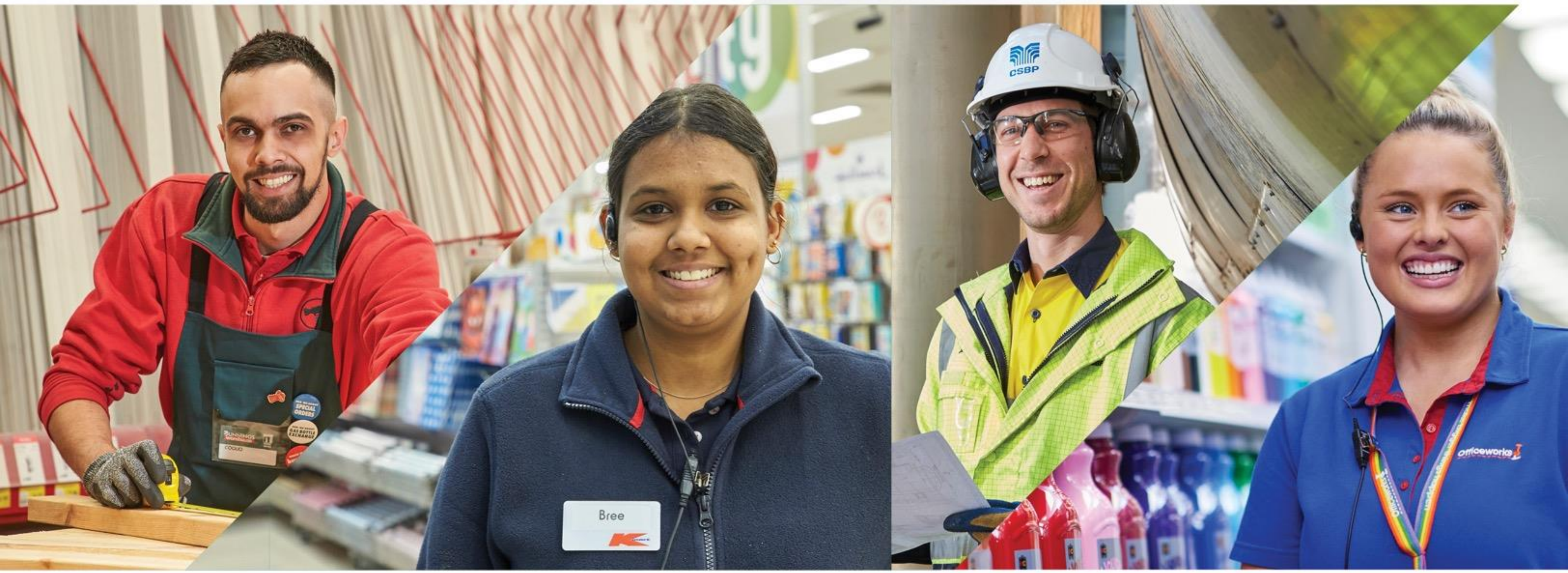
2022 Half-year results briefing presentation

To be held on Thursday 17 February 2022

Wesfarmers



Presentation outline

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

Group purpose and long-term focus continue to inform our strategies

Good progress on sustainability agenda and additional investment supporting the wellbeing of team members and the community through lockdowns

$37m
in team member COVID-related support

70%
of operational waste diverted from landfill

>2,600
calls by team members and family to our EAP[1] service

140GWh
new agreements for annual renewable electricity supply

$2.5b
in online sales across our retailers

>140,000
vaccinations delivered at Bunnings sites

14.3%
reduction in Scope 1 and Scope 2 emissions[2]

3.4%
Indigenous employment parity re-gained

$28m
in support of community organisations

€600m
sustainability-linked bond after AUD SLB[3] issue in FY21

1. Employee assistance program.
2. Includes the impact of the scheduled ammonia plan shutdown. Excluding this impact, the Group's scope 1 and Scope 2 emissions reduced 9.5%.
3. Sustainability-linked bond.

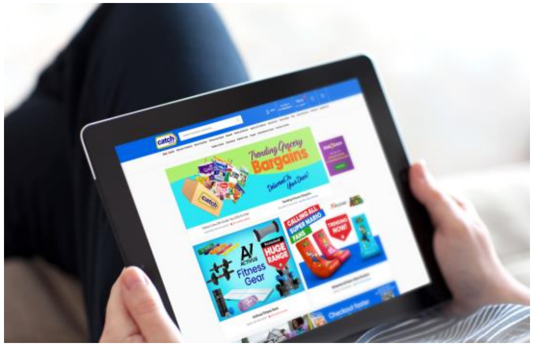
Financial overview

Half-year ended 31 December ($m)	2021	2020	Var %
Results excluding significant items[1]			
Revenue	17,758	17,774	*(0.1)*
EBIT	1,905	2,171	*(12.3)*
NPAT	1,213	1,414	*(14.2)*
Basic earnings per share (cps)	107.3	125.0	*(14.2)*
Results including significant items[1]			
NPAT	1,213	1,390	*(12.7)*
Basic earnings per share (cps)	107.3	122.9	*(12.7)*
Interim ordinary dividend (fully-franked, cps)	80	88	*(9.1)*

- Solid financial result, despite the most significant disruptions to operating conditions since the onset of COVID
  - Highlights strength of the portfolio, and capacity of teams to rapidly adjust to meet customer demand
- Pleasing results from Bunnings and WesCEF, and continued improvement in Industrial and Safety
- Kmart Group and Officeworks results significantly impacted by COVID-related disruptions
- Around 34,000 store trading days, almost 20% of total store days, impacted by trading restrictions or closures
- COVID-related costs of c.$80m during the period, around half of which related to team member payments
- Interim, fully-franked dividend of 80 cents per share

1. There were no significant items in 2021. Significant items in 2020 of $34 million pre-tax ($24 million post-tax) relate to Target store closures and conversions in Kmart Group.

Progress on priorities to support long-term growth



New market-leading data and digital ecosystem

- New data and digital division led by Nicole Sheffield
- Good progress to establish foundations in the shared data asset, AAC[1] and data governance
- Continued investment in capabilities and talent
- New subscription program, OnePass
- Flybuys extended to Bunnings and Officeworks, and operating model updated

Invest in platforms for long-term growth

- Continue to direct capital to areas with strong growth prospects
- Ramp-up in development of Mt Holland lithium project
- Expansion of Bunnings' commercial offer with rollout of Tool Kit Depot and completion of Beaumont Tiles acquisition
- Proposed acquisition of API[2], forming the basis of a new Health division

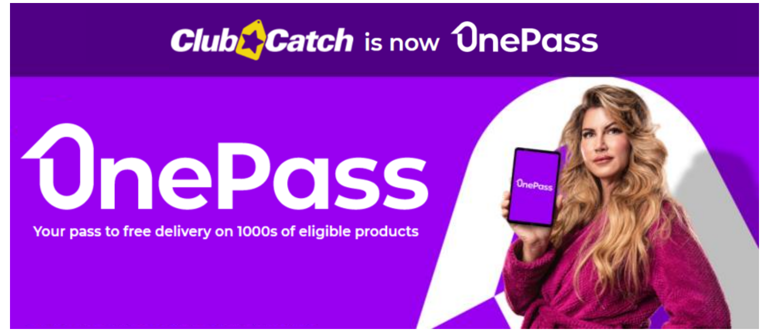
Accelerate the pace of continuous improvement

- Integrated sustainability further into divisional strategies
- Increased focus on circular economy, Scope 3 emissions and WesCEF's net zero roadmap
- Reinforced price leadership on everyday items
- Strengthened divisional e-commerce capabilities and expanded online ranges
- Invested in technology and supply chain initiatives

1. Advanced Analytics Centre.
2. Australian Pharmaceutical Industries Limited.

New data and digital division and subscription program

- New division to support the development of the Group's market-leading data and digital ecosystem
  - Investing in foundations necessary to deliver great value, convenience and experiences to customers across the Group
  - Includes the Group data asset, the AAC and the new subscription program OnePass
- Repositioned Club Catch subscription program as OnePass in February 2022:
  - Reduced monthly fee of $4 and new benefits
  - Will form the basis of a broader subscription program, with additional benefits for customers shopping across the Group's retail businesses
- Data and digital division reported as part of Corporate and Other for FY22, and then separately from FY23
- Additional detail at 2022 Strategy Briefing Day



Free Delivery
On thousands of eligible products

Member-only pricing
Member prices on thousands of products

Free Catch Collect
Pick up eligible orders from 400+ Target, Kmart & KHub stores

flybuys **$1 = 2 points**
Members earn double Flybuys points

Group performance summary

Half-year ended 31 December ($m)	2021	2020	Var %
Revenue	17,758	17,774	*(0.1)*
EBIT	1,905	2,137	*(10.9)*
EBIT (after interest on lease liabilities)	1,796	2,023	*(11.2)*
EBIT (after interest on lease liabilities) (excl. significant items)[1]	1,796	2,057	*(12.7)*
NPAT	1,213	1,390	*(12.7)*
NPAT (excl. significant items)[1]	1,213	1,414	*(14.2)*
Basic earnings per share (excl. significant items)[1] (cps)	107.3	125.0	*(14.2)*
Return on equity (excl. significant items)[1] (R12,%)	24.8	24.7	*0.1 ppt*
Operating cash flows	1,556	2,216	*(29.8)*
Net capital expenditure	405	243	*66.7*
Free cash flows	949	1,964	*(51.7)*
Cash realisation ratio (excl. significant items)[1,2] (%)	79	102	*(23 ppt)*
Interim ordinary dividend (fully-franked, cps)	80	88	*(9.1)*
Net financial debt / (cash)[3]	2,615	(871)	*n.m.*
Debt to EBITDA (excl. significant items)[1,4] (x)	2.0	1.3	*0.7 x*

n.m. = not meaningful

1. There were no significant items in 2021. Significant items in 2020 of $34 million pre-tax ($24 million post-tax) relate to Target store closures and conversions in Kmart Group.
2. Operating cash flows as a percentage of net profit after tax, before depreciation and amortisation.
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.
4. Total debt including lease liabilities, net of cash and cash equivalents, divided by EBITDA excluding significant items.

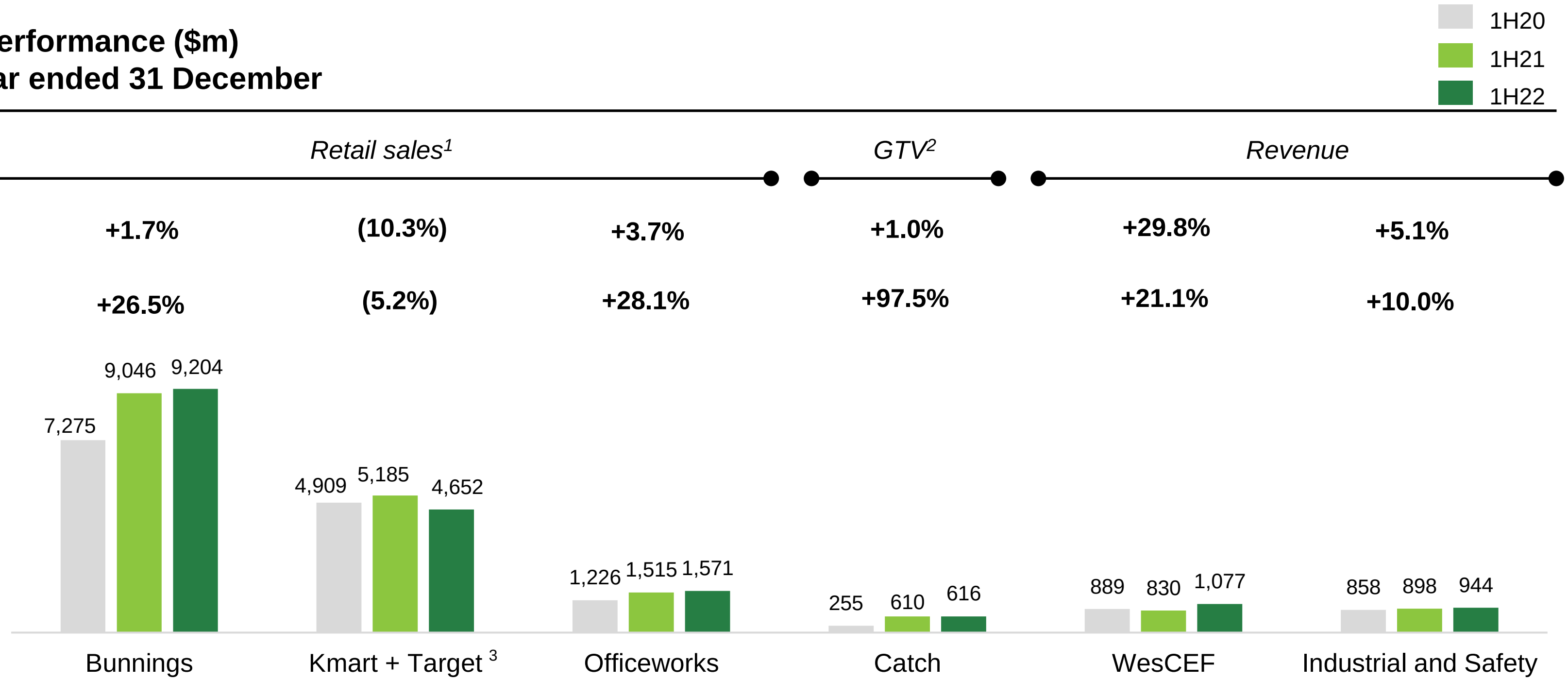
Financial performance

Anthony Gianotti
Chief Financial Officer, Wesfarmers Limited

Divisional sales performance

Sales performance ($m)
Half-year ended 31 December

	Bunnings	Kmart + Target [3]	Officeworks	Catch	WesCEF	Industrial and Safety
	Retail sales[1]			*GTV[2]*	*Revenue*	
1-year growth	**+1.7%**	**(10.3%)**	**+3.7%**	**+1.0%**	**+29.8%**	**+5.1%**
2-year growth	**+26.5%**	**(5.2%)**	**+28.1%**	**+97.5%**	**+21.1%**	**+10.0%**



Online penetration	Bunnings	Kmart + Target	Officeworks
	4.3%	**K: 14.3%** **T: 26.9%**	**46.0%**

- Pleasing sales growth in Bunnings and Officeworks, cycling strong growth in prior period
- Kmart and Target sales growth significantly impacted by COVID-19 restrictions, and also includes the impact of permanent Target store closures as part of the planned network changes completed during FY21
- Solid sales in WesCEF supported by higher global commodity prices, particularly for LPG and ammonia
- Growth in online sales of 37.5% for the half to $1.9b, or $2.5b including Catch[4]

1. Refer to slide 51 for relevant retail calendars.
2. Gross transaction value 2-year growth reflects the periods 1 July 2021 to 31 December 2021 and 1 July 2019 to 31 December 2019. 1H20 gross transaction value of $255m reflects the period 12 August 2019 to 31 December 2019.
3. Excludes Catch and includes intercompany eliminations.
4. Includes Catch GTV.

Divisional earnings performance and return on capital

Half-year ended 31 December	EBT[1] ($m)			2021 Var (%)		ROC[2] (R12, %)		
	2021	2020	2019	vs 2020	vs 2019	2021	2020	2019[3]
Bunnings	1,259	1,274	938	*(1.2)*	*34.2*	79.0	76.6	51.5
Kmart Group	178	487	352	*(63.4)*	*(49.4)*	24.5	35.5	25.1
Officeworks	82	100	82	*(18.0)*	-	19.6	23.4	17.2
WesCEF[4]	218	160	173	*36.3*	*26.0*	19.6	18.1	26.7
Industrial and Safety	41	37	22	*10.8*	*86.4*	6.5	5.4	3.4

1. Excludes significant items in 2020 of $34 million in Kmart Group, and payroll remediation costs in 2019 of $9m for Target and $15m for Industrial and Safety.
2. ROC is calculated as EBT / capital employed, where capital employed excludes right-of-use assets and lease liabilities. Further detail on ROC calculations is set out on slide 48.
3. ROC in 2019 includes payroll remediation costs of $9m for Target and $15m for Industrial and Safety.
4. Return on capital excluding ALM for 2021 is 32.2%, for 2020 is 29.0% and for 2019 is 31.0%.

Other business performance summary

Half-year ended 31 December ($m)	Holding %	2021	2020	Var %
Share of profit of associates and joint ventures				
BWP Trust	*24.8*	86	36	*138.9*
Other associates and joint ventures[1]	*Various*	9	5	*80.0*
Sub-total share of profit of associates and joint ventures		**95**	**41**	***131.7***
Data and Digital		(44)	(5)	*n.m.*
Corporate overheads (excl. Data and Digital)		(75)	(58)	*(29.3)*
Other[2]		42	22	*n.m.*
Total Other EBIT		**18**	**-**	***n.m.***
Interest on lease liabilities		-	(1)	*n.m.*
Total Other EBT		**18**	**(1)**	***n.m.***

n.m. = not meaningful

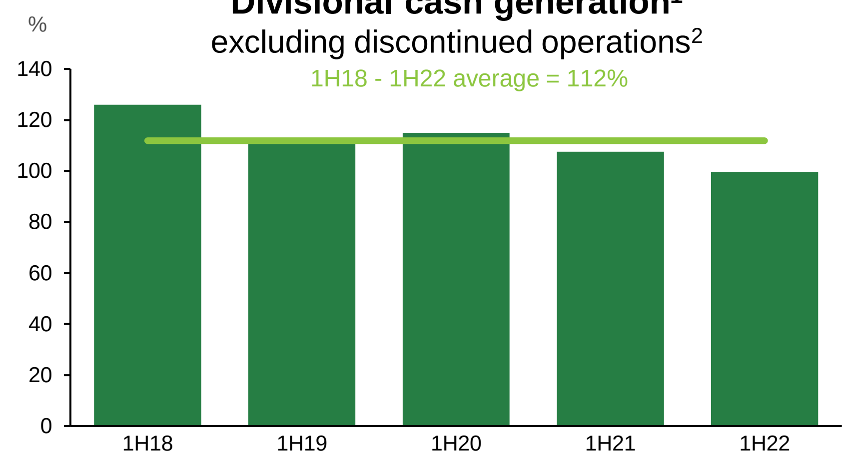
1. Includes investments in Gresham, Flybuys, Wespine and BPI.
2. 2021 includes $20 million of dividends received from the Group's 4.9 per cent interest in Coles and 19.3 per cent interest in API.
   2020 includes $18 million of dividends received from the Group's 4.9 per cent interest in Coles.

Working capital and cash flow

- Divisional operating cash flows declined 16.1%, with divisional cash generation of 100%[1]
  - Lower earnings growth
  - Higher inventories due to targeted investment, domestic supply chain disruptions and higher commodity prices, offset by higher payables
  - Payment of team member incentives relating to FY21 and increased use of annual leave
  - Maintain working capital discipline, with inventory position expected to normalise
- Group operating cash flows declined 29.8%, including impact of higher tax instalments
- Free cash flows declined 51.7% to $949m
  - Lower operating cash flow
  - Higher net capital expenditure, including development of Mt Holland lithium project
  - Purchase of 19.3% stake in API during October 2021 and completion of Beaumont Tiles acquisition in November 2021
- Group cash realisation ratio of 79%[3]

Half-year ended 31 December ($m)	2021	2020
Working capital cash movement		
Receivables and prepayments	189	176
Inventory	(1,071)	(671)
Payables	910	604
Total	**28**	**109**
Retail businesses	168	167
Industrial businesses and Other	(140)	(58)
Total	**28**	**109**

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. 1H18 and 1H19 include contributions from KTAS and Quadrant.
3. Operating cash flows as a percentage of net profit after tax, before depreciation and amortisation.

Capital expenditure

- Gross capital expenditure of $583m, up $173m on the prior corresponding period
  - WesCEF includes $139m associated with development of the Mt Holland lithium project
  - Continued investment in data and digital capabilities both within divisions and corporate
  - Lower new store capex in Bunnings partially offset by increased refurbishment capex
- Expected FY22 net capital expenditure of $900m to $1,100m, subject to net property investment
  - Includes approximately $350m relating to WesCEF's share of capex associated with the development of the Mt Holland lithium project
  - Ongoing data and digital investment, including OnePass establishment costs

Half-year ended 31 December[1] ($m)	2021	2020	Var %
Bunnings	196	219	*(10.5)*
Kmart Group	81	81	-
Officeworks	28	26	*7.7*
WesCEF	238	53	*349.1*
Industrial and Safety	25	30	*(16.7)*
Other	15	1	*n.m.*
Gross capital expenditure	**583**	**410**	***42.2***
Sale of PP&E	(178)	(167)	*6.6*
Net capital expenditure	**405**	**243**	***66.7***

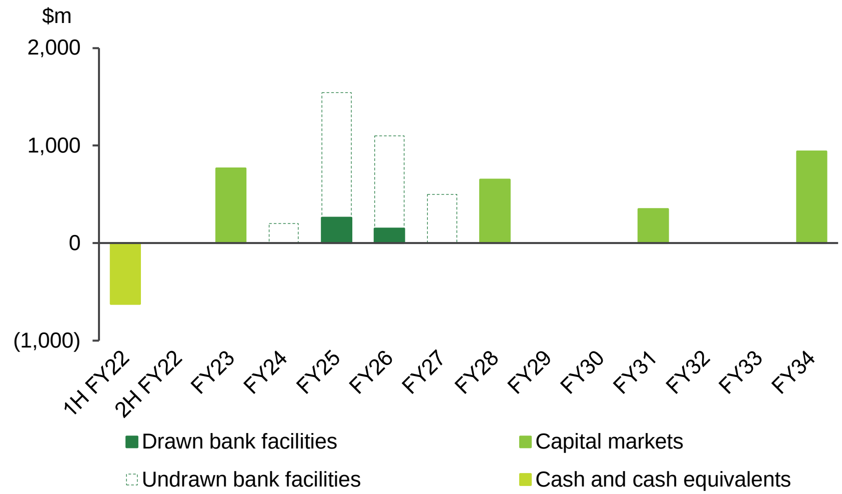
n.m. = not meaningful

1. Capital investment provided on a cash basis.

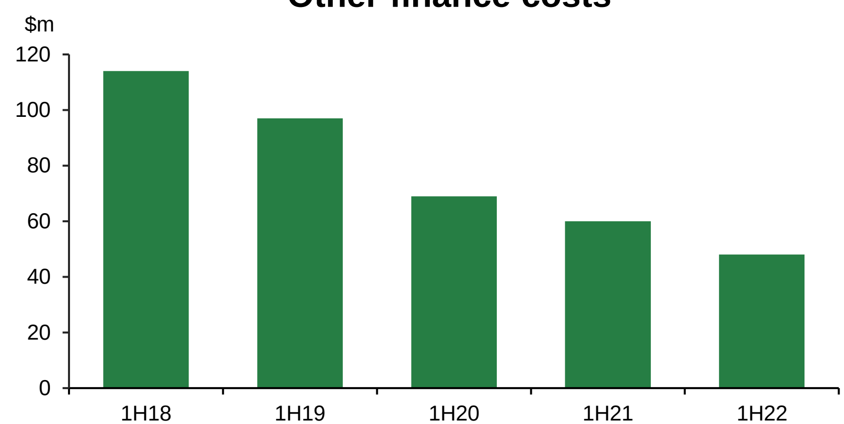
Balance sheet and debt management

- Continued to reposition the balance sheet to optimise cost of funds and debt maturity profile
  - Distributed $2.3b capital return during the half
  - Extended weighted average debt term to maturity to 6.5 years (1H21: 1.2 years)
  - Reduced average cost of funds[1] to 3.15% (1H21: 5.27%)
- Net financial debt position of $2.6b[2] as at 31 December 2021, compared to net cash of $0.1b as at 30 June 2021
- Maintained significant flexibility and capacity
- Other finance costs decreased 20.0% to $48m in 1H22 (1H21: $60m)
- Strong credit metrics and stable credit ratings
  - Moody's A3 (stable outlook)
  - Standard and Poor's A- (stable outlook)

Debt maturity profile[3]



Other finance costs

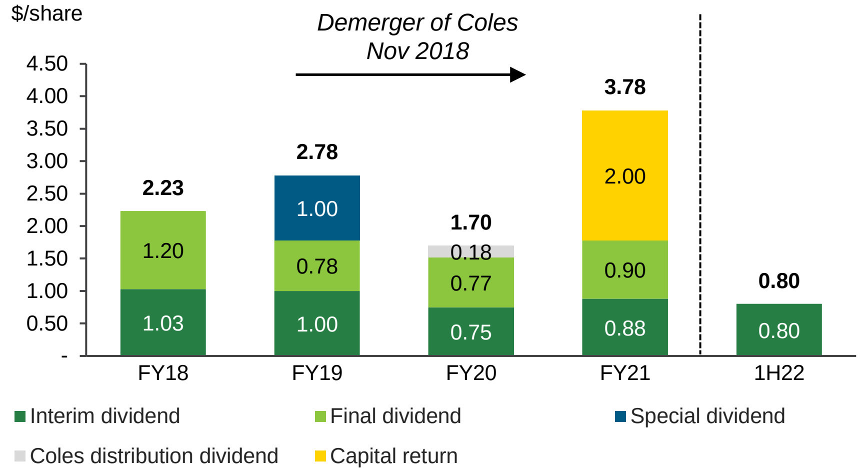


1. Average cost of funds as at period end, based on total gross debt before hedging costs, undrawn facility fees and amortisation of debt establishment costs.
2. Interest-bearing liabilities less cash at bank and on deposit, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes lease liabilities.
3. As at 31 December 2021. Excludes $1,950m in additional undrawn COVID-19 related bank debt facilities maturing in FY22.

Dividends

- Fully-franked half-year ordinary dividend of $0.80 per share
- Dividend record date 23 February 2022; dividend payable 30 March 2022
- Dividend investment plan: not underwritten; last day for application 24 February 2022
  - 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

Shareholder distributions[1]



1. Represents distributions resolved to pay in each period.

Bunnings

Michael Schneider
Managing Director, Bunnings Group

Bunnings performance summary

Half-year ended 31 December ($m)	2021	2020	Variance %
Revenue	**9,209**	**9,054**	***1.7***
EBITDA	1,677	1,669	*0.5*
Depreciation and amortisation	(362)	(337)	*(7.4)*
EBIT	**1,315**	**1,332**	***(1.3)***
Interest on lease liabilities	(56)	(58)	*3.4*
EBT	**1,259**	**1,274**	***(1.2)***
Net property contribution	41	1	*n.m.*
EBT (excluding net property contribution)	**1,218**	**1,273**	***(4.3)***
EBT margin excluding property (%)	13.2	14.1	
ROC[1] (R12, %)	79.0	76.6	
Total store sales growth[2] (%)	1.0	24.8	
Store-on-store sales growth[2,3] (%)	1.5	27.7	
Online penetration (%)	4.3	3.1	
Safety (R12, TRIFR)	12.5	10.0	
Scope 1 and 2 emissions, Market-Based (ktCO_2e)	54	54	

n.m. = not meaningful
1. ROC is calculated as EBT / capital employed, where capital employed excludes right-of-use assets and lease liabilities.
2. Includes cash, trade and online sales, excludes property income and sales related to Trade Centres, 'Frame and Truss', Adelaide Tools and Beaumont Tiles. Refer to slide 51 for relevant retail calendars.
3. Store-on-store sales growth excludes stores in months that were impacted by extended periods of temporary closure in New South Wales, Victoria, ACT and New Zealand.

Bunnings sales and earnings overview

- **Revenue growth of 1.7% to $9,209m**
  - Total store sales growth of 26.1% on a two-year[1] basis
  - Solid revenue performance, noting cycling extraordinary revenue growth in 1H21
  - First quarter impacted by government restrictions in many states, strong trading in the second quarter including peak Christmas trading period
  - Growth across all product categories and major trading regions on a two-year[1] basis
  - Continued strength in commercial segment across builders, trades and organisations
  - Online penetration of 4.3% for the half, driven by shift to online channels during lockdown
- **Earnings declined 1.2% to $1,259m**
  - Strong EBT growth of 34.2% on a two-year[1] basis
  - Additional COVID-19 costs of approximately $40m, relating to additional cleaning, security, PPE and support to team members required to isolate
  - Supply chain constraints resulting in higher costs and margin pressure, partially mitigated by a continued focus on cost control
  - Further investment in data, digital and technology capabilities for long-term growth
  - Favourable property disposal outcomes
- **Return on capital of 79.0%**
  - Ongoing investment to expand and upgrade the network
  - Disciplined working capital management

1. Two-year growth is calculated as growth between 1H20 and 1H22.

Bunnings progress on strategy

- **Strengthen the core**
  - Relentless focus on delivering value to customers through lowest prices, widest range and best experience
  - Maintained strong stock levels and availability
  - Safety, community and renewable energy initiatives
  - Range reviews to refresh, expand and innovate products and in-store merchandising
- **Development of the digital agenda**
  - Enabled Click & Collect and Click & Deliver for trade segment through launch of new commercial website
  - Improved product search performance and online range, with 110,000 SKUs available
  - Launched Flybuys for retail customers and further developed data and analytics capabilities
- **Commercial growth**
  - Building stronger relationships, ease of shop and expertise with new trade desk formats, trade specialists, sales support and account managers
  - Roll-out of four new Tool Kit Depot stores in WA
  - Completion of Beaumont Tiles acquisition in November 2021

Warehouse displaying power garden range

Commercial customer picking up timber in drive through timber yard

Bunnings outlook

- Operating environment remains uncertain
  - Recent COVID-19 cases impacting consumer spending and team absenteeism
  - Expect continued COVID-related costs associated with cleaning, PPE and team member support
  - Supply chain constraints and inflationary pressure in some categories expected to continue
  - Expect benefits from customers continuing to spend more time at home and pipeline of residential building activity
- Remain focused on strategic investments to support long-term growth
  - Lowest price, widest range and best experience
  - Data, digital and technology capabilities
  - Continue to strengthen the commercial offer and expanding the addressable market
  - Two Bunnings warehouses, two smaller format stores, three trade centres and three Tool Kit Depot stores expected to be opened in 2H22

New in-store merchandising of bathroom front of wall display

New Doncaster warehouse in Victoria, opened December 2021

Kmart Group

Ian Bailey
Managing Director, Kmart Group

Kmart Group performance summary

Half-year ended 31 December ($m)		2021	2020	Variance %
Revenue		**4,917**	**5,441**	***(9.6)***
EBITDA[1]		483	818	*(41.0)*
Depreciation and amortization		(260)	(283)	*8.1*
EBIT[1]		**223**	**535**	***(58.3)***
Interest on lease liabilities		(45)	(48)	*6.3*
EBT[1]		**178**	**487**	***(63.4)***
Significant items		-	(34)	*n.m.*
EBT including significant items		**178**	**453**	*(60.7)*
EBT margin[1] (%)		3.6	9.0	
ROC[2] (R12, %)		24.5	35.5	
Safety (R12, TRIFR)		8.6	10.6	
Scope 1 and 2 emissions, Market-Based (ktCO_2e)		121	132	
Kmart:	Total sales growth[3] (%)	(4.7)	7.1	
	Comparable sales growth[3,4] (%)	(6.4)	9.1	
	Online penetration (%)	14.3	8.7	
Target:	Total sales growth[3] (%)	(23.6)	2.3	
	Comparable sales growth[3,4] (%)	6.0	13.0	
	Online penetration (%)	26.9	15.9	
Catch:	Gross transaction value growth[3] (%)	1.0	95.6	

n.m. = not meaningful

1. Excludes significant items in 2020 of $34m pre-tax relating to Target store closures and conversions. There were no significant items in 2021.
2. ROC is calculated as EBT / capital employed, where capital employed excludes right-of-use assets and lease liabilities. Earnings exclude significant items.
3. Refer to slide 51 for relevant retail calendars.
4. Comparable growth calculation 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 performance summary

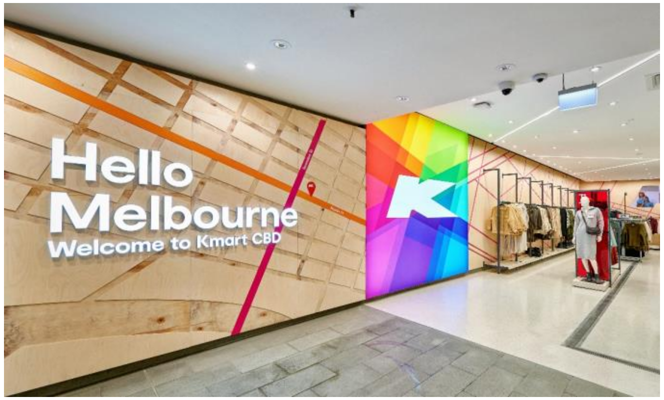
- **Revenue decreased by 10.0% to $4,602m**
  - Kmart comparable sales decrease of 6.4%
  - Target comparable sales growth of 6.0%
  - Almost 25 percent of store trading days lost due to government-mandated store closures
  - High level of COVID-related absenteeism in distribution centres impacted ability to deliver stock in line with customer demand
  - Strong growth in online
- **Earnings decreased by 55.8% to $222m**
  - Productivity impacted by government-mandated store closures and rapid, temporary shift to online
  - Continued commitments to pay team members during lockdowns and provide isolation support payments
  - Rising international freight costs and additional costs associated with holding elevated levels of stock domestically
  - Continued investment in strategic initiatives

Half-year ended 31 December ($m)	2021	2020	Var %
Revenue[1]	4,602	5,112	*(10.0)*
EBITDA[1,2]	513	822	*(37.6)*
EBT[1,2]	222	502	*(55.8)*
Kmart:			
Total sales growth[3] (%)	(4.7)	7.1	
Comparable sales growth[3,4] (%)	(6.4)	9.1	
Online penetration (%)	14.3	8.7	
Target:			
Total sales growth[3] (%)	(23.6)	2.3	
Comparable sales growth[3,4] (%)	6.0	13.0	
Online penetration (%)	26.9	15.9	

1. Includes intercompany eliminations.
2. Excludes significant items in 2020 of $34m pre-tax relating to Target store closures and conversions. There were no significant items in 2021.
3. Refer to slide 51 for relevant retail calendars.
4. Comparable growth calculation 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 key strategic initiatives to:
  - Further develop data and digital assets, including the re-platforming of the Kmart website
  - Build resilience and flexibility in the supply chain, leveraging technology and data solutions
  - Improve the customer experience and simplify operations through the use of in-store technology
- Completion of store conversion as part of planned network changes
  - Pleasing performance from converted stores in line with the business case, when adjusted to exclude the impact of lockdowns
- **Target** maintained its focus on:
  - Embedding the simplified operating model
  - Continuing to improve the product offer
  - Strengthening digital and e-commerce capabilities



Catch performance overview

- Gross transaction value (GTV) growth of 1.0%
  - Elevated GTV growth during periods of lockdown
  - Offset by a decline as restrictions eased, particularly across the in-stock business
  - 3 million active customers
- Continued investment in capabilities to support long-term growth, across
  - Team and technology
  - Automation technology and fulfilment capacity
  - Customer acquisition and retention
  - Development of OnePass membership offer
- Earnings impacted by moderation in performance of the in-stock business, with higher levels of inventory clearance
- Construction of the new fulfilment centre in NSW progressed well, with commissioning expected in 2H22

Half-year ended 31 December ($m)	**2021**	**2020**	***Var (%)***
Gross transaction value	616	610	*1.0*
Revenue	315	329	*(4.3)*
EBITDA	(30)	(4)	*n.m.*
EBT[1]	(44)	(15)	*n.m.*

n.m. = not meaningful

1. Includes an amortisation expense of $5 million in both 2021 and 2020, relating to assets recognised as part of the acquisition.

Kmart Group outlook

- Near-term trading environment is expected to remain uncertain and volatile
- Global and local supply chain disruptions and cost pressures are expected to continue
- Inventory levels continue to be actively managed, current stock concentrated in non-seasonal lines
- **Kmart** remains focused on delivering growth over the long term by leveraging its scale and product development capabilities, delivering lowest prices for customers
- **Target** will continue to improve the product offer and accelerate online growth
- **Catch** will focus on continuing to build strategic capabilities, improving the in-stock range while building on solid marketplace performance, and leveraging Wesfarmers Group assets

Officeworks

Sarah Hunter

Managing Director, Officeworks

officeworks
make bigger things happen

geeks2u

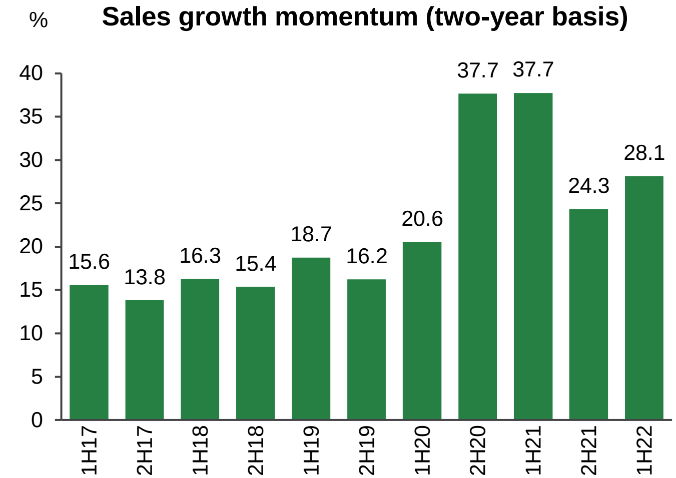
Officeworks performance summary

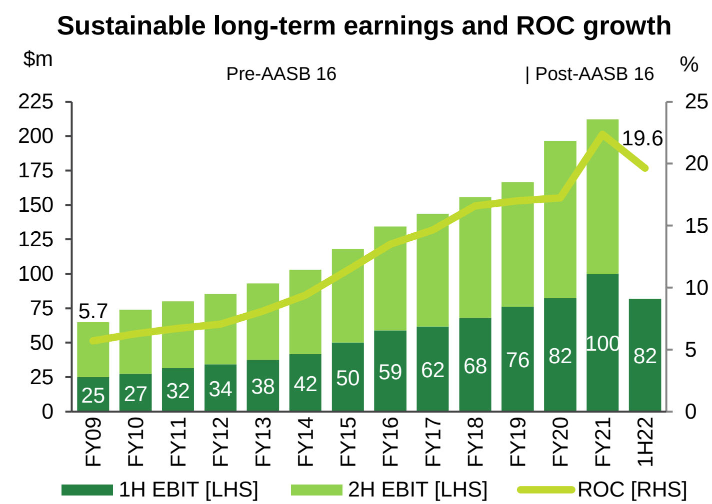
Half-year ended 31 December ($m)	2021	2020	Variance %
Revenue	**1,580**	**1,523**	***3.7***
EBITDA	142	156	*(9.0)*
Depreciation and amortisation	(55)	(51)	*(7.8)*
EBIT	**87**	**105**	***(17.1)***
Interest on lease liabilities	(5)	(5)	-
EBT	**82**	**100**	***(18.0)***
EBT margin (%)	5.2	6.6	
ROC[1] (R12, %)	19.6	23.4	
Total sales growth[2] (%)	3.7	23.6	
Online penetration (%)	46.0	37.1	
Safety (R12, TRIFR)	5.5	7.3	
Scope 1 and 2 emissions, Market-Based (ktCO_2e)	15	17	

1. ROC is calculated as EBT / capital employed, where capital employed excludes right-of-use assets and lease liabilities.
2. Refer to slide 51 for relevant retail calendars.

Officeworks sales and earnings overview

- **Sales growth of 3.7% to $1,580m**
  - Strong growth in technology and furniture products, partially offset by a decline in office supplies and print & create
  - Continued disruption from temporary store closures due to government-mandated restrictions
  - Strong 2-year sales growth of 28.1%[1]
  - Online penetration 46.0%, including click and collect
- **Earnings decline of 18.0% to $82m**
  - Additional costs as a result of rapid, temporary increase in online sales fulfilled from stores
  - Temporary inefficiencies as a result of transition to new customer fulfilment centre (CFC) in Victoria
  - Additional costs incurred to ensure COVID-19 safe operations for team and customers
  - Acceleration of investment in data, digital and e-commerce capabilities, including recruitment of additional digital roles
- **ROC (R12) of 19.6%**





1. Two-year growth is calculated as growth between 1H20 and 1H22.

Officeworks progress on strategy

Our team

- Continued focus on the safety, health and wellbeing of the team

Customer experience

- Launched partnership with Flybuys, allowing customers to collect points when shopping in-store and online
- Commenced rollout of refreshed brand to create a more engaging and inspiring every channel customer experience

Connecting with our communities

- Launched the Australian retail sector ‘Race to Zero’ campaign, reinforcing Officeworks’ net zero commitments
- Celebrated 1 million trees planted as part of Restoring Australia

Operational excellence

- Transitioned to new CFC in Victoria, fully operational in Q2 FY22
- Commenced project for new automated CFC in WA

Growing our business

- Continued implementation of store renewal program and completed three store relocations
- Launched new crafting ranges
- Delivered bespoke online recommendation engine and website integration of Officeworks’ data analytics platform

Refreshed brand elements at Officeworks Chadstone

Automation and team member upskilling at the new Victorian CFC

Officeworks outlook

- The near-term operating environment is expected to remain challenging with continued impacts of COVID-19 on customer demand and team member availability
- Ongoing global supply shortages of some products, and shipping and transport disruptions
- Expect higher operating costs to continue as disruptions persist, impacting sales and earnings growth during 2H22
- Despite near-term disruptions, Officeworks remains well positioned to deliver long-term growth by executing its strategic agenda
  - Leveraging increased customer data and refreshed brand to create more inspiring and engaging experiences for customers online and in-store
  - Continue to modernise the supply chain, delivering greater capacity and a more efficient network
  - Launch a new business-to-business flexible work platform into market

Flybuys launch in December 2021


Recycling stations help customers make more sustainable choices

Chemicals, Energy and Fertilisers

Ian Hansen
Managing Director, Wesfarmers Chemicals, Energy and Fertilisers

Wesfarmers Chemicals, Energy & Fertilisers

CSBP | covalent LITHIUM | QNP | AGA | Australian Vinyls | MODWOOD | Kleenheat | EVOL LNG

Chemicals, Energy and Fertilisers performance summary

Half-year ended 31 December ($m)		2021	2020	Variance %
Revenue[1]	Chemicals	642	489	*31.3*
	Energy	252	206	*22.3*
	Fertilisers	183	135	*35.6*
	Total	**1,077**	**830**	***29.8***
EBITDA		262	202	*29.7*
Depreciation and amortisation		(43)	(42)	*(2.4)*
EBIT		**219**	**160**	***36.9***
Interest on lease liabilities		(1)	-	*n.m.*
EBT		**218**	**160**	***36.3***
External sales volumes[2] ('000 tonnes)	Chemicals	565	550	*2.7*
	LPG & LNG	109	115	*(5.2)*
	Fertilisers	286	274	*4.4*
ROC[3] (R12, %)		19.6	18.1	
ROC[3] (R12, %) (excluding ALM)		32.2	29.0	
Safety (R12, TRIFR)		4.2	3.2	
Scope 1 and 2 emissions, Market-Based ($ktCO_2e$)		370	454	

n.m. = not meaningful
1. Excludes intra-division sales.
2. External sales exclude AN volumes transferred between Chemicals and Fertilisers business segments.
3. ROC is calculated as EBT / capital employed, where capital employed excludes right-of-use assets and lease liabilities.

Chemicals, Energy and Fertilisers overview

- Revenue of $1,077m, up 29.8% and earnings of $218m, up 36.3% on the prior corresponding period, supported by higher global commodity prices, particularly for LPG, ammonia, and ammonia-related products
- Market-Based Scope 1 and 2 emissions declined due to continued benefit from abatement catalysts and a temporary reduction from the planned ammonia plant maintenance shutdown
- **Chemicals**: Earnings up on the prior corresponding period
  - AN[1] earnings increased due to higher global commodity prices and continued robust demand from the Western Australian (WA) mining sector and agricultural customers
  - Sodium Cyanide earnings increased, with higher sales volumes, and stronger pricing in WA
  - Ammonia earnings impacted by a planned five-yearly plant maintenance shutdown and timing of ammonia cost price increases passed through under customer contracts
- **Energy:** Earnings significantly up on the prior corresponding period
  - Higher Saudi CP[2], reflecting higher global energy prices, partially offset by higher WA gas input costs
  - Benefit from shift in sales mix towards domestic LPG volumes, following the closure of BP's Kwinana Refinery
- **Fertilisers**: Earnings up on the prior corresponding period
  - Higher global commodity prices and sales volumes due to a strong end to the 2021 growing season, supported by strong availability and utilisation of local manufacturing and distribution facilities
  - Continued investment in data and digital to improve reliability, experience and advice for customers
- **Lithium**: Result includes WesCEF's 50% investment in the Mt Holland Lithium Project
  - Construction commenced on the Kwinana refinery, and the mine and concentrator at Mt Holland
  - WesCEF's share of capital expenditure for the development of the Mt Holland lithium project was $139m for the half

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

Chemicals, Energy and Fertilisers outlook

- **Chemicals** expected to benefit from a continued strong global ammonia price and the recommencement of production from the ammonia plant in December 2021
- Demand for AN from the mining sector expected to remain robust
- Sodium Cyanide earnings expected to benefit as international gold mines recover from COVID related disruptions

- **Energy** earnings are expected to continue benefiting from the higher Saudi CP, partially offset by higher Western Australian gas input costs
- Natural gas retailing business remains focused on customer retention and service offering

- In **Fertilisers**, a record harvest in the 2021 season is expected to support positive grower sentiment
- Business continues to closely manage inventory given high commodity input prices
- Demand will remain contingent on grower cost pressures in a high commodity price environment

- **WesCEF** continues to invest in the evaluation of expansion opportunities across the Chemicals portfolio
- Finalising net zero roadmap, investigating emission reduction initiatives and evaluating low carbon growth opportunities
- Expect to continue to incur additional costs associated with international supply chain disruptions and inflation pressure in areas such as labour markets
- Covalent will significantly ramp-up construction activity at the Mt Holland lithium mine, concentrator and Kwinana refinery
- Earnings will be subject to international commodity prices, exchange rates, competitive factors and seasonal outcomes

Industrial and Safety

Tim Bult
Managing Director, Wesfarmers Industrial and Safety

Industrial and Safety performance summary

Half-year ended 31 December ($m)	2021	2020	Variance %
Revenue	**944**	**898**	***5.1***
EBITDA	80	76	*5.3*
Depreciation and amortisation	(37)	(37)	-
EBIT	**43**	**39**	***10.3***
Interest on lease liabilities	(2)	(2)	-
EBT	**41**	**37**	***10.8***
EBT margin (%)	4.3	4.1	
ROC[1] (R12, %)	6.5	5.4	
Safety (R12, TRIFR)	3.1	4.5	
Scope 1 and 2 emissions, Market-Based (ktCO_2e)	14	12	

1. ROC is calculated as EBT / capital employed, where capital employed excludes right-of-use assets and lease liabilities.

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 and labour availability constraints due to COVID-19
- **Revenue growth of 5.1% to $944m**
  - Blackwoods' revenue increased due to continued growth from strategic customers and demand in the mining and manufacturing sectors, and in New Zealand. Partially offset by:
    - Weaker demand from retail, construction and government sectors
    - NSW and Victoria impacted by COVID-related lockdowns and restrictions
    - Cycling of elevated demand for critical PPE products in the prior corresponding period
  - Workwear Group's revenue increased in the uniforms and the industrial workwear brands, partially offset by the divestment of the UK business in 2H21
  - Coregas' revenue increased from higher demand from industrial and healthcare customers
- **Earnings growth of 10.8% to $41m**
  - Blackwoods' earnings in line with the prior period, impacted by the continued investment in customer service and digital capabilities
    - Now completed three of the four regional ERP[1] system deployments
  - Workwear Group earnings growth was supported by higher sales, operating efficiencies and the simplification of the uniforms business
  - Coregas' earnings growth supported by higher sales and a small acquisition during the period

1. Enterprise resource planning.

Industrial and Safety outlook

- Market conditions are expected to remain uncertain and challenging for the remainder of FY22
  - The Industrial and Safety businesses will continue to be impacted by COVID-related disruptions to global supply chains and labour availability challenges
- All businesses will maintain their focus on delivering improvements in performance and profitability
- **Blackwoods** will continue to focus on improving its customer value proposition
  - Strengthening its core operational capabilities, including data and digital
  - Completing the remaining 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
- **Coregas** is expected to continue its strength in healthcare and industrial segments offset by ongoing competitive pressures and rising input and distribution costs

Group outlook

Rob Scott

Managing Director, Wesfarmers Limited

Wesfarmers

Outlook

- Through COVID-19, Wesfarmers and its businesses have focused on supporting team members, building deeper customer relationships and community trust, while continuing to invest for long-term growth
  - This ongoing focus, combined with a strong balance sheet and portfolio of cash-generative businesses, make Wesfarmers well positioned to deliver satisfactory returns to shareholders over the long term
- Economic conditions in Australia are favourable, with strong employment and high levels of accumulated household savings, but the Group continues to actively monitor increasing inflationary pressures
- Retail trading conditions were subdued in January, as rising cases of the COVID-19 Omicron variant impacted both customer traffic and labour availability, but trading momentum has improved in recent weeks
- The retail businesses will maintain their focus on meeting changing customer needs and delivering even greater value, quality and convenience for customers
  - The retail businesses are well positioned to support customers in a more inflationary environment, and will increase their focus on providing price leadership on everyday products
- The performance of the Group's industrial businesses will continue to be subject to international commodity prices, foreign exchange rates, competitive factors and seasonal outcomes
- The Group will continue to build platforms for growth, and progress will accelerate on the development of the Group's data and digital ecosystem, including the progressive expansion of the OnePass subscription program
- Global supply chain disruptions, and constraints in domestic supply chains are expected to lead to additional costs and impact availability in some categories
- Wesfarmers will continue to actively consider climate change risk in the context of key business decisions and manage the portfolio with deep carbon awareness

Questions

Appendix: Supplementary information

Wesfarmers

Group management balance sheet

($m)[1]	1H22	FY21	1H21	Commentary (versus 1H21)
Inventories	5,605	4,502	4,516	• Increase due to higher levels of stock in transit and inventory held in DCs for Kmart Group and higher inventory levels for WesCEF
Receivables and prepayments	1,267	1,434	1,024	
Trade and other payables	(5,204)	(4,234)	(4,520)	• Increase due to higher purchases in Bunnings and Kmart Group
Other	133	228	160	
Net working capital	**1,801**	**1,930**	**1,180**	
Property, plant and equipment	3,521	3,496	3,478	
Mineral rights / mine properties	1,015	866	829	• Increase due to continued investment in development of the Mt Holland lithium project
Intangibles	3,958	3,902	3,867	
Other assets	2,350	1,962	1,688	
Provisions and other liabilities	(1,675)	(1,744)	(1,610)	
Total capital employed[2]	**10,970**	**10,412**	**9,432**	
Net financial (debt) / cash[3]	(2,615)	109	871	• Increased debt largely driven by distribution of $2.3 billion of surplus capital by way of capital return in December 2021
Net tax balances	481	264	376	
Net right-of-use asset / (lease liability)	(1,093)	(1,070)	(1,068)	
Total net assets	**7,743**	**9,715**	**9,611**	

1. Balances reflect the management balance sheet, which is based on different classification and groupings from the balance sheet in the 2022 Half-Year Report.
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.

Movements in net financial debt

- Net financial debt[1] position of $2.6b as at 31 December 2021
- Compares to the net financial cash[1] position of $0.1b as at 30 June 2021
- Largely driven by the $2.3b distribution of surplus capital by way of capital return to shareholders in December 2021

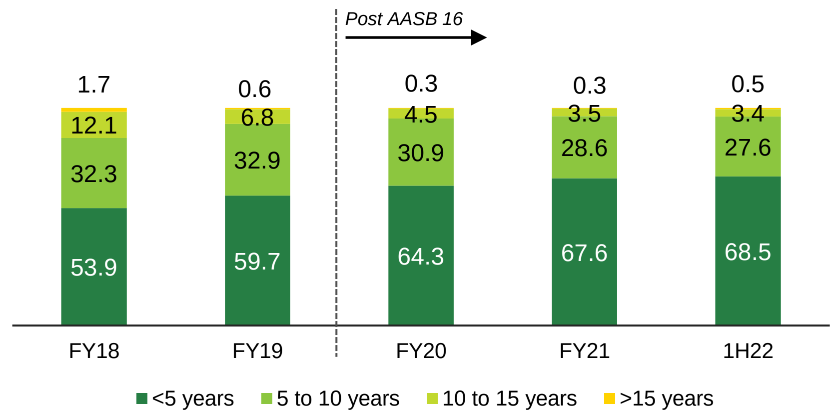
1. Interest-bearing liabilities less cash at bank and on deposit, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes lease liabilities.
2. Includes repayment of lease liabilities.

Management of lease portfolio

- Lease liabilities totalled $7.2b and represented 70% of Group fixed financial obligations as at 31 December 2021
- The planned network changes within the Kmart and Target store network completed this half with Target's lease liabilities reduced by approximately one-third since June 2020
- Average remaining committed lease term of 4.5[1] years (1H21: 4.7 years)
- Approach to lease portfolio management unchanged by AASB 16
  – Continued focus on lease-adjusted return on capital as a key hurdle for divisions

($m)	1H22	FY21	1H21
Bunnings	3,854	3,738	3,822
Kmart Group	2,794	2,817	2,875
Officeworks	354	334	342
WesCEF	50	23	27
Industrial and Safety	155	160	160
Other	31	33	34
Total lease liabilities	**7,238**	**7,105**	**7,260**

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 31 December	2021			2020			
	EBT ($m)	Cap Emp[1] ($m)	ROC (%)	EBT ($m)	Cap Emp[1] ($m)	ROC (%)	Var (ppt)
Bunnings	2,170	2,745	79.0	2,162	2,823	76.6	*2.4*
Kmart Group	384	1,569	24.5	554	1,561	35.5	*(11.0)*
Officeworks	194	988	19.6	215	918	23.4	*(3.8)*
WesCEF[2]	442	2,254	19.6	381	2,109	18.1	*1.5*
Industrial and Safety	74	1,145	6.5	69	1,269	5.4	*1.1*

1. Capital employed excludes right-of-use assets and lease liabilities.
2. Return on capital excluding ALM for 2021 is 32.2% and for 2020 is 29.0%.

Retail store networks

As at 31 December 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	63	52	18	29	7	3	29	280
Smaller format	19	15	11	3	9	-	-	12	69
Trade	7	3	7	2	3	1	-	7	30
Adelaide Tools / TKD	-	-	-	5	4	-	-	-	9
Beaumont Tiles[1]	31	32	30	18	-	2	1	-	114
Total Bunnings	**136**	**113**	**100**	**46**	**45**	**10**	**4**	**48**	**502**
Kmart Group									
Kmart	73	65	50	16	33	5	3	25	270
K hub	14	16	17	5	3	-	1	-	56
Target	40	32	31	12	12	5	2	-	134
Total Kmart Group	**127**	**113**	**98**	**33**	**48**	**10**	**6**	**25**	**460**
Officeworks	**56**	**51**	**31**	**10**	**16**	**2**	**1**	**-**	**167**

1. Beaumont Tiles includes both company-owned and franchise stores.

Revenue reconciliation – Kmart Group

Half-year ended 31 December ($m)	2021	2020
Segment revenue (Gregorian)	**4,917**	**5,441**
Less: Non sales revenue	(48)	(35)
Headline sales (Gregorian)	**4,869**	**5,406**
Add: Gregorian adjustment[1]	87	100
Headline sales revenue (Retail)[2]	**4,956**	**5,506**

1. Adjustment to headline sales revenue to reflect retail period end.
2. Refer to slide 51 for relevant retail calendars.

Retail calendars

Business	Retail sales period
Bunnings, Officeworks and Catch	
1H22	1 Jul 2021 to 31 Dec 2021 (6 months)
1H21	1 Jul 2020 to 31 Dec 2020 (6 months)
1H20	1 Jul 2019 to 31 Dec 2019 (6 months)
Kmart	
1H22	28 Jun 2021 to 2 Jan 2022 (27 weeks)
1H21	29 Jun 2020 to 3 Jan 2021 (27 weeks)
1H20	1 Jul 2019 to 5 Jan 2020 (27 weeks)
Target	
1H22	27 Jun 2021 to 1 Jan 2022 (27 weeks)
1H21	28 Jun 2020 to 2 Jan 2021 (27 weeks)
1H20	30 Jun 2019 to 4 Jan 2020 (27 weeks)