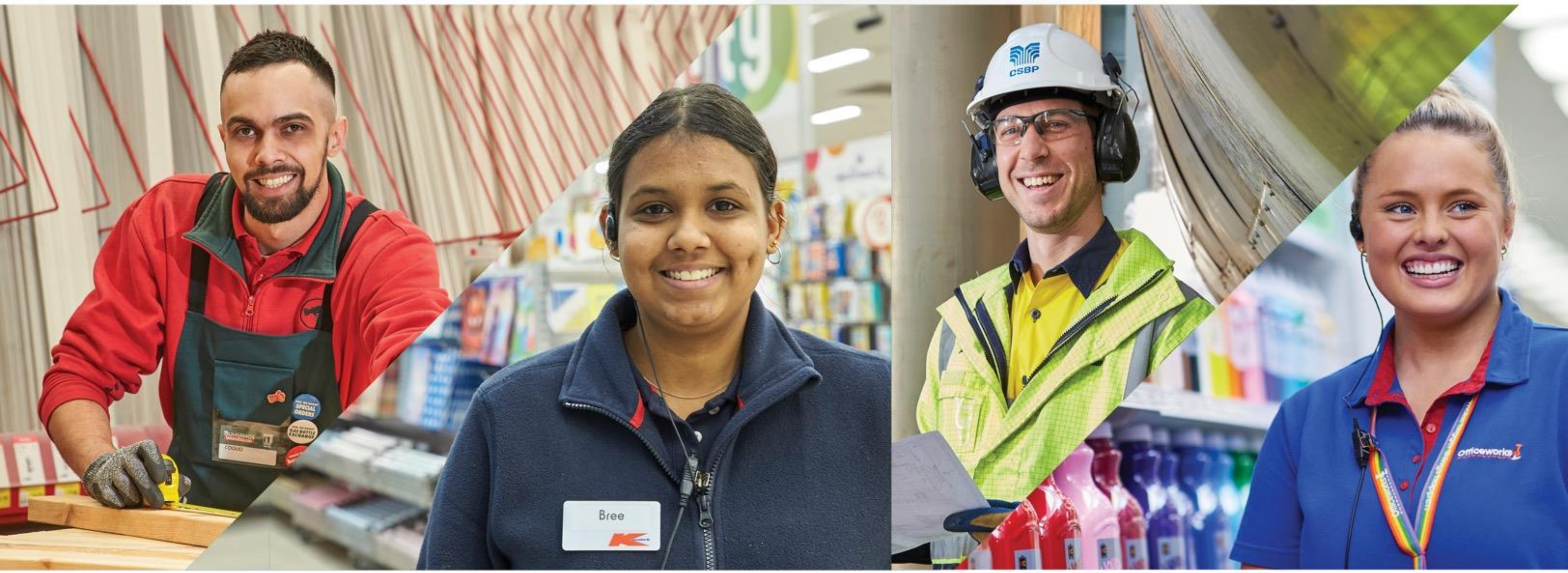
2021 Full-year results briefing presentation

To be held on Friday 27 August 2021

Wesfarmers



Presentation outline

Group performance overview

Rob Scott

Managing Director, Wesfarmers Limited

Wesfarmers' primary objective is to provide 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

Maintaining a long-term focus, consistent with our values

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

- Deeper customer trust and engagement by providing greater value, convenience and service
- Disciplined focus on providing a safe environment for team members and customers
- Strengthening digital capabilities to support 57%[1] growth in online sales

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

- 7.7% reduction in Group TRIFR[2] and expanded safety commitments
- Paid team members during periods of prolonged lockdown, even when there was no meaningful work
- Increased employment by ~6,000, including over 1,100 additional Aboriginal and Torres Strait Islander team members

Engaging fairly with our suppliers, and sourcing ethically and sustainably

- Supporting suppliers by remaining operational and with measures around payment terms in cases of hardship
- Ethical sourcing practices evolved to accommodate COVID-19, including travel restrictions

Supporting the communities in which we operate

- More than $55m in direct and indirect community contributions
- Strong advocacy for COVID-19 testing, vaccination and safe operations

Taking care of the environment

- 8.9% reduction in Scope 1 and 2 emissions and progress towards net zero ambitions
- Progress identifying and realising circular economy opportunities for our businesses and customers

Acting with integrity and honesty in all of our dealings

- All actions and decisions continue to be guided by our values and long-term objective

1. Excludes Catch.
2. Total Recordable Injury Frequency Rate.

Financial overview

Year ended 30 June ($m)	2021	2020	Var %
Results from continuing operations excluding significant items[1]			
Revenue	33,941	30,846	*10.0*
EBIT	3,776	3,179	*18.8*
EBIT (after interest on lease liabilities)	3,550	2,942	*20.7*
NPAT	2,421	2,083	*16.2*
Basic earnings per share (cps)	214.1	184.2	*16.2*
Results including discontinued operations and significant items[1]			
NPAT	2,380	1,697	*40.2*
Basic earnings per share (cps)	210.4	150.0	*40.2*
Full-year ordinary dividend (fully-franked, cps)	178	152	*17.1*

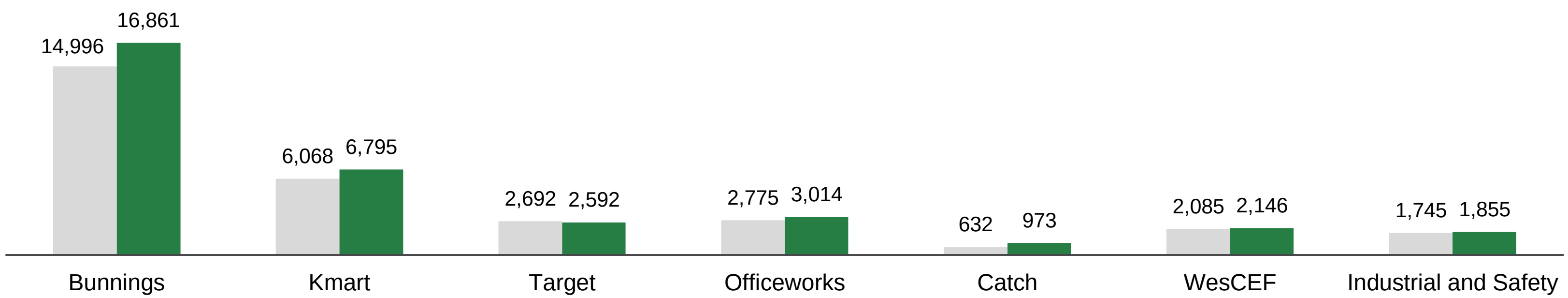
- Strong financial result, with NPAT excluding significant items up 16.2% to $2,421m
  - Retail divisions delivered strong sales and earnings growth
  - Solid operating performance in WesCEF and pleasing improvement in Industrial and Safety
- Final dividend of $0.90 per share reflecting the strong NPAT result
- Directors recommending a $2.00 per share return of capital, subject to shareholder approval

1. Further detail on significant items and discontinued operations is set out on slide 47.

Divisional sales performance

Sales performance ($m)
Year ended 30 June

	Retail sales[1]				*GTV[2]*	*Revenue*	
	Bunnings	Kmart	Target	Officeworks	Catch	WesCEF	Industrial and Safety
Total sales growth	+12.4%	+12.0%	(3.7%)	+8.6%	+41.0%	+2.9%	+6.3%
Comp sales growth	+11.9%	+7.8%	+13.3%				
Online penetration	2.3%	7.8%	15.1%	35.2%			



- Strong sales growth in Bunnings, Kmart Group and Officeworks
- Demand remained resilient but sales growth in Bunnings, Officeworks and Catch moderated from mid-March as businesses cycled the onset of COVID-19 in the prior year
  - Growth remained strong on a two-year basis across all retail businesses
- Online sales growth of 57% to $2.4b, or $3.3b including the Catch marketplace

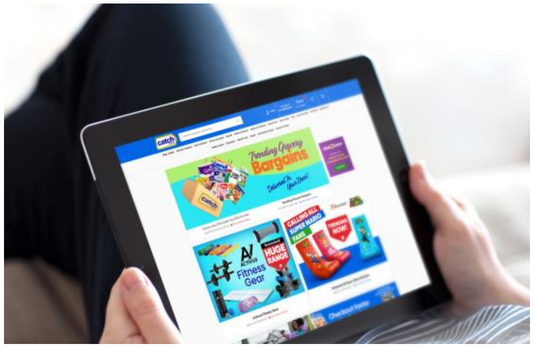
1. Refer to slide 54 for relevant retail calendars.
2. Gross transaction value growth reflects the period 1 July 2020 to 30 June 2021 and 1 July 2019 to 30 June 2020. 2020 gross transaction value of $632m reflects the period 12 August 2019 to 30 June 2020.

Divisional earnings and return on capital

Year ended 30 June	EBT[1] ($m)			ROC[2] (R12, %)		
	2021	2020	Var (%)	2021	2020	Var (ppt)
Bunnings	2,185	1,826	*19.7*	82.4	58.0	*24.4*
Kmart Group[3]	693	410	*69.0*	52.1	20.4	*31.7*
Officeworks	212	197	*7.6*	22.3	20.2	*2.1*
WesCEF[4]	384	394	*(2.5)*	17.7	20.3	*(2.6)*
Industrial and Safety[5]	70	39	*79.5*	6.2	2.7	*3.5*

1. Excludes significant items. Further detail on significant items is set out on slide 47.
2. ROC is calculated as EBT / rolling 12 months capital employed, where capital employed excludes right-of-use assets and lease liabilities. Further detail on ROC calculations is set out on slide 51.
3. 2021 excludes $59m of pre-tax restructuring costs. 2020 excludes a pre-tax non-cash impairment of $525m in Target and $110m of pre-tax restructuring costs and provisions.
4. 2020 includes $18m of insurance proceeds relating to the five-month ammonia plant production disruption that commenced in February 2018. Return on capital excluding ALM for 2021 is 28.6% and for 2020 is 30.5%.
5. 2020 excludes a pre-tax non-cash impairment of $310m and includes $15m of payroll remediation costs.

Renewed priorities to support sustainable long-term growth



Develop a market-leading data and digital ecosystem

- Leverage scale and unique assets, including trusted brands, leadership on value, teams and store networks
- Deliver a seamless and personalised digital experience for customers across the retail businesses
- Extend and accelerate the divisions' ongoing investment in data and digital capabilities

Invest in platforms for long-term growth

- Follows the repositioning of the portfolio in recent years
- Build on recent investments
- Continue to direct capital to areas with strong growth prospects
- Focus on opportunities to build scale over time

Accelerate the pace of continuous improvement

- Maintain the operational agility that was developed during COVID-19
- Invest in technology and supply chain initiatives to improve customer proposition
- Integrate sustainability further into divisional strategies
- Adjust to changes in customer preferences
- Reinforce price leadership

Group performance summary

Year ended 30 June ($m)	2021	2020	Var %
Results from continuing operations[1]			
Revenue	33,941	30,846	*10.0*
EBIT	3,717	2,744	*35.5*
EBIT (after interest on lease liabilities)	3,491	2,507	*39.3*
EBIT (after interest on lease liabilities) (excl. significant items)[2]	3,550	2,942	*20.7*
NPAT	2,380	1,622	*46.7*
NPAT (excl. significant items)[2]	2,421	2,083	*16.2*
Basic earnings per share (excl. significant items)[2] (cps)	214.1	184.2	*16.2*
Results including discontinued operations and significant items[1,2]			
NPAT from discontinued operations[1]	-	75	*n.m.*
NPAT	2,380	1,697	*40.2*
Operating cash flows	3,383	4,546	*(25.6)*
Net capital expenditure	632	568	*11.3*
Free cash flows	2,741	5,188	*(47.2)*
Full-year ordinary dividend (fully-franked, cps)	178	152	*17.1*
Net financial debt / (cash)[3]	(109)	(471)	*n.m.*

n.m. = not meaningful

1. Further detail on discontinued operations is set out on slide 47.
2. Further detail on significant items is set out on slide 47.
3. Interest-bearing liabilities less cash at bank and on deposit, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes lease liabilities.

Group balance sheet and cash flow

Anthony Gianotti
Chief Financial Officer, Wesfarmers Limited

Wesfarmers

Other business performance summary

Year ended 30 June ($m)	Holding %	2021	2020	Var %
Share of profit of associates and joint ventures				
Coles[1]	*4.9*	-	111	*n.m.*
BWP Trust	*24.8*	65	52	*25.0*
Other associates and joint ventures[2]	*Various*	23	38	*(39.5)*
Sub-total share of profit of associates and joint ventures		**88**	**201**	***n.m.***
Interest revenue		11	10	*10.0*
Other[3]		40	(3)	*n.m.*
Corporate overheads		(132)	(131)	*(0.8)*
Total Other EBIT[4]		**7**	**77**	***n.m.***
Interest on lease liabilities		(1)	(1)	-
Total Other EBT[4]		**6**	**76**	***n.m.***
Significant items		-	510	*n.m.*
Total Other EBT (including significant items)		**6**	**586**	***n.m.***

n.m. = not meaningful

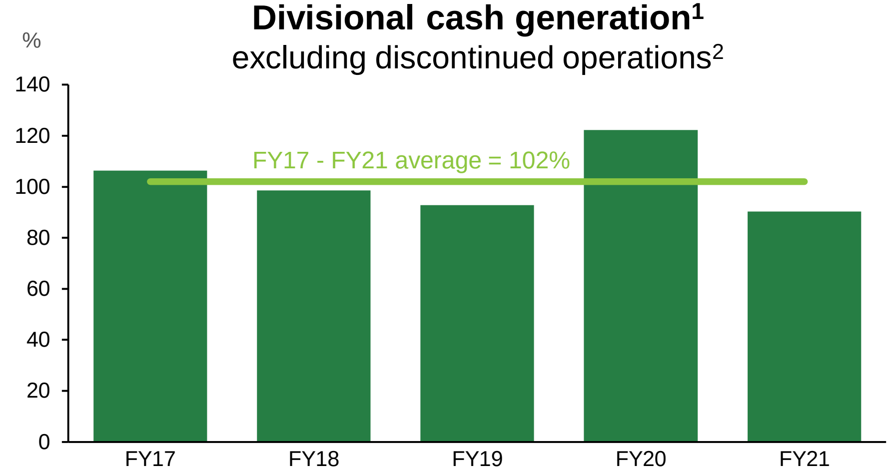
1. Wesfarmers held a 15% interest in Coles as at 30 June 2019 and sold 10.1% of its interest via two separate transactions on 18 February 2020 and 30 March 2020.
2. Includes investments in Gresham, Flybuys, Wespine and BPI.
3. 2021 includes $40m of dividends received from the Group's 4.9% interest in Coles. 2020 includes $9m from the Curragh value sharing arrangement.
4. 2020 excludes $290m gain on sale of the 10.1% interest in Coles and $220m revaluation of the remaining 4.9% interest in Coles.

Working capital and cash flow

- Solid operating cash flow of $3,383m
- Divisional cash generation of 90%[1]
  - Strong divisional earnings growth
  - Normalisation of inventory and payables positions across retail divisions
  - Targeted inventory investments to manage supply chain disruptions and mitigate impacts on stock availability
  - Higher receivables balance driven by increase in supplier rebates in Bunnings and fertiliser sales in Q4FY21 in WesCEF
- Free cash flows decreased 47.2% to $2,741m
  - Lower operating cash flow result, impacted by normalisation in working capital and the timing of tax payments
  - Sale of 10.1% of Coles in prior year
- Group cash realisation ratio of 86%

Year ended 30 June ($m)	2021	2020
Working capital cash movement		
Receivables and prepayments	(244)	(66)
Inventory	(665)	443
Payables	214	346
Total	**(695)**	**723**
Retail businesses	(632)	802
Industrial businesses and Other	(63)	(79)
Total	**(695)**	**723**

Divisional cash generation[1]
excluding discontinued operations[2]



1. Divisional operating cash flows before tax and interest divided by divisional EBITDA excluding significant items.
2. FY17 to FY19 includes contributions from KTAS and Quadrant Energy.

Capital expenditure

- Gross capital expenditure of $896m, up 3.3% on prior year
  - Increased data and digital investment
  - Successful conversion of 86 Target stores to Kmart stores, including 31 large formats
  - Purchase of long-lead items for construction of Mt Holland lithium project
  - Lower new store and refurbishment capital expenditure in Bunnings
- Increase in net capital expenditure primarily due to lower proceeds from sale of PP&E
  - Lower Bunnings property disposals of $262m (FY20: $274m)
- FY22 net capital expenditure of $1,000m to $1,250m expected, subject to net property investment
  - Inclusive of c. $350m relating to the development of the Mt Holland lithium project

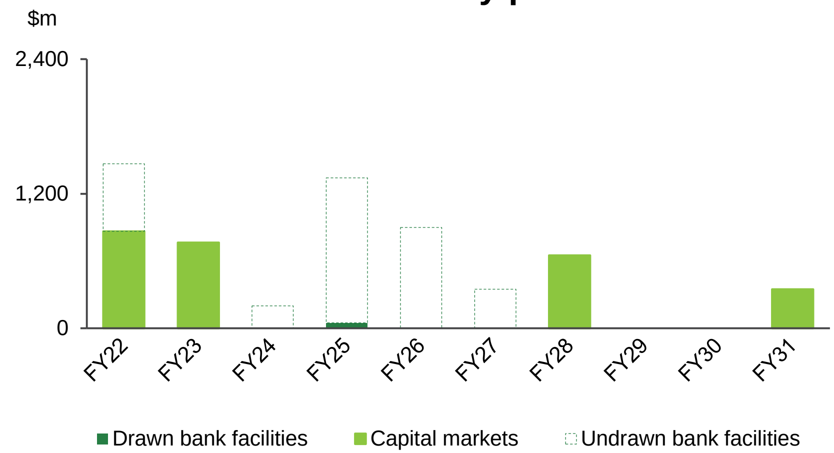
Year ended 30 June[1] ($m)	2021	2020	Var %
Bunnings	445	511	*(12.9)*
Kmart Group	185	142	*30.3*
Officeworks	65	40	*62.5*
WesCEF	137	110	*24.5*
Industrial and Safety	62	59	*5.1*
Other	2	5	*(60.0)*
Gross capital expenditure	**896**	**867**	***3.3***
Sale of PP&E	(264)	(299)	*(11.7)*
Net capital expenditure	**632**	**568**	***11.3***

1. Capital investment provided on a cash basis.

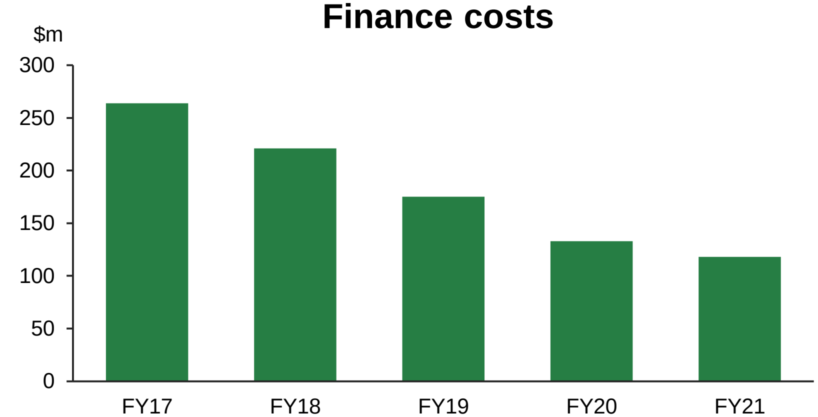
Balance sheet and debt management

- Maintained significant balance sheet flexibility, net cash of $109m as at 30 June 2021
- Continue to optimise debt maturity profile and cost of borrowing
- Issued $1.0b in sustainability-linked bonds
  – Australian first, met with strong demand
  – Comprised of a $650m seven-year bond at 1.94% and a $350m 10-year bond at 2.55%
- Opportunity to reset cost of debt with maturity of higher-cost Euro bonds in October 2021 ($866m at 4.74%) and August 2022 ($764m at 5.86%)
- Other finance costs decreased 11.3% to $118m in FY21 (FY20: $133m) due to lower average debt balances
- Strong credit metrics and stable credit ratings
  – Moody's A3 (stable outlook)
  – Standard & Poor's A- (stable outlook)

Debt maturity profile[1]



Finance costs



1. As at 30 June 2021. Excludes $1,950m in additional undrawn COVID-19 related bank debt facilities maturing in FY22.

Dividends and proposed capital return

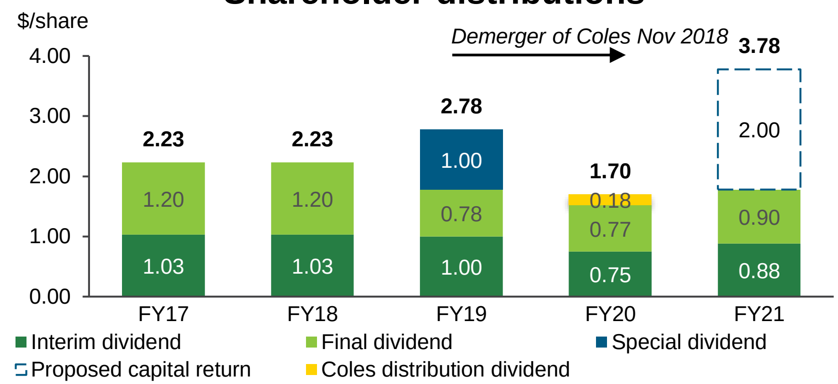
Dividend:

- Fully-franked final ordinary dividend of $0.90 per share
  - Reflects strong underlying NPAT result
- Dividend record date 2 September 2021; dividend payable 7 October 2021
- Dividend investment plan: not underwritten; last day for application 3 September 2021
  - Dividend investment plan shares expected to be purchased on market
- Dividend distributions determined based on franking credit availability, earnings, credit metrics and cash flow
  - Maximising value of franking credits for shareholders

Proposed capital return:

- Return of capital to shareholders of $2.00 per share, subject to shareholder approval at the 2021 AGM
  - Opportunity to distribute c. $2.3b of surplus capital and reset the Group's capital structure
  - Expect to maintain significant balance sheet flexibility following distribution
- Capital return record date 19 November 2021; payable 2 December 2021
  - Likely to be no immediate tax liability for most shareholders, subject to ATO ruling

Shareholder distributions[1]



1. Represents dividends resolved to pay in each period.

Bunnings

Michael Schneider
Managing Director, Bunnings Group

Bunnings performance summary

Year ended 30 June ($m)	2021	2020	Var %
Revenue	**16,871**	**14,999**	***12.5***
EBITDA[1]	2,993	2,601	*15.1*
Depreciation and amortisation	(692)	(658)	*(5.2)*
EBIT[1]	**2,301**	**1,943**	***18.4***
Interest on lease liabilities	(116)	(117)	*0.9*
EBT[1]	**2,185**	**1,826**	***19.7***
Net property contribution	(10)	16	*n.m.*
EBT (excluding net property contribution)[1]	**2,195**	**1,810**	***21.3***
EBT margin excluding property[1] (%)	13.0	12.1	
ROC[1,2] (R12, %)	82.4	58.0	
Total store sales growth[3] (%)	12.4	14.7	
Store-on-store sales growth[3,4] (%)	11.9	14.7	
Online penetration (%)	2.3	0.9	
Safety (R12, TRIFR)	11.3	10.3	
Scope 1 and 2 emissions (ktCO_2e)	235	263	

n.m. = not meaningful
1. 2020 includes $20m of additional cleaning, security and protective equipment to respond to COVID-19, as well as $70m of costs associated with the permanent closure of seven New Zealand stores, the accelerated rollout of the online offering and trading restrictions in New Zealand.
2. ROC is calculated as EBT / rolling 12 months capital employed, where capital employed excludes right-of-use assets and lease liabilities.
3. Includes cash, trade and online sales, excludes property income and sales related to Trade Centres, 'Frame and Truss' and Adelaide Tools. Refer to slide 54 for relevant retail calendars.
4. Store-on-store sales growth excludes stores in months that were impacted by extended periods of temporary closure in Victoria and New Zealand. Refer to slide 54 for relevant retail calendars.

Bunnings sales and earnings overview

- **Revenue growth of 12.5% to $16.9b**
  - Total store sales growth of 12.4%
  - Store-on-store sales growth of 11.9%
  - Strong growth from commercial customers
  - Online penetration increased to 2.3%
- Second-half total store sales growth of 0.7%, cycling elevated demand from March in prior period
  - Continued strong growth of 25.3% on a two-year basis
  - Online penetration of 1.5%, a decline from COVID-19 related peak in the first half
- **Earnings growth of 19.7% to $2,185m**
  - Earnings excluding net property contribution increased 21.3%
  - $27m of additional costs in cleaning, security and PPE for team members
  - Continued investments in technology platforms and customer experience
- **ROC (R12) increased to 82.4%**

Bunnings progress on strategy

- **Investing in customer experience**
  - Relentless focus on driving even more value
  - More than 10,000 additional team members recruited to service demand and customers
  - Continued focus on widest range, evolving and refreshing thousands of products
- **Development of the digital agenda**
  - Launched new retail website across Australia and New Zealand
  - Increased access to product ranges online, with 100,000+ products now available online
  - Ongoing focus and investment in data analytics capability
- **Stronger commercial customer relationships**
  - Continued focus on ease of shop, convenience, range & services for all commercial customers
  - New trade service desk format
  - Enhanced PowerPass app, with increased engagement and 2.1m self-serve transactions

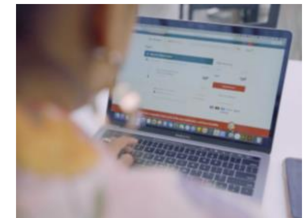
Bunnings outlook

- Near-term operating environment remains uncertain
- FY22 YTD[1] sales declined 4.7%, but strong growth of 24.4% on a two-year basis
  - Solid growth from commercial customers
- Trading performance in FY22 is expected to moderate following the extraordinary growth recorded in FY21
- Continued focus on strategic agenda and long-term investments
  - Data, digital and technology capabilities
  - Strengthening commercial customer engagement
  - Optimising inventory and supply chain management
- Ongoing store network improvement
  - 6 warehouses, 3 smaller formats and 2 trade centres currently under construction in Australia and New Zealand
  - Adelaide Tools network expansion

Strategic agenda

Building and Retaining the Best Team

Deliver on Price, Range and Experience



Data and Digital

Growing Commercial

Making a Positive Difference

1. FY22 year to date (YTD) relates to the seven week period to 18 August 2021. Refer to slide 55 for relevant retail calendars.

Kmart Group

Ian Bailey
Managing Director, Kmart Group

Kmart Group performance summary

Year ended 30 June[1] ($m)	2021	2020	Var %
Revenue	**9,982**	**9,217**	***8.3***
EBITDA[2]	1,326	1,113	*19.1*
Depreciation and amortisation	(539)	(601)	*10.3*
EBIT[2]	**787**	**512**	***53.7***
Interest on lease liabilities	(94)	(102)	*7.8*
EBT[2]	**693**	**410**	***69.0***
Significant items	(59)	(635)	*n.m.*
EBT including significant items	**634**	**(225)**	***n.m.***
EBT margin[2] (%)	6.9	4.5	
ROC[3] (R12, %)	52.1	20.4	
Safety (R12, TRIFR)	9.2	12.8	
Scope 1 and 2 emissions (ktCO_2e)	293	304	

n.m. = not meaningful

1. 2020 includes Catch from 12 August 2019.
2. 2021 excludes $59m of pre-tax restructuring costs. 2020 excludes a pre-tax non-cash impairment of $525m in Target and $110m of pre-tax restructuring costs and provisions.
3. ROC is calculated as EBT / rolling 12 months capital employed, where capital employed excludes right-of-use assets and lease liabilities. Earnings exclude significant items.

Kmart and Target performance overview

- **Revenue growth of 6.8% to $9,456m**
  - Solid sales growth in home, active and kids categories, partially offset by lower demand for some apparel products
  - Strong growth in online, supported by initiatives to improve fulfilment offer
  - COVID-19 restrictions impacted sales and earnings performance during store closures, offset by favourable market conditions and a significant increase in online penetration
- **Earnings growth of 80.7% to $739m**
  - Higher sales, lower clearance costs and a reduction in the cost of doing business as a result of planned network changes
  - Partially offset by higher operational costs associated with online fulfilment and COVID-19, higher ocean freight charges and ongoing investment in technology in Kmart

Year ended 30 June ($m)	2021	2020	Var %
Revenue	9,456	8,853	*6.8*
EBITDA[1]	1,349	1,093	*23.4*
EBT[1]	739	409	*80.7*
Kmart:			
Total sales growth[2] (%)	12.0	5.4	
Comparable sales growth[2,3] (%)	7.8	4.3	
Online penetration (%)	7.8	5.0	
Target:			
Total sales growth[2] (%)	(3.7)	(2.6)	
Comparable sales growth[2,3] (%)	13.3	(0.8)	
Online penetration (%)	15.1	8.9	

1. 2021 excludes $59m of pre-tax restructuring costs. 2020 excludes a pre-tax non-cash impairment of $525m in Target and $110m of pre-tax restructuring costs and provisions.
2. Refer to slide 54 for relevant retail calendars.
3. Comparable sales growth excludes stores that were temporarily closed as a result of COVID-19 restrictions for the duration of the closure period, where the closure period was longer than two weeks.

Kmart and Target progress on strategy

- **Kmart** continued to invest in initiatives to enhance its customer offer, including new in-store retail technology and the development of data and digital capabilities
- **Target** focused on simplifying the business, significantly reducing its cost base, accelerating online growth and improving the product offer
- Store conversion program largely complete,
  - 31 large format Target stores converted to Kmart stores
  - 55 Target Country stores converted to the new K hub small format
- To date, conversion program has exceeded expectations, delivering strong customer feedback and strong uplifts in transaction volume and sales
- Target network optimisation has resulted in the conversion or closure of 144 stores, reducing Target's lease liability by approximately one-third
- Redeployed a significant number of store and support office team members across the Wesfarmers Group

Catch performance overview

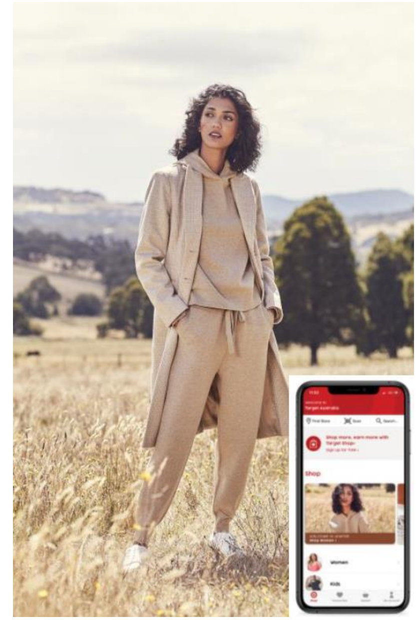
- Gross transaction value growth of 41.0%
  - Growth across both retail and marketplace segments
  - Active customers increased to 2.9m
- Earnings impacted by higher levels of clearance in retail business following moderation in revenue growth in the second half
- Accelerated investment in marketing and capability
  - Head office headcount approximately doubled
  - Continued investments in automation technology and fulfilment capacity
  - Broadened range of categories and brands available in both the retail and marketplace offerings
- Implemented a number of customer-driven initiatives
  - Click and collect available for Catch products in over 430 Kmart and Target stores
  - Introduced new Kmart products into the retail range
  - Free shipping for Club Catch members
  - Joined Flybuys as a loyalty partner

Year ended 30 June[1] ($m)	2021	2020
Gross transaction value	973	632
Revenue	528	364
EBITDA	(24)	20
EBT[2]	(46)	1
Gross transaction value growth[3] (%)	41.0	49.2

1. 2020 includes Catch from 12 August 2019. Variance not shown due to different period of ownership between 2021 and 2020.
2. Includes an amortisation expense in 2021 and 2020 of $11m and $10m respectively, relating to assets recognised as part of the acquisition.
3. 2021 gross transaction value growth reflects the period 1 July 2020 to 30 June 2021 and 1 July 2019 to 30 June 2020. 2020 gross transaction value growth reflects the period 12 August 2019 to 30 June 2020 and 12 August 2018 to 30 June 2019.

Kmart Group outlook

- Kmart Group remains well positioned to deliver sustainable growth over the long term
- Combined Kmart and Target sales for FY22 YTD[1] declined 14.3%, sales declined 12.3% on a two-year basis
  - Impacted by recent lockdowns as well as the closure of 13 Target stores and 45 Target Country stores
- Catch GTV for FY22 YTD[1] declined 8.5%, but growth remained strong on a two-year basis at 112.5%
- Trading environment expected to remain uncertain and volatile in FY22, while current global supply chain disruptions and cost pressures are expected to persist
- **Kmart** will continue to focus on investing for future growth
  - Leveraging scale and product development capabilities, and delivering digital initiatives
- **Target** will focus on embedding a simplified operating model while accelerating online growth and continuing to improve the product offer in destination categories
- **Catch** will continue to invest for the future by improving the offering and brand proposition, and building a model capable of scaling rapidly
  - Growth in the first half is expected to be moderate as the business cycles the very strong growth in the prior corresponding period



1. FY22 year to date (YTD) relates to the eight week period to 22 August 2021 for Kmart, the eight week period to 21 August 2021 for Target and the seven week period to 18 August 2021 for Catch. Refer to slide 55 for relevant retail calendars.

Officeworks

Sarah Hunter
Managing Director, Officeworks

Officeworks performance summary

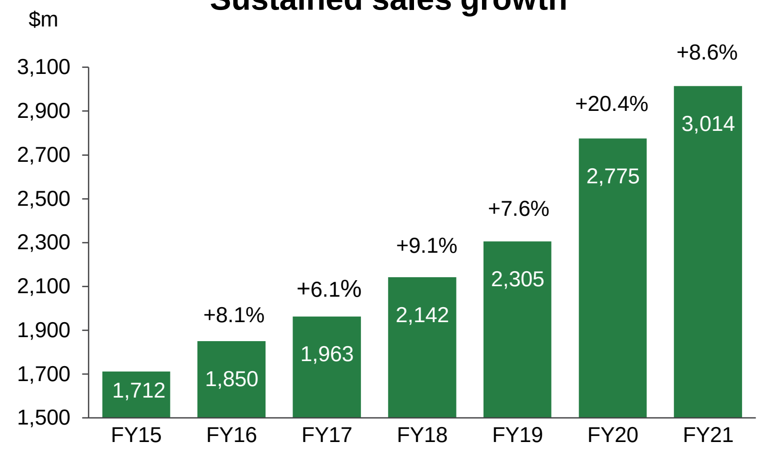
Year ended 30 June ($m)	2021	2020	Var %
Revenue	**3,029**	**2,787**	***8.7***
EBITDA	328	307	*6.8*
Depreciation and amortisation	(106)	(99)	*(7.1)*
EBIT	**222**	**208**	***6.7***
Interest on lease liabilities	(10)	(11)	*9.1*
EBT	**212**	**197**	***7.6***
EBT margin (%)	7.0	7.1	
ROC[1] (R12, %)	22.3	20.2	
Total sales growth[2] (%)	8.6	20.4	
Online penetration (%)	35.2	29.9	
Safety (R12, TRIFR)	6.1	7.9	
Scope 1 and 2 emissions (ktCO_2e)	40	43	

1. ROC is calculated as EBT / rolling 12 months capital employed, where capital employed excludes right-of-use assets and lease liabilities.
2. Refer to slide 54 for relevant retail calendars.

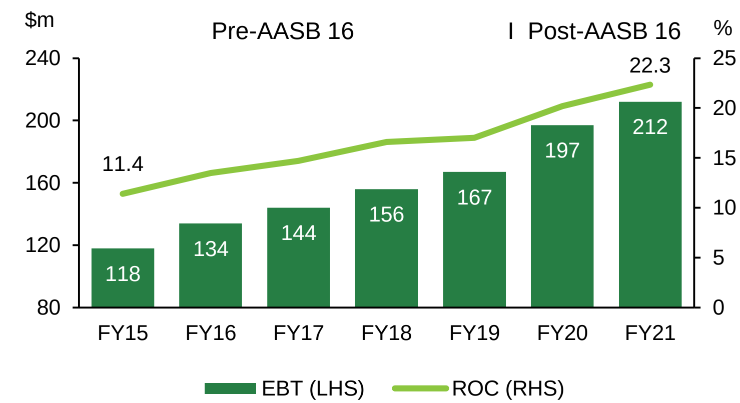
Officeworks sales and earnings overview

- **Revenue growth of 8.7% to $3,029m**
  - Continued strong sales growth in stores and online
  - Online penetration approximately 35%, including click and collect
  - Strong demand for products that support customers working and learning from home
  - Second half sales declined 3.2% as the business began to cycle elevated sales in the prior year, growth remained strong on a two-year basis at 24.4%
- **Earnings growth of 7.6% to $212m**
  - Supported by strong sales growth
  - Some margin pressure from price investment and sales mix changes
  - Additional supply chain costs as a result of increased online sales
- **ROC (R12) of 22.3%**
  - Supported by earnings growth and a disciplined approach to cost and capital management

Sustained sales growth



Strong earnings and ROC growth



Officeworks progress on strategy

Our team

- Continued focus on safety, health and wellbeing
- Indigenous employment increased to 3.8% of team

Customer experience

- Continued investment in data, analytics and digital capability, enabling more personalised and engaging communication
- Enhanced website and mobile app
- Launched new Print and Create digital platform

Connecting with our communities

- Contributed over $6.4m to community groups
- Reduced emissions by 7.2% and recycled over 90% of waste

Operational excellence

- Investment in a new Victorian customer fulfilment centre
- Implemented new technologies and reskilled team members to support a more automated environment

Growing our business

- Continued investment in education, SME and work from home segments
- Integrated Geeks2U into stores and launched subscription program

Officeworks outlook

- Near term outlook remains uncertain with changing customer shopping patterns and any future COVID-19 measures expected to impact trading conditions
- FY22 YTD[1] sales declined 1.5%, but growth remained strong at 31.1% on a two-year basis
- Ongoing global supply shortages of some products and international shipping disruptions
- Continued investment in the every-channel model and execution of strategy to drive long-term growth
  – Invest in team member wellbeing, support communities and reduce environmental impact
  – Refresh the brand and create inspiring and engaging experiences for customers online and instore
  – Expand customer database and use of data analytics to improve customer experience and increase personalisation
  – Invest in modernising the supply chain, expanding capacity and productivity of distribution centres
  – Broaden services offer for SME customers, make working from home easy, and expand presence in education sector
- Focus on helping make bigger things happen for customers, team members and the community

1. FY22 year to date (YTD) relates to the seven week period to 18 August 2021. Refer to slide 55 for relevant retail calendars.

Chemicals, Energy and Fertilisers

Ian Hansen

Managing Director, Wesfarmers Chemicals, Energy & Fertilisers

Wesfarmers Chemicals, Energy & Fertilisers

CSBP

covalent LITHIUM

QNP

AGA

Australian Vinyls

MODWOOD

Kleenheat

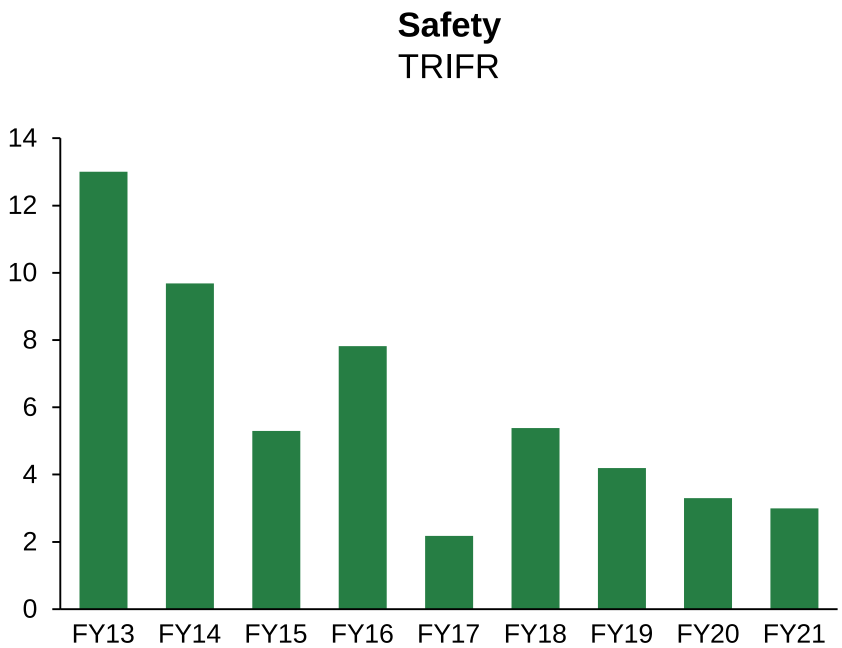
EVOL LNG

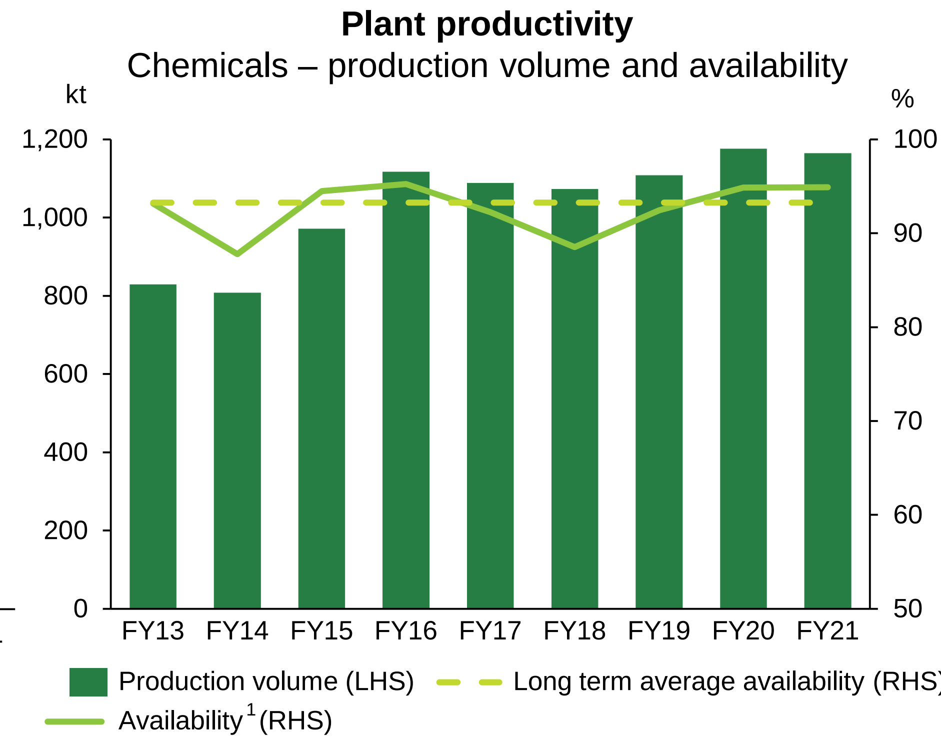
Chemicals, Energy and Fertilisers performance summary

Year ended 30 June[1] ($m)		2021	2020	Var %
Revenue[2]	Chemicals	1,018	1,022	*(0.4)*
	Energy	406	424	*(4.2)*
	Fertilisers	722	639	*13.0*
	Total	**2,146**	**2,085**	***2.9***
EBITDA[3]		473	481	*(1.7)*
Depreciation and amortisation		(88)	(86)	*(2.3)*
EBIT[3]		**385**	**395**	***(2.5)***
Interest on lease liabilities		(1)	(1)	-
EBT[3]		**384**	**394**	***(2.5)***
External sales volumes[4] ('000 tonnes)	Chemicals	1,099	1,152	*(4.6)*
	LPG & LNG	220	215	*2.3*
	Fertilisers	1,324	1,202	*10.1*
ROC[3,5] (R12, %)		17.7	20.3	
ROC[3,5] (R12, %) (excluding ALM)		28.6	30.5	
Safety (R12, TRIFR)		3.0	3.3	
Scope 1 and 2 emissions[6] ($ktCO_2e$)		881	983	

1. 2020 includes Australian Light Minerals, the holding company for WesCEF's 50% interest in the Covalent Lithium joint venture, from 23 September 2019.
2. Excludes intra-division sales.
3. 2020 includes $18m of insurance proceeds relating to the five-month ammonia plant production disruption that commenced in February 2018.
4. External sales exclude AN volumes transferred between Chemicals and Fertilisers business segments.
5. ROC is calculated as EBT / rolling 12 months capital employed, where capital employed excludes right-of-use assets and lease liabilities.
6. 2020 restated to reflect a correction to the NGER submission (previously reported as 964.7).

Chemicals, Energy and Fertilisers operational performance





- Downward trend in TRIFR demonstrates the success of the ongoing safety campaign – 'Safe Person, Safe Process, Safe Place' and the additional focus on high potential incident investigations
- Continued strong plant availability and production volumes in line with prior year; planned ammonia plant five-yearly shutdown in FY22
- Ongoing focus on utilising data and digital capability to optimise plant reliability and drive efficiency opportunities

1. Availability is calculated as (running hours per annum + idle potential running hours per annum) / total hours per annum. The availability presented is a simple average across the Chemicals production facilities.

Chemicals, Energy and Fertilisers overview

- Revenue of $2,146m, up 2.9% on the prior period, with volume growth in Fertilisers, partially offset by a decline in wholesale electricity sales volumes
- Earnings of $384m, down 2.5% on prior period. Excluding $18m in one-off insurance proceeds in the prior year, earnings increased by 2.1%

Chemicals: Earnings declined on prior period

- Ammonia earnings down due to higher import costs from an increased global ammonia price
- AN[1] earnings were impacted by lower spot volumes to the Western Australian mining sector and higher logistics and precious metal catalyst costs
- Earnings in Sodium Cyanide were marginally down due to subdued export demand, driven by ongoing COVID-19 disruptions to international gold mine customers

Energy: Earnings up on prior period

- Increased domestic LPG sales volumes following closure of BP's Kwinana Refinery in February 2021
- Higher Saudi CP[2], with FY21 average price in AUD up 7.4% on prior period

Fertilisers: Earnings significantly up on prior period

- Increased sales volumes reflecting favourable growing conditions
- Recent investments in storage infrastructure enabled the business to meet increased market demand

- Result includes WesCEF's 50% investment in Covalent Lithium

1. Ammonium nitrate.
2. Saudi Contract Price (the international benchmark indicator for LPG).

Chemicals, Energy and Fertilisers outlook

- **Chemicals** expected to benefit from a higher global ammonia price, as the increasing index price is passed through in customer contracts
- Ammonia production will be impacted by a five-yearly maintenance shutdown in FY22
- Production and demand for AN from the Western Australian mining sector expected to remain robust
- Sodium Cyanide earnings likely to be impacted by reduced demand from international gold mine customers due to COVID-19 and modest feedstock cost pressures

- **Energy** earnings are expected to be adversely impacted by higher Western Australian contracted domestic gas pricing, partially offset by the annualised increase in domestic LPG sales volumes
- Natural gas retailing business remains focused on continuing its market-leading customer service

- In **Fertilisers**, a favourable FY21 growing season is expected to support positive grower sentiment, but earnings will remain dependent upon seasonal conditions in Western Australia during the second half of FY22 and the impact of increasing competitor activity

- **WesCEF** will continue to evaluate opportunities to expand production capacity in Chemicals
- Covalent has now received all critical regulatory approvals and is continuing project development and commencing construction of the Mt Holland lithium mine, concentrator and Kwinana refinery
- WesCEF earnings will continue to be impacted by international commodity prices, exchange rates, competitive factors and seasonal outcomes

Industrial and Safety

Tim Bult
Managing Director, Wesfarmers Industrial and Safety

Wesfarmers Industrial and Safety | Blackwoods | NZ Safety Blackwoods | WORKWEAR GROUP | coregas | GREENCAP

Industrial and Safety performance summary

Year ended 30 June ($m)	2021	2020	Var %
Revenue	**1,855**	**1,745**	***6.3***
EBITDA[1]	148	136	*8.8*
Depreciation and amortisation	(74)	(77)	*3.9*
EBIT[1]	**74**	**59**	***25.4***
Interest on lease liabilities	(4)	(5)	*20.0*
EBT[1]	**70**	**54**	***29.6***
EBT including payroll remediation costs	**70**	**39**	***79.5***
Significant items	-	(310)	*n.m*
EBT including significant items	**70**	**(271)**	***n.m***
EBT margin[1] (%)	3.8	3.1	
ROC[2] (R12, %)	6.2	2.7	
Safety (R12, TRIFR)	4.3	4.8	
Scope 1 and 2 emissions (ktCO_2e)	27	27	

n.m. = not meaningful
1. 2020 excludes a pre-tax non-cash impairment of $310m and $15m of payroll remediation costs.
2. ROC is calculated as EBT / rolling 12 months capital employed, where capital employed excludes right-of-use assets and lease liabilities. 2020 earnings excludes significant items and includes payroll remediation costs.

Industrial and Safety overview

- The Industrial and Safety businesses continued the reliable supply of critical products to customers during the year, despite global supply chain disruptions due to COVID-19
- **Revenue growth of 6.3% to $1,855m**
  - Blackwoods' revenue increased due to growth from strategic customers and in Western Australia and New Zealand, as well as strong demand for critical products in the first quarter. This was partially offset by weakness in the coal mining and oil & gas sectors, and cycling of elevated demand for PPE in the prior year
  - Workwear Group's revenue increased due to strong growth across the industrial workwear brands, KingGee and Hard Yakka
  - Coregas' revenue increased due to higher demand from industrial and healthcare customers. The business also benefited from its involvement in the Hydrogen Energy Supply Chain project
- **Earnings growth of 29.6% to $70m**, supported by growth across all businesses
  - Blackwoods' earnings growth was supported by higher sales and increased operating efficiencies, and reflected continued investment in customer service and digital capabilities including the ERP[1] system
  - Workwear Group's earnings growth was supported by higher sales, with continued investment in strengthening brand desirability, simplifying its operating model and improving operational efficiency
  - Coregas' earnings growth was supported by higher sales, which were partially offset by higher material and delivery costs
  - Greencap's earnings increased due to the improved performance of the consulting services business and growth in the Online Solutions business, partially offset by higher investment in digital capability

1. Enterprise resource planning.

Industrial and Safety outlook

- Market conditions are expected to remain uncertain in the 2022 financial year
  - The Industrial and Safety businesses will continue to manage COVID-19 related global supply chain disruptions while maintaining their focus on delivering continued improvements in performance and profitability
  - Recent lockdowns have restricted activity for some customers, affecting demand from sectors such as construction
- **Blackwoods** will continue to focus on improving its customer value proposition
  - Strengthening its core operational capabilities, including data and digital
  - Completing the implementation of the ERP system
- **Workwear Group** remains focused on driving growth from its industrial brands and uniforms business, improving operational excellence and strengthening its digital offering
- Customer demand in **Coregas** is expected to remain stable with continued strength in healthcare and industrial segments offset by ongoing competitive pressures

Trading update and outlook

Rob Scott

Managing Director, Wesfarmers Limited

Wesfarmers

Trading update and current conditions

2022 financial year to date[1]	Total sales growth *(%)*	2Y total sales growth[2] *(%)*	Online penetration *(% sales)*
Bunnings *(7 weeks)*	(4.7)	24.4	3.3
Kmart and Target *(8 weeks)*	(14.3)[3]	(12.3)[3]	**K:** 17.2 | **T:** 32.0
Catch GTV *(7 weeks)*	(8.5)	112.5	100.0
Officeworks *(7 weeks)*	(1.5)	31.1	44.2

- Recent results have been affected by lockdowns across multiple states and territories
  - The impact on household and business confidence is becoming more acute as lockdowns extend
  - Sales growth has varied considerably across regions, with solid customer demand and trading results in areas less affected by lockdowns
  - Sales growth remains pleasing on a two-year basis
- Wesfarmers has increased its investment to support team members affected by prolonged lockdowns
  - Under recent lockdown conditions this commitment is expected to require payroll costs of $2m to $4m per week and impact near-term earnings
- The acceleration of community vaccination programs in Australia and New Zealand provides a path for reopening retail
- The retail divisions are well-positioned for the resumption of normal trading as lockdowns and restrictions ease

1. Refer to slide 55 for relevant retail calendars.
2. Two-year growth is calculated as growth between the 2022 financial year to date and the corresponding period in the 2020 financial year.
3. Kmart and Target growth reflects the impact of the permanent closure of 13 Target stores and 45 Target Country stores.

Outlook

- Wesfarmers' strong balance sheet and portfolio of market-leading businesses make it well positioned to deliver satisfactory shareholder returns over the long term
- The Group will continue to increase its investment in key strategic priorities, notwithstanding the likelihood of further near-term disruptions as a result of COVID-19
  - Progress has accelerated in the development of a data and digital ecosystem, and incremental operating expenditure investment of around $100m expected in FY22 to support this initiative
- The retail businesses will maintain focus on meeting the changing needs of customers and accelerate investment in data and digital capabilities to deliver greater value, quality and convenience
  - Given the impact of lockdowns in recent months and the prospect of continued trading restrictions, earnings in the Group's retail business during the first half of the 2022 financial year may be below the prior corresponding period
  - Ongoing disruptions to supply chains as well as global supply constraints for some products and inputs are expected to create additional costs and impact stock availability
- Performance of the Group's industrial businesses will continue to be subject to international commodity prices, foreign exchange rates, competitive factors and seasonal outcomes
- Wesfarmers will continue to actively consider climate change risk in the context of key business decisions and manage the portfolio with deep carbon awareness
- The Group will continue to develop the portfolio, taking advantage of growth opportunities within existing businesses and pursuing investments that create value for shareholders over the long term

Questions

Appendix: Supplementary information

Wesfarmers

Significant items and discontinued operations summary

Significant items

Year ended 30 June 2021 ($m)	Pre-tax	Tax impact	Post-tax
Restructuring costs in Kmart Group	(59)	18	(41)
Total significant items	**(59)**	**18**	**(41)**

Year ended 30 June 2020 ($m)	Pre-tax	Tax impact	Post-tax
Non-cash impairment in Kmart Group	(525)	88	(437)
Non-cash impairment in Industrial and Safety	(310)	12	(298)
Restructuring costs and provisions in Kmart Group	(110)	27	(83)
Gain on sale of 10.1% interest in Coles	290	(87)	203
Revaluation of retained investment in Coles	220	(66)	154
Capital losses in BUKI (disposed in June 2018)[1]	-	84	84
True-up of tax base in Coles[1]	-	10	10
Tax expense on sale of Bengalla[1]	-	(11)	(11)
Total significant items	**(435)**	**57**	**(378)**

Discontinued operations[2]

Year ended 30 June 2020 ($m)	Pre-tax	Tax impact	Post-tax
Quadrant Energy (13.2% interest sold 27 November 2018)	-	(8)	(8)
Total significant items	**-**	**(8)**	**(8)**

1. Also reported as discontinued operations.
2. Excluding significant items.

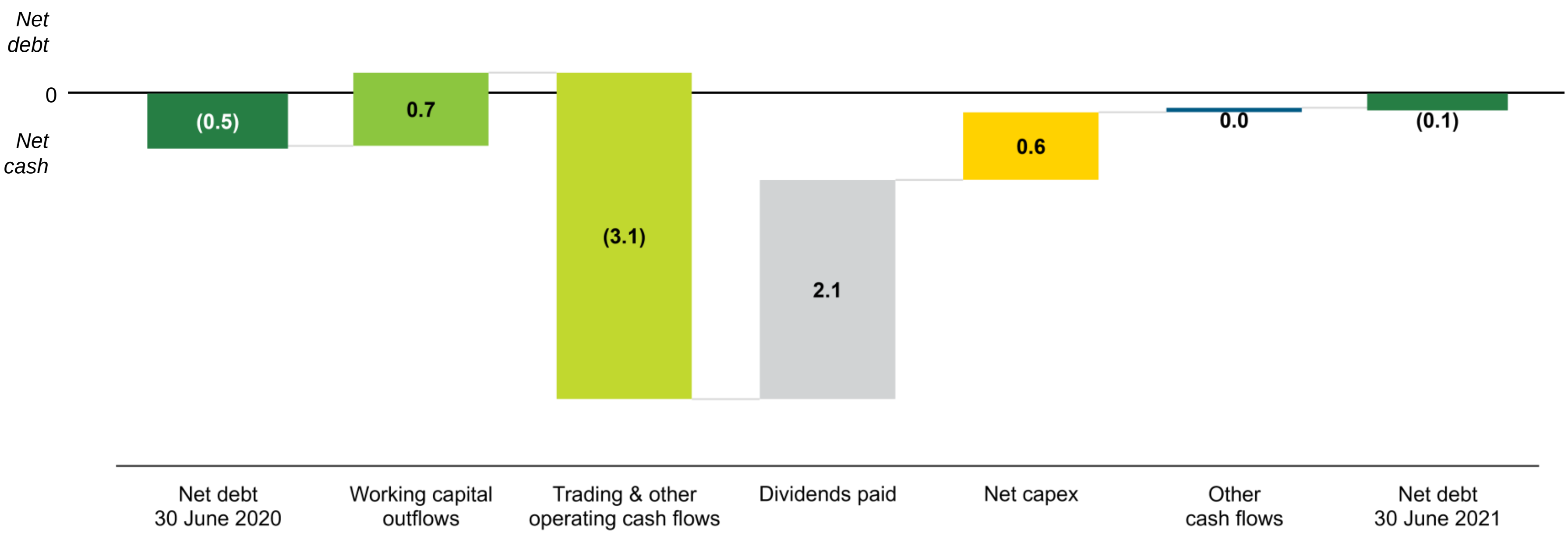
Group management balance sheet

($m)[1]	FY21	1H21	FY20	Commentary (vs. FY20)
Inventories	4,502	4,516	3,844	• Normalisation in inventory across retail businesses
Receivables and prepayments	1,434	1,024	1,261	• Higher receivables in Bunnings due to supplier rebates outstanding and in Fertilisers due to sales in Q4FY21
Trade and other payables	(4,234)	(4,520)	(4,008)	• Higher purchases within Kmart to improve stock availability and as result of larger store network
Other	228	160	172	
Net working capital	**1,930**	**1,180**	**1,269**	
Property, plant and equipment	3,496	3,478	3,623	• Divestments of Bunnings' land and buildings
Mineral rights / mine properties	866	829	813	• ALM project costs transferred from mineral rights to mine properties as project moves from exploration phase to development stage
Intangibles	3,902	3,867	3,814	
Other assets	1,962	1,688	1,804	
Provisions and other liabilities	(1,744)	(1,610)	(1,698)	
Total capital employed[2]	**10,412**	**9,432**	**9,625**	
Net financial (debt) / cash[3]	109	871	471	
Net tax balances	264	376	278	
Net right-of-use asset / (lease liability)	(1,070)	(1,068)	(1,030)	
Total net assets	**9,715**	**9,611**	**9,344**	

1. Balances reflect the management balance sheet, which is based on different classification and groupings from the balance sheet in the financial statements.
2. Capital employed excludes right-of-use assets and lease liabilities.
3. Interest-bearing liabilities less cash at bank and on deposit, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes lease liabilities. Net cash position expressed as a positive.

Net financial debt

Movements in net financial debt[1] ($b)



- Net cash[1] position of $0.1b as at 30 June 2021, compared to the net cash[1] position of $0.5b as at 30 June 2020, with key movements for the year including:
  - Strong operating cash flow result
  - Normalisation of working capital positions across retail divisions
  - Payment of $2.1b in dividends to Wesfarmers shareholders

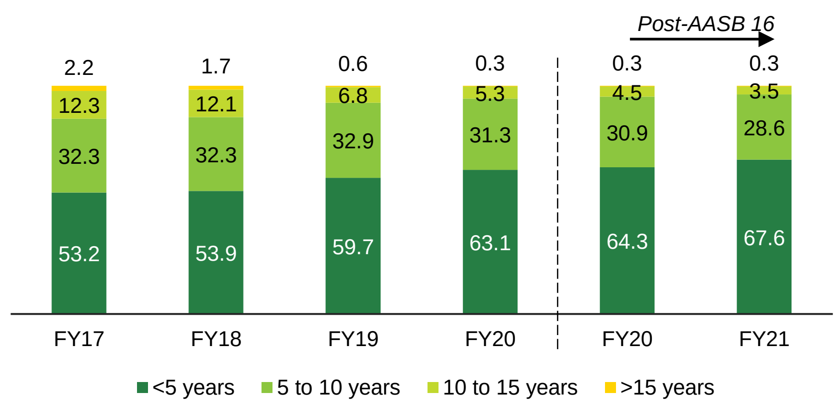
1. Interest-bearing liabilities less cash at bank and on deposit, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes lease liabilities.

Management of lease portfolio

- Lease liabilities totalled $7.1b and represented 73% of Group fixed financial obligations as at 30 June 2021
- Store closure and conversion program within Target supported a reduction of its lease liabilities of approximately one-third
- Average remaining committed lease term of 4.5[1] years (FY20: 4.8 years)
  - Complemented by strategic extension options to maintain security of tenure
  - Reflects disciplined management of leases in retail businesses
- Approach to lease portfolio management unchanged by AASB 16
  - Continued to focus on lease-adjusted return on capital as a key hurdle for divisions

($m)	FY21	FY20
Bunnings	3,738	3,727
Kmart Group	2,817	2,943
Officeworks	334	343
WesCEF	23	27
Industrial and Safety	160	167
Other	33	35
Total lease liabilities	**7,105**	**7,242**

Weighted average lease term[1] (%)



1. Post-AASB 16 lease tenure calculated as weighted average of undiscounted dollar commitments by year including non-property leases and reasonably certain extension options. Pre-AASB 16 lease tenure calculated as weighted average of undiscounted dollar commitments by year.

Divisional return on capital

Rolling 12 months to 30 June	2021			2020			
	EBT ($m)	Cap Emp[1] ($m)	ROC (%)	EBT ($m)	Cap Emp[1] ($m)	ROC (%)	Var (ppt)
Bunnings	2,185	2,651	82.4	1,826	3,146	58.0	*24.4*
Kmart Group[2]	693	1,329	52.1	410	2,011	20.4	*31.7*
Officeworks	212	949	22.3	197	976	20.2	*2.1*
WesCEF[3]	384	2,171	17.7	394	1,942	20.3	*(2.6)*
Industrial and Safety[4]	70	1,126	6.2	39	1,448	2.7	*3.5*

1. Capital employed excludes right-of-use assets and lease liabilities.
2. 2021 excludes $59m of pre-tax restructuring costs. 2020 excludes a pre-tax non-cash impairment of $525m in Target and $110m of pre-tax restructuring costs and provisions.
3. Return on capital excluding ALM for 2021 is 28.6% and for 2020 is 30.5%.
4. 2020 excludes a pre-tax non-cash impairment of $310m. 2020 includes $15m of payroll remediation costs.

Retail store networks

As at 30 June 2021

More than 1,000 locations across Australia and New Zealand

Brand	NSW/ACT	VIC	QLD	SA	WA	TAS	NT	NZ	Total
Bunnings									
Warehouse	79	61	52	18	29	7	3	29	**278**
Smaller format	19	15	12	3	9	-	-	12	**70**
Trade	7	3	7	2	3	1	-	7	**30**
Adelaide Tools	-	-	-	5	-	-	-	-	**5**
Total Bunnings	**105**	**79**	**71**	**28**	**41**	**8**	**3**	**48**	**383**
Kmart Group									
Kmart	71	63	51	16	34	5	3	25	**268**
K hub	13	17	17	4	3	-	1	-	**55**
Target	42	35	30	13	12	5	2	-	**139**
Total Kmart Group	**126**	**115**	**98**	**33**	**49**	**10**	**6**	**25**	**462**
Officeworks	**56**	**51**	**31**	**10**	**16**	**2**	**1**	**-**	**167**

Revenue reconciliation – Kmart Group

Year ended 30 June[1] ($m)	2021	2020
Segment revenue (Gregorian)	**9,982**	**9,217**
Less: Non-sales revenue	(74)	(65)
Headline sales (Gregorian)	**9,908**	**9,152**
Add: Gregorian adjustment[2]	(15)	(40)
Headline sales revenue (Retail)[3]	**9,893**	**9,112**

1. 2020 includes Catch from 12 August 2019.
2. Adjustment to headline sales revenue to reflect retail period end.
3. Refer to slide 54 for relevant retail calendars.

Retail calendars – full year

Business	Retail sales period
Bunnings, Officeworks and Catch	
FY21	1 Jul 2020 to 30 Jun 2021 (12 months)
FY20	1 Jul 2019 to 30 Jun 2020 (12 months)
FY19	1 Jul 2018 to 30 Jun 2019 (12 months)
Kmart	
FY21	29 Jun 2020 to 27 Jun 2021 (52 weeks)
FY20	1 Jul 2019 to 28 Jun 2020 (52 weeks)
FY19	25 Jun 2018 to 30 Jun 2019 (53 weeks)
Target	
FY21	28 Jun 2020 to 26 Jun 2021 (52 weeks)
FY20	30 Jun 2019 to 27 Jun 2020 (52 weeks)
FY19	24 Jun 2018 to 29 Jun 2019 (53 weeks)

For the calculation of FY20 retail sales growth rates in Kmart and Target, FY19 retail sales have been restated on a 52-week basis for comparability to the FY20 retail calendar period.

Retail calendars – year to date

Business	Retail sales period
Bunnings, Officeworks and Catch	
2022 year to date	1 July 2021 to 18 August 2021 (7 weeks)
2021 year to date	1 July 2020 to 18 August 2020 (7 weeks)
2020 year to date	1 July 2019 to 18 August 2019 (7 weeks)
Kmart	
2022 year to date	28 June 2021 to 22 August 2021 (8 weeks)
2021 year to date	29 June 2020 to 23 August 2020 (8 weeks)
2020 year to date	1 July 2019 to 25 August 2019 (8 weeks)
Target	
2022 year to date	27 June 2021 to 21 August 2021 (8 weeks)
2021 year to date	28 June 2020 to 22 August 2020 (8 weeks)
2020 year to date	30 June 2019 to 24 August 2019 (8 weeks)

Wesfarmers