News Release



14 September 2018

Wesfarmers 2018 Sustainability Report released

Wesfarmers today released its <u>2018 Sustainability Report</u>. The online report details the Group's performance against its 10 sustainability principles in the areas of people, sourcing, community, environment and governance, including 40 case studies.

Wesfarmers Managing Director Rob Scott said performance highlights in the 2018 report included:

- Diversity: a 24 per cent increase in employees identifying as Indigenous to 5,228 meaning the Group remains the largest employer of Indigenous people in Australia
- Community: record community contributions of \$147.5 million, including \$86.6 million of direct contributions to community organisations
- Ethical sourcing: continued relentless focus on sourcing products responsibly with more than 4,000 factories in the Group's supply chain audit program
- Safety: a 15 per cent reduction in total recordable injury frequency rate
- Climate change resilience: a three per cent reduction in Scope 1 and 2 carbon emissions and a six per cent reduction in emissions intensity, driven by energy efficiency projects at Coles, Kmart and Officeworks.

"Long term value creation is only possible if we play a positive role in the communities we serve," Mr Scott said. "Sustainability is about understanding and managing the ways we impact our community and the environment to make sure we'll still be creating value in the future."

In a video case study on governance, Wesfarmers Chairman Michael Chaney said 2018 had been a challenging year in the corporate sector, with much discussion around corporate behaviour and ethics. However the objectives of making profits and being a good corporate citizen do not have to be in conflict.

"In Wesfarmers' case we have always had the corporate objective of providing a satisfactory return to shareholders, and by that we mean we would like our shareholders to have a return that puts us into the top quartile of all companies," Mr Chaney said. "That objective in our view is not at all incompatible with being a good corporate citizen."

"We have always been careful to expand on that by saying we aim to achieve satisfactory returns by looking after our employees and giving them safe and fulfilling work environments; by taking care of our customers and meeting their needs; by looking after our suppliers and paying them on time, making sure they have proper working conditions, and so on; by taking care of the environment; by acting ethically and honestly in all our dealings; and by making substantial contributions to the communities in which we operate."

"The fact is you'll never achieve satisfactory returns for your shareholders unless you do all of those other things. That's what corporate sustainability is all about."

The report includes Wesfarmers 2018 Human Rights and Modern Slavery statement which describes the steps taken by Wesfarmers during the financial year to seek to ensure that slavery and human trafficking are not occurring in any of our businesses or supply chains.

The 2018 Sustainability Report can be viewed at sustainability.wesfarmers.com.au

For more information:

Media

Alan Carpenter Special Advisor +61 8 9327 4407 or +61 438 903 674 acarpenter@wesfarmers.com.au Investors

Erik du Plessis Manager, Investor Relations +61 8 9327 4603 or +61 439 211630 EduPlessis@wesfarmers.com.au