News Release



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WESFARMERS 2017 SUSTAINABILITY REPORT RELEASED

Wesfarmers today released its 2017 Sustainability Report. This is the 20th year Wesfarmers has published a sustainability report and the fourth year it has been available in a fully interactive online format.

The report details the Group's performance against its 10 sustainability principles in the areas of people, sourcing, community, environment and governance. It also addresses the sustainability performance of each of Wesfarmers' businesses, including more than 40 case studies from across the Group.

Performance highlights covered in the report include:

- Safety: a 16 per cent reduction in the total recordable injury frequency rate
- Diversity: a 27 per cent increase in the number of employees identifying as Indigenous to 4,231
- Ethical sourcing: further improvements in the transparency of our supply chain with more than 5,400 factories and supplier sites in our annual audit program
- Community: record community contributions of \$132 million, including \$73 million in direct funding and \$59 million in facilitated donations from customers and employees
- Climate change resilience: stable emissions intensity across the Group, notwithstanding a 13.7 per cent increase in coal production, and a 16 per cent reduction in emissions intensity since 2013.

The report includes <u>Wesfarmers 2017 Human Rights and Modern Slavery statement</u> which describes the steps taken by Wesfarmers and its subsidiaries during the financial year to seek to ensure that slavery and human trafficking are not occurring in any of our businesses or their supply chains.

In his <u>introduction to the 2017 report</u>, Wesfarmers Managing Director Richard Goyder said good progress had been made in key focus areas, including safety, Indigenous employment, ethical sourcing, and community contributions.

"We are doing some really good things across the Group on the sustainability front," Mr Goyder said. "In other areas we have more work to do. Sustainability is core to the way we operate and we can only create value for all our stakeholders if we operate in a sustainable way in the communities and the environment we operate in."

In a <u>video case study on governance</u>, Wesfarmers Chairman Michael Chaney said it was widely understood that companies existed to provide good returns to their shareholders but "it would be a big mistake to think that companies were just about the money".

"There are a whole lot of other things that companies have to get right if they're going to be sustainable, if they're going to be prosperous in the long term," he said.

Mr Chaney said one of those things was good succession planning and processes. It was an area where Wesfarmers had always performed well, including this year with the impending retirements of Mr Goyder and Chief Financial Officer Terry Bowen, and their replacement by internal candidates Rob Scott and Anthony Gianotti respectively.

"It will be a pretty seamless transition and that is what we aim to do with our succession planning, to make sure that the people who replace those at any level are fully aware of Wesfarmers' culture and the expectation of the Board around sustainability," Mr Chaney said.

Level 14, Brookfield Place Tower 2 123 St Georges Terrace Perth WA 6000 T + 61 8 9327 4211 info@wesfarmers.com.au www.wesfarmers.com.au Last month Wesfarmers was advised it had scored 78 out of 100 in the Dow Jones Sustainability Index (DJSI). The assessment recognises Wesfarmers as a global leader in sustainability, with its strongest performance in the areas of health and nutrition, information and cyber security, environmental policy and management and corporate citizenship.

The 2017 report can be viewed at sustainability.wesfarmers.com.au.

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