



2 June 2022

The Manager
Market Announcements Office
Australian Securities Exchange

Dear Manager,

2022 STRATEGY BRIEFING DAY PRESENTATION

Following is a presentation that will be given today, Thursday 2 June 2022, at a Strategy Briefing Day in Sydney which is scheduled to commence at 6:30am AWST / 8:30am AEST.

This briefing will be webcast and is accessible via the Wesfarmers website at www.wesfarmers.com.au.

The videos included as part of the presentation are available at <https://www.wesfarmers.com.au/strategy-videos-JUN22>.

Yours faithfully,

A handwritten signature in blue ink that reads "V. Robinson".

Vicki Robinson
Executive General Manager
Company Secretariat

This announcement was authorised to be given to the ASX by the Wesfarmers Disclosure Committee.

2022 Strategy Briefing Day

To be held on Thursday 2 June 2022



Agenda

Time (AEST)	Topic	Presenter
8:00am – 8:30am	Registration	
8:30am – 9:35am	Introduction and Group overview	Rob Scott, Anthony Gianotti and Naomi Flutter
9:35am – 10:05am	Chemicals, Energy and Fertilisers	Ian Hansen
10:05am – 10:25am	Morning tea	
10:25am – 11:15am	Bunnings Group	Michael Schneider
11:15am – 11:55am	Kmart Group	Ian Bailey and Richard Pearson
11:55am – 12:30pm	Lunch	
12:30pm – 1:00pm	Officeworks	Sarah Hunter
1:00pm – 1:30pm	OneDigital	Nicole Sheffield
1.30pm – 1.35pm	Break	
1:35pm – 1:55pm	Industrial and Safety	Tim Bult
1:55pm – 2:15pm	Health	Emily Amos
2.15pm – 2.20pm	Closing remarks	Rob Scott
2:20pm – 2.30pm	Afternoon tea	
2:30pm – 5:00pm	Bunnings Pymble Store Tour	

Introduction and Group overview

Rob Scott

Managing Director, Wesfarmers Limited



Wesfarmers' primary objective is to provide a satisfactory return to shareholders

We believe it is only possible to achieve this over the long term by:



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



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



Engaging fairly with our suppliers and sourcing ethically and sustainably



Supporting the communities in which we operate



Taking care of the environment



Acting with integrity and honesty in all of our dealings

Priorities aligned with the Wesfarmers Way

The Wesfarmers Way provides a shareholder-focused objective and four value-creating strategies ...

... with unique sources of competitive advantage ...

... and current priorities that are aligned to the Group's objective and operating model.

To provide a satisfactory return to shareholders

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

Divisional autonomy

Active capital allocation and portfolio management

OneDigital



Data and digital ecosystem



Platforms for long-term growth



Accelerate the pace of continuous improvement

Significant progress on ecosystem and new platforms for growth

Data and digital ecosystem

Established Wesfarmers OneDigital in 2H FY22

Extended benefits of OnePass membership program to Kmart and Target

Strengthened e-commerce capabilities

Online sales¹ up c. 3.0x and Catch GTV up c. 2.0x since 1H19²

Bunnings and Officeworks partnering with Flybuys

Strong omni-channel offer

1,500+ stores and 150m+ online interactions per month

Platforms for long-term growth

Development of Mt Holland lithium project

Established Health division

With API the foundation business

Exploring capacity expansion and adjacent industry opportunities within WesCEF

Relating to ammonia and sodium cyanide plants, and clean energy projects

Continued development of Bunnings

Including Tool Kit Depot and Beaumont Tiles

Accelerate the pace of continuous improvement

Enhancing supply chain capabilities

Increased resilience and operational agility

Continued optimisation of store networks

Including across Kmart Group and Bunnings

Sustainability focus

Including WesCEF's new net zero commitment

Supporting team members and community

1. Retail businesses excluding Catch.

2. Online sales and GTV growth is calculated between the periods 1 July 2019 to 31 December 2019 and 1 July 2021 to 31 December 2021.

Wesfarmers' portfolio has expanded and strengthened, with a focus on essential products for consumers and industry

2018



2022



New:

Key priorities centred around providing the best value and enhancing the customer experience

Bunnings Group

Grow addressable market and market participation. Price positioning on essential products to support 'build, maintain and improve' projects provides resilience through the cycle



Kmart Group

Unique product development capabilities and scale enable continued range expansion and provide customers with the lowest prices



WesCEF

Portfolio of businesses supplying products to critical industries, providing a platform for expansion and growth into adjacencies. Underpinned by leading sustainability commitments



Officeworks

A growing addressable market and well positioned to meet changing customer needs, including the rise in work from home



WIS

Improving the product and service offering, providing an easy and reliable experience for customers



Health

Listening to and learning from the API team, developing API as the foundation business of Wesfarmers' new Health division



OneDigital

Data and digital capabilities that are complementary and incremental to retail businesses, generating value for customers and divisions



Key messages

- The Group is well positioned for the post-COVID environment, having strengthened the capabilities of existing divisions and with new platforms for future growth
- Wesfarmers' retail divisions are well equipped to manage inflationary pressures and view this as an opportunity to profitably grow share while extending value credentials
- The Wesfarmers portfolio continues to evolve and the next few years will see the continued development of new growth platforms:
 - Expansion of WesCEF through the Mt Holland lithium project
 - Investment in the growth and improved performance of API and the new Health division
 - Development of a large-scale, differentiated retail ecosystem that leverages the power of the retail brands and store networks, together with the value-added benefits of OneDigital
- Ongoing focus on accelerating the pace of continuous improvement and embedding sustainability into all aspects of Group strategies

Group financial update

Anthony Gianotti

Chief Financial Officer, Wesfarmers Limited



Key focus areas



Active capital allocation

to deliver long-term earnings and cash flow growth



Disciplined working capital

to meet customer needs and manage external volatility



Strong and flexible balance sheet

to support further investment

Capital allocation and portfolio management approach

The Group's unique characteristics support the delivery of superior returns:

Financial discipline

Long-term investment horizon

Synergies with divisions

Ability to leverage data and digital platforms

Balance sheet flexibility

Trusted partner and acquirer

Portfolio of existing businesses

- Data and digital
- Store networks
- Supply chain capabilities
- Customer experience
- Sustainability strategies
- Product innovation
- Talent and capabilities

Adjacent opportunities

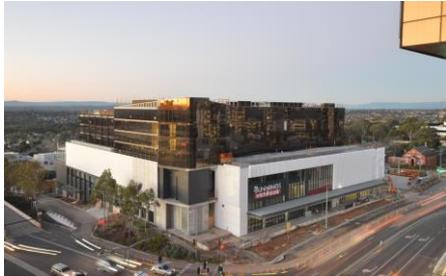
- OneDigital (incl. OnePass and OneData)
- Range expansion with new products and services
- Bunnings commercial (incl. specialist brands)
- New production capacity (WesCEF)

Value-accretive transactions

- Health division via API acquisition
- Mt Holland lithium project
- Catch marketplace
- Adelaide Tools (now Tool Kit Depot) and Beaumont Tiles

Disciplined capital allocation processes

Capex



- Annual hurdle rate setting, having regard to risk and return potential of existing divisions
- Discounted cash flow and return on capital analysis to evaluate projects
- Delegation of authority and multiple levels of review
- Post-implementation reviews

Opex



- Adapting processes to new styles of investment while maintaining commercial discipline
- Focus on appropriate time-to-benefit realisation
- Regular budget check-ins
- Range of metrics to measure performance

M&A

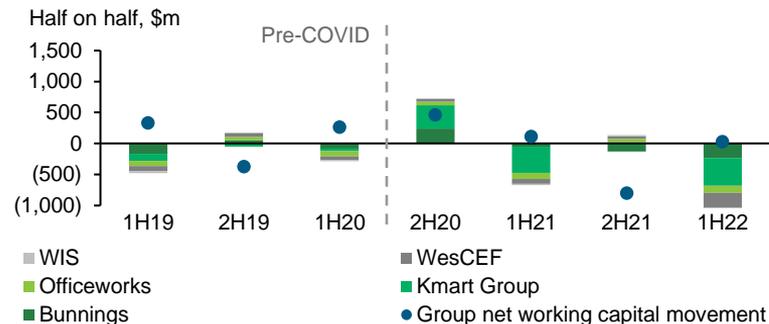


- Risk adjusted expected returns measured against risk adjusted cost of capital
- Value-add opportunities
- Focus on long-term earnings
- Comprehensive due diligence processes
- Review of sustainability credentials

Working capital

- Long-term working capital movements reflect:
 - Disciplined management with focus on cash flows
 - Seasonality impacts of retail and fertilisers
- Recent working capital volatility has reflected:
 - Lower inventory levels and elevated payables balances at FY20 year-end following strong demand
 - Prioritisation of flexibility through COVID
 - Ongoing normalisation of inventory and payables positions across retail divisions
- Inventories in 1H22 were abnormally high, driven by:
 - Decision to temporarily carry higher levels of stock
 - Domestic supply chain disruptions
 - Higher commodity prices
- Inventory balances are expected to normalise over time
 - Anticipating 2H FY22 inventory levels to remain elevated due to API, inflation and commodity price impacts, and ongoing prioritisation of stock availability

Inventory cashflow by division



Factors driving FY22 inventory levels



Acquisition of API¹



Higher commodity prices and COGS



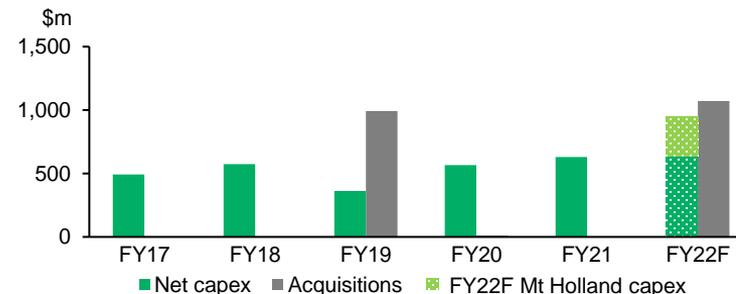
Increased holdings of '365' stock

1. Initial capital employed for the Health division was approximately \$1,025 million, reflecting total cash consideration of \$774 million paid to API shareholders plus the funding requirement for API's net debt and associated working capital.

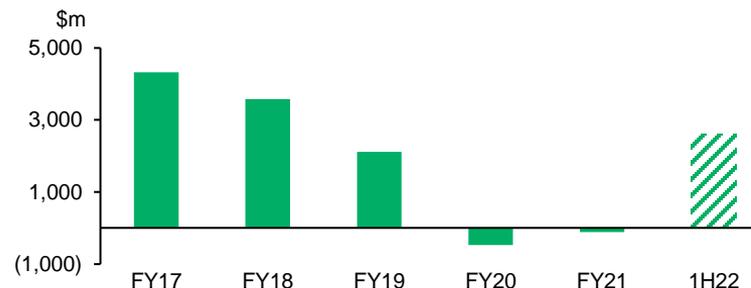
Capex and balance sheet

- Growth in net capex reflects:
 - Investment in Mt Holland lithium project
 - Data and digital investment
 - Network investment
- Expecting FY22 net capital expenditure of \$900m to \$1,000m
 - Includes approximately \$320m relating to development of the Mt Holland lithium project
- Continued repositioning of the balance sheet to optimise cost of funds and debt maturity profile
 - Issued two sustainability-linked bonds in calendar year 2021, including the first in the Australian market
 - Secured c. \$1.9b of fixed rate long-term debt at 1.9% - 3.0%⁴
 - Net financial debt of \$2.6b at 31 December 2021
- Appropriately strong and flexible balance sheet to support continued investment
- Strong credit metrics and stable credit ratings with significant headroom
 - Moody's A3 (stable outlook)
 - Standard & Poor's A- (stable outlook)

Net Capex and acquisitions (cont. ops)^{1,2}



Net financial debt³



1. FY17 represents Group net capex less Coles gross capex of \$715m. FY22F net capex represents the midpoint of the guided range.

2. Acquisitions include Catch Group (FY19), Kidman Resources (FY19), Geeks 2 U (FY19), Adelaide Tools (FY20), Beaumont Tiles (FY22) and API (FY22).

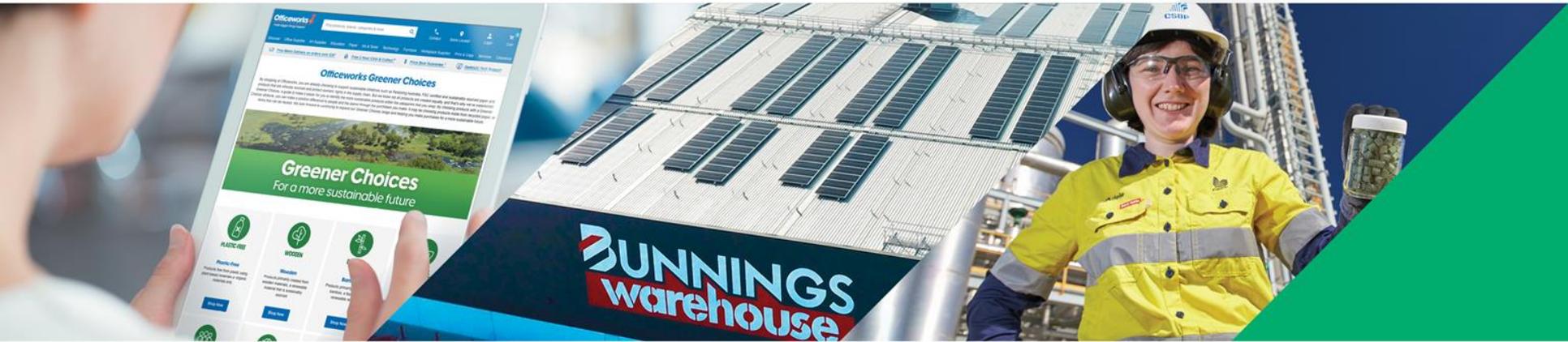
3. Interest bearing liabilities less cash at bank and on deposit, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes lease liabilities.

4. As of 31 December 2021, weighted average debt term to maturity was 6.5 years (1H21: 1.2 years) and average cost of funds was 3.15% (1H21: 5.27%).

Environment, social and governance (ESG) update

Naomi Flutter

Executive General Manager, Corporate Affairs, Wesfarmers Limited



Wesfarmers' most material ESG issues

Health, safety & wellbeing



Climate resilience



Data, IT & cyber security



Governance, corporate conduct & ethics



Circular economy



Ethical sourcing & human rights



People development, diversity & inclusion



Community



Aboriginal & Torres Strait Islander Reconciliation



Product quality, safety & standards



Strategic approach drives long-term impact and value

- Over many years, the divisions have all realised opportunities to create significant long-term value by embedding greater ESG-awareness in their operations and strategies
- Likewise, ESG-awareness has supported Wesfarmers' approach to capital allocation



Lowering costs

- Strategies to better manage and reduce costs, knowing these enhance earnings and returns on capital
- Opportunities exist in many varied functions, delivering fixed and variable cost benefits



Increasing sales

- Strategies to deliver incremental revenues, whether from sales to customers or other sources
- Opportunities often arise when customer or community expectations and commercial settings change



Building resilience

- Strategies to help build resilience to diverse and changing risks (whether physical or otherwise) and expectations
- Strategies to protect and enhance reputation, knowing its importance to many key stakeholders

Building climate resilience



Strategic approach

Approach set through the Group Climate Change Policy

Ambitious targets including net zero

Investment in capability

Impact and value

A decoupling in business performance and emissions

Extensive operational impact

Leveraging targets to deliver debt margin savings

Future opportunities

Investment in incremental capability

Increased focus on data

Strategies to mitigate physical and supply chain risks

Increased focus on Scope 3 emissions



Resource awareness delivering circular outcomes



Strategic approach

Emerging trend, intuitively understood by customers

Group-wide strategies being developed and implemented to keep resources at their highest value, as long as possible

Impact and value

Operational waste diversion

Redesign of packaging

Use of by-products

Future opportunities

Product design and materials (in addition to packaging)

Extending product life

Product end of life options

Additional and new circular indicators



Advancing reconciliation and inclusion



Strategic approach

Approach reflected in new Elevate RAP

Strategies recognise our scale and national footprint

Dedicated resourcing

BOAB Fund to support existing and new Indigenous suppliers¹

Impact and value

Group Indigenous employment parity regained

Kmart's Deadly Stores Program²

Meaningful contribution to "closing the gap" in youth employment

Future opportunities

Employment focus extended to include career progression among Indigenous leaders

Meaningful opportunities in supplier diversity



1. The Building Outstanding Aboriginal and Torres Strait Islander Businesses (BOAB) Fund was launched in 2020 to provide funding and business support to small to medium-sized Indigenous businesses that are existing and potential new suppliers to the Group, to support them to develop and scale.
2. The Kmart Deadly Stores Program has been rolled out across 67 stores and includes a focus on Aboriginal and Torres Strait Islander employment and initiatives such as cultural awareness training.

Group Q&A

Rob Scott

Managing Director, Wesfarmers Limited

Naomi Flutter

Executive General Manager, Corporate Affairs, Wesfarmers Limited

Anthony Gianotti

Chief Financial Officer, Wesfarmers Limited



Wesfarmers Chemicals, Energy & Fertilisers

Ian Hansen

Managing Director, Wesfarmers Chemicals Energy & Fertilisers



To grow a portfolio of leading, sustainable businesses that provide products into critical industries

WesCEF is guided by its vision and strategies in decision making and strategic focus...

Safe person,
Safe process,
Safe place

Enhance
our reputation

Foster a culture that
recognises diversity
and focuses on
customers

Evolve through
innovation and
investment

... with business units that have leading market positions and a track record of strong operating performance

Chemicals



Growth through debottlenecking and expansion opportunities, benefiting from elevated commodity prices

Ammonia | Ammonium Nitrate | Sodium Cyanide | Composite decking | Industrial chemicals

Energy



Benefiting from strong Saudi CP, focus on customer service to drive customer retention and continued growth

LPG | LNG | retail NG&E

Fertilisers



Investing in initiatives to provide the best reliability, best experience and best advice to customers

Lithium



Supporting Covalent to ensure successful project execution, investigating opportunities to expand the mine and refinery



Existing businesses working with long-term customers to provide

key products to critical industries



Establishing new business lines to pursue and explore

adjacent opportunities



New commitments continue WesCEF's decarbonisation journey towards

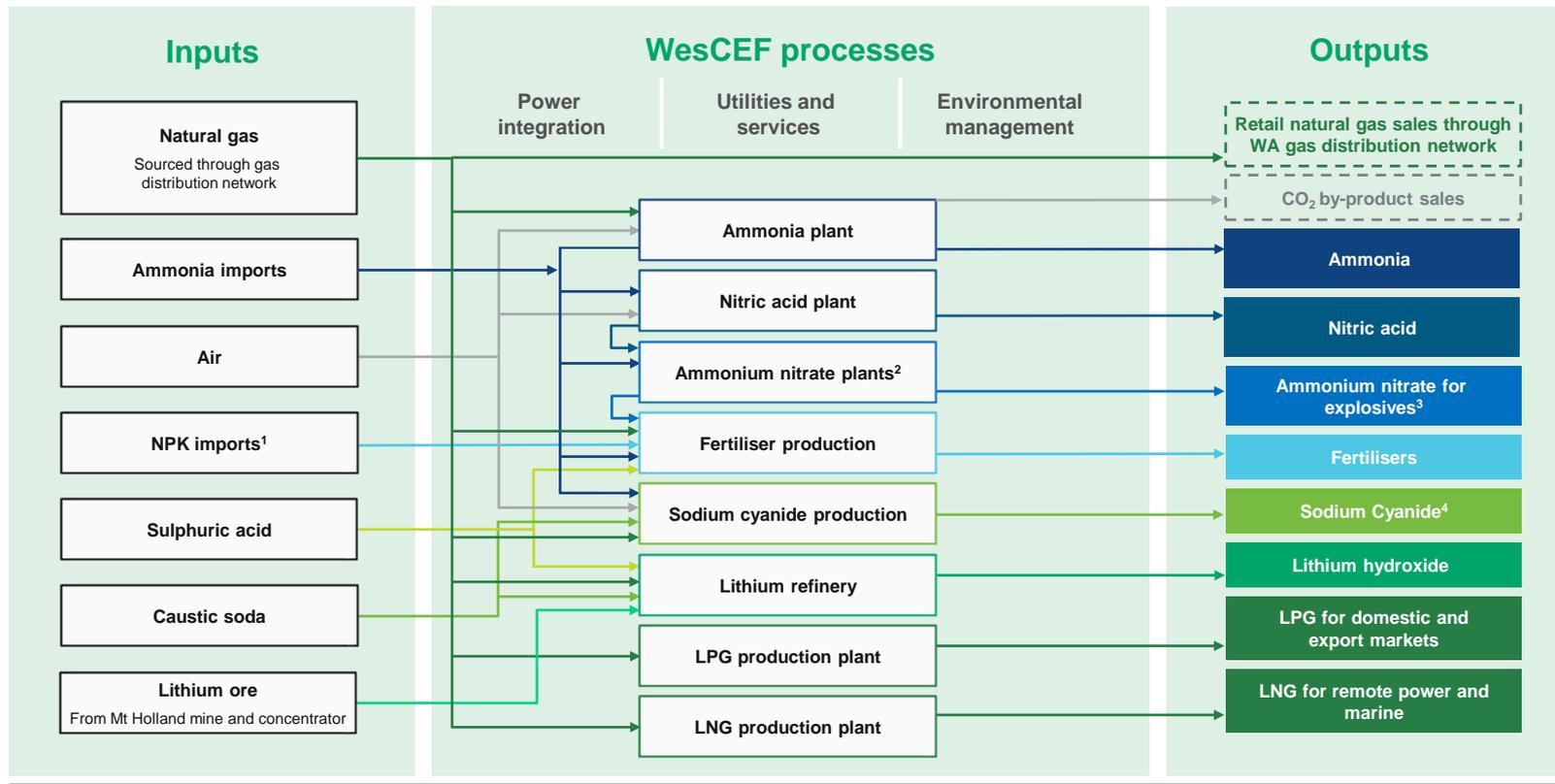
net zero by 2050

Kwinana location

- Over 50 years of continuous WesCEF operations
- Strategically located industrial complex with access to:
 - Dampier to Bunbury natural gas pipeline
 - Rail corridor
 - Priority port berthing rights
 - Water and electricity infrastructure
 - Highly skilled workforce
 - Reagents produced by neighbouring chemical plants



Divisional integration



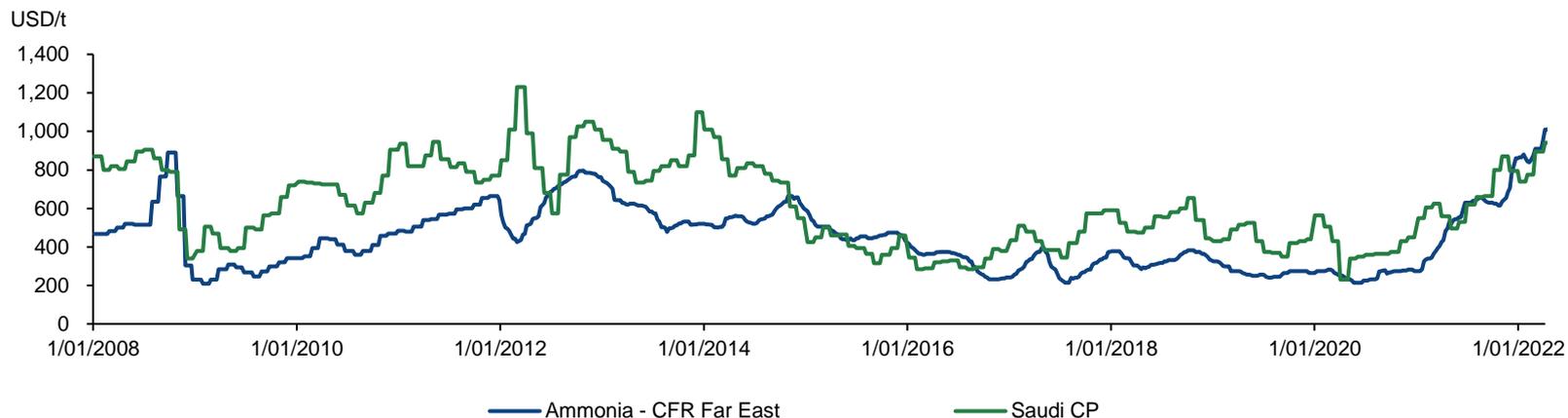
1. Nitrogen, phosphorus and potassium imports.

2. Includes ammonium nitrate solution / emulsion plants and a prilling plant.

3. Includes Queensland Nitrates, 50% owned Joint Venture in Queensland. Distributes AN solution, emulsion and prill.

4. Sodium Cyanide solution to WA markets and solids to export markets.

Commodity price and supply chain update



Commodity prices

- High commodity prices are impacting all WesCEF businesses; favourable for locally manufactured product
- Commodity price pass-through exists in some customer contracts
- High inventory value due to volatile commodity prices resulting in higher working capital, particularly in fertilisers

Supply chain

- Fertilisers business has leveraged procurement capabilities to replace Russian UAN¹ imports with alternate supply sources
- Shipping and logistical challenges persist for procuring long-lead items

1. Urea ammonium nitrate.

Source: Ammonia – ICIS Fertilizers, Saudi CP – Gas Energy Australia.

WesCEF strategic focus areas

Decarbonisation

- Drive divisional decarbonisation strategy, including net zero roadmap
- Utilise existing chemical processing expertise to investigate medium and long-term abatement and low carbon growth opportunities

Expansion projects

- Evaluate opportunities to leverage existing infrastructure to expand Chemical manufacturing capacity

EV¹ battery materials

- Support Covalent in ensuring successful project execution and project expansion opportunities
- Consider adjacent and downstream investment opportunities in the EV battery materials sector

Energy transition

- Consider opportunities to support the transition to 'clean energy' through electrification and adjacent opportunities

Enablers

- Investigate benefits of a new ERP² solution
- Data and digital investment to improve customer experience and create efficiencies



Abatement catalyst top up



Sodium cyanide solution rail carriages

1. Electric Vehicles.
2. Enterprise Resource Planning.

WesCEF's 2050 Net Zero Roadmap

SCOPE 1 + 2 EMISSIONS



5.5Mt cumulative abatement in Phase 1 (2012 – 2020)

Wesfarmers Chemicals, Energy & Fertilisers

PHASE ONE

2020
Baseline
40%
Reduction

Relative to unabated 2020 baseline



Upgrade abatement technologies

2030
30%
Reduction

Relative to abated 2020 baseline



Renewable electricity

SCOPE 3 PATHWAY AND ROADMAP EVOLUTION



Pilot of carbon capture utilisation and storage, and green hydrogen



Evaluate emerging decarbonisation solutions

PHASE TWO



90%
of WesCEF's scope 1 and 2 emissions have abatement potential

2050
NET ZERO



Offset residual emissions



Large-scale green hydrogen



Large-scale carbon capture utilisation and storage

PHASE THREE

Partnerships with:



Business update and current priorities: Lithium



Mt Holland village



Mt Holland aerodrome



Mining and construction of concentrator



Construction at Kwinana refinery

Project fundamentals

- First production from refinery: 2H CY24
- Production capacity: 50ktpa LiOH¹
- WES share of capex: c. A\$950 million (real 2021)
- Cash cost²: c. US\$5,400/tonne of LiOH (real 2021)
- Life of project: c. 50 years

Project and market update

- Mt Holland village and aerodrome construction completed
- Construction of the concentrator and refinery are underway, pre-strip mining has commenced
- Covalent is currently containing the impacts of a challenging construction environment and project remains in line with original guidance
- Strong market fundamentals³ for battery electric vehicles driven by increased focus on climate and government support

Current priorities

- Support Covalent to ensure successful project execution
- Investigate expansion opportunities of mine and refinery to improve investment returns
- Evaluate adjacent step out opportunities and downstream investments within the battery minerals thematic
- Favourable environment to support lithium offtake contracts
- Considering options for sale of spodumene concentrate

1. Wesfarmers will receive 50% of the 50ktpa lithium hydroxide project output under the 50:50 joint venture with SQM.

2. Average over life of project, includes sustaining capex and excludes revenue from the sale of by-products.

3. Bloomberg New Energy Finance 2021 estimates BEV demand forecast to grow at 18% per annum over the next decade.

Business update

- Chemicals production benefiting from unprecedented global commodity prices
- Strong growth in demand for ammonium nitrate by WA mining and agricultural customers
- International Sodium Cyanide customers are recovering from COVID-19 related disruptions

Current priorities

- Evaluating opportunities to leverage existing infrastructure to expand sodium cyanide plant capacity from 90ktpa to >120ktpa, FID 2H CY22
- Assessing the feasibility of expanded ammonia production to replace imports, including assessment of new technologies
- NAAN¹ debottlenecking opportunities



CSBP team member wearing personal protective equipment in accordance with plant safety procedures while monitoring the Kwinana NAAN plant

1. Nitric Acid Ammonium Nitrate.

Business update

- Strong performance in LPG driven by higher Saudi CP¹ and closure of BP's Kwinana Refinery in 2021
- Completed repurposing of existing storage tank to optimise condensate market opportunity
- Strong focus on customer service to drive continued growth and customer retention in natural gas retail

Current priorities

- Evaluating opportunities in battery energy storage systems and electrification
- Investment in data and digital, including new CRM² and utility billing systems to enhance customer service



LPG storage tanks, one recently repurposed to condensate

1. Saudi Contract Price (the international benchmark indicator for LPG).
2. Customer Relationship Management system.

Business update and current priorities: Fertilisers



Business update

- Positive grower sentiment following a strong 2021 harvest and good 2022 seasonal rainfall
- Investment in additional despatch capability and improvements to key infrastructure across all regional locations
- Launch of full-service nitrogen nutritional offer (CSBP Detect Plus) leveraging agronomic, data science and technology capabilities
- Increasing competition and competitor infrastructure investment reflecting attractive and growing addressable market

Current priorities

- Investment in initiatives, including data, digital and agronomic capability to deliver the best reliability, experience and advice for customers
- Assessing additional storage assets in key regional locations
- Continued reinvestment in major maintenance activity across key assets



Best reliability: Additional solids load out capacity in Esperance has increased solids despatch capacity by 75%



Best experience and advice: Launch of full season customer nutrition service CSBP Detect Plus

Key messages and outlook

Strategic focus areas

- Drive divisional **decarbonisation** strategy, including net zero roadmap, and evaluate medium and long-term abatement and low carbon growth opportunities
- Evaluate opportunities to leverage existing infrastructure to **expand** chemical manufacturing capacity
- Support Covalent in ensuring successful project execution and consider adjacent and downstream opportunities in the **EV battery material sector**
- Consider opportunities to support the clean **energy transition** through electrification and adjacent opportunities
- Optimise business processes through the implementation of **enablers** including investigating benefits of a new ERP solution and investment in data and digital

Outlook

- **Chemicals** businesses are expected to continue benefiting from a strong global ammonia price
- Production and demand for ammonium nitrate and sodium cyanide expected to remain robust
- **Energy** earnings are expected to continue benefiting from a strong Saudi CP
- Positive grower sentiment is expected to result in a solid **Fertiliser** result
- Continued construction of the Mt Holland **lithium** mine, concentrator and Kwinana refinery, and progress expansion study
- Earnings will be subject to international commodity prices, exchange rates, competitive factors and seasonal outcomes

Q&A

Wesfarmers Chemicals, Energy & Fertilisers

Ian Hansen

Managing Director, WesCEF

Aaron Hood

Chief Financial Officer, WesCEF



Appendix: WesCEF overview



Chemicals



Energy



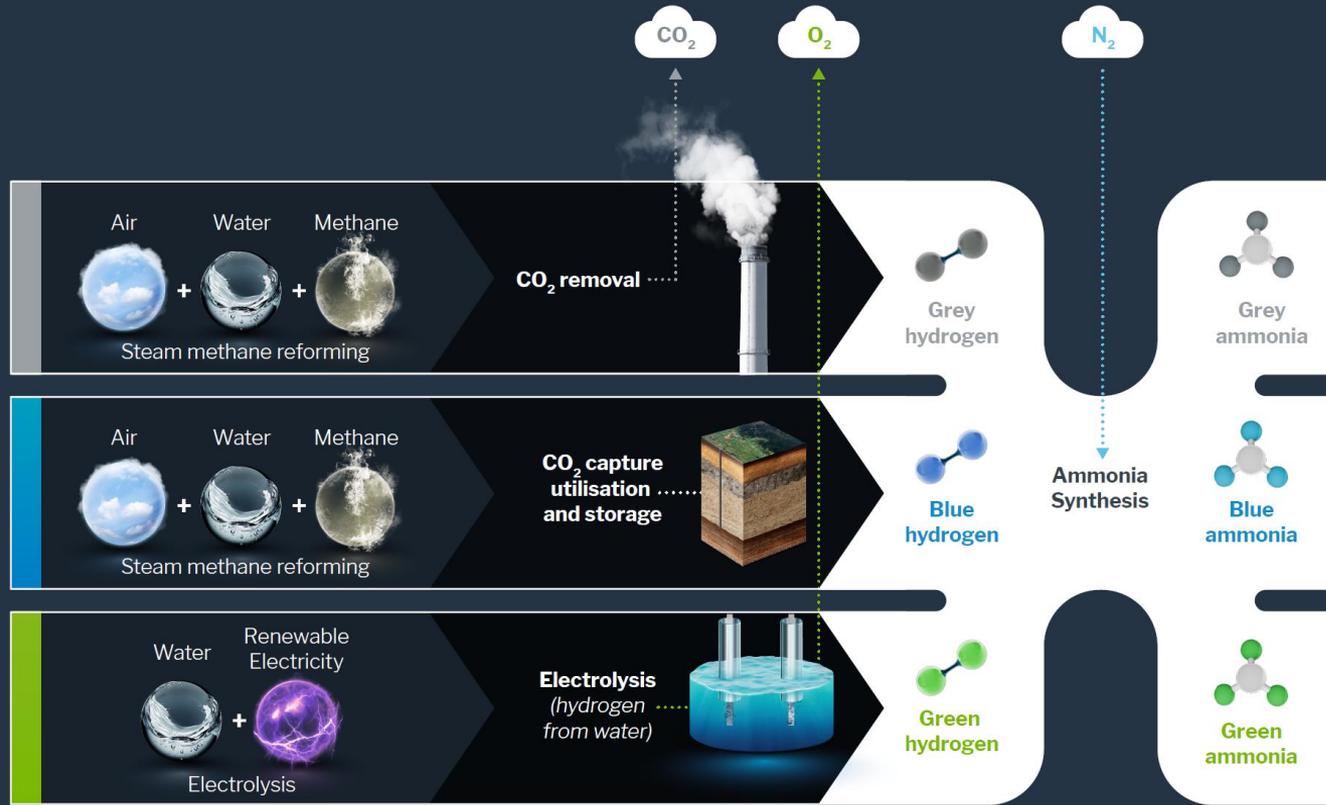
Fertilisers



Lithium

Description	Production and distribution of ammonia, ammonium nitrate (AN), sodium cyanide, composite decking and other industrial chemicals including PVC and specialty products	Production and distribution of LPG and LNG and retailer of natural gas and electricity	Import, production and distribution of fertilisers and nutrition-related services	Production of battery grade lithium hydroxide (currently under construction) in conjunction with joint venture partner SQM
Competitive position	<ul style="list-style-type: none"> #1 WA AN #1 AU sodium cyanide #1 AU PVC distribution 	<ul style="list-style-type: none"> #1 WA LPG #1 WA LNG #2 WA natural gas retail 	<ul style="list-style-type: none"> #1 WA fertiliser 	<ul style="list-style-type: none"> Vertically integrated mine to refinery process in WA High-grade reserves
Competitive advantage	<ul style="list-style-type: none"> Operational excellence delivering reliable supply Suite of contracts with high-quality customers 	<ul style="list-style-type: none"> Trusted local brand Customer service Natural gas wholesale position 	<ul style="list-style-type: none"> Expertise-based value-add services Trusted local brand Only WA bulk production 	<ul style="list-style-type: none"> Proven capabilities in project development, sustainable chemical processing and product distribution from WA
Market dynamic	<ul style="list-style-type: none"> WA AN market competitive Increased global demand for sodium cyanide 	<ul style="list-style-type: none"> Mature WA LPG market Competitive natural gas retail and LNG market 	<ul style="list-style-type: none"> Strong competition in WA fertiliser market 	<ul style="list-style-type: none"> Emerging market supported by strong forecast demand for battery electric vehicles

Appendix: Grey, Blue and Green Ammonia



Bunnings Group

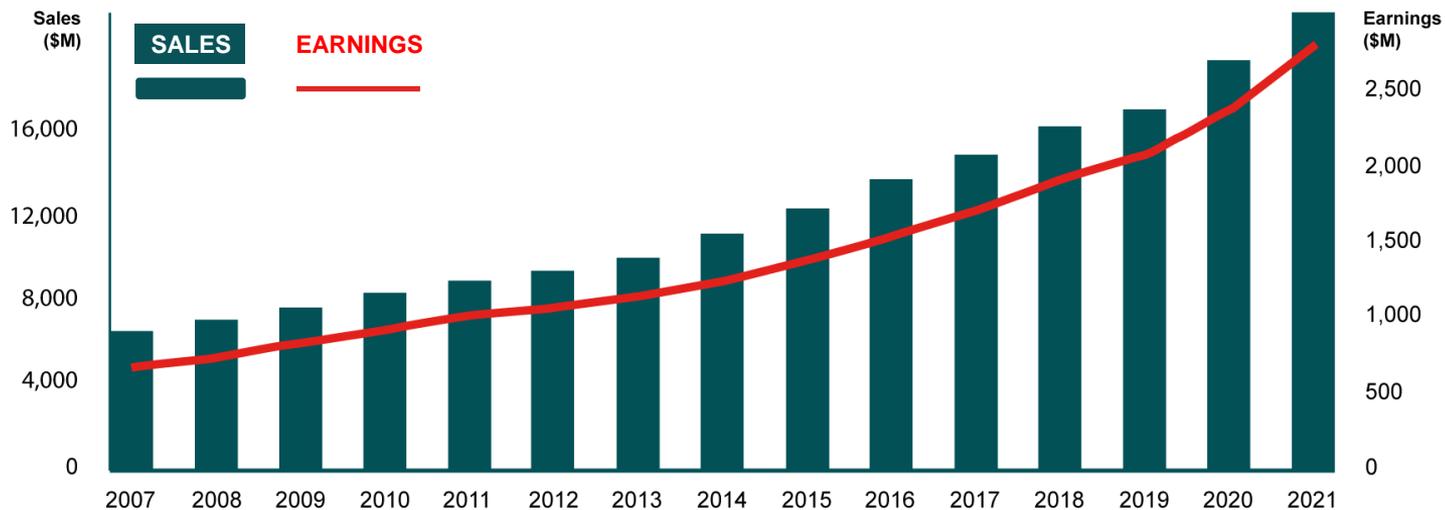
Michael Schneider

Managing Director, Bunnings Group



Track record of growth through the cycle

Bunnings has grown its addressable market from \$39 billion in 2007 to \$100 billion in 2022



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
NUMBER OF LOCATIONS¹	238	250	260	278	296	306	317	323	337	350	362	372	377	381	386
SOS GROWTH (%)	10.4	11.3	10.1	7.3	3.0	3.9	4.4	8.4	8.8	8.1	7.3	7.8	3.9	14.7	11.9

ADDRESSABLE MARKET²	\$39.3 B	\$47.2 B	\$100.8 B
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1. Includes Bunnings warehouse, small format stores, trade centres, Tool Kit Depot stores and frame and truss sites.

2. Australian and New Zealand market. New Zealand market converted to AUD at \$1.07.

Growth focus across customers, products, services and channels



Bunnings strategic agenda



**Building
the Best Team &
Making a Positive
Difference**



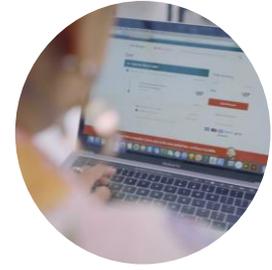
**Consumer
Growth**



**Commercial
Growth**



**Supply Chain
Evolution**



**Tech and
Innovation**

Building the best team

Team and culture

- Live our culture and drive engagement
- Continued focus on learning and development
- New talent to support new capabilities
- Inclusion and diversity
- Grassroots community activities

Safety and wellbeing

- Ongoing focus on a COVID-safe environment
- Improvements to our safety program
- Increased support for team wellbeing



Making a positive difference

Sustainability

- Will source 100% renewable electricity by 2025 to help achieve net zero Scope 1 and 2 emissions by 2030
 - Long-term renewable power purchase agreements signed in NZ, QLD, VIC and SA
 - Over 60% of the network is fitted with energy efficient LED lighting
- National battery recycling programs launched in Australia and New Zealand



Community

- Strong commitment to community partnerships and involvement, focusing on the issues that matter most
- Major community initiatives include:
 - Bushfire / flood relief fundraising
 - SES recognition and contributions
 - Fight MND and Share the Dignity campaigns



Consumer growth

Lowest Price

- Deliver more value
- Go harder on lowest prices that matter the most
- Disciplined focus on lowest cost. Drive operational efficiency, leverage volume to purchase at the lowest cost
- Own brand products to provide greater value in selected categories

Widest Range

- Deeper range: win entry, consolidate good, grow better, establish best
- Optimise and expand ranges across instore, online and Marketplace
- New ranges, layouts and product adjacencies. Optimise space

Best Experience

- Leverage data investments to personalise customer experiences and deepen supplier partnerships
- Create the best customer experiences across all touchpoints
- Simplify or remove tasks to reinvest in service
- Right products, right place, right time



Consumer growth: continue to expand existing and new categories

Over the past 10 years, Bunnings has evolved from a warehouse model offering on average 34,000 SKUs to an omni-channel business offering over 110,000 SKUs across instore, online and Marketplace

Expanding depth in existing range



Room furniture and storage



Garden and Garden Decor



Kitchen and Bathroom

Growth opportunities



In-home Services



Pet Durables



Recreation

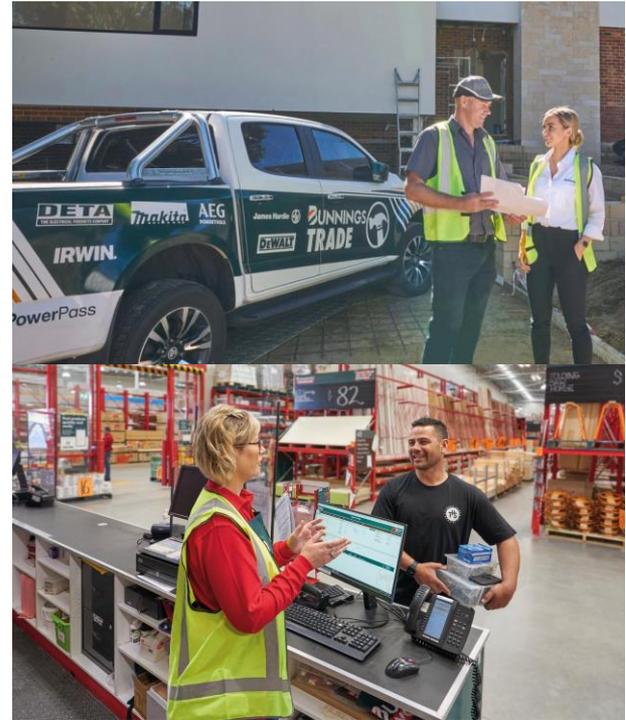
Commercial growth

Strengthen the offer

- Best experience where it matters: instore, online and on-site
- Right product and value
- Range expansion to better cater for each stage of the build and needs of specialist trades

Develop new capabilities to drive growth

- Further digitise the customer experience
- Expansion of Frame and Truss plants
- Roll-out of Tool Kit Depot
- Leverage and grow Beaumont Tiles
- Evolve the PowerPass program



Commercial growth: opportunities across the whole of build

	Frame to fix	Fit-out	Finishing	Equip the trades
Scope	Building materials used in residential build stages of frame, lockup and fix (new build and renovations)	Products used in residential build stage of fit-out (new build and renovations)	Building materials used in residential build stage of finishing	Tools of trade required to complete the job
Key product categories	Structural timber, frame and truss, cladding, insulation, plaster, doors, windows, waterproofing	Appliances, kitchens, bathroomware, hard flooring, tiles, joinery, heating, cooling, lighting	Landscaping, garden, fencing, greenlife, painting, decking, driveways	Power tools, hand tools, equipment, safety and workwear
Purchase decision	 Builder	 Trade / Builder	 Trade	 Trade / Builder

Supply chain evolution: unique supplier relationships

- Strong partnerships with over 1,600 suppliers representing some of Australia, New Zealand and the world's most trusted brands
- Diversified supply chain using a combination of Bunnings, supplier and third-party providers to support sourcing, distribution and logistics to enable store replenishment and end-customer fulfilment

Long-Term Supplier Partnerships



Supply chain evolution

Priority is to maintain strong in-stock positions to support customer demand

- Supply chain challenges and variability expected to continue in short to medium term

Opportunities for incremental improvements to support:

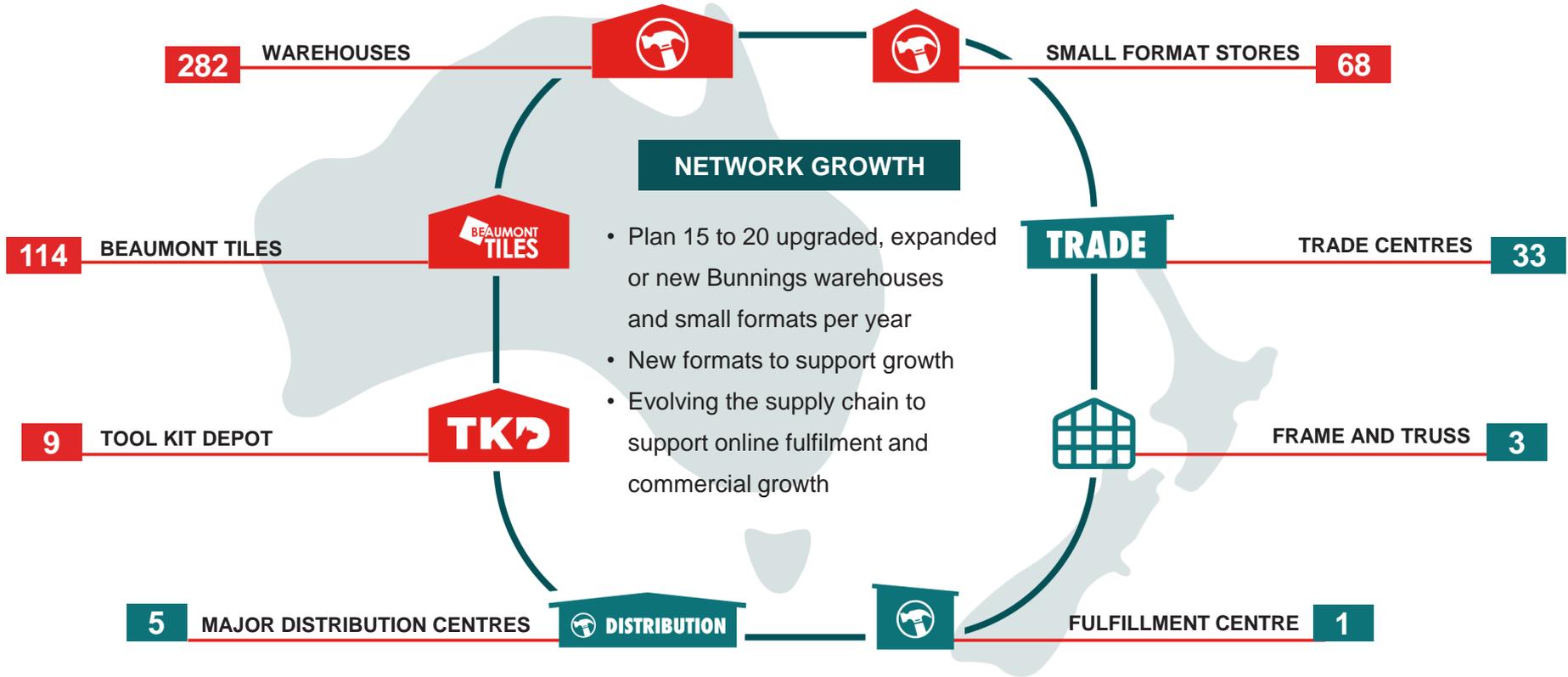
- More efficient store replenishment and higher stock availability
- Reliable and flexible customer fulfillment options; from small packages to large and bulky orders
- Continued growth in product range instore, online and on-site

Key capabilities being developed:

- Continued improvements in Click and Collect
- Introduction of fulfilment centres and transport management
- Implementation of technology solutions



Network growth and expansion



Note: As at 19 May 2022.

Tech and innovation

Developing deep capability across e-commerce, digital and data

New retail and trade e-commerce platforms

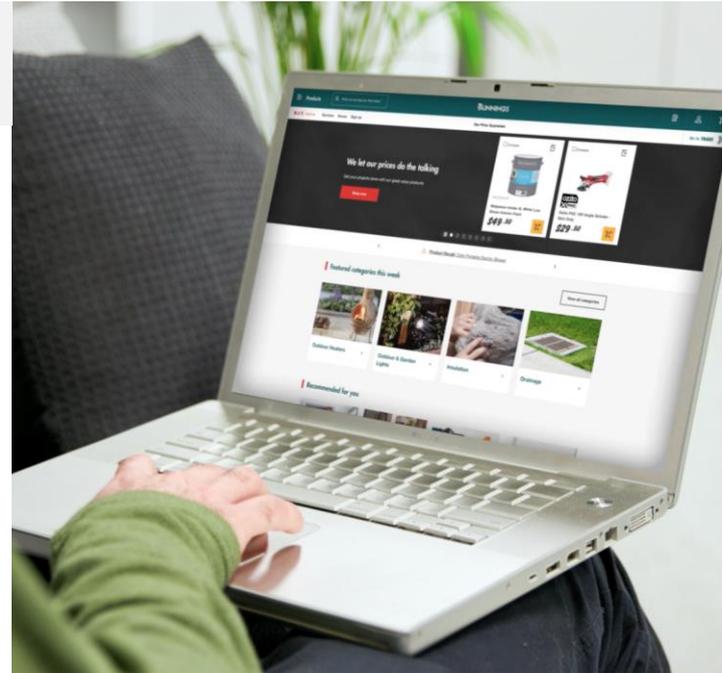
- More than 12 million online visits per week
- 1.7 million views of D.I.Y. articles and YouTube videos every week

Strong omni-channel offer

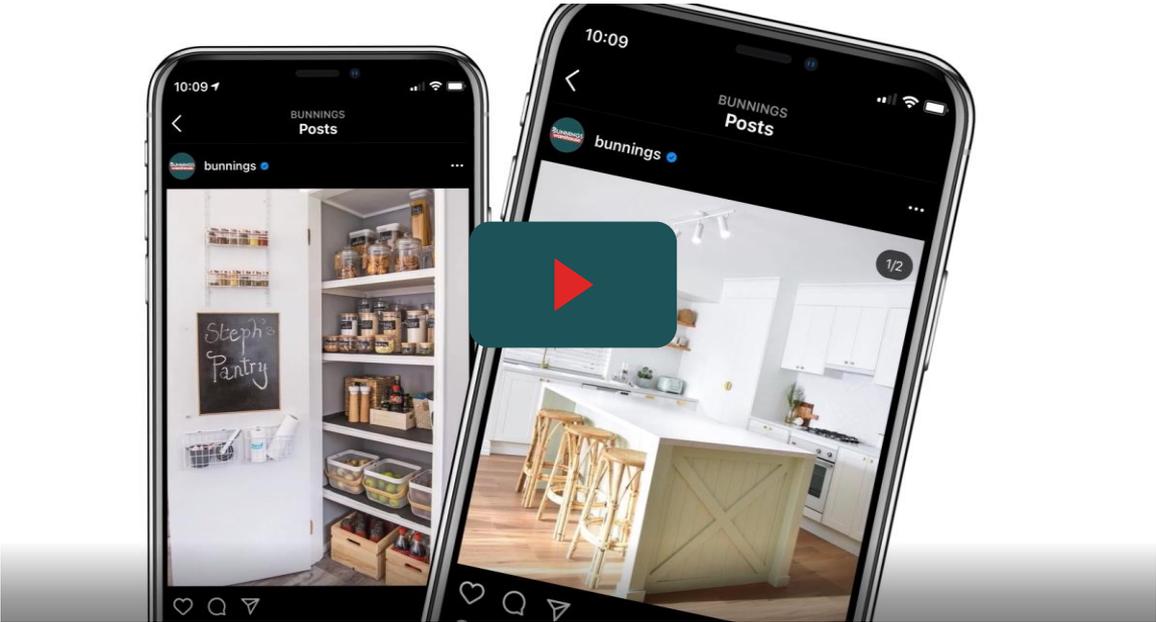
- 4 million Drive & Collect orders since launch in 2020
- 85% of online customers visit a Bunnings store within 30 days

Deepening data analytics capability

- Driving personalised communications to millions of customers
- Boosting operational efficiency



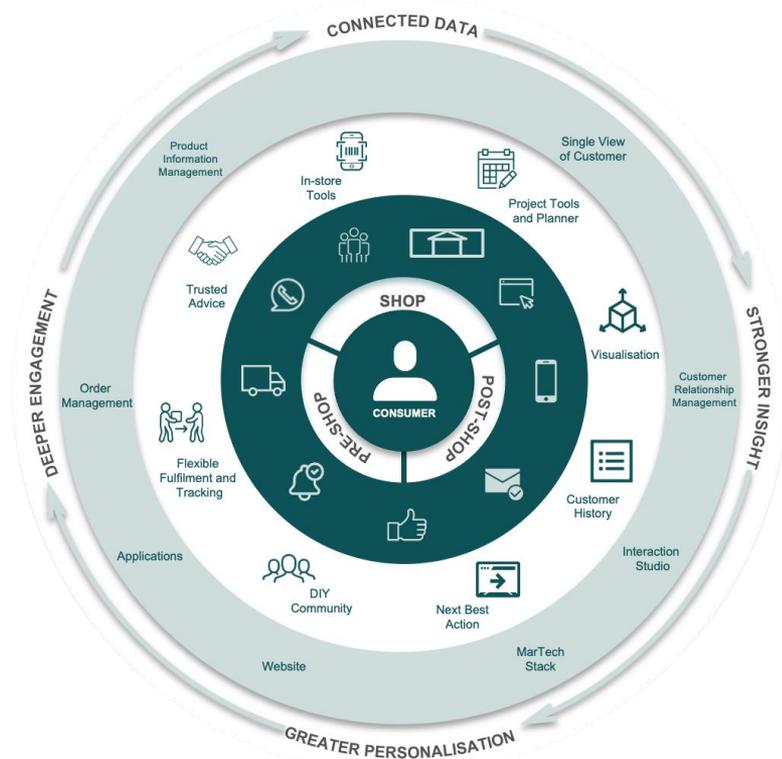
Tech and innovation



Tech and innovation: connected experience

Connected experience across the customer journey

Delivering seamless instore and online benefits to enhance customer experience, business efficiency and supplier engagement



Tech and innovation: Leveraging data and insights to improve customer experience and deliver productivity gains



FOR A SPECIFIC CUSTOMER, ACCOUNT
HOLDER OR TARGETED AUDIENCE/SEGMENT

At the right time



Location



Weather



Project



Time of day/
Day of week



Frequency

Delivered by the right channel



Website
and App



Email



Paid and
Social Media



Contact
Centre



Instore

Create the right experience



Product
offering



Content and
inspiration



Pricing / Offers /
Bundles



Engagement
or Loyalty



Service
Experience

Leveraging Data



Demographics



Experience



Preferences



Purchased



Search

Key messages and outlook

- Continue to innovate to grow the market and our ability to participate in it across products, services and experiences
- Clear focus on growth across consumer and commercial
 - leveraging strong demand from the trade and housing sector
 - underpinned by a structural shift in the way consumers live in their homes
- Leveraging our accelerated digital investment to drive operational simplicity, business efficiency and deeper connection with our customers, team and suppliers
- Bring incredible value to the market and drive a strong and competitive offer for our customers



Q&A

Bunnings Group

Michael Schneider

Managing Director, Bunnings Group

Rachael McVitty

Chief Financial Officer, Bunnings Group



Kmart Group

Ian Bailey

Managing Director, Kmart Group





Iconic Australian retail brands with differentiated customer propositions



Leading product development company with lowest prices, broad range, and strong engagement across all customer segments



Focused offer centred on apparel and soft home, targeting “mum” as the core customer

Supported by alignment and common focus areas in Kmart Group Functions

Corporate Affairs and Sustainability

Commercial, Strategy and Risk

Joint Sourcing and Procurement

Property and Network Planning

Technology, Data and Advanced Analytics

People and Capability

Leveraging OneDigital Capabilities

OneData

OnePass

Catch Marketplace

Fulfilled By Catch

Track record and existing commitments

- Scale and breadth of operations across Kmart and Target provide a unique position to drive meaningful change
 - Net Zero Scope 1 and 2 emissions by July 2030
 - 100% renewable electricity by 2025
 - 100% of own brand cotton product is now ordered as 'Better Cotton' (organic or recycled)
 - Over 50,000 female workers in the BSR HER project
 - Support health and wellbeing of local communities through major partnerships
- Kmart Group's relationships with global sustainability partners enable it to lead change in Australia
- More information can be found on Kmart and Target's websites

Opportunities in a circular economy



Developing strategies and commitments across multiple areas to make Kmart and Target's businesses more circular



Customer use and disposal of products

- Focus on customer education
- Improving labelling (recycling and care)



Recycled inputs

- Increased use of recycled materials across Apparel and GM



Operational waste and packaging

- Commitments to remove problematic plastic
- Focus on recycling of operational waste



Collective action to drive systemic change

- Partnerships with suppliers, competitors and advocacy groups

Kmart

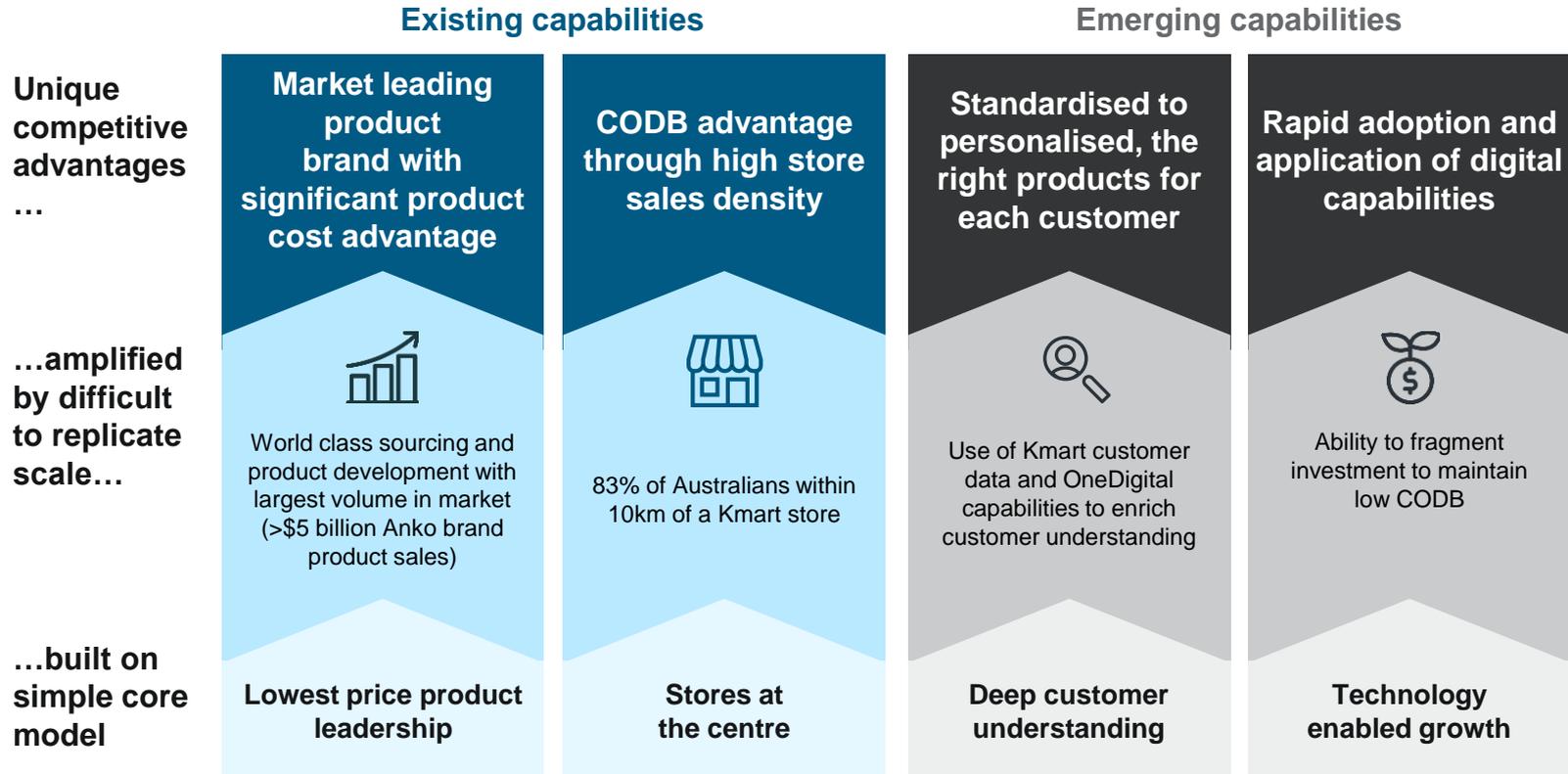
Ian Bailey

Managing Director, Kmart Group



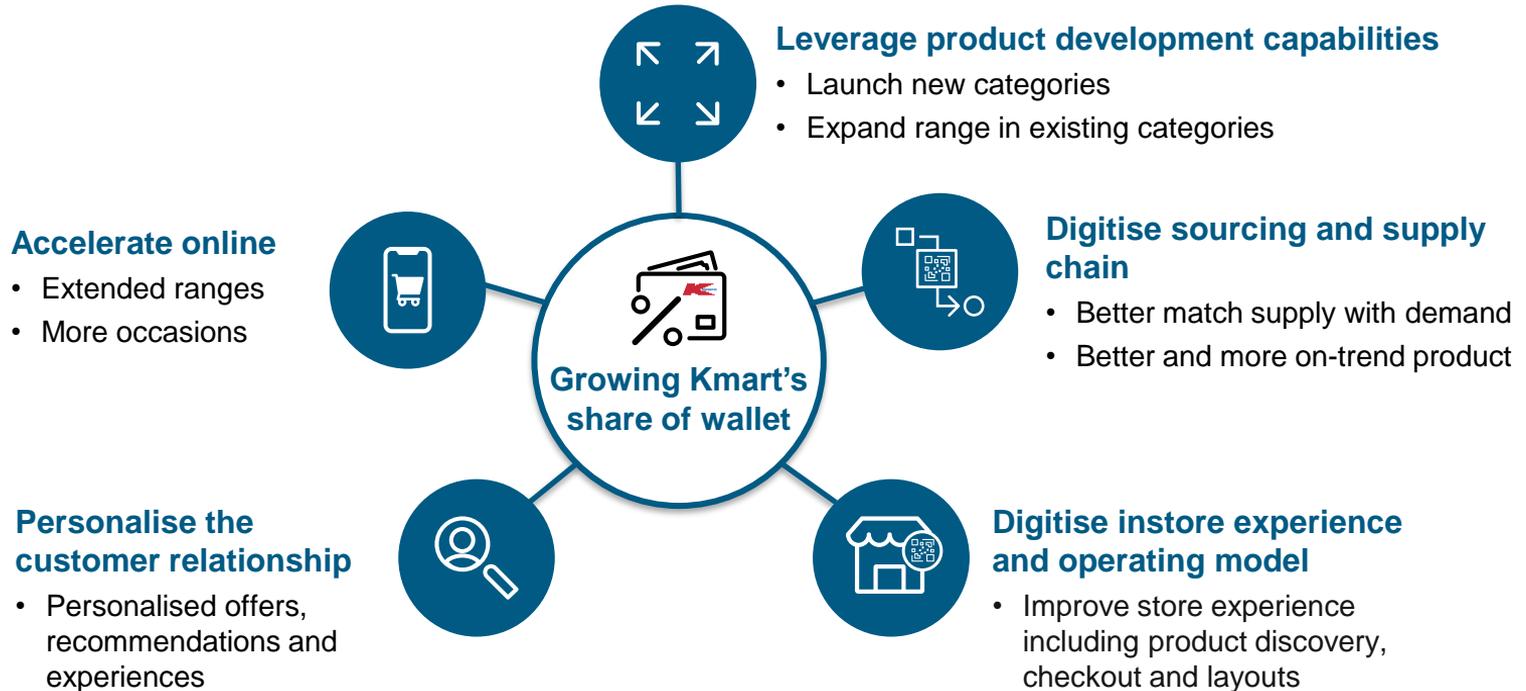


Scale drives unique competitive advantages



Note: Statistics are for the 12 months to 31 December 2021.

Strategic priorities to grow share of wallet





Leverage product development capabilities

Kmart has a large and growing addressable market with significant opportunity to grow share of wallet



Apparel (share c. 6%)
Total Australian market ~\$36b



Kids GM & Active (share c. 6%)
Total Australian market ~\$26b



Home & Living (share c. 9%)
Total Australian market ~\$32b

And opportunities to expand participation instore and online through new and expanded ranges

Instore

Flexible store format designed to accommodate changing customer preferences and Kmart's product development capabilities



Example – pets

Significantly expanded range of pet products available instore

Online

Supports endless aisle opportunity that goes beyond constraints of the store network (e.g. big and bulky, extended range)



Example – online exclusives

Online only furniture range



Accelerate online

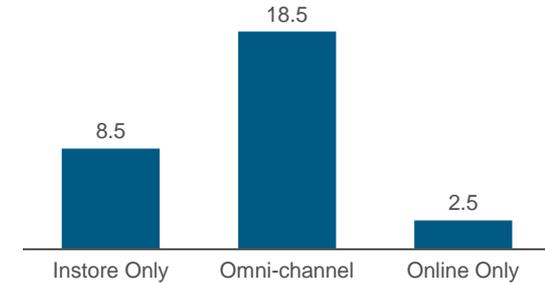
Significantly improve the online customer experience while realising improved efficiency

Substantial opportunity to profitably grow online

- Online channel is profitable today, but significant opportunity to improve productivity
- Successfully re-platformed digital infrastructure for Kmart Australia website
 - Enhanced user experience with page response times 50% higher and customers spending 50% less time in checkout flow
 - Personalised product browsing and search experience driving 20% increase in add to cart and improved search conversion rate
 - New platform allows for more rapid deployment of features and move to cloud supports scale and demand
- Developing a hybrid-fulfillment model that delivers low cost and fast deliveries
 - Order before 12pm and collect by 4pm successfully executed
 - Ongoing optimisation of store fulfilment model to drive productivity
 - ‘Fulfilled by Catch’ to commence in 1H FY2023

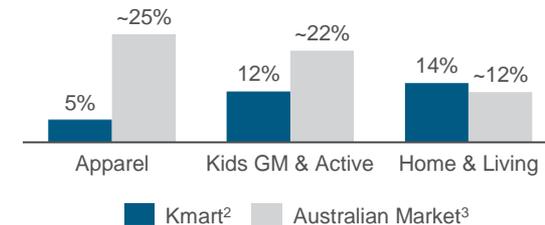
Kmart customer frequency by channel¹

Average visits p.a.



Online penetration by category

% of sales



1. Kmart customer insights data based on 12 months to 31 December 2021.

2. Kmart online sales penetration for 12 months to 31 December 2021.

3. Source: Euromonitor online penetration estimates by category for 2022.



Digitise sourcing and supply chain



Dramatically reduced lead times supporting on-trend product ranges

Supplier collaboration driving a 30-day reduction in lead time
Digital prototyping reduces lead times by ~10 weeks

Higher sales and lower markdowns



Greater accuracy of supply and demand matching

Systematic approach to assortment planning and forecasting decisions
Better understanding of customers and trends

Higher sales and lower markdowns



Continued reduction of end-to-end costs

50% reduction in fabric options

Higher gross margin

Long-term vision

Early proof points

Benefits



Digitise instore experience and operating model

Utilising data & technology to drive the instore experience & make stores simpler to run



Successfully completed pilot of RFID for apparel

- Weekly inventory accuracy >99%
- Digitisation of backfill process improves on-shelf availability
- Established confidence in scalability of technology, robot stability & supporting store processes
- Rollout to all stores expected to be completed in FY23

Initial benefits



Incremental sales from improved availability



Lower markdown costs

With future opportunities that will:

grow sales



Personalised instore experiences



Fast checkouts



Navigation

and lower costs



Shrinkage



Online pick efficiency



End to end supply chain visibility

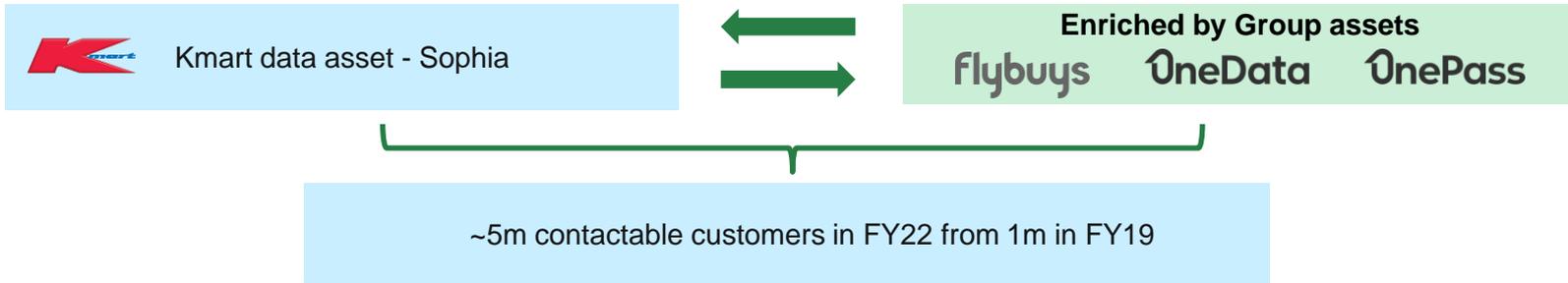


Digitisation of store processes



Personalising the customer relationship

Increasing our engagement with customers through personalised interactions



Leading to more engaged customers, incremental sales and lower customer retention costs

Discover new products: instore and online	Personalised customer messaging	Personalised channel experiences	Better anticipate customer needs	Optimise marketing ROI
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Note: Statistics for 12 months ending 31 December 2021 unless otherwise stated.



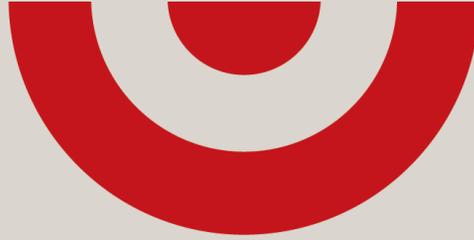
Target

Richard Pearson

Managing Director, Target



Target vision



AFFORDABLE QUALITY FOR EVERY DAY LIFE

At Target we're on a relentless mission to make great quality products truly affordable for Australian families.



THAT'S TARGET

Target has successfully reset its operating model



Target is a smaller, simpler business focused on achieving consistent profitability

- Cost base has been significantly reduced, including a structural reduction in support office costs
- Continued reduction in lease liability from \$1.1b in June 2020 to \$0.7b in December 2021
- Single large format network of 130 stores with further opportunity for sales density improvement; strong commercial focus in assessing lease expiries



- Focused offer centred on apparel and soft home, targeting “mum” as the core customer
 - Affordable quality the key differentiator with a focus on continued improvement in customer perception of quality, value and style
- Digitally-led proposition supported by hybrid store and DC fulfilment capability
- Iconic brand with strong awareness
- Leveraging sourcing, technology, data, advanced analytics, digital and sustainability advantages from Kmart Group and OneDigital



Future growth will be digitally led



Online is a meaningful and growing customer channel

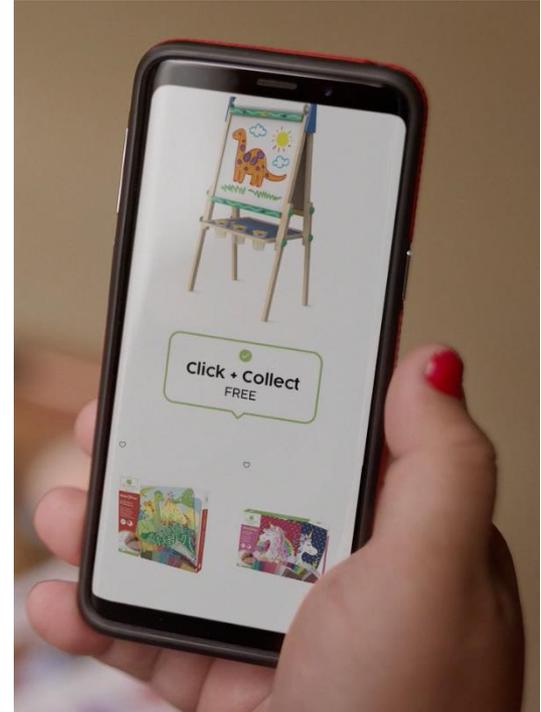
- Penetration of 20.7%¹, with growing app usage

Leveraging Kmart and OneDigital ecosystem to acquire new customers and increase engagement through personalisation

- Rich customer data foundation and addressable audience supported by Flybuys and OnePass
- Catch marketplace provides a new customer channel

Existing profitable base with clear opportunities to improve

- Priority to increase apparel participation
- Optimisation of instore and DC fulfilment processes



1. Target online sales as a percentage of total sales for the 12 months ending 31 December 2021.

Kmart Group

Ian Bailey

Managing Director, Kmart Group





Where families come first for the lowest prices on everyday items

Ongoing cost of living pressure will drive customers to look for everyday value more frequently

Well positioned to leverage price leadership in inflationary market

- Control over end to end supply chain provides ultimate flexibility to manage costs
- Strategic agenda will extend existing advantages and enable price increases below inflation
- Low selling prices mitigate the impact of inflation on customers
 - e.g. 5% increase in ASP = ~35c

Key messages and outlook

- Uniquely placed in an inflationary environment to extend low price leadership
- Full year sales benefit of store conversions to be realised in FY23
- Grow share of wallet by leveraging product development capability, growing online, and personalising the customer experience
- Digitising store and online operations to further reduce costs and convert revenue growth in to profit growth
- A profitable Target focused on leveraging the lower cost base and repositioning as a digitally-led retailer



Q&A

Kmart Group

Ian Bailey

Managing Director, Kmart Group

Richard Pearson

Managing Director, Target

Aleks Spaseska

Chief Financial Officer, Kmart Group



Officeworks

Sarah Hunter

Managing Director, Officeworks



officeworks
make bigger things happen

geeks2u

Officeworks strategy

***Purpose, vision
and strategies
unchanged...***



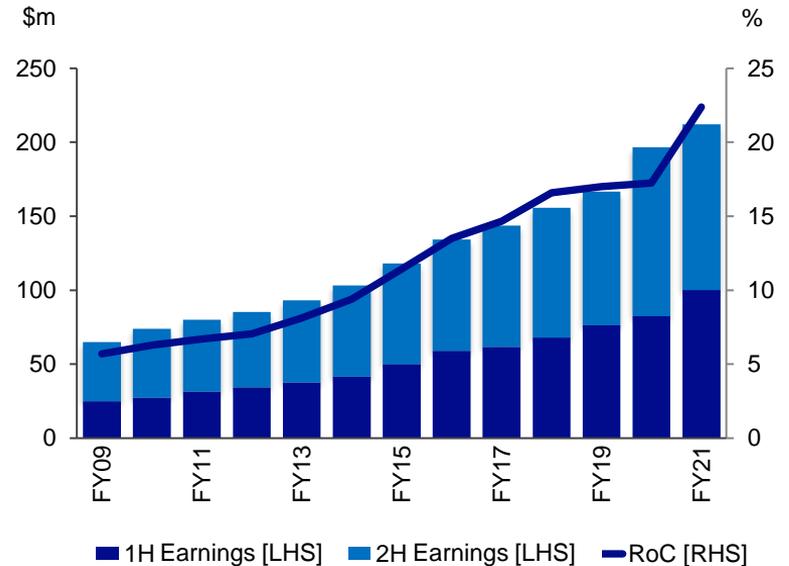
***...current focus
on productivity,
efficiency and growth.***

Delivering sustainable long-term growth

Well positioned for long-term growth

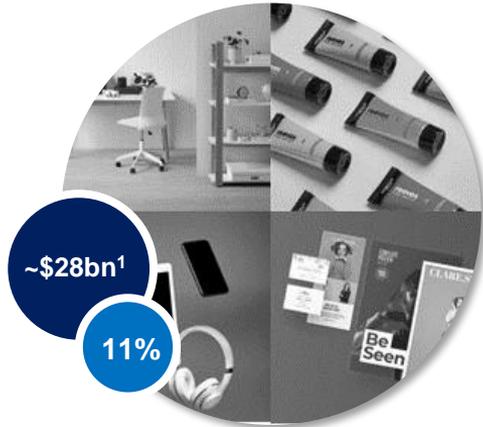
- Well established every-channel offer with significant scale:
 - 168 stores and \$1b+ online sales
 - 9,500+ team members
 - Australia-wide B2B team
- Trusted everyday low-price retailer with wide range to support value-driven consumers
- Data, digital and e-commerce capabilities with significant number of known customers
- Track record of successfully expanding and evolving the range to meet customer needs and enter adjacent categories

History of sales and earnings growth



Expanding addressable market

Current



Stationery, Education & Art, Furniture,
Technology, Print & Create

Potential



Extended Print & Create, Extended
Technology, Education, Business, and
Connected Customer

1. Includes B2C and Small business tech support.

Changing customer needs are creating new opportunities

Officeworks has a broad customer base and growing data analytics capabilities are providing a deeper understanding of customer personas, enabling a more relevant offer



With current trends and challenges providing opportunities across all customer segments



Relieving cost of living pressures with everyday low prices



Leveraging the every-channel offer to support more digital shopping experiences



Supporting the transition to hybrid and remote working



Responding to demands of an increasingly conscious consumer

Customer experience

Continuing to invest in an easy and engaging customer experience across every channel

Great service across every-channel

- Investing in 2-hour click and collect
- Leverage the print and create service re-platform

Digitally enhanced shopping experience

- Leverage Flybuys to accelerate customer identification and offer a more personalised customer experience
- Continued rollout of recommendation engine online
- Progressing opportunities with Wesfarmers OneDigital

Enhanced Officeworks brand

- Support and reflect Officeworks' growth ambitions, enabling extension into new products, services and customer groups



Operational excellence

Driving productivity and capacity by automating, digitising and simplifying operations

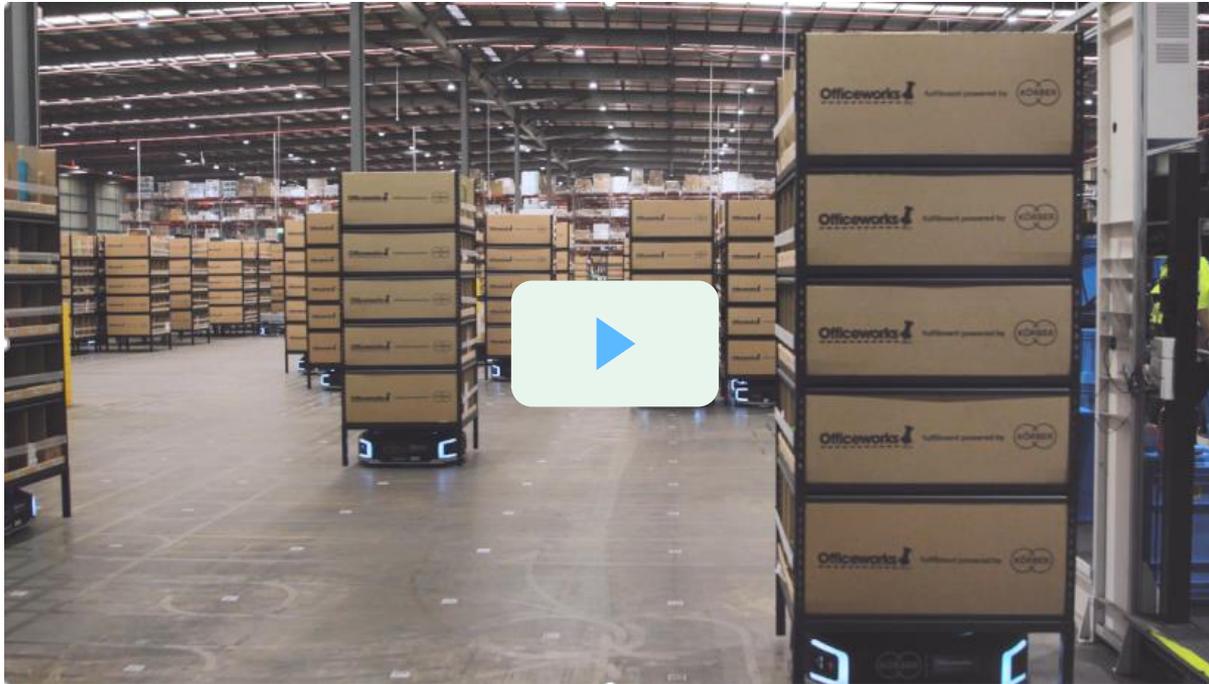


- Improve inventory processes and systems to increase availability and lower costs
- Enhance rostering processes that optimise team member availability and ensure great service
- Increase automation and streamline processes to simplify ways of working



- Modernise customer fulfilment centres (CFC) to increase capacity and efficiency
 - Vic operational and WA from 2023
- Investing in additional international distribution centre (IDC) capacity to support growth of own brand and direct sourced products
- Leveraging national network to optimise fulfilment efficiency and lower costs

Victorian CFC Update



Growing our business

Delivering low prices, widest range and great service to grow our core market



**Stationery,
Education and Art**

**Print and
Create**

Furniture

Technology

Geeks2U

Growing our business

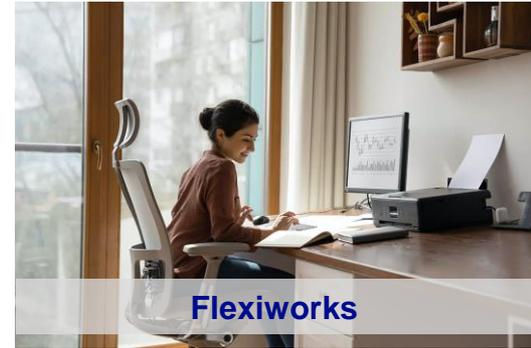
Continuing to evolve the core offer while adding new customer segments and services



- Portfolio of own brand ranges including J Burrows, Keji, Kadink, Studymate and Otto
- Over 9,000 products, including new ranges in art, craft and early learning
- Trusted brands with low-cost sourcing capability



- Evolving technology offer to support 'BYOD' requirements
- Developed the Classroom Essentials service for primary schools
- Scaling offer and expanding beyond primary schools to secondary schools



- Supports the shift towards hybrid and remote working
 - 40% of Australians now regularly work from home
- Supports employers to ensure a safe and efficient home workspace for their teams

Our team & connecting with our communities



Building brand trust by looking after our team, our communities and the planet

- Continued focus on team member safety, health and wellbeing
- Strengthen Officeworks as an employer of choice, attracting, retaining and upskilling our team
- Progressing our People and Planet Positive 2025 commitments including:
 - Installation of roof-top solar to support transition to 100% renewable energy
 - Leverage investment in Circonomy to scale product repair solutions
 - Continue to support local and national community partners



Key messages and outlook

- Officeworks' everyday low-prices, wide range, great service and established every-channel offer position it well in the current operating environment
- Continued expansion of product and service offer, expanding the addressable market
- Continuing to leverage data and digital capabilities to lower costs and improve customer experience
- Focus on driving productivity and efficiency both in stores and support centre and through the supply chain
- Ongoing investment in team and communities
- Well positioned to deliver long-term profitable growth



Q&A

Officeworks

Sarah Hunter

Managing Director, Officeworks

Brendan Hargreaves

Chief Financial Officer, Officeworks



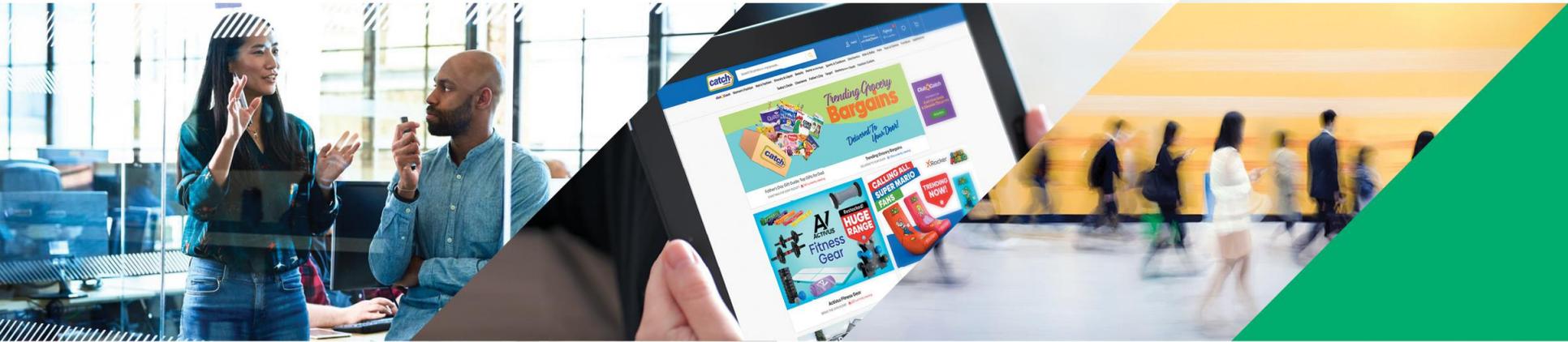
officeworks
make bigger things happen

geeks2u

Wesfarmers OneDigital

Nicole Sheffield

Managing Director, Wesfarmers OneDigital



OneDigital

OnePass



OneData

Building a market-leading data and digital ecosystem



Building a market-leading data and digital ecosystem



Will power the Group's data and digital growth ambitions, increasing customer lifetime value and accelerating growth in the Group's divisions

Design

Each division retains responsibility for its own analytical capabilities and data, while OneDigital will provide:

- **OnePass** – subscription benefits
- **Catch** – marketplace and fulfillment capabilities
- **OneData** – access to shared data asset
- Leading privacy and security systems

Value

OneDigital established to deliver incremental value to:



Customers –

through a seamless, rewarding and valuable experience across the retail businesses



Divisions –

access to a broader and deeper understanding of customers than could be achieved standalone

Accelerating our journey with OnePass



The ultimate membership for customers and cornerstone of our OneDigital vision



Better value and more convenience



Seamless experience across Australia's most loved brands



Personalised, data-led offers and interactions

Customer lifetime value

Membership drives increased frequency, penetration, retention and cross shopping across the Group's retail businesses

For example, a customer that cross shops at all five of the Group's retail brands **spends three times** more annually than five different customers who only shop a single brand

- Built a secure and highly-automated cloud-native technology platform that enables agility and speed to market
- Integrated three launch brands (Kmart, Target, Catch)
- Customer proposition and design informed by research with over 50,000 participants
- Governance structure implemented, including operating principles with partners
- Repositioned Club Catch as OnePass in February 2022 with new, lower price point (\$4 per month or \$40 annual membership)
- Launched free delivery offer across Kmart and Target in May 2022



Roadmap for customer proposition over FY2023



Bunnings and
Officeworks
partnership



Compelling
omni-channel
benefits



Mobile app for
customer
convenience

The Advanced Analytics Centre (AAC) was initially established to build a Group-wide view of customers through the use of data science...



1.7 billion customer touch points,
13 million known customers across the Group's
brands, aggregated and analysed in a privacy
compliant shared data asset



Driving understanding of customer preferences
and trends, informing customer engagement
and targeting

... and OneData is evolving to further support the divisions:

- Building “as a service” customer data insights to drive personalisation, ranging and other applications
- Powering customer-centricity, driving customer lifetime value and lasting commercial impact at scale
- Flybuys transactions from Bunnings and Officeworks will enhance the shared data asset
- OneData will directly provide data analytics for OnePass and Catch

Key messages and outlook

- OneDigital is uniquely placed to leverage the Group's retail brands and generate incremental value for customers and divisions
- Membership program **OnePass** will drive increased customer lifetime value
- **OneData** will allow the Group to be more customer centric and provide new opportunities to create value for customers
- Will require continued investment in the near-term as the proposition is built and scaled
- Expect FY22 operating loss of around \$80m (FY21 loss: \$10m)
 - Around \$30m lower than prior guidance for incremental operating costs of \$100m in FY22
 - Underspend in FY22 due to timing of OnePass development, and will be carried forward into FY23
- FY23 operating loss for OneDigital (excl. Catch) is estimated to be around \$100m



To be the trusted place where Australians start their shopping journey

Catch will offer customers the **leading brands** they know and love **at competitive prices**, with a **personalised shopping experience** and **fast delivery**



Catch pre-2019

Niche marketplace focused on a first party daily deals-based offer



Catch today

Building scale and fulfilment capabilities as a broad, general merchandise marketplace

Catch has built a strong foundation over the last two years...

- 2x distribution centres with increased automation
- 3.0 million active customers, up c. 1.9x
- 2.8 million SKUs, up c. 1.8x
- 2,400 marketplace sellers, up c. 1.6x
- 4.3 million weekly website visits¹ (up c. 1.6x)
- Leading brands that customers love including Apple, Nike, Lego and more
- Evolution of membership program, now called OnePass, with membership up c. 2.3x



Note: All data as at 31 December 2021.

1. Average weekly website visits in calendar year 2021, data from SimilarWeb.

Catch strategic priorities



Wider Range

Invest in Marketplace infrastructure to **accelerate growth** in sellers and products



Leading Brands

Curate the 1P¹ range, focusing on the most **known and loved brands** at **competitive prices**



Differentiated Offer

Launch more **Wesfarmers brands** on the marketplace and leverage **OnePass**



Fast Delivery

Development of **national fulfilment network**



Shopping Experience

Leverage data and analytics to create more **personalised customer interactions**



Value Enhancements

Introduce fulfilment and seller services to **enhance** the customer value proposition

1. 1P refers to first party products that are stocked and fulfilled by Catch.

A compelling national delivery proposition to support the growth of Catch and provide benefits across the Group's retail businesses



New 36,000sqm Catch distribution facility in Moorebank, NSW opened in April 2022 featuring advanced warehouse technology and robotics

Faster fulfilment for NSW and QLD customers

Investment in new box sizing technology to improve sustainability and minimise waste



Fulfilled by Catch to be trialled in Kmart, with opportunities to extend to Wesfarmers' other retail divisions



Continued, disciplined investment in state-of-the-art automated fulfilment centres to support increasing demand



Key messages and outlook

- Catch will focus on executing its strategic priorities and enhancing the customer value proposition
- Continuing to invest to drive and support long-term growth, including through:
 - Development of national fulfilment network with state-of-the-art automated fulfilment centres
 - Trial of Fulfilled by Catch with Kmart
- Continue to leverage the OnePass program and access to Wesfarmers' retail brands

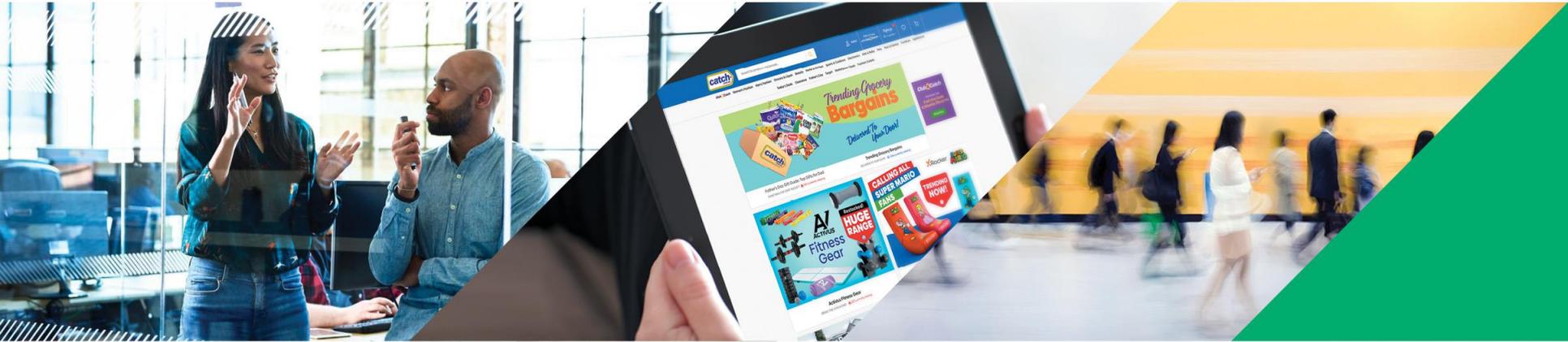


Q&A

Wesfarmers OneDigital

Nicole Sheffield
Managing Director, Wesfarmers OneDigital

Ian Bailey
Managing Director, Kmart Group



Wesfarmers Industrial and Safety

Tim Bult

Managing Director, Wesfarmers Industrial and Safety



Blackwoods

NZ Safety Blackwoods

WORKWEAR
GROUP



GREENCAP
Group Further to Managing Risk

Divisional overview

Blackwoods NZ Safety Blackwoods



Provider of safety,
workwear and
industrial supplies

coregas



Industrial, medical and
specialty gas supplier

WORKWEAR GROUP



Manufacturer and
supplier of workwear
and uniform solutions

GREENCAP Going Further in Managing Risk



Risk management and
compliance service
provider

Providing confidence in the products and services we deliver

Anticipating
customer needs

Acting with integrity
and honesty

Sourcing
ethically

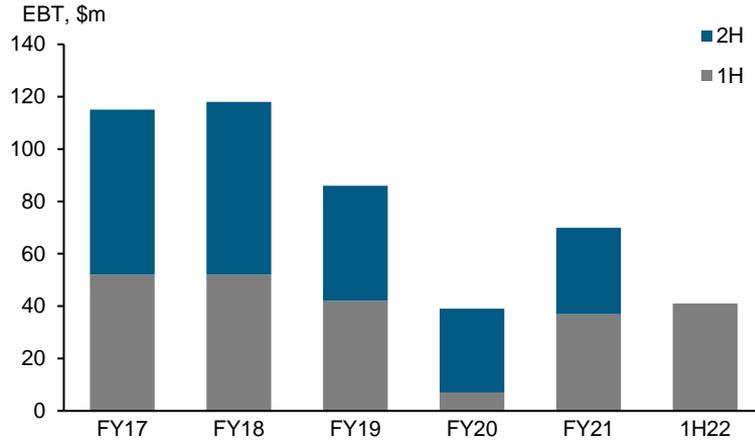
Safe work environment,
develop teams and
inclusive culture

Supporting
communities

Environmental
performance

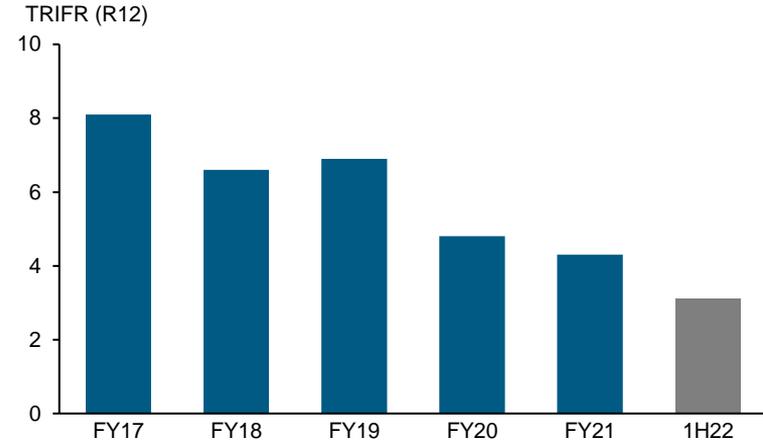
Historical earnings and safety performance

WIS earnings performance¹



- Disappointing performance in recent years, which included investment in business turnaround initiatives
- Earnings growth in 1H FY22 primarily driven by higher sales in all businesses, partially impacted by the continued investment in customer service and digital capabilities

WIS TRIFR² (R12)



- TRIFR has improved significantly as a result of the actions and initiatives implemented across all teams
- Safety and wellbeing of all team members remains a key priority

1. Excludes significant items and includes payroll remediation costs.

2. Total Recordable Injury Frequency Rate.



Business update

- Strengthening relationships with strategic customers
- Executing integrated supply program delivering end-to-end procurement solution
- Increasing digital engagement reflects improved customer experience across digital offerings and promotes 'self service'
- ERP¹ deployment completed in the eastern and southern operations and nationally for the finance function
 - Re-prioritised strategy for the remaining operations to focus on the customer proposition and minimise supply chain disruptions

Current priorities and growth

- Enhance customer value proposition through unbeatable range, reliability, expertise and ease to do business
- Continue to strengthen relationship through the Closer-to-Customer initiatives
- Strengthen authority position in safety category
- Transform the business model with a data and digital focus
- Continue to improve operating efficiencies supported by enhanced capability
- Ongoing trade store refresh program in NZ

1. Enterprise Resource Planning system.

- Tailored offers to major customers supporting increased market share, including with major mining customers
- Continued expansion of presence in healthcare sector
 - Completed small bolt on acquisition to enable entry into new health segments
- Strength in Trade N Go Gas offer
- Leveraging expertise in hydrogen
 - Successful involvement in the Hydrogen Energy Supply Chain (HESC) project – the world-first pilot project to ship liquefied hydrogen to Japan occurring in January 2022
 - Australia's first heavy-vehicle hydrogen refueling station at the existing Port Kembla hydrogen production facility expected to be operational this year
 - Active in several opportunities in Australia and New Zealand



Oxygen cylinders being supplied as part of the Trade N Go Gas offer



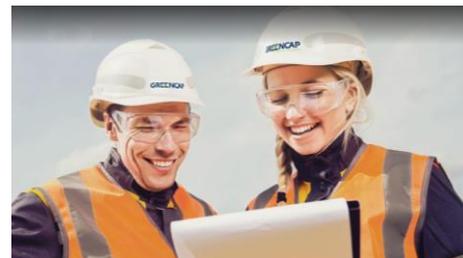
Coregas' involvement in HESC, with the Suiso Frontier transporting liquefied hydrogen to Japan

Workwear Group and Greencap



- Growth from key brands of c. 10% p.a. since 2017, supported by new product innovation and development, and improved service levels
- New distribution channels, including international
- Targeted uniform growth in essential sectors
- Continuing to invest in technology to further enhance customer offer and simplify the business

- Ability to deliver services was impacted by lockdowns in FY22
- Demand in Consulting remains strong with a growing pipeline of tender activity
- Positioning the business for sustainable, larger accounts in targeted growth sectors
- Continue to invest in Cm3 online Contractor Management product



Key messages and outlook

- Focused on continuing to improve the customer value proposition, enhance operational capabilities and execute new growth opportunities
 - Providing confidence in the offer by delivering the right product with reliable supply
 - Investing in data and digital capabilities to improve efficiency and value of offer
- Market conditions remain uncertain and challenging
 - Continued COVID-related disruptions to global supply chain and labour availability in some states
 - Inflationary impacts
- Focused on building market share and integrating sustainable practices to ensure long-term profitability



Q&A

Wesfarmers Industrial and Safety

Tim Bult

Managing Director, Wesfarmers Industrial and Safety

Dan McCartney

General Manager Finance, Wesfarmers Industrial and Safety



Blackwoods

NZ Safety Blackwoods

WORKWEAR
GROUP



GREENCAP
Group Further to Managing Risk

Appendix: WIS divisional overview

Blackwoods
NZ Safety Blackwoods

coregas 

WORKWEAR
GROUP

GREENCAP
Going Further in Managing Risk

Description	Provider of safety, workwear and industrial supplies	Industrial, medical and specialty gas supplier	Manufacturer and supplier of workwear and uniform solutions	Risk management and compliance service provider
Competitive position	#1 Australia #1 NZ	#3 challenger	#1 for uniforms and industrial workwear	Mid-tier / niche player
Market dynamic	Fragmented market	Stable market with increasing competition	Evolving market	Fragmented market
Competitive advantage	Established position and distribution / store network, broad SKU count and diverse customer base	Expertise and innovative solutions	Strong market position, leading brands – Hard Yakka, King Gee, NNT	Breadth of offer and online platforms

Wesfarmers Health

Emily Amos

Managing Director, Wesfarmers Health



Wesfarmers Health supported by strong industry fundamentals

An important, large sector with long-term growth tailwinds



Australian healthcare spend of c. \$200bn in 2019-20, or c.10% of GDP¹

From 2019-20 to 2060-61, the population aged 65+ will double to 8.9 million²

Increasing demand for health, beauty & wellbeing products and services



Customers are becoming more interested in health and wellness

Increased focus on preventative health measures and treatments

Data and digital to transform customer journeys in healthcare



Delivery of care to be transformed through data and digital

Opportunities to leverage technology to improve health outcomes

With strong fundamentals and the ability to leverage Group capabilities, Wesfarmers Health can deliver superior returns over the long term

Disciplined capital allocation

Focus on the long term

Understanding of the customer and retail expertise

Data and digital expertise

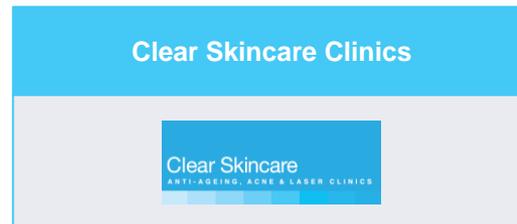
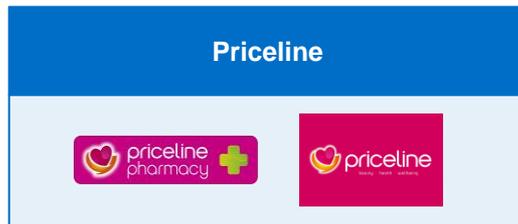
OneDigital

1. Australian Institute of Health and Welfare (2021), Health Expenditure Australia 2019-20, AIHW, Australian Government.

2. 2021 Intergenerational Report.

Introduction to API

A portfolio of complementary wholesale and retail businesses in the growing health, beauty and wellbeing sector



Each business has its own unique competitive advantages with opportunities for growth



One of only four national full-line pharmaceutical wholesalers



Leading network of franchised pharmacies and retail stores



Growing footprint in the fragmented and high growth non-surgical aesthetics market



National distribution infrastructure is difficult to replicate



Strong brand and differentiated offering in health, beauty & wellbeing



Leading team of highly trained therapists, nurses and doctors



Trusted supplier to over 2,500 pharmacies daily



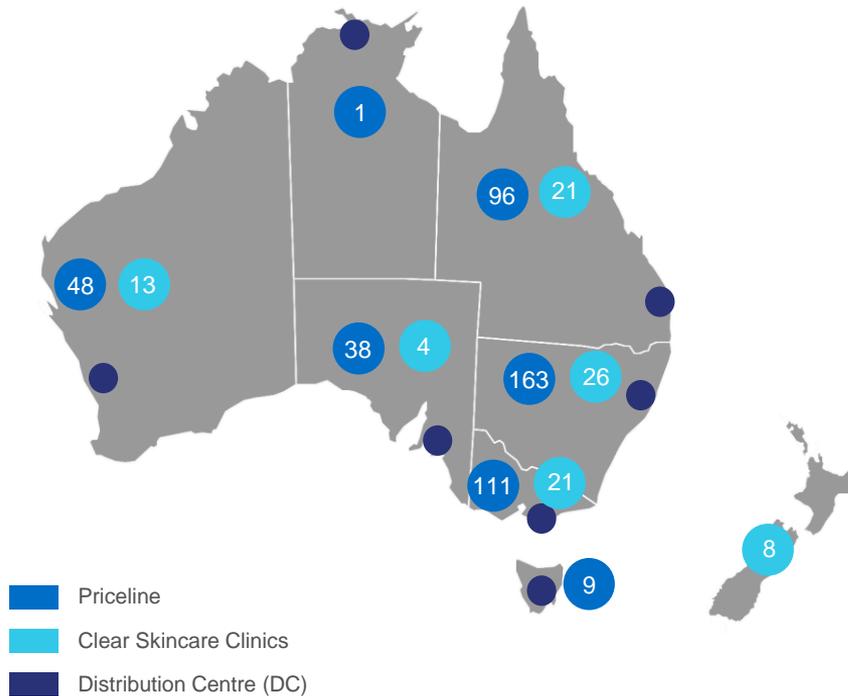
Sister Club is one of Australia's largest loyalty programs



Expanding range of high margin, own label products

A national operator of scale in health, beauty and wellbeing

API has significant reach across Australia with its extensive distribution network and retail footprint



API network

Priceline	466
<i>Company-owned</i>	90
<i>Franchise</i>	376
Clear Skincare Clinics	93
Distribution Centres¹	7

Note: Network as at 31 May 2022. Note that VIC includes ACT stores and clinics.

1. API's existing DC at Camellia in NSW will close once API completes the transition to its new automated DC at Marsden Park in 2H CY2022.

Pharmacy Distribution

Overview

- API's largest division by revenue, generating \$3.0 billion of revenue in FY21¹
- As a full-line national wholesaler under the CSO², API supplies the full range of PBS³ medicines to any pharmacy in Australia, usually within 24 hours
- API plays a critical role in the pharmaceutical industry, and is the trusted supplier to over 2,500 pharmacies daily
- Services a community of c. 1,300 partner pharmacists via API's banner brands and Club Premium
- 7 strategically located DCs
- New automated DC in Marsden Park to open in 2H CY2022

Opportunities for growth

- Investment in the network to deliver further efficiencies
- Building new and existing customer relationships through expanded services and offerings



API distribution centre.

\$3.0bn

revenue in FY21¹

7

Strategically located
DCs supporting
Australian pharmacies

2,500+

Pharmacies supported
daily

1. Revenue is based on API's reported FY21 accounts (year end 31 August 2021).

2. Community Service Obligation.

3. Pharmaceutical Benefits Scheme.

Priceline

Overview

- Pharmacies are owned and operated by franchise partners, while company-owned stores offer health, beauty & wellness retail products only
- Franchise partners benefit from the strong Priceline brand and offering
 - This includes the Sister Club loyalty program, access to a wide product range, new and exclusive brands, the benefits of Priceline's scale and buying power, and data analytics
- Continues to evolve the franchisee and customer value proposition through new digital and health service offerings e.g. providing free health checks
- New and exclusive brands drive traffic instore and online

Opportunities for growth

- Improve the competitiveness of our franchise partners through wider ranges, improved supply chain capabilities, and online offerings
- Leverage the Sister Club loyalty program to drive growth



Priceline Pharmacy store.

\$0.9bn

revenue in FY21¹

466

stores across
Australia, including
376 pharmacies²

7.5m+

Sister Club loyalty
program members

1. Revenue is based on API's reported FY21 accounts (year end 31 August 2021).

2. As at 31 May 2022.

Clear Skincare Clinics

Overview

- Offers a wide range of skincare treatments, cosmetic injectables and laser hair removal services, as well as own brand skincare products
- Specialist non-surgical services are provided by registered nurses and trained professionals
 - The team is highly trained with strong clinical credentials and focused on customer satisfaction and outcomes
- High level of customer overlap with Priceline and Sister Club members
- Expected to benefit from continued growth in the non-surgical aesthetics market

Opportunities for growth

- Optimise existing clinics as they mature
- Launch of new services and products
- Leverage loyalty and data assets to improve customer engagement
- Fragmented industry presents opportunities for growth and consolidation



Clear Skincare Clinic.

\$55m
revenue in FY21¹

93

Clinics across
Australia and
New Zealand²

1. Revenue is based on API's reported FY21 accounts (year end 31 August 2021).

2. As at 31 May 2022.

Building a leader in health, beauty and wellbeing through API

Current focus is on integration activities, listening to and learning from API team members

Three initial areas of focus for API as we look to build a leader in health, beauty and wellbeing:

1

Strengthen the core



- Increase the competitiveness of our pharmacist partners
- Strengthen the Wholesale business
- Rejuvenate the Priceline brand

2

Data and digital



- Develop a compelling omni-channel proposition
- Increase online engagement
- Leverage loyalty and data assets

3

New growth opportunities



- Product and services innovation
- Digital health opportunities
- M&A

Pharmacies and Priceline in the community

Opportunities for Priceline's pharmacist partners to play a growing role in preventative health and wellness

Pharmacies play a critical and trusted role in the community



- ✓ Pharmacies are increasingly a key source of health advice in local communities
- ✓ Priceline has delivered over 750,000 COVID vaccinations in the pandemic

Pharmacies are a highly accessible health destination



- ✓ Priceline operates one of the largest pharmacy networks in Australia, with opportunities for further growth
- ✓ Priceline provides an essential service dispensing critical medicines to Australians every day

A growing role in preventative health & wellness



- ✓ Opportunities for Priceline to improve health outcomes in the community
- ✓ This may include increased access to digital tools and a wider range of products and services

The pharmacy model promotes high levels of care & responsibility



- ✓ As business owners, pharmacists are motivated and accountable to provide a high quality service and health advice to their customers

Key messages and outlook

- Attractive fundamentals and long-term growth potential in healthcare
- Opportunities for Wesfarmers Health to play a valuable role in improving the health outcomes of Australians and reducing the cost of healthcare through improved access to services
- API provides opportunities to improve performance through operating excellence and investment, and by leveraging Group capabilities
 - Initial focus on integration, listening to and learning from the API team
 - Opportunities to strengthen competitive positioning by expanding product ranges, improving supply chain and online offering
 - Ability to leverage the Group's retail, supply chain and data and digital expertise
 - Strategies will be guided by customers' needs
- Continue to support community pharmacists and see opportunities to enable an expanded role in the Australian health system
- Near-term earnings will be impacted by integration costs and investment in capabilities
- Reported earnings will also be impacted by purchase price allocations, which will be outlined at the full year result



Q&A

Wesfarmers Health

Emily Amos

Managing Director, Wesfarmers Health

Edward Bostock

Chief Financial Officer, Wesfarmers Health





Wesfarmers