Park Pty Ltd	@	100	-
Moonyoora Minerals Pty Ltd		100	100	Silk Laser Clinic Noarlunga Pty Ltd	@	100	-
Mumgo Pty Ltd		100	100	Silk Laser Clinic Norwood Pty Ltd	@	100	-
				Silk Laser Clinic Trust	@	n/a	-
				Silk Laser Clinics Australia Pty Ltd	@	100	-
				Silk Laser Clinics Pty Ltd	@	100	-

Notes to the financial statements: Group information

For the year ended 30 June 2024

20. Subsidiaries (continued)

Entity	2024 %	2023 %	Entity	2024 %	2023 %
Silk Laser Corporate Pty Ltd	@ 100	-	The Cosmetic Clinic Limited	■ @ 100	-
Silk Laser Franchise Holdings Pty Ltd	@ 100	-	The Franked Income Fund	n/a	n/a
Silk Laser Franchising Pty Ltd	@ 100	-	The Priceline Unit Trust	n/a	n/a
SiSU Wellness Pty Ltd	60	60	The Westralian Farmers Limited	+ 100	100
SLC Baldivis Pty Ltd	@ 100	-	The Workwear Group HK Limited (deregistered 8 March 2024)	# ♦ -	100
SLC Belconnen Pty Ltd	@ 100	-	The Workwear Group Holding Pty Ltd	+ 100	100
SLC Booragoon Pty Ltd	@ 100	-	The Workwear Group Pty Ltd	+ 100	100
SLC Bundaberg Pty Ltd	@ 100	-	Tilers Plus Pty Limited	100	100
SLC Burleigh Pty Ltd	@ 75	-	Tilewerx Pty Limited	100	100
SLC Carousel Pty Ltd	@ 100	-	Tincorp Holdings Pty Ltd	100	100
SLC Eastgardens Pty Ltd (formerly Eden Laser Clinics (002) Pty Ltd)	@ 100	-	TLL Silk Pty Ltd	@ 100	-
SLC Ellenbrook Pty Ltd	@ 75	-	Tyremaster (Wholesale) Pty Ltd	100	100
SLC Figtree Pty Ltd	@ 75	-	Ucone Pty Ltd	+ 100	100
SLC Hobart Pty Ltd	@ 75	-	Valley Investments Pty Ltd	+ 100	100
SLC Innaloo Pty Ltd	@ 100	-	Venture in Altona Gate Pty Ltd	@ 100	-
SLC Ipswich Pty Ltd	@ 75	-	Venture in Broadmeadows Pty Ltd	@ 100	-
SLC Joondalup Pty Ltd	@ 75	-	Venture in Ferry Road Pty Ltd	@ 100	-
SLC Karingal Pty Ltd	@ 75	-	Venture in Woodgrove Pty Ltd	@ 100	-
SLC Karrinyup Pty Ltd	@ 100	-	Victorian Hardwarehouse Unit Trust	n/a	n/a
SLC Leasing Pty Ltd	@ 100	-	Viking Direct Pty Limited	100	100
SLC Mackay Pty Ltd	@ 90	-	W4K.World 4 Kids Pty Ltd	100	100
SLC Mandurah Pty Ltd	@ 100	-	Wesfarmers Agribusiness Limited	+ 100	100
SLC Midland Gate Pty Ltd	@ 75	-	Wesfarmers Bengalla Management Pty Ltd	100	100
SLC Morayfield Pty Ltd	@ 100	-	Wesfarmers Bengalla Pty Ltd	+ 100	100
SLC Morley Pty Ltd	@ 100	-	Wesfarmers Bunnings Limited	+ 100	100
SLC Ocean Keys Pty Ltd	@ 100	-	Wesfarmers Chemical US Holdings Corp (deregistered, confirmed 15 May 2024)	► -	100
SLC Perth Pty Ltd	@ 100	-	Wesfarmers Chemicals, Energy & Fertilisers Limited	+ 100	100
SLC Rockhampton Pty Ltd	@ 75	-	Wesfarmers Coal Resources Pty Ltd	+ 100	100
SLC Rockingham Pty Ltd	@ 100	-	Wesfarmers Department Stores Holdings Pty Ltd	+ 100	100
SLC Rundle Place Pty Ltd	@ 75	-	Wesfarmers Emerging Ventures Pty Ltd	100	100
SLC Sandy Bay Pty Ltd	@ 75	-	Wesfarmers Employees Investment Trust	n/a	n/a
SLC Strathpine Pty Ltd	@ 75	-	Wesfarmers Employee Share Trust	n/a	n/a
SLC Warringah Mall Pty Ltd	@ 75	-	Wesfarmers Energy (Gas Sales) Limited	+ 100	100
SLC Warwick Pty Ltd	@ 100	-	Wesfarmers Energy (Industrial Gas) Pty Ltd	100	100
SLC Whitford City Pty Ltd	@ 100	-	Wesfarmers Fertilizers Pty Ltd	+ 100	100
SLC Woden Pty Ltd	@ 100	-	Wesfarmers Gas Limited	+ 100	100
Sotico Pty Ltd	100	100	Wesfarmers Holdings Pty Ltd	100	100
Soul Pattinson (Manufacturing) Pty Ltd	100	100	Wesfarmers Industrial & Safety Holdings NZ Limited	■ 100	100
Synapse Finance Pty Ltd	+ 100	100	Wesfarmers Industrial & Safety NZ Limited	■ 100	100
Target Australia Pty Ltd	+ 100	100			
Target Australia Sourcing (Shanghai) Co Ltd	# ► 100	100			
Target Australia Sourcing Limited	# ♦ 100	100			
Target Holdings Pty Ltd	+ 100	100			
The Advanced Skills Academy Pty Ltd	@ 100	-			
The Builders Warehouse Group Pty Limited	100	100			

Notes to the financial statements: Group information

For the year ended 30 June 2024

20. Subsidiaries (continued)

Entity		2024 %	2023 %
Wesfarmers Industrial and Safety Pty Ltd	+	100	100
Wesfarmers Insurance Investments Pty Ltd	+	100	100
Wesfarmers International Holdings Pty Ltd		100	100
Wesfarmers Investments Pty Ltd		100	100
Wesfarmers Kleenheat Gas Pty Ltd	+	100	100
Wesfarmers Lithium Pty Ltd	+	100	100
Wesfarmers LNG Pty Ltd	+	100	100
Wesfarmers Loyalty Management Pty Ltd	+	100	100
Wesfarmers LPG Pty Ltd	+	100	100
Wesfarmers New Energy Holdings Pty Ltd	+	100	100
Wesfarmers Oil & Gas Pty Ltd		100	100
Wesfarmers One Pass Pty Ltd	+	100	100
Wesfarmers Online Retail Holdings Pty Ltd	+	100	100
Wesfarmers Provident Fund Pty Ltd		100	100
Wesfarmers Resources Pty Ltd	+	100	100
Wesfarmers Retail Holdings Pty Ltd	+	100	100
Wesfarmers Retail Pty Ltd	+	100	100
Wesfarmers Risk Management (Singapore) Pte Ltd	# %	100	100
Wesfarmers Securities Management Pty Ltd		100	100
Wesfarmers Superannuation Pty Ltd		100	100
Wesfarmers TCS Investments Pty Ltd		100	100
Wesfarmers Transport Limited	+	100	100
Weskem Pty Ltd		100	100
Westralian Farmers Superphosphates Limited	+	100	100
WEV Capital Investments Pty Ltd		100	100
WFCL Investments Pty Ltd		100	100
WFM Investments Pty Ltd	+	100	100
WIS International Pty Ltd		100	100
WIS Solutions Pty Ltd		100	100
WIS Supply Chain Management (Shanghai) Co Ltd	# ►	100	100
WPEQ Pty Ltd		100	100
WPP Holdings Pty Ltd (deregistered 30 March 2024)		-	100
WWG Middle East Apparel Trading LLC (deregistered 31 October 2023)	▼	-	49
Yakka Pty Limited		100	100

Control obtained through the acquisition of InstantScripts. Refer to note 21 for further details

^

Control obtained through the acquisition of SILK. Refer to note 21 for further details

@

Audited by firms of Ernst & Young International

#

Audited by other firms of accountants

<

An ASIC-approved deed of cross guarantee has been entered into by Wesfarmers Limited and these entities

+

All subsidiaries are incorporated in Australia unless identified by one of the following symbols:

Bangladesh

►

China

►

France

†

Hong Kong

◆

India

•

Indonesia

○

New Zealand

■

Singapore

%

United Arab Emirates

▼

United States of America

►

All entities utilise the functional currency of the country of incorporation with the exception of Wesfarmers Risk Management (Singapore) Pte Ltd and WIS Supply Chain Management (Shanghai) Co Ltd, which utilise the Australian dollar and KAS International Trading (Shanghai) Company Limited, PT Blackwoods Indonesia and Wesfarmers Oil & Gas Pty Ltd, which utilise the US dollar.

Notes to the financial statements: Group information

For the year ended 30 June 2024

21. Business combinations

Acquisition of InstantScripts Pty Ltd

On 3 July 2023, Wesfarmers, through its wholly-owned subsidiary API, completed the acquisition of 100 per cent of the shares in InstantScripts. Total consideration was \$142 million, or \$133 million net of cash acquired. InstantScripts is included within the Wesfarmers Health segment.

InstantScripts is complementary to the existing Wesfarmers Health portfolio and provides opportunities to leverage its existing pharmacy and medical aesthetics networks.

From the date of acquisition, the contribution to the Group's revenue and profit is immaterial. Had the acquisition of InstantScripts occurred at the beginning of the financial year and had the same fair values detailed below applied, neither the profit nor revenue of the Group would have been materially different from that reported.

Details of the fair values of identifiable assets and liabilities as at the date of acquisition are:

	Fair value recognised on acquisition \$m
Assets	
Cash and cash equivalents	9
Intangible assets	35
Other	1
Liabilities	
Trade and other payables	4
Provisions	3
Fair value of identifiable net assets	38
Goodwill arising on acquisition	104
Purchase consideration transferred	142
Cash outflow on acquisition	
Cash paid	142
Net cash acquired	(9)
Net cash outflow on acquisition	133

Acquisition of SILK Laser Australia Limited

On 29 November 2023, Wesfarmers, through its wholly-owned subsidiary API, completed the acquisition of 100 per cent of the shares in SILK by way of a Scheme of Arrangement. Total consideration was \$175 million, or \$160 million net of cash acquired. SILK is included within the Wesfarmers Health segment.

SILK is complementary to Wesfarmers Health's existing Clear Skincare Clinics and will provide scale and efficiency benefits through an expanded presence in the growing market for medical aesthetics products and services.

From the date of acquisition, the contribution to the Group's revenue and profit is immaterial. Had the acquisition of SILK occurred at the beginning of the financial year and had the same fair values detailed below applied, neither the profit nor revenue of the Group would have been materially different from that reported.

At 30 June 2024, the acquisition accounting balances are provisional due to the ongoing work finalising valuations and tax matters that may impact acquisition accounting entries. As at 30 June 2024, the provisional goodwill remains unallocated to CGUs.

Details of the provisional fair values of identifiable assets and liabilities as at the date of acquisition are:

	Provisional fair value recognised on acquisition \$m
Assets	
Cash and cash equivalents	15
Trade and other receivables	13
Inventories	5
Investment in associates and joint ventures	2
Deferred tax assets	-
Property, plant and equipment	19
Intangible assets	72
Right-of-use assets	14
Other	10
Liabilities	
Trade and other payables	18
Interest-bearing loans and borrowings	30
Lease liabilities	25
Provisions	13
Other	15
Fair value of identifiable net assets	49
Provisional goodwill arising on acquisition	126
Purchase consideration transferred	175
Cash outflow on acquisition	
Cash paid	175
Net cash acquired	(15)
Net cash outflow on acquisition	160

Notes to the financial statements: Group information

For the year ended 30 June 2024

22. Parent disclosures

	Parent	
	2024	2023
	\$m	\$m
Assets		
Current assets	11,025	10,877
Non-current assets	5,780	5,742
Total assets	16,805	16,619
Liabilities		
Current liabilities	349	234
Non-current liabilities	4,762	4,362
Total liabilities	5,111	4,596
Net assets	11,694	12,023
Equity		
Equity attributable to equity holders of the parent		
Issued capital	13,467	13,467
Retained earnings ¹	1,783	2,131
Restructure tax reserve	150	150
Hedging reserve	(7)	(13)
Share-based payments reserve	65	52
Demerger reserve	(3,764)	(3,764)
Total equity	11,694	12,023
Profit attributable to equity holders of the parent	1,854	2,389
Total comprehensive income for the year, net of tax, attributable to equity holders of the parent	1,860	2,375
Contingencies²		
Trading guarantees	189	159

¹ At 30 June 2024, retained earnings included a dividends reserve of \$292 million (30 June 2023: \$292 million). The dividends reserve was created by the parent entity for the purposes of segregating profits from which dividends to shareholders can be paid.

² Contingent liabilities at balance date are not included in the balance sheet.

Wesfarmers is party to various legal actions that have arisen in the normal course of business. It is expected that any liabilities arising from such legal action would not have a material adverse effect on the Group's financial report.

Guarantees

Wesfarmers Limited and certain Australian controlled entities are parties to a Deed of Cross Guarantee (the Deed). Refer to note 23 for further details.

Parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent. Dividends received are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

23. Deed of Cross Guarantee

The subsidiaries identified with a '+' in note 20 are parties to a Deed of Cross Guarantee under which each party has guaranteed to pay any deficiency in the event of the winding up of any of the members in the Closed Group. By entering into the Deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and directors' report under ASIC Corporations (Wholly-owned companies) Instrument 2016/785.

These subsidiaries and Wesfarmers Limited together referred to as the 'Closed Group', either originally entered into the Deed on 27 June 2008, or have subsequently joined the Deed by way of an Assumption Deed.

The consolidated income statement and retained earnings of the entities that are members of the Closed Group is as follows:

	Deed	
	2024	2023
	\$m	\$m
Consolidated income statement and retained earnings		
Profit before income tax expense	3,352	3,367
Income tax expense	(924)	(963)
Net profit for the year	2,428	2,404
Retained earnings at beginning of year	192	(32)
Adjustment for companies transferred into/out of the Closed Group	-	(48)
Total available for appropriation	2,620	2,324
Dividends provided for or paid	(2,202)	(2,132)
Retained earnings at end of year	418	192

	Deed	
	2024	2023
	\$m	\$m
Consolidated statement of comprehensive income		
Profit for the year	2,428	2,404
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Changes in the fair value of cash flow hedges, net of tax	54	161
Items that will not be reclassified to profit or loss:		
Changes in the fair value of financial assets designated at FVOCI, net of tax	(2)	23
Other comprehensive income for the year, net of tax	52	184
Total comprehensive income for the year, net of tax	2,480	2,588

Notes to the financial statements: Group information

For the year ended 30 June 2024

23. Deed of Cross Guarantee (continued)

The consolidated balance sheet of the entities that are members of the Closed Group is as follows:

	Deed	
	2024	2023
	\$m	\$m
Consolidated balance sheet		
Assets		
Current assets		
Cash and cash equivalents	494	388
Trade and other receivables	1,823	1,638
Related party receivables	502	162
Inventories	5,588	5,525
Income tax receivable	-	68
Derivatives	19	116
Other	209	204
Total current assets	8,635	8,101
Non-current assets		
Investment in controlled entities	3,430	3,142
Investment in associates and joint ventures	304	318
Related party receivables	681	586
Deferred tax assets	711	685
Property, plant and equipment	5,293	5,033
Goodwill and intangible assets	4,584	4,575
Right-of-use assets	4,976	5,201
Derivatives	22	27
Other	37	52
Total non-current assets	20,038	19,619
Total assets	28,673	27,720
Liabilities		
Current liabilities		
Trade and other payables	4,814	4,309
Related party payables	91	79
Lease liabilities	1,051	1,026
Income tax payable	79	-
Provisions	1,063	1,037
Derivatives	36	10
Other	323	297
Total current liabilities	7,457	6,758
Non-current liabilities		
Related party payables	1,601	1,605
Interest-bearing loans and borrowings	4,591	4,233
Lease liabilities	4,857	5,144
Provisions	371	363
Total non-current liabilities	11,420	11,345
Total liabilities	18,877	18,103
Net assets	9,796	9,617
Equity		
Issued capital	13,574	13,574
Reserved shares	(102)	(102)
Retained earnings	418	192
Reserves	(4,094)	(4,047)
Total equity	9,796	9,617

24. Related party transactions

	Consolidated	
	2024	2023
	\$'000	\$'000
Transactions with related parties		
Associates		
Lease rent paid	148,304	137,592
Receipts from associates	(19,180)	(18,217)
Payments to associates	774	560
Joint ventures		
Receipts from loyalty program	(53,373)	(59,206)
Payments for loyalty program	75,771	60,628
Receipts from joint ventures	(9,491)	(3,003)
Payments to joint ventures	70,349	79,914
Outstanding balances with related parties		
Associates		
Amounts receivable from associates	18,846	10,764
Amounts owing to associates	(212)	(1,355)
Joint ventures		
Amounts receivable from joint ventures	14,692	8,114
Amounts owing to joint ventures	(200,547)	(239,923)

The Group entered into transactions with related parties during the year, including the following:

- Rent for retail stores and warehouses has been paid by the Group to an associated entity, BWP Trust, and to a joint venture, BPI No 1 Pty Ltd.
- Management fees have been received from BWP Trust and BPI No 1 Pty Ltd, an associated entity and a joint venture respectively, on normal commercial terms and conditions for staff and other services provided.
- Amounts have been paid to and received from Loyalty Pacific Pty Ltd for the operation of the Flybuys loyalty program.
- Purchase of goods from Wespine Industries Pty Ltd, a joint venture, on normal commercial terms and conditions.
- Management fees have been paid to Covalent Lithium Pty Ltd, a joint venture, on normal commercial terms and conditions for the management of the Mt Holland lithium project.
- Partly-owned subsidiaries of a joint venture of the Group, Gresham Partners Group Limited, have provided advisory services to Wesfarmers and were paid fees of \$2,027 thousand in FY2024 (2023: \$5 thousand).

In addition to amounts disclosed above, the Group received \$12,000 thousand (2023: \$1,505 thousand) from an associated entity, BWP Trust, relating to the reimbursement of capital expenditure by the Group on properties owned by BWP Trust.

Notes to the financial statements: Other

For the year ended 30 June 2024

25. Commitments and contingencies

	Consolidated	
	2024	2023
	\$m	\$m
Capital commitments¹		
Within one year	290	364
Greater than one year but not more than five years	2	15
	292	379
Commitments for leases not yet commenced (undiscounted)^{1,2}		
Within one year	11	12
Greater than one year but not more than five years	189	125
More than five years	332	271
	532	408
Contingencies¹		
Trading guarantees	189	162

¹ Capital commitments, commitments for leases not yet commenced (undiscounted) and contingencies at balance date are not included in the balance sheet.

² Commitments mainly relate to lease agreements associated with new stores, distribution centres and offices.

Guarantees

The Group has issued a number of bank and other guarantees to third parties for various operational and legal purposes. It is not expected that these guarantees will be called on.

Contingent liabilities

Certain companies within the Group are party to various legal actions that have arisen in the normal course of business. It is expected that any liabilities arising from such legal action would not have a material effect on the Group.

26. Tax transparency disclosures

A reconciliation of the Group's accounting profit to its tax expense and material temporary and permanent differences are disclosed in note 3.

A reconciliation of accounting profit to income tax paid or payable and the effective company tax rates for Australian and global operations of the Group are tabled below.

	Consolidated	
	2024	2023
	\$m	\$m
Tax paid or payable reconciliation		
Accounting profit	3,587	3,509
Income tax at the statutory rate of 30%	1,076	1,053
Non-deductible items	13	9
Temporary differences: deferred tax	(6)	(50)
Associates and other	(23)	(16)
Utilisation of previously unrecognised tax losses	-	(2)
Current year tax paid or payable	1,060	994
Effective tax rate		
Effective tax rate for Australian operations	28.8%	29.9%
Effective tax rate for global operations	28.7%	29.8%

27. Auditors' remuneration

	Consolidated	
	2024	2023
	\$'000	\$'000
Fees to Ernst & Young (Australia)		
Fees for the audit and review of the financial reports of the Group and any controlled entities	5,197	4,602
Fees for other assurance and agreed-upon-procedures ¹	740	730
Fees for other services		
- tax compliance	448	539
- other	-	94
	6,385	5,965
Fees to other overseas network firms of Ernst & Young (Australia)		
Fees for the audit and review of the financial reports of the Group and any controlled entities	455	582
Fees for other services		
- tax compliance	114	164
	569	746
Total auditors' remuneration	6,954	6,711

¹ The 2024 fees for other assurance and agreed-upon-procedures includes \$448 thousand (2023: \$469 thousand) relating to the provision of limited assurance services of the Group's sustainability reporting.

Other assurance and agreed-upon-procedures services and other services represent 18.7 per cent (2023: 22.8 per cent) of the total fees paid or payable to Ernst & Young and related practices for the year ended 30 June 2024.

Auditors' remuneration includes amounts reimbursed to the auditors for incidental costs incurred in completing their services.

28. Events after the reporting period

Dividends

A fully-franked final dividend of 107 cents per share resulting in a dividend payment of \$1,214 million was determined with a payment date of 9 October 2024. The final dividend has not been provided for in the 30 June 2024 full-year financial statements.

Notes to the financial statements: Other

For the year ended 30 June 2024

29. Other accounting policies

(A) New and amended accounting standards and interpretations adopted from 1 July 2023

All new and amended Australian Accounting Standards and Interpretations mandatory to the Group as at 1 July 2023 have been adopted, including as disclosed below. Other new and amended Australian Accounting Standards and Interpretations adopted in the current period were not material to the Group.

Reference	Description
AASB 2023-2 <i>Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules</i>	Pillar Two will be effective for the Group's financial year commencing 1 July 2024. It is anticipated that Pillar Two legislation will be progressively enacted in jurisdictions where the Group operates. The Group has applied the mandatory temporary exception to recognising and disclosing information about the deferred tax assets and liabilities related to Pillar Two income taxes. Based on the impact assessment performed to date, the Group does not expect a material exposure to Pillar Two top-up tax liabilities.
AASB 2021-5 <i>Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations. The adoption of this amendment has not had a material impact on the Group's income statement or balance sheet. The deferred tax balances relating to right-of-use assets and lease liabilities have been disclosed on a gross basis in the current year, with the prior year comparative restated accordingly. Refer to note 3 for further information.

(B) New and amended standards and interpretations issued but not yet effective

The Group has not early adopted any new and amended accounting standards and interpretations issued but not yet effective. The assessment of the impact of the new and amended accounting standards and interpretations is ongoing.

Reference	Description
AASB 18 <i>Presentation and Disclosure in Financial Statements</i>	The application of this standard will be adopted by the Group on 1 July 2027, and replaces AASB 101 <i>Presentation of Financial Statements</i> . This new standard aims to improve comparability and transparency of the financial performance of similar entities within the financial statements and introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. The Group's assessment of the impact remains ongoing.
<i>Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)</i>	The application of this amendment will be adopted by the Group on 1 July 2026. The amendments clarify that financial liabilities and financial assets are derecognised on the settlement date, with an accounting election available for the derecognition of financial liabilities only. As detailed in note 4, the Group includes cash in transit within the balance of cash and cash equivalents. Following the adoption of these amendments, cash in transit will first be recognised as a receivable in the Group's financial statements and subsequently transferred to cash and cash equivalents on settlement. The Group's assessment of the impact remains ongoing.
AASB 2023-1 <i>Amendments to Australian Accounting Standards – Supplier Financing Arrangements</i>	The application of this amendment will be adopted by the Group on 1 July 2024 and clarifies the characteristics of supplier finance arrangements. The amendments require information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amount of those arrangements.

(C) Tax consolidation

Wesfarmers and its 100 per cent owned Australian resident subsidiaries have formed a tax consolidated group with effect from 1 July 2002. Wesfarmers is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing agreement in order to allocate income tax expense to the wholly-owned subsidiaries on a stand-alone basis. The tax sharing arrangement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. The possibility of such a default is considered remote at the date of this report.

Members of the tax consolidated group have entered into a tax funding agreement. The group has applied the group allocation approach in determining the appropriate amount of current taxes to allocate to members of the tax consolidated group. The tax funding agreement provides for each member of the tax consolidated group to pay a tax equivalent amount to or from the parent in accordance with their notional current tax liability or current tax asset. Such amounts are reflected in amounts receivable from or payable to the parent company in their accounts and are settled as soon as practicable after lodgement of the consolidated return and payment of the tax liability.

Notes to the financial statements: Other

For the year ended 30 June 2024

30. Share-based payments

The Group provides benefits to employees (including the executive director) through share-based incentives. Employees are paid for their services or incentivised for their performance in part through shares or rights over shares. The expense arising from these transactions is shown in note 2. The total number of ordinary Wesfarmers shares acquired on-market during FY2024 to satisfy employee incentive schemes was 1,945,804 (2023: 2,710,637) at an average price of \$52.70 (2023: \$46.35 per share).

Recognition and measurement

Share-based payments can either be equity-settled or cash-settled. If the employee is provided a choice of settlement options then the scheme is considered to be cash-settled.

Equity-settled transactions

The cost of equity-settled transactions with employees is measured using their fair value at the date at which they are granted. In determining the fair value, only performance conditions linked to the price of the shares of Wesfarmers Limited (market conditions) are taken into account.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which any performance conditions (excluding market conditions) are met, ending on the date on which the employees become fully entitled to the award (vesting date). The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and the proportion of the awards that are expected to ultimately vest. No expense is recognised for awards that do not ultimately vest due to a non-market performance condition not being met. The expense is recognised in full if the awards do not vest (or are not exercised) due to a market performance condition not being met.

Where the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described above.

Equity-settled awards outstanding

Weighted average share price in FY2024 was \$58.10 (2023: \$47.83). The following table includes shares subject to trading restrictions.

	KEEPP (shares)	WESAP (shares)	WLTIP (shares)	WESP (options)
Outstanding at the beginning of the year	1,710,519	5,562,313	104,371	292
Granted during the year	266,493	2,074,795	-	-
Exercised during the year	(456,548)	(1,772,835)	(60,569)	-
Lapsed during the year	(21,119)	(86,197)	-	-
Other adjustments	-	(22,137)	-	-
Outstanding at the end of the year	1,499,345	5,755,939	43,802	292
Exercisable at the end of the year	122,968	5,038,646	125,873	664,517

Cash-settled transactions

The ultimate expense recognised in relation to cash-settled transactions will be equal to the actual cash paid to the employees, which will be the fair value at settlement date. The expected cash payment is estimated at each reporting date and a liability recognised to the extent that the vesting period has expired and in proportion to the amount of the awards that are expected to ultimately vest.

Additional information on award schemes

Key Executive Equity Performance Plan (KEEPP)

KEEPP was introduced in September 2016. Under the 2023 KEEPP, eligible executive key management personnel (KMP) were invited to receive Performance Shares and Deferred Shares in the company. From the 2021 KEEPP, newly issued unquoted fully-paid ordinary shares are allocated under the KEEPP. The company will apply for quotation of the shares upon vesting or forfeiture of the shares.

KEEPP is a single total incentive established for each executive KMP that operates over seven years. The quantum of the KEEPP award is determined against an individually personalised 12-month scorecard, split into financial, safety and Group ecosystem performance measures and individual performance objectives.

2023 KEEPP Performance Shares

For the Group Managing Director and the Group Chief Financial Officer, the performance conditions are Wesfarmers' total shareholder return (TSR) relative to the TSR of the ASX 100 (80 per cent weighting) and portfolio management and investment outcomes (20 per cent weighting) over a four-year performance period. For the divisional managing directors, the performance conditions are Wesfarmers' TSR relative to the TSR of the ASX 100 (50 per cent weighting) and divisional financial performance (50 per cent weighting) over a four-year performance period.

The fair value of the Performance Shares with a TSR condition is determined using an option pricing model with the following inputs:

	Group MD, Group CFO and Divisional MDs
Grant date	26 Oct 2023
Grant date share price (\$)	50.37
Volatility (%)	24.52
Risk-free rate (%)	4.39
Fair value (\$)	37.15

Notes to the financial statements: Other

For the year ended 30 June 2024

30. Share-based payments (continued)

Key Executive Equity Performance Plan (KEEPP) (continued)

2023 KEEPP Deferred Shares

The 2023 KEEPP Deferred Shares are subject to a 12-month service condition (the forfeiture period). If an executive resigns or is terminated for cause during the forfeiture period, the Deferred Shares will be forfeited. The fair value of the award at grant date is expensed over the one-year forfeiture period.

The grant date share price is the fair value of both the Deferred Shares and Performance Shares with divisional financial performance conditions or the portfolio management and investment outcomes condition.

Further details of the KEEPP and of the terms of the grants made during FY2024 are provided in the remuneration report.

Wesfarmers Employee Share Acquisition Plan (WESAP)

The WESAP was introduced in October 2009. Under the plan, all eligible employees are invited to acquire fully-paid ordinary shares in the company. The shares are either acquired under a salary sacrifice arrangement or are granted as an award, subject to the Group achieving a net profit after tax performance condition. Eligibility for an award of shares is dependent upon an in-service period with a participating division and being a permanent employee.

The plan qualifies as a non-discriminatory employee share scheme complying with the requirements of Division 83A of the *Income Tax Assessment Act 1997* (as amended) for Australian resident employees.

WESAP – Executives

In November 2016, the WESAP was introduced to eligible executives. Under the 2023 offer, eligible executives were invited to receive Performance Shares and Deferred Shares in the company.

2023 WESAP Performance Shares

The performance condition (with 100 per cent weighting) is Wesfarmers' TSR relative to the TSR of the ASX 100 over a four-year performance period.

The fair value of the Performance Shares with a TSR condition is determined using an option pricing model with the following inputs:

Grant date	26 Oct 2023
Grant date share price (\$)	50.37
Volatility (%)	24.52
Risk-free rate (%)	4.39
Fair value (\$)	37.15

2023 WESAP Deferred Shares

Deferred Shares are subject to a three-year forfeiture period. If an executive resigns or is terminated for cause within three years, the Deferred Shares will be forfeited.

The grant date share price is the fair value of the Deferred Shares and the award is expensed over the forfeiture period.

Annual incentive

In August 2023, eligible executives received a restricted (mandatory deferred) share award under the WESAP as part of their annual incentive. If an executive resigns or is terminated for cause within one year of the share allocation, the Board may decide to forfeit that share allocation. The fair value of the award at grant date is expensed over the forfeiture period.

Wesfarmers Long Term Incentive Plan (WLTIP)

2020 Kmart-related Performance-tested Shares

The Board approved a one-off performance-tested share grant for the Group Managing Director, the Group Chief Financial Officer and the Managing Director, Kmart Group in relation to the restructure of Kmart Group, which was allocated in FY2021 under the WLTIP.

The performance condition (with 100 per cent weighting) is based on the conversion of Target stores to Kmart stores and measured through total cumulative converted store profit for the relevant stores, against the targeted store contribution in the Board-approved proposal.

The fair value of the equity instruments granted was \$48.78 and was determined with reference to the share price on the date of grant.

The 2020 Kmart-related Performance-tested Shares vested and became unrestricted in August 2023. The final outcomes were reported in the 2023 remuneration report.

Wesfarmers Employee Share Plan (WESP)

The last issue under the WESP was made in December 2004. Under the plan, employees were invited to apply for ordinary shares in the company, funded by an interest-free loan from the Group. The employees' obligation for repayment of the loans is limited to the dividends paid and capital returns by the company and, in the event the employee ceases employment, the market price achieved on the sale of the shares.

The plan is accounted for as an in-substance equity-settled award, with the contractual life of each option equivalent to the estimated loan life and no maximum term.

31. Director and executive disclosures

Compensation of key management personnel

The remuneration disclosures are provided in sections one to nine of the remuneration report on pages 98 to 127 of this annual report designated as audited and forming part of the directors' report.

	Consolidated	
	2024	2023
	\$'000	\$'000
Short-term benefits	11,087	11,061
Long-term benefits	121	120
Post-employment benefits	280	283
Share-based payments	12,415	15,299
	23,903	26,763

Other transactions with key management personnel

From time to time, directors of Wesfarmers or its controlled entities, or their director-related entities, may purchase goods or services from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers and are trivial or domestic in nature.

Consolidated entity disclosure statement

As at 30 June 2024

Set out below is a list of entities that are consolidated in the financial statements at the end of the financial year.

Consolidated entities incorporated/formed in Australia and Australian tax residents

Name of entity		% of share capital	Name of entity		% of share capital
		2024			2024
A.C.N. 003 921 873 Pty Limited	▶	100	C S Holdings Pty Limited	▶	100
A.C.N. 004 191 646 Pty Ltd	▶	100	Campbells Hardware & Timber Pty Limited	▶	100
A.C.N. 061 462 593 Pty Ltd	▶	100	Canberra Pharmaceutical Supplies Trust	♦	n/a
A.C.N. 112 719 918 Pty Ltd	▶	100	Catch Essentials Pty Ltd	▶	100
A.C.N. 645 670 711 Pty Ltd	▶	100	Catch Group Holdings Limited	▶	100
A.C.N. 645 674 102 Pty Ltd	▶	100	Catch.com.au Pty Ltd	▶	100
Aesthetics Skincare Pty Ltd	▶	100	Chemical Holdings Kwinana Pty Ltd	▶	100
ANKO Global Holdings Pty Ltd	▶	100	Clearskincare Adelaide Street Pty Ltd	▶	100
ANKO PH Holdings Pty Ltd	▶	100	Clearskincare Bendigo Pty Ltd	▶	100
API (Canberra) Pty Ltd	▶ •	100	Clearskincare Bondi Beach Pty Ltd	▶	100
API Financial Services Australia Pty Limited	▶	100	Clearskincare Bondi Junction Pty Ltd	▶	100
API Leasing Pty Ltd	▶	100	Clearskincare Brighton Pty Ltd	▶	100
API Owned CSC Pty Ltd	▶	100	Clearskincare Canberra City Pty Ltd	▶	100
API Services Australia Pty Ltd	▶	100	Clearskincare Carindale Pty Ltd	▶	100
API Victoria Pty Ltd	▶	100	Clearskincare Carousel Pty Ltd	▶	100
ASC Coomera Pty Ltd	▶	100	Clearskincare Chatswood Pty Ltd	▶	100
ASC Hold Co Pty Ltd	▶	100	Clearskincare Chermide Pty Ltd	▶	100
ASC IP Holdings Pty Ltd	▶	100	Clearskincare Chirnside Park Pty Ltd	▶	100
ASC Marion Pty Ltd	▶	100	Clearskincare City Square Pty Ltd	▶	100
ASC Master Franchise Pty Ltd	▶	100	Clearskincare Claremont Pty Ltd	▶	100
Australian Gold Reagents Pty Ltd	▶	75	Clearskincare Clarence Street Pty Ltd	▶	100
Australian International Insurance Limited	▶	100	Clearskincare Clinics Australia Pty Ltd	▶	100
Australian Light Minerals Pty Ltd	▶	100	Clearskincare Clinics Payroll Pty Ltd	▶	100
Australian Pharmaceutical Industries (Queensland) Pty Ltd	▶	100	Clearskincare Clinics Pty Ltd	▶	100
Australian Pharmaceutical Industries Pty Ltd	▶	100	Clearskincare Cockburn Gateway Pty Ltd	▶	100
Australian Skin Clinics Marketing Fund Pty Ltd	▶	100	Clearskincare Collins Street Pty Ltd	▶	100
Australian Underwriting Holdings Limited	▶	100	Clearskincare Cremorne Pty Ltd	▶	100
Australian Underwriting Services Pty Ltd	▶	100	Clearskincare Cronulla Pty Ltd	▶	100
Australian Vinyls Corporation Pty Ltd	▶	100	Clearskincare Doncaster Pty Ltd	▶	100
AVC Holdings Pty Ltd	▶	100	Clearskincare Fremantle Pty Ltd	▶	100
AVC Trading Pty Ltd	▶	100	Clearskincare Hurstville Pty Ltd	▶	100
BBC Hardware Limited	▶	100	Clearskincare Leichhardt Pty Ltd	▶	100
BBC Hardware Properties (NSW) Pty Ltd	▶ •	100	Clearskincare Macarthur Square Pty Ltd	▶	100
BBC Hardware Properties (Vic) Pty Ltd	▶ •	100	Clearskincare Macquarie Centre Pty Ltd	▶	100
Beaumont Australia Pty Limited	▶	100	Clearskincare Miranda Pty Ltd	▶	100
Beaumont Bathrooms Renovator (SA) Pty Limited	▶	100	Clearskincare Moonee Ponds Pty Ltd	▶	100
Beaumont Tiles (Vic) Pty Limited	▶	100	Clearskincare Mt Lawley Pty Ltd	▶	100
Beaumont's Discount Tile Warehouse Pty Limited	▶	100	Clearskincare Northland Pty Ltd	▶	100
Beauty Services (New South Wales) Pty Ltd	▶	100	Clearskincare Norwood Pty Ltd	▶	100
Beauty Services Holdings Pty Ltd	▶	100	Clearskincare Parramatta Pty Ltd	▶	100
Beauty Services Pty Ltd	▶	100	Clearskincare Quentin Ave Pty Ltd	▶	100
Blacksmith Jacks Pty Ltd	▶	100	Clearskincare QV Melbourne Pty Ltd	▶	100
Blackwoods 4PL Pty Ltd	▶	100	Clearskincare Robina Pty Ltd	▶	100
BPI Management Pty Ltd	▶	100	Clearskincare Rockdale Pty Ltd	▶	100
BrandsExclusive (Australia) Pty Ltd	▶	100	Clearskincare South Australia Pty Ltd	▶	100
Bresnahan Exploration Pty Ltd	▶	100	Clearskincare South Yarra Pty Ltd	▶	100
BUKI (Australia) Pty Ltd	▶	100	Clearskincare Southland Pty Ltd	▶	100
Bullivants International Pty Ltd	▶	100	Clearskincare Southport Pty Ltd	▶	100
Bullivants Pty Limited	▶	100	Clearskincare Sunshine Plaza Pty Ltd	▶	100
Bunnings Group Limited	▶	100	Clearskincare Toowong Pty Ltd	▶	100
Bunnings Joondalup Pty Ltd	▶	100	Clearskincare Ventures Pty Ltd	▶	100
Bunnings Management Services Pty Ltd	▶	100	Clearskincare Warringah Mall Pty Ltd	▶	100
Bunnings Properties Pty Ltd	▶	100	Clearskincare West End Pty Ltd	▶	100
BWP Management Limited	▶	100	Clinic Leasing Pty Ltd	▶	100
			CM3 Contractor Management Pty Ltd	▶	100

Consolidated entity disclosure statement

Consolidated entity disclosure statement

As at 30 June 2024

Consolidated entities incorporated/formed in Australia and Australian tax residents (continued)

Name of entity		% of share capital	Name of entity		% of share capital
		2024			2024
CMNZ Investments Pty Ltd	►	100	Kmart Australia Limited	►	100
Coo-ee Investments Pty Limited	►	100	Kmart Group Asia Pty Ltd	►	100
Coregas Pty Ltd	►	100	Kmart Holdings Pty Ltd	►	100
Crosby Tiles Pty Ltd	►	100	Kwinana Nitrogen Company Proprietary Limited	►	100
CSBP Ammonia Terminal Pty Ltd	►	100	Lawvale Pty Ltd	►	100
CSBP Limited	►	100	Life's Tiles Pty Ltd	►	100
CSC Ashfield Mall Pty Ltd	►	100	Lifeco Pty Limited	►	100
CSC Bayside Frankston Pty Ltd	►	100	LMD2 Pty Ltd	►	100
CSC Camberwell Pty Ltd	►	100	Loggia Pty Ltd	►	100
CSC Forest Hill Pty Ltd	►	100	M.L.E. Unit Trust	◆	n/a
CSC Forrest Chase Pty Ltd	►	100	M3K Holdings Pty Ltd	►	100
CSC Franchising Pty Ltd	►	100	M3K Services Pty Ltd	►	100
CSC Holdings Australia Pty Ltd	►	100	Making Life Easy - Mobility and Independent Living Superstore Pty Ltd	► •	100
CSC Joondalup Pty Ltd	►	100	Manacol Pty Limited	►	100
CSC Manuka Pty Ltd	►	100	Meredith Distribution (NSW) Pty Ltd	►	100
CSC Mordialloc Pty Ltd	►	100	Meredith Distribution Pty Ltd	►	100
CSC Mt Ommaney Pty Ltd	►	100	MH Gold Pty Limited	►	100
CSC North Sydney Pty Ltd	►	100	Millars (WA) Pty Ltd	►	100
CSC Northbridge Pty Ltd	►	100	Modwood Technologies Pty Ltd	►	100
CSC Port Melbourne Pty Ltd	►	100	Montague Resources Australia Pty Ltd	►	100
CSC Products Pty Ltd	►	100	Moonyoora Minerals Pty Ltd	►	100
CSC Riverton Pty Ltd	►	100	Mumgo Pty Ltd	►	100
CSC Shared Services Pty Ltd	►	100	Neat N' Trim Uniforms Pty Ltd	►	100
CSC West Lakes Pty Ltd	►	100	New Price Retail Finance Pty Ltd	►	100
CSC Whitford Pty Ltd	►	100	New Price Retail Pty Ltd	►	100
CTE Pty Ltd	►	100	New Price Retail Services Pty Ltd	►	100
Cuming Smith and Company Limited	►	100	New South Wales Hardwarehouse Unit Trust	◆	n/a
Dairy Properties Pty Ltd	►	100	Nitrates Investments Pty Ltd	►	100
Davyston Exploration Pty Ltd	►	100	NPR Management Limited	►	100
Dowd Corporation Pty Ltd	►	100	Officeworks Businessdirect Pty Ltd	►	100
Eastfarmers Pty Ltd	►	100	Officeworks Holdings Pty Ltd	►	100
Eden Franchise Company Pty Ltd	►	100	Officeworks Ltd	►	100
Eden Holding Company Pty Ltd	►	100	Officeworks Property Pty Ltd	►	100
Eden Laser Clinics (003) Pty Ltd	►	100	One Data Pty Ltd	►	100
Eden Laser Clinics (004) Pty Ltd	►	55	One Digital Pty Ltd	►	100
Eden Laser Clinics (005) Pty Ltd	►	100	Pailou Pty Ltd	►	100
Eden Laser Clinics (006) Pty Ltd	►	100	Patrick Operations Pty Ltd	►	100
Eden Laser Clinics (007) Pty Ltd	►	100	Petersen Bros Pty Ltd	►	100
Eden Laser Clinics (008) Pty Ltd	►	100	Pharma-Pack Pty Ltd	►	100
Eden Laser Clinics (009) Pty Ltd	►	100	Premier Power Sales Pty Ltd	►	100
Eden Laser Clinics Pty Ltd	►	100	Priceline Proprietary Limited	► •	100
FIF Investments Pty Limited	►	100	Protector Alsafte Pty Ltd	►	100
Forward Scout Enterprises Pty Ltd	►	100	R & N Palmer Pty Ltd	►	100
Fosseys (Australia) Pty Ltd	►	100	Relationship Services Pty Limited	►	100
Geeks2U Holdings Pty Limited	►	100	Retail Australia Consortium Pty Ltd	►	100
Geeks2U International Pty Limited	►	100	Retail Investments Pty Ltd	►	100
Geeks2U IP Pty Limited	►	100	RJ Beaumont & Co Pty Ltd	►	100
Geeks2U Pty Limited	►	100	Scones Jam n Cream Pty Ltd	►	100
GPML Pty Ltd	►	100	Second Priceline Unit Trust	◆	n/a
HouseWorks Co Pty Ltd	►	100	Sellers (SA) Pty Ltd	►	100
Howard Smith Limited	►	100	Share Nominees Limited	► •	100
InstantClinics Pty Ltd	►	100	Silk Laser & Skin Group Pty Ltd	►	100
InstantScripts Pty Ltd	►	100	Silk Laser & Skin Holdings Pty Ltd	►	100
J Blackwood & Son Pty Ltd	►	100	Silk Laser Australia Limited	►	100
James Patrick & Co Pty Ltd (in liquidation)	►	100	Silk Laser Clinic Adelaide Pty Ltd	►	100
Kidman Gold Pty Ltd	►	100	Silk Laser Clinic Elizabeth Pty Ltd	►	100
Kleenheat Pty Ltd	►	100	Silk Laser Clinic Henley Beach Pty Ltd	►	100

Consolidated entity disclosure statement

As at 30 June 2024

Consolidated entities incorporated/formed in Australia and Australian tax residents (continued)

Name of entity		% of share capital	2024	Name of entity		% of share capital	2024
Silk Laser Clinic Hyde Park Pty Ltd	►	100		Tyremaster (Wholesale) Pty Ltd	►	100	
Silk Laser Clinic Noarlunga Pty Ltd	►	100		Ucone Pty Ltd	►	100	
Silk Laser Clinic Norwood Pty Ltd	►	100		Valley Investments Pty Ltd	►	100	
Silk Laser Clinic Trust	◆	n/a		Venture in Altona Gate Pty Ltd	►	100	
Silk Laser Clinics Australia Pty Ltd	►	100		Venture in Broadmeadows Pty Ltd	►	100	
Silk Laser Clinics Pty Ltd	►	100		Venture in Ferry Road Pty Ltd	►	100	
Silk Laser Corporate Pty Ltd	►	100		Venture in Woodgrove Pty Ltd	►	100	
Silk Laser Franchise Holdings Pty Ltd	►	100		Victorian Hardwarehouse Unit Trust	◆	n/a	
Silk Laser Franchising Pty Ltd	►	100		Viking Direct Pty Limited	►	100	
SiSU Wellness Pty Ltd	►	60		W4K.World 4 Kids Pty Ltd	►	100	
SLC Baldivis Pty Ltd	►	100		Wesfarmers Agribusiness Limited	►	100	
SLC Belconnen Pty Ltd	►	100		Wesfarmers Bengalla Management Pty Ltd	►	100	
SLC Booragoon Pty Ltd	►	100		Wesfarmers Bengalla Pty Ltd	►	100	
SLC Bundaberg Pty Ltd	►	100		Wesfarmers Bunnings Limited	►	100	
SLC Burleigh Pty Ltd	►	75		Wesfarmers Chemicals, Energy & Fertilisers Limited	►	100	
SLC Carousel Pty Ltd	►	100		Wesfarmers Coal Resources Pty Ltd	►	100	
SLC Eastgardens Pty Ltd	►	100		Wesfarmers Department Stores Holdings Pty Ltd	►	100	
SLC Ellenbrook Pty Ltd	►	75		Wesfarmers Emerging Ventures Pty Ltd	►	100	
SLC Figtree Pty Ltd	►	75		Wesfarmers Employees Investment Trust	◆	n/a	
SLC Hobart Pty Ltd	►	75		Wesfarmers Employee Share Trust	◆	n/a	
SLC Innaloo Pty Ltd	►	100		Wesfarmers Energy (Gas Sales) Limited	►	100	
SLC Ipswich Pty Ltd	►	75		Wesfarmers Energy (Industrial Gas) Pty Ltd	►	100	
SLC Joondalup Pty Ltd	►	75		Wesfarmers Fertilizers Pty Ltd	►	100	
SLC Karingal Pty Ltd	►	75		Wesfarmers Gas Limited	►	100	
SLC Karrinyup Pty Ltd	►	100		Wesfarmers Holdings Pty Ltd	►	100	
SLC Leasing Pty Ltd	►	100		Wesfarmers Industrial and Safety Pty Ltd	►	100	
SLC Mackay Pty Ltd	►	90		Wesfarmers Insurance Investments Pty Ltd	►	100	
SLC Mandurah Pty Ltd	►	100		Wesfarmers International Holdings Pty Ltd	►	100	
SLC Midland Gate Pty Ltd	►	75		Wesfarmers Investments Pty Ltd	►	100	
SLC Morayfield Pty Ltd	►	100		Wesfarmers Kleenheat Gas Pty Ltd	►	100	
SLC Morley Pty Ltd	►	100		Wesfarmers Limited	►	n/a	
SLC Ocean Keys Pty Ltd	►	100		Wesfarmers Lithium Pty Ltd	►	100	
SLC Perth Pty Ltd	►	100		Wesfarmers LNG Pty Ltd	►	100	
SLC Rockhampton Pty Ltd	►	75		Wesfarmers Loyalty Management Pty Ltd	►	100	
SLC Rockingham Pty Ltd	►	100		Wesfarmers LPG Pty Ltd	►	100	
SLC Rundle Place Pty Ltd	►	75		Wesfarmers New Energy Holdings Pty Ltd	►	100	
SLC Sandy Bay Pty Ltd	►	75		Wesfarmers Oil & Gas Pty Ltd	►	100	
SLC Strathpine Pty Ltd	►	75		Wesfarmers One Pass Pty Ltd	►	100	
SLC Warringah Mall Pty Ltd	►	75		Wesfarmers Online Retail Holdings Pty Ltd	►	100	
SLC Warwick Pty Ltd	►	100		Wesfarmers Provident Fund Pty Ltd	►	100	
SLC Whitford City Pty Ltd	►	100		Wesfarmers Resources Pty Ltd	►	100	
SLC Woden Pty Ltd	►	100		Wesfarmers Retail Holdings Pty Ltd	►	100	
Sotico Pty Ltd	►	100		Wesfarmers Retail Pty Ltd	►	100	
Soul Pattinson (Manufacturing) Pty Ltd	►	100		Wesfarmers Securities Management Pty Ltd	►	100	
Synapse Finance Pty Ltd	►	100		Wesfarmers Superannuation Pty Ltd	►	100	
Target Australia Pty Ltd	►	100		Wesfarmers TCS Investments Pty Ltd	►	100	
Target Holdings Pty Ltd	►	100		Wesfarmers Transport Limited	►	100	
The Advanced Skills Academy Pty Ltd	►	100		Weskem Pty Ltd	►	100	
The Builders Warehouse Group Pty Limited	►	100		Westralian Farmers Superphosphates Limited	►	100	
The Franked Income Fund	◆	n/a		WEV Capital Investments Pty Ltd	►	100	
The Priceline Unit Trust	◆	n/a		WFCL Investments Pty Ltd	►	100	
The Westralian Farmers Limited	►	100		WFM Investments Pty Ltd	►	100	
The Workwear Group Holding Pty Ltd	►	100		WIS International Pty Ltd	►	100	
The Workwear Group Pty Ltd	►	100		WIS Solutions Pty Ltd	►	100	
Tilers Plus Pty Limited	►	100		WPEQ Pty Ltd	►	100	
Tilewerx Pty Limited	►	100		Yakka Pty Limited	►	100	
Tincorp Holdings Pty Ltd	►	100					
TLL Silk Pty Ltd	►	100					

Consolidated entity disclosure statement

Consolidated entity disclosure statement

As at 30 June 2024

Consolidated entities incorporated/formed in countries other than Australia and foreign tax residents

Name of entity		% of share capital	Country of incorporation	Jurisdiction for foreign tax resident
		2024		
ANKO Global (France) SAS	►	100	France	France
API Healthcare Holdings (NZ) Limited	►	100	New Zealand	New Zealand
Beaumont Tiles NZ Pty Limited	►	100	New Zealand	New Zealand
Bunnings (NZ) Limited	►	100	New Zealand	New Zealand
Bunnings Limited	►	100	New Zealand	New Zealand
Bunnings Technologies India Private Limited	►	100	India	India
CGNZ Finance Limited	►	100	New Zealand	New Zealand
Clearskincare Newmarket Limited	►	100	New Zealand	New Zealand
Clearskincare Takapuna Limited	►	100	New Zealand	New Zealand
Coregas NZ Limited	►	100	New Zealand	New Zealand
CSC Auckland Limited	►	100	New Zealand	New Zealand
CSC Holdings New Zealand Limited	►	100	New Zealand	New Zealand
CSC Ponsonby Limited	►	100	New Zealand	New Zealand
Garrett Investments Limited	►	100	New Zealand	New Zealand
Geeks2U NZ Limited	►	100	New Zealand	New Zealand
KAS Direct Sourcing Private Limited	►	100	India	India
KAS Global Trading Pty Limited	►	100	Hong Kong	Hong Kong
KAS International Sourcing Bangladesh Pvt Ltd	►	100	Bangladesh	Bangladesh
KAS International Trading (Shanghai) Company Limited	►	100	China	China
KAS Pty Limited	►	100	Hong Kong	Hong Kong
KAS Services India Private Limited	►	100	India	India
KGA Sourcing (Singapore) Pte. Ltd	►	100	Singapore	Singapore
Kmart NZ Holdings Limited	►	100	New Zealand	New Zealand
NZ Finance Holdings Pty Limited	►	100	New Zealand	New Zealand
Officeworks NZ Limited	►	100	New Zealand	New Zealand
Priceline (NZ) Pty Limited	►	100	New Zealand	New Zealand
PSM Healthcare Limited	►	100	New Zealand	New Zealand
PT Blackwoods Indonesia	►	100	Indonesia	Indonesia
Target Australia Sourcing (Shanghai) Co Ltd	►	100	China	China
Target Australia Sourcing Limited	►	100	Hong Kong	Hong Kong
The Cosmetic Clinic Limited	►	100	New Zealand	New Zealand
Wesfarmers Industrial & Safety Holdings NZ Limited	►	100	New Zealand	New Zealand
Wesfarmers Industrial & Safety NZ Limited	►	100	New Zealand	New Zealand
Wesfarmers Risk Management (Singapore) Pte Ltd	►	100	Singapore	Singapore
WIS Supply Chain Management (Shanghai) Co Ltd	►	100	China	China

Body corporate



Trust



Trustee of a trust in the consolidated entity



Directors' declaration

Wesfarmers Limited and its controlled entities

In accordance with a resolution of the directors of Wesfarmers Limited, we state that:

1. In the opinion of the directors:
 - 1.1 the financial statements, notes and the additional disclosures included in the directors' report designated as audited, of the consolidated entity for the full-year ended 30 June 2024 are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
 - (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
 - 1.2 the financial statements and notes comply with International Financial Reporting Standards as disclosed in the notes to the financial statements on page 135 of the 2024 Annual Report; and
 - 1.3 there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
 - 1.4 the consolidated entity disclosure statement as disclosed on pages 179 to 182 of the 2024 Annual Report and required by section 295(3A) of the *Corporations Act 2001* is true and correct.
2. This declaration has been made after receiving the declaration required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.
3. In the opinion of the directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group comprising the company and the controlled entities marked '+' as identified in note 20 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee referred to in note 23.

On behalf of the Board:



M A Chaney AO
Chairman



R G Scott
Managing Director

Perth
28 August 2024

Independent auditor's report

To the Members of Wesfarmers Limited



Ernst & Young
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Perth WA 6000 Australia
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working world**

Independent auditor's report to the members of Wesfarmers Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Wesfarmers Limited ('the Company') and its subsidiaries (collectively, 'the Group'), which comprises the consolidated balance sheet as at 30 June 2024, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Independent auditor's report

To the Members of Wesfarmers Limited

1. Inventory valuation and existence

Why significant

At 30 June 2024, the Group held inventory balances of \$6,102 million, as disclosed in Note 6 *Inventories*.

Inventories are valued at the lower of cost and net realisable value ('NRV'). The NRV of inventories is the estimated selling price in the ordinary course of business less estimated costs to sell, the determination of which requires significant judgement by the Group.

Key matters of judgement include:

- The estimated costs to bring the inventory to its location and condition for sale
- Estimated costs to sell
- The expected selling price.

In addition, the distribution of the Group's inventory across a high number of locations and the quantum of the inventory balances may result in an increased risk in relation to existence.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Assessing the inventory management, procurement and commercial income processes, including an evaluation of the effectiveness of relevant controls
- Testing the accuracy of the weighted average costing systems and performing overhead allocation testing on a sample of inventory items
- Attending stocktakes at a sample of locations and assessing the stocktake processes for compliance with internal policies
- Testing the subsequent reconciliation of the stock count results into the inventory records and general ledger
- Testing the estimated costs to bring the inventory to its location and condition for sale, the estimated costs to sell and the pricing assumptions in the NRV testing
- Evaluating management's assessment of stock obsolescence provisions through attendance at stocktakes, enquiries and analytical procedures
- Performing inventory cut-off testing on a sample of transactions either side of financial year-end
- Reviewing key stock statistics, including stock aging and stock turnover
- Performing an analysis of shrinkage results and provision calculations
- We also assessed the adequacy and appropriateness of the disclosures in the Notes to the financial report.

2. Information Technology (IT) systems and controls over financial reporting

Why significant

A significant part of the Group's financial reporting process is primarily reliant on a range of diverse IT systems across the Group's divisions, which have automated processes and controls relating to the capture, valuation and recording of a high volume of transactions.

A fundamental component of these IT systems and controls is ensuring that risks relating to inappropriate user access management, unauthorised program changes and IT operating protocols are addressed.

This was identified as a key audit matter as our audit approach is dependent on the effective operation of the IT control environment.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Focusing on those IT systems and controls that are significant to the financial reporting process
- Involving our IT specialists, as audit procedures over IT systems and controls require specific expertise
- Assessing the design and implementation effectiveness of IT controls. Where IT controls were designed and implemented effectively, and were relevant to our audit strategy, we tested the operating effectiveness of those controls, including those related to:
 - General security settings and authentication
 - User access management and revalidation
 - Change and release management
- Where we identified design and/or operating deficiencies in the IT control environment, we assessed the integrity and reliability of the systems and data related to financial reporting through the following audit procedures:
 - Assessed compensating or mitigating controls that were not reliant on the IT control environment,
 - Performed direct testing of IT application controls and/or IT dependent manual controls; or
 - Varied the nature, timing and extent of substantive procedures performed.

Independent auditor's report

To the Members of Wesfarmers Limited

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent auditor's report

To the Members of Wesfarmers Limited

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 101 to 127 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Wesfarmers Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst + Young

Ernst & Young



T S Hammond

Partner
Perth

28 August 2024



M P Cunningham

Partner
Perth

28 August 2024

Five-year financial performance and key metrics

Group performance and key metrics

All figures in \$m unless shown otherwise ¹	2024	2023	2022	2021 ²	2020 ³
Summarised income statement					
Revenue from contracts with customers	44,047	43,417	36,679	33,797	30,753
Other revenue	142	133	159	144	93
Total revenue	44,189	43,550	36,838	33,941	30,846
Operating profit before depreciation and amortisation, finance costs and income tax	5,789	5,564	5,208	5,226	4,272
Depreciation and amortisation	(1,800)	(1,701)	(1,575)	(1,509)	(1,528)
Interest on lease liabilities	(236)	(219)	(217)	(226)	(237)
EBIT (after interest on lease liabilities)	3,753	3,644	3,416	3,491	2,507
Other finance costs	(166)	(135)	(96)	(118)	(133)
Income tax expense	(1,030)	(1,044)	(968)	(993)	(677)
Profit after tax from discontinued operations	-	-	-	-	75
Operating profit after income tax attributable to members of Wesfarmers Limited	2,557	2,465	2,352	2,380	1,697
Capital and dividends					
Ordinary shares on issue (number) 000's as at 30 June	1,134,781	1,134,514	1,134,145	1,133,840	1,133,840
Paid up ordinary capital as at 30 June	13,574	13,574	13,574	15,826	15,818
Fully-franked dividend per ordinary share (determined) (cents)	198	191	180	178	152
Fully-franked special dividend per ordinary share (determined) (cents) ⁴	-	-	-	-	18
Capital return per ordinary share (cents) ⁵	-	-	-	200	-
Financial performance					
Earnings per share (weighted average) (cents)	225.7	217.8	207.8	210.4	150.0
Earnings per share growth (%)	3.6	4.8	(1.2)	40.3	(69.2)
Return on average ordinary shareholders' equity (R12) (excluding significant items) (%)	31.3	31.4	29.4	26.1	22.1
Financial position as at 30 June					
Total assets	27,309	26,546	27,286	26,214	25,425
Total liabilities	18,724	18,265	19,305	16,499	16,081
Net assets	8,585	8,281	7,981	9,715	9,344
Net tangible asset backing per ordinary share (\$)	3.12	3.17	2.91	5.14	4.89
Net debt to equity (%) ⁶	49.8	48.4	56.3	2.3	(0.9)
Total liabilities/total assets (%)	68.6	68.8	70.8	62.9	63.2
Market capitalisation as at 30 June	73,965	55,977	47,532	67,010	50,830

¹ All figures are presented as last reported, including discontinued operations.

² The summarised income statement for 2021 includes pre-tax (post-tax) restructuring costs of \$59 million (\$41 million) in the Kmart Group.

³ The summarised income statement for 2020 includes significant items relating to the following pre-tax (post-tax) items: \$525 million (\$437 million) impairment of the Target brand name and other assets, \$110 million (\$83 million) restructuring costs and provisions in the Kmart Group and a \$310 million (\$298 million) impairment to Industrial and Safety, offset by a gain of \$290 million (\$203 million) on the sale of 10.1 per cent of the interest in Coles, a gain of \$220 million (\$154 million) on the revaluation of the retained 4.9 per cent interest in Coles and a benefit of \$83 million from the finalisation of tax positions on prior year disposals.

⁴ The 2020 fully-franked special dividend reflects the distribution of after-tax profits on the sale of the Group's 10.1 per cent interest in Coles.

⁵ A capital return to shareholders of 200 cents per share was paid on 2 December 2021.

⁶ Net debt includes total interest-bearing loans and borrowings less cash at bank and on deposit and held in joint operation. Excludes cash on hand, cash in transit and lease liabilities.

Five-year financial performance and key metrics

Divisional performance and key metrics

All figures in \$m unless shown otherwise	2024	2023	2022	2021	2020
Bunnings Group					
Revenue	18,968	18,539	17,754	16,871	14,999
Earnings before tax ¹	2,251	2,230	2,204	2,185	1,826
Return on capital employed (R12) (%) ¹	69.2	65.4	77.2	82.4	58.0
Capital expenditure (cash basis)	268	405	349	445	511
Safety (R12, TRIFR)	17.0	16.5	11.3	11.3	10.3
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	49.4	59.9	104.9	110.3	n.r.
Scope 1 and Scope 2 (location-based) emissions (ktCO ₂ e)	178.4	187.5	220.5	234.5	262.6
Aboriginal and Torres Strait Islander team members	1,531	1,246	1,288	1,026	853
Operational waste diverted from landfill (%)	60.6	57.1	54.9	52.5	53.1
Kmart Group²					
Revenue	11,107	10,635	9,129	9,982	9,217
Earnings before tax ³	958	769	505	693	410
Return on capital employed (R12) (%) ³	65.7	47.0	32.2	52.1	20.4
Capital expenditure (cash basis)	136	127	105	185	142
Safety (R12, TRIFR)	6.5	7.4	8.5	9.2	12.8
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	184.6	218.1	250.9	262.5	n.r.
Scope 1 and Scope 2 (location-based) emissions (ktCO ₂ e)	230.3	239.1	277.3	292.6	303.7
Aboriginal and Torres Strait Islander team members	2,200	1,986	1,847	1,512	708
Operational waste diverted from landfill (%)	82.1	82.0	80.6	78.8	80.5
WesCEF					
Revenue	2,747	3,306	3,041	2,146	2,085
Earnings before tax ⁴	440	669	540	384	394
Return on capital employed (R12) (%) ⁴	13.4	21.6	21.6	17.7	20.3
Return on capital employed (R12) (%) (excluding ALM) ⁴	31.4	39.7	36.3	28.6	30.5
Capital expenditure (cash basis) ⁵	447	518	455	137	110
Safety (R12, TRIFR)	2.7	3.8	4.2	3.0	3.3
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e) ⁶	833.5	849.5	795.4	873.9	n.r.
Scope 1 and Scope 2 (location-based) emissions (ktCO ₂ e) ^{6,7}	840.4	846.4	804.3	880.5	983.3
Aboriginal and Torres Strait Islander team members	53	50	48	43	33
Operational waste diverted from landfill (%)	90.1	87.4	85.9	71.4	89.7

¹ Includes net property contribution for 2024 of \$2 million; 2023 of \$38 million; 2022 of \$52 million; 2021 of (\$10) million and 2020 of \$16 million.

² 2021 includes Catch and 2020 includes Catch from 12 August 2019.

³ Earnings excludes pre-tax restructuring costs and provisions in 2021 of \$59 million and 2020 of \$110 million and pre-tax non-cash impairments relating to Target in 2020 of \$525 million.

⁴ 2020 includes \$18 million of insurance proceeds relating to the five-month ammonia plant production disruption that commenced in February 2018.

⁵ Includes WesCEF's share of capital expenditure for the development of the Covalent lithium project of \$250 million in 2024; \$394 million in 2023; \$304 million in 2022; and \$30 million in 2021. 2024, 2023, and 2022 also include capitalised interest of \$26 million; \$42 million and \$34 million respectively. Includes capital expenditure made prior to the final investment decision of \$22 million in 2021 and \$24 million in 2020.

⁶ 2022 Scope 1 and Scope 2 emissions includes the impact of the scheduled ammonia plant shutdown.

⁷ 2020 Scope 1 and Scope 2 (location-based) emissions baseline is 955.5 ktCO₂e, and differs from the reported value of 983.3 ktCO₂e due to adjustments for the current global warming potentials of relevant greenhouse gases. The 2020 baseline was established using the Scope 2 location-based accounting method and has not been restated using the Scope 2 market-based method as they were not materially different for the baseline year.

Five-year financial performance and key metrics

Divisional performance and key metrics (continued)

All figures in \$m unless shown otherwise	2024	2023	2022	2021	2020
Officeworks					
Revenue	3,434	3,357	3,169	3,029	2,787
Earnings before tax	208	200	181	212	197
Return on capital employed (R12) (%)	18.7	18.3	17.8	22.3	20.2
Capital expenditure (cash basis)	64	71	68	65	40
Safety (R12, TRIFR)	5.1	5.4	5.8	6.1	7.9
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	25.0	27.1	30.8	34.4	n.r.
Scope 1 and Scope 2 (location-based) emissions (ktCO ₂ e)	30.2	31.5	37.2	40.1	43.2
Aboriginal and Torres Strait Islander team members	271	302	323	328	190
Operational waste diverted from landfill (%)	87.3	87.8	80.8	91.1	85.6
Industrial and Safety¹					
Revenue	2,022	1,992	1,925	1,855	1,745
Earnings before tax ²	109	100	92	70	39
Return on capital employed (R12) (%) ²	8.3	8.0	7.9	6.2	2.7
Capital expenditure (cash basis)	79	73	64	62	59
Safety (R12, TRIFR)	1.8	3.3	3.5	4.3	4.8
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	26.7	27.2	26.4	27.4	n.r.
Scope 1 and Scope 2 (location-based) emissions (ktCO ₂ e)	26.8	26.9	26.4	27.4	27.1
Aboriginal and Torres Strait Islander team members	102	97	92	83	72
Operational waste diverted from landfill (%) ³	38.6	40.4	41.6	38.5	n.r.
Health⁴					
Revenue	5,624	5,312	1,240	n.r.	n.r.
Earnings before tax	50	45	(25)	n.r.	n.r.
Return on capital employed (R12) (%)	3.2	4.2	n.r.	n.r.	n.r.
Capital expenditure (cash basis)	38	41	3	n.r.	n.r.
Safety (R12, TRIFR)	4.6	6.6	n.r.	n.r.	n.r.
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e) ⁵	10.9	11.6	13.8	n.r.	n.r.
Scope 1 and Scope 2 (location-based) emissions (ktCO ₂ e) ⁵	10.9	12.1	15.0	n.r.	n.r.
Aboriginal and Torres Strait Islander team members	11	3	n.r.	n.r.	n.r.
Operational waste diverted from landfill (%) ⁶	80.4	73.0	n.r.	n.r.	n.r.
Catch⁷					
	Reported separately		Included in Kmart Group		
Gross transaction value	524	733	989	973	632
Revenue	227	354	510	528	364
Earnings before tax ⁸	(96)	(163)	(88)	(46)	1
Capital expenditure (cash basis)	5	10	45	n.r.	n.r.
Safety (R12, TRIFR)	10.0	4.7	2.1	n.r.	n.r.
Scope 1 and Scope 2 (market-based) emissions (ktCO ₂ e)	1.9	2.8	3.0	n.r.	n.r.
Scope 1 and Scope 2 (location-based) emissions (ktCO ₂ e)	2.1	3.4	3.8	n.r.	n.r.
Aboriginal and Torres Strait Islander team members	2	2	-	n.r.	n.r.
Operational waste diverted from landfill (%)	57.2	66.2	72.7	n.r.	n.r.

¹ Includes results from Greencap prior to its divestment on 1 August 2022.

² 2020 earnings excludes a \$310 million pre-tax non-cash impairment and includes \$15 million of payroll remediation costs.

³ Due to improved methodology, 2020 is no longer comparable and therefore not reported in this table.

⁴ 2022 includes API's results from 31 March 2022 to 30 June 2022.

⁵ 2022 full-year emissions estimated for comparison purposes.

⁶ 2024 includes operational waste data for distribution centres and estimated operational waste data for retail stores and clinics. 2023 operational waste data is for distribution centres only.

⁷ Catch is included in Kmart Group for 2021 and 2020 from 12 August 2019.

⁸ 2024 includes a non-cash impairment to Catch's brand value of \$18 million and restructuring costs of \$5 million. 2023 includes restructuring costs of \$40 million.

Shareholder information

Substantial shareholders

As at the date of this report, the following shareholders are substantial shareholders for the purposes of Part 6C.1 of the *Corporations Act 2001*:

- BlackRock Group (BlackRock Inc. and subsidiaries) holding 6.04 per cent;
- The Vanguard Group, Inc. holding 6.00 per cent; and
- State Street Corporation (and subsidiaries) holding 6.01 per cent.

Voting rights

Wesfarmers fully-paid ordinary shares carry voting rights of one vote per share.

Distribution of members and their holdings

Size of holdings	Number of shareholders	% of issued capital
1 – 1,000	390,178	10.76
1,001 – 5,000	86,547	15.97
5,001 – 10,000	9,738	5.96
10,001 – 100,000	4,929	8.71
100,001 and over	129	58.60

There were 7,788 shareholders that held less than a marketable parcel of Wesfarmers ordinary shares.

There were 0.93 per cent of shareholders with registered addresses outside Australia.

Twenty largest shareholders

The 20 largest shareholders of ordinary shares on the company's register as at 28 August 2024 were:

Name	Number of shares	% of issued capital
HSBC Custody Nominees (Australia) Limited	276,485,264	24.36
J P Morgan Nominees Australia Pty Limited	174,715,921	15.40
Citicorp Nominees Pty Limited	82,773,126	7.29
BNP Paribas Nominees Pty Ltd (Agency Lending A/C)	20,034,892	1.77
National Nominees Limited	12,677,276	1.12
BNP Paribas Noms Pty Ltd	12,231,045	1.08
HSBC Custody Nominees (Australia) Limited (Nt-Comnwith Super Corp A/C)	8,211,959	0.72
Citicorp Nominees Pty Limited (Colonial First State Inv A/C)	6,753,810	0.60
Australian Foundation Investment Company Limited	6,578,000	0.58
BNP Paribas Nominees Pty Ltd (HUB24 Custodial Serv Ltd)	5,337,430	0.47
Netwealth Investments Limited (Wrap Services A/C)	4,924,780	0.43
Argo Investments Limited	4,409,027	0.39
HSBC Custody Nominees (Australia) Limited	2,919,200	0.26
IOOF Investment Services Limited (IPS Superfund A/C)	2,700,740	0.24
Citicorp Nominees Pty Limited (Citibank NY ADR DEP A/C)	2,603,262	0.23
IOOF Investment Services Limited (IOOF IDPS A/C)	2,171,179	0.19
Mutual Trust Pty Ltd	2,051,080	0.18
BNP Paribas Nominees Pty Ltd (Clearstream)	1,998,397	0.18
Washington H Soul Pattinson and Company Limited	1,889,278	0.17
Mr Peter Alexander Brown	1,556,000	0.14

The percentage holding of the 20 largest shareholders of Wesfarmers ordinary shares was 55.78.

Investor information

Managing your shareholding

The company's share registry is managed by Computershare Investor Services Pty Limited (Computershare).

The Investor Centre website is the fastest, easiest and most convenient way to view and manage your shareholding. Investor Centre enables a shareholder to:

- view the company share price;
- change your banking details;
- change your address (for non-CHESS sponsored holdings);
- update your dividend instructions;
- update your Tax File Number (TFN), Australian Business Number (ABN) or exemption;
- select your email and communication preferences;
- view your transaction and dividend history; and
- generate a holding balance letter.

Visit wesdirect.com.au and click on 'Login' for portfolio membership or click on 'Single Holding' to view your Wesfarmers shareholding information.

When communicating with Computershare or accessing your holding online you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on your Issuer Sponsored/CHESS statements.

You can also contact Computershare by:

Post GPO Box 2975 Melbourne, Victoria 3001 Australia

Telephone Australia 1300 558 062

Telephone International (+61 3) 9415 4631

Website investorcentre.com/contact

Tax File Numbers

While it is not compulsory to provide a TFN, if shareholders have not provided a TFN and Wesfarmers pays an unfranked or partly-franked dividend, the company will be required to deduct tax from the unfranked portion of the dividend at the top marginal rate plus the Medicare levy. Shareholders can go online to update their TFN by visiting wesdirect.com.au

Change of name or consolidation of holdings

Name changes or consolidation of multiple holdings into one single holding must be made in writing by using the required forms, which can be downloaded from wesdirect.com.au and clicking on the 'Printable Forms' button.

Uncertificated Share Register: The Wesfarmers share register is uncertificated. Two forms of uncertificated holdings are available to shareholders:

- **Issuer-sponsored holdings** – these holdings are sponsored by Wesfarmers and there is no need for shareholders to be sponsored by a stockbroker; and
- **Broker-sponsored holdings** – shareholders may arrange to be sponsored by a stockbroker who will require a signed sponsorship agreement.

Holding statements are issued to shareholders within five business days after the end of any month in which transactions occur that alter the balance of their holding. Shareholders can also access details of their shareholdings and dividends paid on their holdings by visiting wesdirect.com.au

Information on Wesfarmers

Wesfarmers website

Up-to-date information on the company can be obtained from the company's website wesfarmers.com.au

Securities Exchange listing

Wesfarmers shares are listed on the Australian Securities Exchange under the code WES.

Share prices can be accessed from major Australian newspapers, on the Wesfarmers website or at asx.com.au

Dividend investment plan

The company's dividend investment plan was reinstated with effect from 27 February 2007. Details of the plan can be obtained from Computershare or the Wesfarmers website.

Privacy

A copy of the Wesfarmers Privacy Policy is available on the Wesfarmers website.

Corporate directory

Wesfarmers Limited ABN 28 008 984 049

Registered office

Level 14, Brookfield Place Tower 2
123 St Georges Terrace
Perth, Western Australia 6000

Telephone (+61 8) 9327 4211

Facsimile (+61 8) 9327 4216

Website wesfarmers.com.au

Email info@wesfarmers.com.au

Executive director

Rob Scott
Group Managing Director and Chief Executive Officer

Non-executive directors

Michael Chaney AO
Chairman

Alan Cransberg

The Right Honourable Sir Bill English KNZM

Kate Munnings (from 1 August 2024)

Mike Roche

Anil Sabharwal

Tom von Oertzen (from 1 October 2024)

Vanessa Wallace

Sharon Warburton

Alison Watkins AM

Jennifer Westacott AO

Chief Financial Officer

Anthony Gianotti

Company Secretary

Vicki Robinson (to 30 October 2023)

Sheldon Renkema (from 30 October 2023)

Share registry

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067

Telephone Australia 1300 558 062

Telephone International (+61 3) 9415 4631

Facsimile (+61 3) 9473 2500

Website investorcentre.com/wes

Financial calendar⁺

Record date for final dividend	4 September 2024
Final dividend paid	9 October 2024
Annual general meeting	31 October 2024
Half-year end	31 December 2024
Half-year profit announcement	February 2025
Record date for interim dividend	February 2025
Interim dividend payable	March 2025
Year-end	30 June 2025

⁺Timing of events is subject to change.

Annual General Meeting

The 43rd Annual General Meeting of Wesfarmers Limited will be held on Thursday 31 October 2024 at 1:00pm (Perth time) at the Perth Exhibition and Convention Centre and shareholders will also be able to participate in the meeting through an online platform. Further details will be provided in the 2024 Notice of Meeting.

Website

To view shareholder and company information, news announcements, background information on Wesfarmers' businesses and historical information, visit the Wesfarmers website at wesfarmers.com.au



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