2026 Corporate Governance Statement

Wesfarmers

Contents

2026 Wesfarmers Annual Report is available at **wesfarmers.com.au**

The Board of Wesfarmers Limited

Back row (L-R) Alan Cransberg, Alison Watkins AM, Ken MacKenzie, Rob Scott, Michael Chaney AO, Bill English KNZM, Julie Coates
Front row (L-R) Sharon Warburton, Mike Roche, Tom von Oertzen, Kate Munnings

The Board of Wesfarmers Limited is committed to providing a satisfactory return to shareholders and fulfilling its corporate governance obligations and responsibilities. This corporate governance statement details the key aspects of Wesfarmers' governance framework and practices. These are reviewed regularly to ensure they meet regulatory requirements and are consistent with market practice.

The Board believes that the governance policies and practices adopted by Wesfarmers during the year ended 30 June 2026 have followed the recommendations in the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles**).

In this corporate governance statement, references to 'Wesfarmers', 'the company', 'the Group', 'we', 'us' and 'our' refer to Wesfarmers Limited (ABN 28 008 984 049) unless otherwise stated.

This corporate governance statement is for the year ended 30 June 2026 and details in it are as of that date, unless otherwise stated.

1. Roles and responsibilities of the Board and management

The role of the Board is to:

- approve the purpose, values and strategic direction of the Group
- guide and monitor Wesfarmers' management and its businesses in achieving its strategic plans
- oversee good governance practices
- set the Group's risk appetite and review, approve and monitor the Group's financial and non-financial risk management systems
- appoint the Group Managing Director and approve remuneration of, and review the performance of, the Group Managing Director and executive key management personnel.

The Board aims to protect and enhance the interests of its shareholders, while taking into account the interests of other stakeholders, including team members, customers, suppliers, government, regulators and the communities in which the Group's businesses operate.

A key area of responsibility of the Board is monitoring and guiding the culture of the Group — with its unique focus on delivering satisfactory returns to shareholders — and the reputation of the Group.

In performing its role, the Board is committed to a high standard of corporate governance practices and to fostering a culture of compliance, which values ethical behaviour, personal and corporate integrity, accountability, transparency and respect for others.

The Board Charter clearly sets out the roles and responsibilities of the Board and senior management and describes those matters expressly reserved for the Board's determination and those matters delegated to senior management. The Board Charter is available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

Senior management, amongst other matters, takes primary ownership of, and is responsible for:

- instilling and reinforcing the Group's values
- implementing sound risk management and controls which accord with the risk appetite set by the Board
- ensuring the Board receives timely and accurate information about the Group to enable it to fulfil its responsibilities
- developing and making recommendations to the Board on the Group's strategies and executing these.

The Board holds management accountable for the performance of functions delegated to management. In doing so the Board constructively challenges management's proposals and decisions and seeks to instil a culture of accountability throughout the Group.

The Group Managing Director has responsibility for the day-to-day management of Wesfarmers and its businesses and is supported in this function by the Wesfarmers Leadership Team.

Details of the members of the Wesfarmers Leadership Team are set out on pages 14 and 15 of the company's 2026 Annual Report and in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

In fulfilling its roles and responsibilities, the key focus areas of the Board during the 2026 financial year are set out below.

Key focus areas of the Board during the 2026 financial year:

- **Strategy** – overseeing implementation of the Group's strategy in a complex external environment
- **Value-creation** – reviewing and providing input into the business operations and strategic plans of each division to drive long-term shareholder value
- **Growth** – monitoring and evaluating growth opportunities that leverage Wesfarmers' capabilities and complement the existing portfolio
- **Portfolio optimisation** – overseeing portfolio changes that included the transition of Wesfarmers Industrial and Safety into Bunnings Group and the Group's investment in the Built Living joint venture (subject to certain consents and approvals)
- **Artificial Intelligence (AI)** – overseeing opportunities to leverage AI that are being pursued in the Group, including entry into strategic partnerships with AI technology providers. Directors also participated in formal education in AI and a study tour in the United States as detailed in section 3.2
- **Lithium** – overseeing the continuing development of the Covalent lithium project, as the Kwinana lithium hydroxide refinery achieved first lithium hydroxide production and continues its ramp-up and the Mt Holland mine and concentrator achieved nameplate spodumene production. The Board also evaluated the expansion of the Mt Holland mine and concentrator
- **Financial oversight** – monitoring the Group's operating and cash flow performance, financial position and key metrics, including financial covenants and credit ratings
- **Capital structure** – considering the Group's capital structure and approving the 2025 capital management distribution which was approved by shareholders at the 2025 Annual General Meeting (**AGM**)
- **OneDigital** – overseeing the continuing development of OnePass, including refinement of the OnePass customer value proposition, Group strategic data initiatives and shared data asset and the OneReach Group-wide retail media network
- **Investment in technology** – approving and monitoring technology investments in the Group, including enterprise resource planning system upgrades in multiple divisions
- **Safety** – monitoring the Group's safety performance, including evaluating areas of underperformance and overseeing strategies to improve safety and workplace safety awareness. The Board also oversaw clinical governance performance in the Health division
- **External environment** – monitoring the implications of external events through the year, such as conflict in the Middle East and heightened inflation and cost of living pressures in Australia, evaluating the impact of these events on the Group and overseeing management's response to them
- **Technology risk and privacy** – overseeing the management of cyber security, data governance, AI governance and privacy risks across the Group
- **Talent** – reviewing how the Group attracts, develops, motivates and retains talent and overseeing succession planning
- **Remuneration** – overseeing the Group's remuneration framework and remuneration outcomes for senior management
- **Sustainability** – overseeing the company's preparedness for mandatory sustainability reporting and monitoring sustainability risks, including the Group's performance on key climate metrics
- **Risk management** – reviewing and updating aspects of the Group's risk management framework, overseeing strategies to improve the framework and monitoring that the Group is operating with due regard to the risk appetite set by the Board
- **Governance** – reviewing and updating policies, reporting and processes to make improvements to the Group's system of corporate governance and compliance

2. Structure and composition of the Board

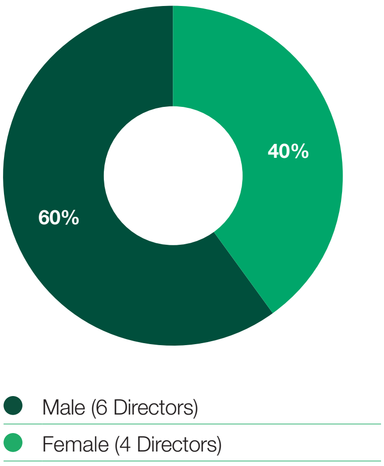
Wesfarmers is committed to ensuring that the composition of the Board continues to include directors who collectively bring an appropriate mix of skills, commitment, experience, expertise and diversity (including gender diversity) to Board decision-making.

As at 30 June 2026, the Board comprised 11 directors, including ten non-executive and independent directors. Details of the directors, including their qualifications and dates of appointment are set out below. Detailed biographies of all current directors are set out on pages 102 and 103 of the company's 2026 Annual Report.

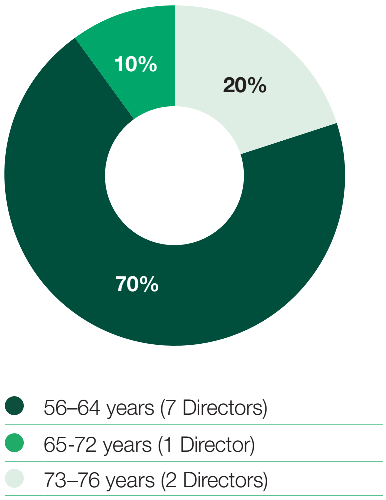
The Board is of the view that the current directors possess an appropriate mix of skills, commitment, experience, expertise (including knowledge of the Group and the relevant industries in which the Group operates) and diversity to enable the Board to discharge its responsibilities effectively and deliver the company's strategic priorities as a diversified corporation.

The Board, through the Nomination Committee, evaluates the Board's composition, skills and experience to ensure it can fulfil its responsibilities. This includes an annual assessment of the Board's combined skills and experience against a matrix of competencies relevant to Wesfarmers.

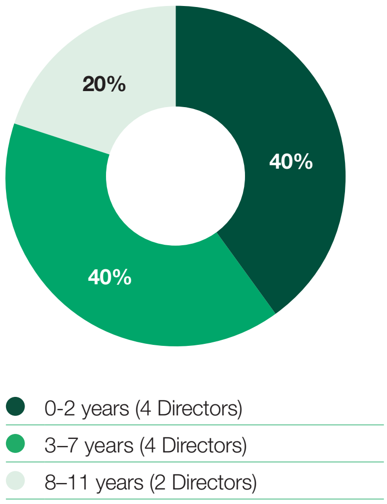
Board gender diversity
Non-executive Directors



Age of non-executive Directors



Non-executive Director tenure



BOARD TENURE AND QUALIFICATIONS (AS AT 30 JUNE 2026)

NAME OF DIRECTOR	TERM IN OFFICE	QUALIFICATIONS
Michael Chaney AO	Director since June 2015 and Chairman since November 2015	BSc MBA Hon. LLD W.Aust FAICD
Ken MacKenzie	Director since June 2026	BEng FIEAust FAICD
Rob Scott	Director since November 2017	B.Comm MAppFin CA GradDipAppFin OLY
Julie Coates	Director since May 2025	GradDipEd BA AMP
Alan Cransberg	Director since October 2021	BEng(Civil Eng) (Hons)
Bill English KNZM	Director since April 2018	BA(Hons) BCom (Otago)
Kate Munnings	Director since August 2024	LLB (UNSW) BHSc (Nursing) (UTS) AMP INSEAD
Mike Roche	Director since February 2019	BSc GAICD FIA (London) FIAA (Australia)
Friedrich (Tom) von Oertzen	Director since October 2024	BBA MBA GAICD
Sharon Warburton	Director since August 2019	BBus (Accounting & Business Law) FCA FAICD
Alison Watkins AM	Director since September 2021	BCom FCA FAICD*Life* F FIN

2. Structure and composition of the Board cont.

Each director completes an online self-assessment against the capability areas in the matrix, on an ascending scale of competency — ‘competent’, ‘experienced’ and ‘expert’.

Each self-assessment has been adjusted for peer review feedback from other directors through the online platform. Directors were also asked to provide evidence for any area in which they self-assessed as ‘expert’.

The Board augments its skills and expertise through management and external advisors. For example, David Cheesewright was appointed as an advisor to the Board in 2018 and brings extensive international experience in retailing, including 19 years with Walmart.

The adjusted Board skills matrix for the 2026 financial year is set out below.[1]

Wesfarmers Board[1] skills and experience

Skill	Expert	Experienced	Competent
LEADERSHIP AND STRATEGY			
Leadership: Experience in a senior management position in a listed company, large or complex organisation or government body.	7	1	2
Strategy: Experience in corporate planning, including identifying and analysing strategic opportunities and threats, developing, implementing and delivering strategic objectives and monitoring performance against strategic objectives.	6	3	1
INDUSTRY AND MARKETS			
Retail markets: Knowledge and experience in the retail and consumer goods industry, including merchandising, brand development, customer relationships and supply chain.	3	2	5
Industrial, resources and infrastructure: Experience in the industrial, resources or infrastructure sectors, including project construction.	4	5	1
Digital, data and technology: Experience in identifying, assessing, implementing and leveraging digital technologies and other innovations, understanding the use of data and analytics and responding to digital disruption.	2	4	4
International experience: Experience in international business, trade and/or investment at a senior executive level and exposure to global markets and a range of different political, regulatory and business environments.	4	4	2
FINANCE AND GROWTH			
Financial acumen: Understanding of financial statements and reporting, key drivers of financial performance, corporate finance and internal financial controls.	7	3	
Corporate transactions: Experience in assessing and completing complex business transactions, including mergers, acquisitions, divestments, capital management, major projects and business integration.	3	7	
LEGAL, RISK AND COMPLIANCE			
Corporate governance: Experience in, and commitment to, the highest standards of corporate governance.	5	5	
Risk management: Experience in identification, monitoring and management of material financial and non-financial risks and understanding, implementation and oversight of risk management frameworks and controls.	4	6	
Legal, regulatory and public policy: Experience in the management and oversight of compliance with legal and regulatory requirements and/or experience in the development, implementation and review of regulatory and public policy.	3	3	4
SUSTAINABILITY AND SOCIAL			
Climate and decarbonisation: Understanding of, and experience in, managing climate change risks and decarbonisation strategies.		3	7
Human rights and ethical sourcing: Understanding and experience in best practice in human rights and ethical sourcing.	1	3	6
Community engagement and social responsibility: Understanding and experience in community and stakeholder relations and corporate social responsibility.	6	2	2
PEOPLE AND STAKEHOLDER ENGAGEMENT			
People and culture: Experience in overseeing workplace culture, people management, development and succession planning, setting remuneration frameworks and promoting inclusion and diversity.	6	3	1
Government and regulatory engagement: Professional experience working or interacting with government and regulators.	3	3	4

Expert: Demonstrated and recognised expertise through extensive tenure in the area as a director, executive or advisor.

Experienced: A sound knowledge of the subject matter through time spent in the areas as a director, executive or advisor, or through formal study.

Competent: A working understanding of the subject matter.

1 This excludes Ken MacKenzie, as the Board skills matrix evaluation for the 2026 financial year was completed before he commenced as a director. Mr MacKenzie has international experience as a chief executive and non-executive chairman. His skills span leadership, strategy, corporate governance, corporate transactions and government and regulatory engagement across sectors including resources and fast-moving consumer goods.

2. Structure and composition of the Board cont.

2.1 Independence of the Chairman

The Chairman is elected from the independent non-executive directors. The responsibilities of the Chairman are set out in the Board Charter on the company's website at **wesfarmers.com.au/cg**

Michael Chaney is the present serving Chairman. Further information about Mr Chaney is set out on page 102 of the company's 2026 Annual Report. Wesfarmers has announced that Mr Chaney is to retire and will be succeeded by Ken MacKenzie from the conclusion of Wesfarmers' 2026 AGM, subject to Mr MacKenzie's election as a director by shareholders, as required under Wesfarmers' constitution, at that meeting.

2.2 Director independence

Directors are expected to bring views and judgement to Board deliberations that are independent of management and free of any interest, position, association, business or other relationship or circumstance that could materially interfere with the exercise of objective, unfettered or independent judgement, having regard to the best interests of the company as a whole.

Each non-executive director is required to notify the Chairman prior to accepting an invitation to become a director of any other company. In considering the new appointment, the Chairman is to consider:

- the terms of Wesfarmers' Director Conflicts of Interest Policy
- the time commitment required of the director to properly exercise their powers and discharge their duties as a director of Wesfarmers and member of any Board committees

An independent director is a non-executive director who is not a member of management and who is free of any interest, position, association, business or other relationship that could influence, or could reasonably be perceived to influence, the independent exercise of their judgement.

The Board regularly assesses the independence of each non-executive director in light of the information which each director is required to disclose in relation to any material contract or other relationship with Wesfarmers in accordance with the director's terms of appointment, the *Corporations Act 2001*, the Board Charter and Wesfarmers' Director Conflicts of Interest Policy. Each non-executive director may be involved with other companies or professional firms which may from time to time have dealings with Wesfarmers. Details of some of the offices held by directors with other organisations are set out on pages 102 and 103 of the company's 2026 Annual Report and on the company's website at **wesfarmers.com.au/cg**

The Board considers any changes to each non-executive director's interests, positions, associations or relationships that could bear upon their independence. The Board's assessment of independence and the criteria against which it determines the materiality of any facts, information or circumstances is formed having regard to the ASX Principles. In particular, the Board focuses on the factors relevant to assessing the independence of a director set out in recommendation 2.3 of the ASX Principles and the materiality guidelines applied in accordance with Australian Accounting Standards.

The Board considers that a relationship could influence, or could reasonably be perceived to influence, a director's independent judgement where it is of such substance and consequence that there is a real and sensible possibility that it would affect the director's judgement.

The Board has reviewed the position and relationships of all directors in office as at 30 June 2026 and considers that all 10 non-executive directors holding office at the time are independent.

Non-executive directors (as at 30 June 2026)

Independent
Michael Chaney AO (Chairman)
Ken MacKenzie
Julie Coates
Alan Cransberg
Bill English KNZM
Kate Munnings
Mike Roche
Tom von Oertzen
Sharon Warburton
Alison Watkins AM

2. Structure and composition of the Board cont.

2.3 Directors' rights and obligations

The key rights and obligations of the directors are set out below:

Retirement and re-election

One-third of directors (other than the Managing Director and directors filling casual or additional vacancies) must retire at each annual general meeting

Directors filling casual or additional vacancies must have their appointment confirmed at the next annual general meeting

The Nomination Committee makes recommendations on the appointment, election and re-election of directors

The Chairman must retire from this position at the expiration of 10 years unless the Board decides otherwise

The Chairman's appointment is formally reviewed every three years

Conflicts of interest

Directors have a duty not to place themselves in a position which gives rise to a real or substantial possibility of a conflict of interest or duty, in relation to any matter which is or is likely to be brought before the Board

Directors have an ongoing obligation to disclose to the Board immediately any real or substantial possibility of a conflict of interest or duty

Directors are required to declare (by formal standing notices) material personal interests or other conflicts requiring disclosure

The Director Conflicts of Interest Policy sets out disclosure obligations and procedures to be followed by directors in the event of a conflict or potential conflict of interest or duty

Access to information and independent advice

Directors are entitled to:

- Directly contact and discuss matters with team members and the Company Secretary
- Unrestricted access to records, subject to law
- Independent professional advice at Wesfarmers' expense, where reasonable and necessary to fulfil their duties, and subject to prior consultation with the Chairman (and in relation to the Chairman, subject to prior consultation with the Chairman of the Audit and Risk Committee)

Related party transactions

Related party transactions are disclosable in accordance with the relevant Accounting Standards and the *Corporations Act 2001*. These are presently reported in note 24 of the 2026 financial statements

2. Structure and composition of the Board cont.

2.4 Committees of the Board

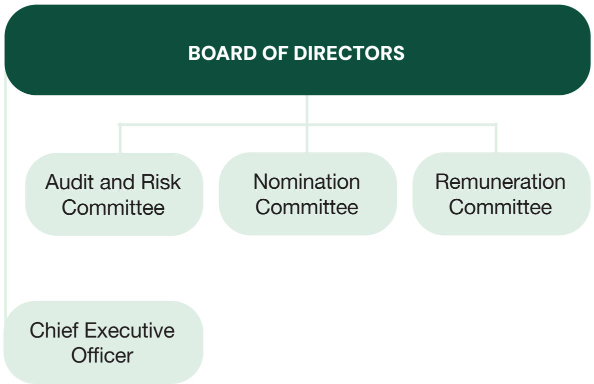
The Board has established an Audit and Risk Committee, a Nomination Committee and a Remuneration Committee as standing committees to assist with the discharge of its responsibilities.

All directors have a standing invitation to attend committee meetings where there is no conflict of interest. These committees review matters on behalf of the Board and (subject to the terms of the relevant committee's charter):

- refer matters to the Board for decision, with a recommendation from the committee (where the committee acts in an advisory capacity)
- determine matters (where the committee acts with delegated authority), which it then reports to the Board

Details of the current membership and composition of each committee are set out below. Details of meeting attendance for members of each committee during the 2026 financial year are set out in the Directors' Report on page 110 of the company's 2026 Annual Report. The roles and responsibilities of each committee are set out in the respective committee charters which are available on the company's website at **wesfarmers.com.au/cg**

Governance Framework



COMMITTEE	MEMBERS	COMPOSITION
AUDIT AND RISK COMMITTEE	Sharon Warburton (Chairman) Bill English Ken MacKenzie Kate Munnings Tom von Oertzen	– Three or more non-executive directors – Members who between them have accounting and financial expertise and a sufficient understanding of the industries in which the Group operates, to be able to discharge the Committee's mandate effectively – A majority of independent non-executive directors – Chaired by an independent director who is not the chair of the Board – Chaired by a Fellow of Chartered Accountants Australia and New Zealand with extensive board and executive experience in finance, accounting and risk management
NOMINATION COMMITTEE	Michael Chaney (Chairman) All other non-executive directors	– All non-executive directors – A majority of independent non-executive directors. – Chaired by an independent director
REMUNERATION COMMITTEE	Mike Roche (Chairman) Michael Chaney Julie Coates Alan Cransberg Ken MacKenzie Alison Watkins	– Three or more non-executive directors – A majority of independent non-executive directors – Chaired by an independent director

2.5 The role of the Company Secretary

Sheldon Renkema was appointed as the Company Secretary on 30 October 2023. Mr Renkema is a member of the Wesfarmers Leadership Team and his qualifications and experience are set out in the Directors' Report on page 111 of the company's 2026 Annual Report.

The Company Secretary is appointed by the Board and is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary works closely with the Chairman to manage the flow of information between the Board, its committees and senior executives across the Group. Further details about the role of the Company Secretary are set out in Wesfarmers' Board Charter which is available on the company's website at **wesfarmers.com.au/cg**

3. Board succession planning

3.1 Appointment of new directors and executives

The Nomination Committee oversees Board succession planning. As part of this role, the Nomination Committee is responsible for identifying suitable candidates to fill Board vacancies as and when they arise, or to identify candidates to complement the existing Board and to make recommendations to the Board on their appointment. When appropriate, external consultants are engaged to assist in searching for candidates.

The Board assesses candidates recommended by the Nomination Committee against a range of criteria including background, experience, professional qualifications, personal qualities, the potential for the candidate's skills to augment the existing Board, taking into consideration the Board skills matrix (the 2026 financial year version of which is set out on page 5 of this corporate governance statement), and the candidate's availability to commit to the Board's activities. Wesfarmers also undertakes appropriate checks before a new director or senior executive is appointed. These checks include criminal record and bankruptcy checks and checks of the candidate's employment history and educational qualifications. If these criteria are met and the Board appoints the candidate, the director or executive (in their personal capacity) will enter into a written contract with the company, setting out the terms of their appointment consistent with the ASX Principles. Any person appointed by the Board as a non-executive director must seek to have their appointment approved by shareholders at the next annual general meeting.

Candidates for appointment, election or re-election as a director are requested to provide details of their other commitments (and an indication of the time involved in relation to those commitments), and to confirm their other commitments will not affect their ability to perform and discharge their responsibilities as a director of Wesfarmers.

The Board aims, through the notices of meeting for annual general meetings, to provide shareholders with all material information known to the Board and relevant to a decision on whether or not to elect or re-elect a director.

The Board Charter requires a director to hold, directly or indirectly, a minimum of 1,000 ordinary shares in Wesfarmers within two months of their appointment and at all times during the director's period of office, and must, within five years of appointment, increase that shareholding to an amount equivalent in approximate value to the gross annual base non-executive director fee at the relevant time.

As at 30 June 2026, all directors were in compliance with the minimum shareholding requirements.

3.2 Induction of new non-executive directors and ongoing director development

As part of a comprehensive induction program covering Wesfarmers' financial, strategic, operational and risk management position, a new director meets with the Chairman, the Audit and Risk Committee Chairman, the Remuneration Committee Chairman, the Group Managing Director, divisional managing directors and other key executives, to gain an insight into the values and culture of Wesfarmers, the Group's structure, business operations, strategy, history, key risks and regulatory and legal framework. The program also includes site visits to some of the Group's key operational sites. The induction program is tailored to the director's existing skills, knowledge and experience.

All directors are expected to maintain the skills required to discharge their obligations to the company. The Board, through the Nomination Committee, periodically reviews the professional development needs of the directors.

On an ongoing basis, directors are provided with papers, presentations and briefings on matters which may affect the business or operations of Wesfarmers to assist each director in fulfilling their role and discharging their duties. This includes a program of training for directors on regulatory obligations that apply to the company and them as directors. Directors are also encouraged to undertake other education and training relevant to the discharge of their obligations as directors of the company. Subject to consultation with the Company Secretary, the reasonable cost of continuing education and training is met by Wesfarmers.

To assist the directors in maintaining an appropriate level of knowledge of the operations of the company, directors undertake site visits each year to some of Wesfarmers' businesses.

The Board conducted a study tour to India to gain a deeper understanding of the Group's current capabilities there, learn of further opportunities available to the Group to leverage the expertise in India and to observe Kmart Group's global sourcing operations.

The Board also had a study tour to the United States to meet with technology providers and peer organisations to gain a deeper understanding of AI applications in retailing globally and how it is being used to improve customer and team member experience and drive commercial outcomes.

During the 2026 financial year, the director development program included:

- Education sessions on legal obligations such as director obligations to exercise due diligence under work, health and safety legislation, directors' duties in the context of mandatory climate-related financial disclosures and directors' duties with respect to data governance and AI use.
- Focused training on AI, including director participation in an AI governance course convened by a university and receiving detailed briefings from Group leaders and external service providers on practical application of AI in the Group.

3.3 Evaluation of the Board, committees and directors

The Nomination Committee is responsible for ensuring that there is a robust and effective process for evaluating the performance of the Board, its committees and individual non-executive directors. In relation to the re-appointment of a non-executive director, the Nomination Committee reviews the performance of the relevant non-executive director during their term of office and makes recommendations to the Board.

The form of the Board, committee and individual non-executive director performance reviews is considered and determined each year. The outcomes of each Board and committee performance review are discussed by the Board. The outcomes of the performance review for each non-executive director are discussed between the non-executive director and the Chairman (and in the case of the performance review of the Chairman, between the Chairman and a long-serving non-executive director).

Periodically a full evaluation process is facilitated by an external consultant. This last occurred in 2023. In 2026, as in other recent years when a full external evaluation has not been conducted, each director participated in a review of the effectiveness and performance of the Board and its committees using an online board evaluation platform. The findings of this review were discussed by the Board and opportunities for improvement agreed on and implemented.

The Chairman also engages in regular discussions with the other directors and management with a focus on optimising the effectiveness of the Board and committee interactions, processes and decision-making.

Key focus areas of the Nomination Committee during the 2026 financial year:

- **Chair succession** – considering succession plans for the retirement of the Chairman. Evaluation of potential candidates resulted in the August 2025 recommendation to the Board to appoint Ken MacKenzie as Chairman at the conclusion of the 2026 AGM (which is subject to him being elected a director at that meeting)
- **Board evaluation** – overseeing the process for Board, committee and individual non-executive director performance reviews, considering and discussing the outcomes and recommendations of these review processes and agreeing actions to be implemented
- **Independence and tenure** – considering and making recommendations to the Board about director independence and tenure

4. Remuneration and evaluation of executive key management

4.1 Remuneration

Full details of the remuneration paid to non-executive directors and executive key management personnel (**KMP**), and details of Wesfarmers' policy on the remuneration of the executive KMP are set out in the Remuneration Report on pages 114 to 142 of the company's 2026 Annual Report.

4.2 Evaluation of the performance of executive KMP

The executive KMP, comprising the Group Managing Director, Group Chief Financial Officer and executives who have authority and responsibility for planning, directing and controlling the activities of a major profit generating division of Wesfarmers, have a remuneration package that includes fixed cash remuneration and a variable or 'at risk' component via participation in the Key Executive Equity Performance Plan (**KEEPP**).

The Remuneration Committee and the Board annually review the fixed component of each executive KMP's remuneration package against market benchmarks for comparable roles in comparable organisations.

The remuneration mix and the KEEPP performance measures have been chosen to ensure a strong link between remuneration earned and achievement of the Group's strategic and business objectives, alignment with the Group's values, management of risk in accordance with the Group's risk appetite and, ultimately, generating satisfactory returns for shareholders.

The KEEPP allocations are based on performance against annual scorecards and, for the 2026 financial year, consisted of financial and safety performance measures and individual performance objectives relevant to the role of each participant. The individual performance objectives have been split into business enhancing objectives and sustainability objectives, including reputation, risk management, people and culture, and climate-related initiatives. Following the end of the financial year, awards are determined after the preparation of the financial statements, the assessment of the safety results, and the evaluation of the executive's performance against the applicable individual performance objectives by the Group Managing Director, the Remuneration Committee and the Board. The Chairman conducts the Group Managing Director's review and reports the results to the Remuneration Committee and the Board. In determining the KEEPP awards, the Remuneration Committee and the Board consider both the scorecard result and each participant's personal performance and conduct to ensure outcomes are aligned with the company's long-term interests and conduct contrary to the Group's values or risk appetite is not rewarded.

Where the scorecard results in an allocation of Performance Shares lower than the baseline level, additional Performance Shares will be allocated to achieve that level. The baseline level is 100 per cent of fixed annual remuneration (**FAR**) for each of the Group Managing Director and Group Chief Financial Officer, and 85 per cent of FAR for relevant divisional managing directors.

The Board has discretion to adjust the scorecard performance conditions, where considered appropriate.

The Board confirms final awards in August each year. No individual director or executive KMP is involved in deciding their own remuneration.

The Performance Shares allocated under the KEEPP in the 2025 financial year vest subject to a four-year performance period. For the Group Managing Director and Group Chief Financial Officer, the performance conditions are based on relative total shareholder return and portfolio management and investment outcomes. For the remaining KEEPP participants, the performance conditions are based on the relevant divisional financial performance and relative total shareholder return. Further information regarding the KEEPP is set out in the Remuneration Report on pages 114 to 142 of the company's 2026 Annual Report.

The Board will test the KEEPP Performance Share performance conditions after the annual financial statements are finalised at the end of the four-year performance period, and has broad discretion to determine the vesting outcomes based on all relevant factors, including ensuring conduct contrary to the Group's values or risk appetite is not rewarded.

To give effect to the KEEPP's intent, the Board has discretion to take material one-off events into account when assessing performance against the Performance Share conditions where the Board considers it appropriate. The Board may also reduce or cancel unvested variable remuneration and clawback vested variable remuneration, where appropriate. No remuneration that vested in previous financial years has been clawed back by the Board in the 2026 financial year.

The Securities Trading Policy reflects the *Corporations Act 2001* prohibition on KMP and their closely related parties entering any arrangement that would have the effect of limiting a KMP's risk exposure relating to remuneration still subject to disposal restrictions. Wesfarmers' directors, the Wesfarmers Leadership Team, and certain of their immediate family members and controlled entities cannot deal in Wesfarmers securities, engage in short-term trading, create security interests or enter into margin loans or hedging transactions relating to Wesfarmers securities without prior approval from the Company Secretary.

The annual performance and development review discusses each executive's future development and any training required to enhance the prospects of both the development objectives being achieved and overall progression within the Wesfarmers Group. Annual performance reviews of each Wesfarmers Leadership Team member, including the Group Managing Director, were completed for the 2026 financial year in accordance with this process.

Key focus areas of the Remuneration Committee during the 2026 financial year:

- **Executive remuneration** – recommending to the Board the fixed and variable remuneration of the Group Managing Director and other executive KMP
- **Leadership Team remuneration** – reviewing and, where appropriate, approving management's recommendations on the fixed and variable remuneration of other Wesfarmers Leadership Team members, in accordance with Board-approved delegated authorities
- **Executive succession** – overseeing succession plans for key roles in the Group
- **Variable remuneration plans** – recommending to the Board on Wesfarmers variable remuneration plans, including consideration of the climate-related financial disclosure regime
- **Performance share vesting** – recommending to the Board the vesting outcomes for the 2021 KEEPP Performance Shares based on the assessment of performance against the performance conditions
- **Minimum shareholding compliance** – reviewing compliance with the minimum shareholding requirements for the Board and expectations for the executive KMP
- **Non-executive director remuneration** – recommending to the Board on non-executive director fees and overseeing the introduction of a non-executive director equity plan
- Reviewing and monitoring **diversity and inclusion matters relating to employment and remuneration,** including gender pay equity and reporting and the setting of gender equality targets

5. Governance policies

The Board believes that the governance policies and practices adopted by Wesfarmers during the reporting period for the year ended 30 June 2026 follow the recommendations contained in the ASX Principles. This corporate governance statement is current as at the date of the company's 2026 Annual Report and has been approved by the Board. Wesfarmers' compliance with the recommendations contained in the ASX Principles is set out in the company's Appendix 4G which is available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

Details of Wesfarmers' corporate governance policies are summarised below. The corporate governance section of the company's website contains access to all relevant corporate governance information, including Board and committee charters, and Group policies referred to below.

CODE OF CONDUCT

References Wesfarmers' policies, procedures and guidelines aimed at ensuring anyone who is employed by or works in or for the Group complies with a set of guiding principles, consistent with Wesfarmers' values.

The Board is provided with details of any material breaches of the Code of Conduct in accordance with Wesfarmers' reporting processes and procedures and such matters are escalated to the Board's immediate attention if and as required.

WHISTLEBLOWER POLICY

Promotes and supports a culture of honest and ethical behaviour, corporate compliance and good corporate governance, including the fair treatment of, and support for, both those who make a report and those who are the subject of one. The policy encourages reporting of suspected unethical, illegal, fraudulent or undesirable conduct, either with management within the division or with a Protected Disclosure Officer in accordance with applicable whistleblower laws.

Details of any material incidents reported under the Whistleblower Policy are reported initially to the Audit and Risk Committee and then to the Board in accordance with Wesfarmers' reporting processes and procedures. Matters that require the Board's immediate attention are escalated as appropriate.

ANTI-BRIBERY POLICY

Confirms the responsibilities of Group companies and team members in observing and upholding the legal prohibitions on bribery and other improper conduct and provides guidelines as to what constitutes bribery or improper conduct.

The Board is provided with details of any material breaches of the Anti-bribery Policy in accordance with Wesfarmers' reporting processes and procedures and such matters are escalated to the Board's immediate attention as appropriate.

SECURITIES TRADING POLICY

Designed to ensure compliance with insider trading laws and protect Wesfarmers' reputation in relation to trading in securities by its directors and team members. It also prohibits, without consent, specific types of transactions by Wesfarmers directors, the Wesfarmers Leadership Team and certain of their immediate family members and controlled entities which may not be in accordance with market expectations or may otherwise give rise to reputational risk.

MARKET DISCLOSURE POLICY

Requires immediate internal reporting of potentially market sensitive information, and includes processes to manage confidentiality and engagements with the media and investment community. A disclosure officer is appointed to administer the policy, and a disclosure committee liaises with the disclosure officer and makes determinations with respect to the Group's continuous disclosure obligations.

INVESTOR ENGAGEMENT POLICY

Establishes Wesfarmers' program for engaging and communicating with shareholders, investors, the media and the broader investment community, including at the company's annual general meeting, investment briefings and strategy day, and the Annual Report lodged with the ASX.

5. Governance policies cont.

DIVERSE, INCLUSIVE AND RESPECTFUL WORKPLACES POLICY

Aims to encourage an inclusive work environment where everyone feels safe and respected and is designed to foster many facets of diversity in addition to gender, including different ages and ethnicities at all levels within the Group.

See pages 21 to 23 of this corporate governance statement on diversity disclosures.

ETHICAL SOURCING AND MODERN SLAVERY POLICY

Aims to ensure the Group engages fairly with suppliers, sourcing goods and services ethically and sustainably. In line with a responsibility to respect human rights, the purpose of the policy is to ensure compliance with local, national and other applicable laws and regulations and to meet stakeholder expectations; to act to prevent, mitigate and, where appropriate, remedy modern slavery and other adverse human rights impacts in its operations; and to take all reasonable steps to meet minimum employment standards.

The Wesfarmers 2026 Modern Slavery Statement will be available on the company's website at **wesfarmers.com.au/sustainability**

ENVIRONMENT AND CLIMATE POLICY

Sets out the minimum controls and standards required across the Group to ensure compliance with environmental laws and regulatory requirements, including assessment and approval requirements and environmental permit and licence conditions, and to support a commitment to operate the business sustainably.

The policy also establishes minimum standards on climate-related matters to support the goal of reducing greenhouse gas emissions, including setting near term, long term and net zero emissions reduction targets and the related governance, reporting and disclosure requirements.

Wesfarmers' climate-related financial disclosures are set out on pages 56 to 93 of the company's 2026 Annual Report.

DIRECTOR CONFLICTS OF INTEREST POLICY

Sets out the obligations of each director to disclose conflicts of interest to the Board and the procedures to be followed where a director has disclosed a conflict of interest in accordance with the policy; or the Board has identified a matter which is, or is likely to be, brought before the Board which may place a particular director in a position of conflict.

Complements the Company's maintenance of a standing notice register for each director, recording the nature and extent of any material personal interests or other potential conflicts of interest, which is tabled before the Board.

RISK MANAGEMENT POLICY

Sets out the principles and minimum requirements that underpin the Group's risk management framework, and confirms the Group's commitment to embedding a risk aware culture and clear accountability for the identification and management of risk across the Group.

It also supports informed strategic and operational decision making through consideration of material risks in line with the Board's risk appetite and enhances the Group's resilience to material disruptions.

COMPLIANCE MANAGEMENT POLICY

Articulates Wesfarmers' commitment to effective compliance management, and the principles, governance arrangements and minimum requirements that the Group's businesses must adopt to support a strong compliance culture and effective management of compliance risk.

6. Ethical and responsible behaviour

Wesfarmers' primary objective is to deliver satisfactory returns to shareholders through financial discipline and exceptional management of a diversified portfolio of businesses. The Wesfarmers Way is the framework for the company's business model and comprises its values of integrity, openness, accountability and entrepreneurial spirit, details of which are published on the company's website at **wesfarmers.com.au**

Wesfarmers believes it is only possible to achieve this objective over the long term by:

- anticipating the needs of customers and delivering competitive goods and services
- looking after team members and providing a safe, fulfilling work environment
- engaging fairly with suppliers and sourcing ethically and sustainably
- supporting the communities in which the Group operates
- taking care of the environment
- acting with integrity and honesty in all of the Group's dealings

The Wesfarmers Way, together with the Code of Conduct and other policies, guides the behaviour of everyone who works at or for Wesfarmers.

The Board and senior executives of the Group strive to ensure their own actions and decisions reference and reinforce Wesfarmers' values and they instill and reinforce a culture of acting lawfully, ethically and responsibly.

The Board carries out its duties having regard to these values, the Board Charter and the Group's Code of Conduct and other policies. These are available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

The Board regularly reviews these policies to ensure that they continue to reflect Wesfarmers' values and the behaviours expected.

Ensuring that directors, senior executives, divisional managers, team members and other personnel of Wesfarmers behave consistently with Wesfarmers' values also involves calling out and reporting conduct which is inconsistent with those values. The Audit and Risk Committee oversees the policies and frameworks for the reporting of incidents and issues to the appropriate members of the senior management team, Corporate Office and/or the Board.

The Wesfarmers Way

OUR PRIMARY OBJECTIVE

To deliver a satisfactory return to shareholders

VALUE-CREATING STRATEGIES

- Strengthen existing businesses through operating excellence and satisfying customer needs
- Secure growth opportunities through entrepreneurial initiative
- Renew the portfolio through value-adding transactions
- Ensure sustainability through responsible long-term management

CORE VALUES

- **Integrity**
- **Openness**
- **Accountability**
- **Entrepreneurial spirit**

7. Investor engagement

Wesfarmers recognises the importance of providing its shareholders and the broader investment community with access to up-to-date and high-quality information, an ability to participate in shareholder decisions of the company and avenues for two-way communication between the company and shareholders.

Wesfarmers has developed an investor engagement program for engaging with shareholders, debt investors, the media and the broader investment community.

The company's share registry, Computershare, provides shareholders with the option to receive communications from and send communications to the registry electronically. Contact information for Computershare and other information relating to shareholder communications is available on the company's website at **wesfarmers.com.au/investor-centre/your-shareholding/shareholder-communications**

For sustainability and security reasons, shareholders are strongly encouraged to elect to receive documents relating to their shareholding electronically.

Shareholders can contact the company via the contact details listed on the company's website at **wesfarmers.com.au/util/contact** In addition, shareholders can be notified by email of all material announcements by subscribing to the company's mailing list (which can be done via **wesfarmers.com.au/investor-centre/company-performance-news/subscribe**)

Shareholders and proxyholders may participate in the Wesfarmers Annual General Meeting either in person or online via a webcast of the meeting. The online access includes the ability to ask questions and vote during the meeting. A poll is conducted on all substantive resolutions.

Wesfarmers takes its continuous disclosure responsibilities seriously and has a detailed Market Disclosure Policy in place, a copy of which is available on the company's website at **wesfarmers.com.au/cg** The company also has processes in place to ensure that the Board receives copies of all material market announcements made pursuant to its continuous disclosure obligations promptly after those have been made.

When Wesfarmers makes a new and substantive investor or analyst presentation, it releases a copy of the presentation materials to the ASX platform ahead of the presentation.

Key activities in Wesfarmers' investor engagement program include:

- Wesfarmers' Annual General Meeting[1]
- The release of Wesfarmers' Annual Report concurrently with the annual results
- Regular releases of financial information, including half-year and full-year financial results, and trading updates as required
- Engagement with shareholders and investors on the Group's sustainability initiatives, including through half-year and full-year reporting, investor materials and other market engagement where relevant
- Media and analyst calls with Wesfarmers' management following the release of key financial information
- Investor briefing days which are typically held once a year
- Operational briefings and site tours as required
- Maintenance of the company's website at **wesfarmers.com.au** which contains up-to-date information on the operations of the Wesfarmers Group, its Board, management and corporate governance structure, ASX announcements, share price, dividend distribution, debt investment, information on the Group's material sustainability initiatives and other information
- Briefings with members of the domestic and international investment community
- Responding to shareholder and debt investor queries
- Engaging with investor groups and proxy advisors

Investor relations program

More information on investor engagement is available at **wesfarmers.com.au/cg**

Website

Visit the Investor Centre at **wesfarmers.com.au**

AGM

Provides shareholders with an opportunity to hear about the Group's performance and ask questions of the Board and senior management

1 As part of Wesfarmers' investor engagement program, the way the company facilitates and encourages shareholder participation at meetings is set out in the Investor Engagement Policy on the company's website at **wesfarmers.com.au/cg**

8. Integrity in financial reporting

8.1 Role of the Wesfarmers Audit and Risk Committee

The Wesfarmers Audit and Risk Committee assists the Board to oversee the company's financial and sustainability reporting, legal and regulatory compliance and other commitments. This includes setting, articulating and monitoring the Wesfarmers Group risk appetite and overseeing the Group's systems of internal control and its financial and non-financial risk management framework, consistent with the Group's purpose, values and strategic direction. Full details are set out in the Wesfarmers Audit and Risk Committee Charter which is available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

The membership and composition of the Wesfarmers Audit and Risk Committee are set out on page 8 of this corporate governance statement.

The Wesfarmers Audit and Risk Committee maintains direct, unfettered access to the company's external auditor, Group Assurance (internal audit), Group Risk and other management.

The Group Chief Financial Officer; Group General Counsel; Executive General Manager, Group Finance, Risk and Assurance; General Manager Group Assurance; General Manager Risk and Compliance; Executive General Manager Company Secretariat; external auditor; and any other persons considered appropriate attend meetings of the Wesfarmers Audit and Risk Committee by invitation.

The Wesfarmers Audit and Risk Committee is supported by Divisional Risk Committees for each of Wesfarmers' operating divisions. These Divisional Risk Committees are attended by divisional leadership, the Group General Counsel, the General Manager Risk and Compliance and the General Manager Group Assurance.

The key focus areas of the Wesfarmers Audit and Risk Committee for the 2026 financial year are summarised on page 16 of this corporate governance statement.

During the 12 months to 30 June 2026, the Wesfarmers Audit and Risk Committee also received regular updates on the Group's preparations to comply with the incoming Australian Sustainability Reporting Standards (**ASRS**).

8.2 Role of the Disclosure Committee

Wesfarmers recognises the importance of having processes in place to ensure the integrity of its regular corporate reporting. The Board has delegated to a Disclosure Committee, comprised of the Group Managing Director, Group Chief Financial Officer and Group General Counsel, the authority to make decisions about all potential ASX announcements, including regular corporate reporting that is not audited or reviewed by an external auditor. Each report prepared for release to the market is reviewed and approved by applicable Wesfarmers divisions and Corporate Office functions (such as Investor Relations, Group Accounting, Company Secretariat, Corporate Solicitors Office and Corporate Affairs) before being approved for release by the Board, Audit and Risk Committee, Disclosure Committee or other authorised approver, as applicable.

8.3 Role of the external auditor

The company's external auditor is Ernst & Young. The lead audit partner is required to rotate after a maximum of five years in line with the auditor rotation requirements under the *Corporations Act 2001*. Ms Fiona Campbell is the lead audit partner and was appointed on 1 July 2024.

External auditor quality review assessment

Wesfarmers conducts an external auditor quality review process annually following the completion of the audit of the Group's financial statements, remuneration and sustainability report. The quality review process considers a range of external and internal information sources to assess the:

- external auditor's independence, objectivity and professional scepticism
- quality of the audit engagement team
- quality of communications with the external auditor

The findings of the annual review are considered by the Wesfarmers Audit and Risk Committee as part of its consideration of the external auditor's appointment and the feedback provided is used to improve the external audit process.

The Wesfarmers Audit and Risk Committee also performs a comprehensive review of the external auditor at least every five years. The comprehensive review draws on the annual auditor quality assessment and is expanded to include additional qualitative and quantitative data.

The comprehensive review completed for the financial year ended 30 June 2024 affirmed the Group's position that the quality of Ernst & Young's external audit services was sound, but recommended that the external audit be put to tender given Ernst & Young's long-standing tenure. An external audit tender was initiated during the year ended 30 June 2025 and recommended the appointment of KPMG as the external auditor for the year ending 30 June 2028. The appointment of KPMG remains subject to shareholder approval at the Annual General Meeting in October 2027 and regulatory approval.

In view of the pending change of external auditor, the next annual quality review process will include the proposed incoming auditor, KPMG, as well as the current auditor, Ernst & Young.

Independence declaration

Ernst & Young has provided the required independence declaration to the Board for the year ended 30 June 2026.

The independence declaration forms part of the Directors' Report and is provided on page 113 of the company's 2026 Annual Report.

Performance of non-audit and assurance-related services

The Board has considered the nature of the non-audit and assurance-related services provided by the external auditor during the year and has determined that the services provided, and the amount paid for those services are compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Details of fees paid (or payable) to Ernst & Young for non-audit and assurance-related services provided to the Group in the year ended 30 June 2026 are set out in the Directors' Report on page 112 of the company's 2026 Annual Report.

Attendance of the external auditor at the annual general meetings

The lead audit partner of Ernst & Young attends the company's annual general meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

8. Integrity in financial reporting cont.

Key focus areas of the Wesfarmers Audit and Risk Committee during the 2026 financial year:

- **Financial reporting and external audit oversight,** including reviewing the integrity of financial statements and disclosures and overseeing the performance, independence and effectiveness of the external auditor
- **Risk management and risk appetite,** including reviewing the Group's risk management framework, internal control environment, risk profile and recommending updates to the Group's risk appetite statement
- **Enterprise risks and emerging risk oversight,** including consideration of material and emerging risks and deep dive reviews of priority risk areas
- **Compliance and legal risk,** including oversight of the Group's compliance framework, regulatory obligations, legal exposures and governance policies
- **Tax risk oversight,** including monitoring of the Group's tax compliance program in the jurisdictions in which it operates (including cross-border intra-Group transactions) and review of the Group's annual Tax Contribution Report
- **Technology and cyber security,** including oversight of the effectiveness of the Group's approach to, and governance frameworks for, cyber security and technology risk management. This was supported by periodic reporting on the Group's cyber risk profile, divisional cyber risks and trends, and insights about emerging cyber threats
- **Data and privacy,** including oversight of the evolution of the Group's data governance framework, governance of AI systems and assessment of key privacy risks in the context of evolving customer and regulator expectations and the risk appetite set by the Board
- **Internal audit and assurance,** including oversight of the internal audit function, approval of the annual internal audit plan and monitoring of assurance activities and remediation of control deficiencies
- **Sustainability and climate reporting,** including oversight of sustainability frameworks and disclosures, climate-related reporting (including AASB S2 preparations), monitoring progress against sustainability objectives and reviewing and recommending to the Board public disclosures regarding sustainability matters, including the annual Modern Slavery Statement
- **Operational and conduct risks,** including ethical sourcing, payroll compliance, product safety, fraud and shrinkage risks, the adequacy of the Group's insurance arrangements and other key operational risk areas across the Group
- **Policy governance and control environment,** including annual review of Group policies and monitoring the effectiveness of key governance frameworks
- **Divisional and specific business risks,** including oversight of clinical governance in Wesfarmers Health and risks associated with franchise operations in relevant divisions

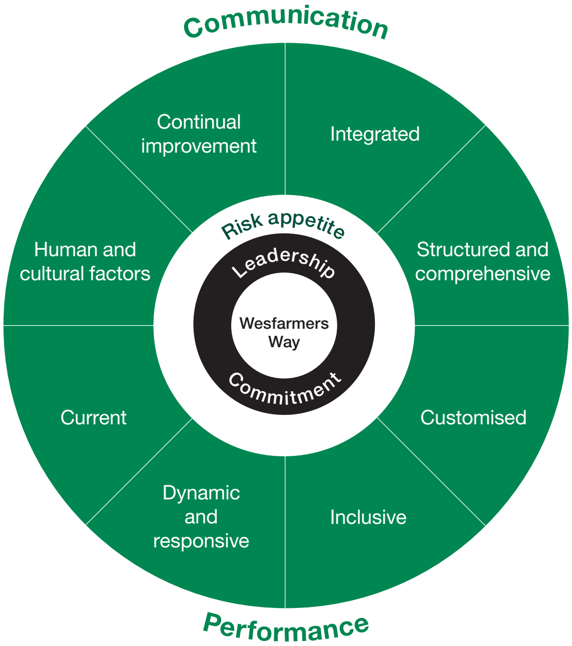
9. Risk management

Wesfarmers believes that good risk management practice is crucial for informed decision-making, effective management of operations to drive commercial outcomes and ultimately underpins the objective of delivering shareholder value over the long term.

Robust, integrated and effective risk management is central to Wesfarmers' broader governance framework and is fully supported by the Board and the Wesfarmers Leadership Team. This commitment is outlined in the Wesfarmers Board-approved Risk Management Policy, which is available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

The Board recognises that a values-based culture is fundamental to an effective risk management framework. Wesfarmers, through the Board, instils and promotes a culture that is underpinned by the Wesfarmers Way, including Wesfarmers' core values.

Wesfarmers' approach to risk management is aligned with ISO 31000:2018 – Risk Management Guidelines and is depicted below.



Wesfarmers' risk management approach promotes accountable decision-making at all levels and reinforces the responsibility of divisional and Group management to identify and manage risks and implement action if risk exposure is outside the Board-approved risk appetite. Roles and responsibilities are set out in section 9.4.

9.1 Risk Management Framework

The Board reviews the Wesfarmers Risk Management Framework annually to satisfy itself that the framework is sound and that the Group is operating within the Board-approved risk appetite. The framework was last reviewed internally in May 2026 and independently reviewed in November 2023. Its key elements are:

- **Group Risk Management Policy** (**Policy**) - the Policy outlines Wesfarmers' approach to risk management, confirms the Group's commitment to maintaining a risk-aware culture and embedding risk management practices within operations and outlines risk management roles and responsibilities. The Policy was last reviewed and updated in March 2026
- **Group Risk Appetite Statement** (**RAS**) - the RAS outlines the Board's appetite for risk within various categories, as well as the behaviours and mindsets it expects to be embedded in decision-making and operational practice. The RAS was reviewed and updated in May 2026
- An **independent Board**, with directors possessing the required values and a suitable mix of skills, experience and diversity to facilitate Board oversight and decision-making
- **Board committees**, comprising the Wesfarmers Audit and Risk Committee, Nomination Committee and Remuneration Committee, established by the Board as standing committees, each with its own charter, to assist with the discharge of the Board's responsibilities
- **Divisional risk committees** to strengthen the divisional risk management processes
- The Group **Code of Conduct** which sets out the standard of conduct expected by the Board of all persons employed by or working for the Wesfarmers Group
- **Dedicated, suitably qualified and experienced Group and divisional team members** who support the design of the risk management framework and are directly responsible for supporting and overseeing risk management activities
- **Group and divisional structures**, reporting lines, immediate reporting requirements and appropriate authorities built upon Group policies which focus on three pillars of governance, operations and oversight (review and approvals) detailing specific processes and responsibilities and setting out guidelines for conduct to mitigate and manage risk
- Group-wide **risk assessment criteria** designed to consistently guide materiality assessment, reporting and risk acceptance delegations, aligned with Wesfarmers' values and consistent with risk appetite
- A formal **corporate planning** process to set strategy, which requires each division to assess the external environment for trends that are likely to affect and shape relevant industries and perform scenario planning
- A Group-wide **risk review process**, aligned with the corporate planning process, that identifies, assesses and prioritises risks as well as mitigation actions to be implemented and monitored
- The Wesfarmers **governance framework** which sets out the Board, Board committees, divisional board and divisional risk committee activities and reports, including the process of reporting risks that are outside of risk appetite through the divisional and Group audit and risk committees
- The Group **treasury function**, which sources and manages the Group's funding, overseen by the Board and the Wesfarmers Audit and Risk Committee and governed by comprehensive policies and procedures
- **Talent management and succession planning** processes aligned to Wesfarmers' aim to be an employer of choice and attract outstanding people with the right values to utilise their individual talents to achieve sustainable success
- A Group **compliance program**, (aligned with ISO 37301:2021 Compliance Management Systems), supported by divisional reporting covering all material compliance programs
- A comprehensive Group **insurance program**, including a risk financing and transfer strategy across multiple risk classes
- **Annual budgeting and monthly reporting** systems for all businesses, which enable the monitoring of progress against performance targets and the evaluation of trends
- Appropriate **due diligence** for acquisitions and divestments
- Appropriate **business continuity management frameworks,** inclusive of comprehensive and tested crisis management response plans
- An **independent internal audit function operating a co-source model,** combining a dedicated in-house team with an independent external provider for specialist skills
- An **external audit program** conducted by the Group's appointed external auditor

9. Risk management cont.

9.2 Certification of risk management and controls

Financial risk

For the half-year and full-year reporting periods, the Group Managing Director, Group Chief Financial Officer and Executive General Manager, Group Finance, Risk and Assurance provide written statements to the Board in accordance with section 295A of the Corporations Act 2001 and recommendation 4.2 of the ASX Principles, including assurance that the declarations are founded on a sound system of risk management and internal control and that the system operated effectively in all material respects in relation to financial reporting risks.

Non-financial risk

Management within each division is required to have in place effective risk management policies, programs and internal control systems to manage the material business risks of the division in accordance with Wesfarmers' Risk Management Framework.

Overall certification

Divisional management is ultimately responsible to the Wesfarmers Board for the relevant division's internal control and risk management systems. Management reports to the Wesfarmers Audit and Risk Committee on the effectiveness of the internal control and risk management systems throughout the year, and management of its material business risks. The Wesfarmers Audit and Risk Committee, following the receipt of reports from management, in accordance with its annual review process, has reviewed and satisfied itself for the 2026 financial year that the Wesfarmers Risk Management Framework continues to operate as intended.

9.3 Sustainability risks

Wesfarmers recognises that sustainability is core to its business model, driving long term value creation and supporting our commitment to deliver satisfactory returns to shareholders. The company is committed to best practice sustainability disclosure, with all sustainability disclosures prepared in accordance with the Global Reporting Initiative and linked to the United Nations Sustainable Development Goals.

Each year Wesfarmers determines its most material sustainability issues, which include environmental, social and governance risks. The material sustainability issues for this year, and our approach to those issues, are explained extensively in pages 55 to 101 of the company's 2026 Annual Report.

As with other material risks, sustainability risks are managed in accordance with the Group Risk Management Policy and with due consideration to the Group Risk Appetite Statement.

Some material sustainability issues are also the subject of Group policies covering environmental, social and governance matters which are available on the company's website at **wesfarmers.com.au/cg**

Material sustainability topics are reported at a divisional and Group level through reporting to divisional and Group boards and audit and risk committees to ensure the identified impacts, risks and opportunities are being managed and mitigated effectively.

During the year, Wesfarmers continued work to prepare for mandatory climate-related financial disclosures under the Australian Sustainability Reporting Standards, including AASB S2 Climate-related Disclosures. This included work to identify, assess and prioritise climate-related risks and opportunities, apply climate scenario analysis, and align the assessment of transition and physical climate risks with the Wesfarmers Risk Management Framework. The work supports integration of climate-related risks and opportunities into enterprise risk management, financial materiality assessment, governance reporting and 2026 sustainability disclosure processes.

9. Risk management cont.

9.4 Risk management oversight and responsibility

The division of the key risk management functions is set out below.

KEY RISK MANAGEMENT OVERSIGHT	FUNCTION
WESFARMERS BOARD	Is responsible for approving the purpose, values, and strategic direction of the Group. The Board sets the risk appetite and approves the risk profile for the Wesfarmers Group and guides and monitors the management of the Group in achieving its strategic objectives through reviewing, approving and monitoring the effectiveness of the Group's risk management, internal control and compliance systems across its businesses. The Board also reviews the Group's risk management framework at least annually to satisfy itself that it continues to operate as intended and that the Group is operating with due regard to the risk appetite set by the Board. An external, independent review of the risk management framework is also conducted at least every five years. The Board approves and monitors the systems and policies to ensure integrity of budgets, financial statements and other reporting.
GROUP MANAGING DIRECTOR AND GROUP CHIEF FINANCIAL OFFICER	Provide declarations and assurance to the Board in relation to the Group's half-year and full-year financial reporting, and the operation of financial and non-financial risk management and internal control systems in all material respects. The Group Managing Director is accountable to the Board for the overall management and performance of the Group, including the implementation of the Group's strategy within the risk appetite set by the Board. The Group Managing Director and Group Chief Financial Officer oversee management's application of the Group's risk management framework, including the identification, assessment, management and escalation of material financial and non-financial risks, and the operation of internal controls and risk treatments in all material respects.
WESFARMERS AUDIT AND RISK COMMITTEE	Assists the Board in overseeing the Group's risk management framework, systems of internal control, risk appetite and Group risk profile, including emerging and material financial and non-financial risks. The Committee receives reporting from management, Group Risk and Compliance, Group Assurance and divisional risk committees to support oversight of material risks, risk appetite performance, internal controls, assurance outcomes and the continuous improvement of risk management practices. Material risk issues are reported to the Board.
DIVISIONAL BOARDS	Each divisional board comprises the Wesfarmers Managing Director and Chief Financial Officer, the divisional Managing Director and senior divisional executives. Divisional boards are responsible for setting the strategic direction of the division and guiding and monitoring all aspects of the management of the division. As part of this, each divisional board oversees governance and risk management practices in the division, including reviewing and approving divisional risk reports endorsed by the divisional risk committees. In line with the Group's divisional operating model, operational risk ownership generally resides within divisions, while enterprise-wide, cross-divisional and Group-level risks are owned at Group level by the relevant Group functional executive.
DIVISIONAL RISK COMMITTEES	Divisional risk committees provide management access to timely information about existing and emerging risks applicable to each division and a dedicated forum to facilitate constructive debate and challenge about operational and strategic risk management in the division. The committees endorse divisional risk profiles, assess risks against the Board-approved risk appetite and monitor the continuous improvement of the division's risk management practices.

9. Risk management cont.

KEY RISK MANAGEMENT OVERSIGHT	FUNCTION
GROUP RISK AND COMPLIANCE	The General Manager Risk and Compliance has carriage of the Group's risk management framework and is custodian of the Group's risk system. The role is independent of the Group's divisions but actively engages with them. Specifically, the General Manager Risk and Compliance is responsible for: – Supporting the Wesfarmers Board, via the Wesfarmers Audit and Risk Committee, in development and articulation of the Group's risk appetite, operationalising the appetite and monitoring performance against appetite – Supporting divisional risk committees in risk management and risk reporting – Monitoring the Group's risk exposures compared to risk appetite and timely reporting of these to the Wesfarmers Board – Promoting and facilitating an integrated approach to risk management that is suitable for the Group's size, complexity and operating model – Reviewing and considering continuous improvement of the Group's approach to risk management, acting as the enterprise risk authority and providing independent review and challenge across divisions to inform Group-level oversight
MANAGEMENT	Senior management are responsible for maintaining a strong risk culture, including by modelling integrity, constructive challenge, transparency and accountability in the identification, assessment, management and escalation of risk. Senior management in divisions prepare divisional risk reports, which are consolidated into reporting to the Wesfarmers Audit and Risk Committee and Board. This reporting provides clear, concise and balanced information by reference to the risk appetite set by the Wesfarmers Board, including key risks, relevant controls and processes, the status of actions to address material risk issues, early indicators, trends and emerging risks. Management are responsible for implementing and maintaining risk management and internal control systems, including controls and risk treatments that are proportionate to the nature, materiality and potential impact of the relevant risks. Management also have responsibility for monitoring the effectiveness of those controls and treatments and for escalating material risks, incidents and control weaknesses through established governance pathways. Selected high-impact or emerging risk areas are also subject to deep-dive reviews, which are incorporated into divisional and Group risk reporting where relevant.
DIVISIONAL RISK AND COMPLIANCE TEAMS	Divisional risk and compliance teams support divisional management by coordinating risk management activities, including risk profiling and reporting, providing specialist advice and constructive challenge to risk owners and promoting the consistent application of the Group's risk management framework. They also contribute inputs to Group-level risk reporting.
GROUP ASSURANCE	Group Assurance is the internal audit function of the Group and operates in accordance with its own charter, set out in a Group policy which is approved by the Wesfarmers Audit and Risk Committee. The General Manager, Group Assurance is authorised to undertake a broad program of internal audits across the Group based on an annual plan approved by the Wesfarmers Audit and Risk Committee. The General Manager, Group Assurance maintains direct and unfettered access to the Wesfarmers Audit and Risk Committee. Group Assurance responsibilities include: – Preparing the internal audit policy and developing and delivering a risk based annual internal audit plan for approval by the Wesfarmers Audit and Risk Committee – Preparing internal audit reports and reporting to the Wesfarmers Audit and Risk Committee on the adequacy of risk management and the internal control environment, including the adequacy and effectiveness of the Group risk function

10. Diversity and inclusion

Wesfarmers attracts, retains and develops outstanding people, giving everyone access to opportunities based on merit. We know that building a diverse and inclusive workforce is a key enabler for delivering our objective of providing satisfactory returns to shareholders. Through diverse teams, we gain access to the best available talent, harness creativity and problem solving, and reflect the communities in which we operate.

Wesfarmers has a long-standing focus on gender balance, with an objective of achieving a workforce, management and Board composition of 40 per cent women, 40 per cent men and 20 per cent any gender. We are also committed to increasing the representation of Aboriginal and Torres Strait Islander people in our teams.

Each business in the Wesfarmers Group tailors its approach to diversity and inclusion, dependent on strategic priorities, workforce demographics and industry context.

Wesfarmers strives to provide an inclusive workplace where everyone feels respected and safe. We do not tolerate inappropriate behaviour (including discrimination, harassment, bullying, victimisation or vilification).

Wesfarmers and its divisions are focused on a range of initiatives aimed at preventing harassment and discrimination, including behavioural education and training and providing a range of reporting mechanisms.

Each of the Group's divisions must adopt the Wesfarmers Code of Conduct and the Wesfarmers Diverse, Inclusive and Respectful Workplaces Policy or establish their own policies and procedures which are consistent with the Wesfarmers principles.

10.1 Wesfarmers' vision for reconciliation

Wesfarmers' vision for reconciliation is an Australia in which equitable opportunities are shared by all. By building a workforce and supplier base that reflects the communities in which its businesses operate, Wesfarmers seeks to create shared value through greater Aboriginal and Torres Strait Islander employment, stronger participation in its supply chains and long-term economic and social outcomes that benefit communities, businesses and the broader Australian economy. Wesfarmers understands that, in the long term, these outcomes also add strength and resilience to its businesses, helping to deliver long-term benefits.

Aboriginal and Torres Strait Islander employment remains a focus for Wesfarmers, including maintaining population parity[2] within the Group's workforce, at all levels. At 30 June 2026, Wesfarmers' Aboriginal and Torres Strait Islander team members represented a total of 4.0 per cent of the Group's Australian-based workforce (4,257 Indigenous team members).

Wesfarmers continues to invest in the cultural competency and confidence of its businesses and workforce, and to advocate for reconciliation in the broader community.

For over two decades, Wesfarmers has demonstrated a commitment to reconciliation, including as one of the first companies to adopt a Reconciliation Action Plan (**RAP**) in 2009. In 2026, Wesfarmers reinforced this commitment with the release of its second Elevate RAP - the highest RAP tier - reflecting its position among a small group of organisations recognised for sustained leadership, accountability and innovation in reconciliation. The RAP sets out specific, measurable, and time-bound actions across employment, procurement, cultural capability, partnerships and economic participation to deliver meaningful, long-term shared-value outcomes for Aboriginal and Torres Strait Islander peoples, Wesfarmers and the communities in which it operates.

Further information about Wesfarmers' RAP and its approach to building a more reconciled Australia is available on the company's website at **wesfarmers.com.au/reconciliation**

[2] The term population parity refers to the proportion of Indigenous team members matching the proportion of Indigenous people in the Australian population.

10. Diversity and inclusion cont.

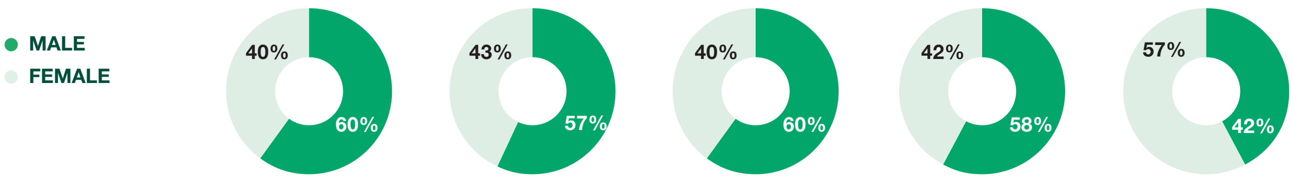
10.2 Gender balance and inclusion

At Wesfarmers we believe outstanding people, diverse teams and inclusive, safe and respectful workplaces, are essential to achieving our objective of providing satisfactory returns to shareholders.

Our approach to talent management is based on merit because this gives us access to the capabilities we need to perform and grow, while also creating opportunities for our team members to realise their potential.

Ensuring gender balance in senior executive, management and professional roles, and in key strategic talent pipelines such as data, digital and technology roles, remains a priority for Wesfarmers. Wesfarmers maintains memberships with external organisations, including the Diversity Council of Australia, enabling the sharing of diversity and inclusion research, insights and leading practices across the Group, and remains a signatory to the United Nations Women's Empowerment Principles. Details of gender representation across the Group are set out below.

Gender representation



	Wesfarmers Limited non-executive directors		Wesfarmers Leadership Team		Senior executive positions[3] (general manager and above)		All management and professional roles[3]		Total workforce[4]	
2026	40%	60%	43%	57%	40%	60%	42%	58%	57%	42%
2025	50%	50%	50%	50%	41%	59%	41%	59%	57%	42%
2024	44%	56%	43%	57%	37%	63%	41%	59%	58%	42%
2023	44%	56%	50%	50%	34%	66%	40%	60%	57%	43%
2022	44%	56%	50%	50%	35%	65%	39%	61%	57%	43%

[3] Senior executive positions and all management and professional roles are defined through job evaluation methodology.
[4] Wesfarmers acknowledges and is supportive of team members who self-identify as gender diverse. Currently, less than one per cent of the Group's total workforce do not identify as male or female, or self-identify as gender diverse (diversity of expression beyond the binary framework).

10. Diversity and inclusion cont.

Measurable objectives, governance and progress

Wesfarmers' measurable objectives in relation to diversity and inclusion are set and reviewed by the Board. The current objectives and progress towards achieving the objectives are outlined below

MEASURABLE OBJECTIVES	PROGRESS
TO INCREASE OR SUSTAIN WOMEN'S REPRESENTATION TO ACHIEVE GENDER BALANCE IN TEAMS	The Wesfarmers Board maintains female representation above 40 per cent. This year: – Non-executive directors comprise 40 per cent women – The Wesfarmers Leadership Team, which includes Group Managing Director Rob Scott, maintains balance, consistent with the gender balance principle 40:40:20, with 43 per cent women Gender balance metrics are collected from all divisions monthly and reviewed at divisional board meetings periodically over the year. Details of representation at various levels and trends are displayed on page 22 above. Each division has a gender balance and inclusion plan in line with the Group's objectives. Wesfarmers' divisional Managing Directors continue to focus on gender representation and other people-related initiatives as part of their sustainability objectives including talent, climate, risk and reputation. The Group Managing Director meets twice a year with the leadership of each division to discuss succession plans and talent pipelines, including how divisions are successfully attracting, retaining and developing current and future female leaders. In addition, divisional Managing Directors and human resources directors meet collectively to support talent identification, calibration and mobility across the Group. The Group continues to review the evolving requirements, capabilities and experiences of future leaders, including applying a diversity lens. For senior appointments, both internal and external, Wesfarmers seeks gender-balanced candidate lists. In addition, we use objective selection criteria including psychometric assessments to ensure we consider potential as well as experience.
TO ENABLE A HIGH-PERFORMING AND INCLUSIVE WORKPLACE THROUGH EQUITABLE AND TRANSPARENT PRACTICES	Wesfarmers Group businesses continue to focus on enabling inclusive, high-performing workplaces through the consistent application of fair and transparent people practices. This includes the rollout of inclusion frameworks, leadership capability uplift and targeted programs to support under-represented talent cohorts across the Group. Inclusive leadership capability remains a core enabler of performance, engagement and belonging. Businesses continue to strengthen leadership, accessibility and flexibility practices that support participation, progression and contribution across diverse workforce needs, including improved workplace adjustments and inclusive practices. Wesfarmers is committed to strengthening Aboriginal and Torres Strait Islander employment outcomes by creating pathways for participation, development and leadership across the Group. Senior Aboriginal and Torres Strait Islander Employment Advisors support meaningful community engagement and opportunities, while expanded cultural capability initiatives, including face-to-face training and e-learning modules, help build a more inclusive, culturally informed workplace. Together, these initiatives contribute to stronger relationships, greater equity and shared value outcomes for Aboriginal and Torres Strait Islander communities. Wesfarmers supports Aboriginal and Torres Strait Islander team members through dedicated leadership and career development initiatives designed to strengthen progression pathways and increase representation across management and leadership roles throughout the Group. A Group-wide gender pay equity review is conducted annually, with each divisional Managing Director reviewing the results for their business and the Wesfarmers Board reviewing outcomes at Group level. This review focuses specifically on salaried team members, as our other team members are remunerated according to applicable enterprise agreements or award rates which do not differ by gender. Any areas of concern are subject to further scrutiny, discussion with the Board and, where warranted, action. In addition, Wesfarmers participates in the annual Workplace Gender Equality Agency (**WGEA**) reporting process. Further information is available in the Wesfarmers Gender Pay Statement and WGEA submissions. Wesfarmers' Diverse, Inclusive and Respectful Workplaces Policy aims to encourage an inclusive work environment where everybody feels respected and safe at work, and specifies the measurable objectives set and reviewed by the Board. A copy of this policy is available on the company's website at **wesfarmers.com.au/cg**

wesfarmers.com.au