Wesfarmers

27 August 2026

The Manager
Market Announcements Office
Australian Securities Exchange

Dear Manager

2026 ANNUAL REPORT (INCLUDING APPENDIX 4E)

In accordance with the requirements of the ASX Listing Rules, **attached** for release to the market is the 2026 Annual Report (including Appendix 4E).

The following will be released in conjunction with today's announcement:

- Notification of Dividend/Distribution
- 2026 Full-year results
- 2026 Full-year results briefing presentation
- 2026 Corporate Governance Statement and Appendix 4G

An analyst briefing will be held at 10:00am AWST / 12:00pm AEST following the release of the full-year results announcement and the 2026 Annual Report (including Appendix 4E). This briefing will be webcast and accessible via our website at www.wesfarmers.com.au.

Yours faithfully

Sheldon Renkema
Executive General Manger
Company Secretariat

This announcement was authorised to be given to the ASX by the Wesfarmers Limited Board.

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2026 Annual Report

Wesfarmers

About this report

This Annual Report is a summary of Wesfarmers and its subsidiary companies' operations, activities and financial performance and position for the year ended and as at 30 June 2026. In this report, references to 'Wesfarmers', 'the company', 'the Group', 'we', 'us' and 'our' refer to Wesfarmers Limited (ABN 28 008 984 049), unless otherwise stated.

This Annual Report includes a Sustainability Report containing climate-related financial disclosures prepared in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*. The Sustainability Report should be read in conjunction with the operating and financial review and the financial statements. Climate-related information is integrated throughout this Annual Report where relevant to understanding the Group's strategy, risks, opportunities, performance and prospects.

References in this report to a 'year' or 'this year' are to the financial year ended 30 June 2026 (previous corresponding period to 30 June 2025) unless otherwise stated. All years are financial years ending 30 June unless otherwise stated. All dollar figures are Australian dollars (AUD) unless otherwise stated.

References to 'AASB' refer to the Australian Accounting Standards Board and 'IFRS' refers to the International Financial Reporting Standards. There are references to 'IFRS' and 'non-IFRS' financial information in this report.

References to 'AASB S2' refer to Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*.

Non-IFRS financial measures are financial measures other than those defined or specified under any relevant accounting standard and may not be directly comparable with other companies' information. Non-IFRS financial measures are used to enhance the comparability of information between reporting periods. Non-IFRS financial information should be considered in addition to, and is not intended to be a substitute for, IFRS financial information and measures. Non-IFRS financial measures are not subject to audit or review.

All references to 'Indigenous' people are intended to include Aboriginal and/or Torres Strait Islander people.

References to Scope 1 and Scope 2 data include greenhouse gas emissions for businesses where we have operational control under the *National Greenhouse and Energy Reporting Act 2007* (Cth) (NGER Act) and emissions in international operations. Scope 2 emissions are stated using market-based accounting, in accordance with the Greenhouse Gas Protocol Scope 2 Guidance.

Forward-looking statements concerning climate are based on assumptions. These may include assumptions that government policy remains supportive of climate action and that technologies will advance, become commercially viable and capable of operating at scale. Targets may be adjusted if there are significant changes, including material acquisitions, divestments or changes to greenhouse gas reporting methodologies.

References to community contributions include direct community contributions from divisions (cash, in-kind and time) and indirect community contributions (from team members and customers).

Wesfarmers is committed to reducing the environmental footprint associated with the production of this Annual Report and printed copies are only posted to shareholders who have elected to receive a printed copy. This report is printed on environmentally responsible paper manufactured under ISO 14001 environmental standards.

Appendix 4E

For the year ended 30 June 2026

RESULTS FOR ANNOUNCEMENT TO THE MARKET[1]	2026	2025
Revenue from ordinary activities	Up 3.4% to $47,274 million	Up 3.4% to $45,700 million
Profit from ordinary activities after tax attributable to equity holders	Down 1.8% to $2,874 million	Up 14.4% to $2,926 million
Net profit for the period attributable to equity holders	Down 1.8% to $2,874 million	Up 14.4% to $2,926 million
Net tangible assets per ordinary share[2]	$2.66	$3.73
Operating cash flow per share[3]	$3.77	$4.03

DIVIDENDS	AMOUNT PER SECURITY	FRANKED AMOUNT PER SECURITY
Interim dividend	$1.02	$1.02
Final dividend	$1.20	$1.20
Total FY2026 dividend	**$2.22**	**$2.22**
Previous corresponding period:		
Interim dividend	$0.95	$0.95
Final dividend	$1.11	$1.11
Total FY2025 dividend	**$2.06**	**$2.06**

Record date for determining entitlements to the final dividend	5:00pm (AWST) on 2 September 2026
Last date for receipt of election notice for the Dividend Investment Plan	5:00pm (AWST) on 3 September 2026
Date the final dividend is payable	7 October 2026

CAPITAL MANAGEMENT	AMOUNT PER SECURITY	FRANKED AMOUNT PER SECURITY
Capital management distribution (paid on 4 December 2025) comprising a:		
Return of capital	$1.10	-
Fully-franked special dividend	$0.40	$0.40

[1] Commentary on the results for the year is included in this report and on the Wesfarmers website.

[2] Net tangible assets per ordinary share calculation includes right-of-use assets and lease liabilities.

[3] Operating cash flow per share has been calculated by dividing the net cash flows from operating activities by the weighted average number of ordinary shares on issue during the year.

About Wesfarmers

From its origins in 1914 as a Western Australian farmers' cooperative, Wesfarmers has grown into one of Australia's largest listed companies. With headquarters in Perth, Wesfarmers' diverse businesses today span: home improvement, outdoor living products and supply of building materials; industrial and safety product distribution; general merchandise and apparel; office and technology products; retailing and provision of health, beauty and wellness products and services; management of a retail subscription program, shared data asset and Group retail media network; wholesale distribution of pharmaceutical goods; manufacturing and distribution of chemicals and fertilisers; gas processing; natural gas retailing; participation in an integrated lithium joint venture, including operation of a mine and concentrator, and development of a refinery; and management of the Group's investments.

Wesfarmers is one of Australia's largest private sector employers with more than 100,000 team members and is owned by more than 470,000 shareholders.

Acknowledgement of Country

Wesfarmers proudly acknowledges the Traditional Custodians throughout Australia and their enduring connection to the lands and waterways on which we depend and where our businesses operate.

We pay our respects to their Elders past and present and actively support progress towards Aboriginal and Torres Strait Islander cultural, social and economic equity.

Wesfarmers

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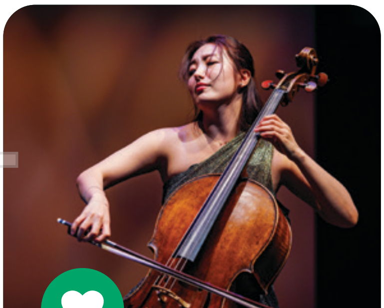
The Wesfarmers Way

Our primary objective is to deliver 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

Value-creating strategies

The Group's primary objective is driven by four overarching strategies.

Operating excellence

Strengthening existing businesses through operating excellence and satisfying customer needs

Entrepreneurial initiative

Securing growth opportunities through entrepreneurial initiative

Renewing the portfolio

Renewing the portfolio through value-adding transactions

Operating sustainably

Ensuring sustainability through responsible long-term management

Core values

Our core values underpin all of the Group's strategies and ways of working.

Integrity

Openness

Accountability

Entrepreneurial spirit

Our businesses

Bunnings Group

Bunnings Group is a leading retailer of home improvement and lifestyle products in Australia and New Zealand, and a major supplier to project builders, commercial tradespeople and the housing industry. Bunnings Group operates a network of 506 stores, comprising Bunnings Warehouses, smaller format stores and trade centres, supported by frame and truss manufacturing operations, Beaumont Tiles and Tool Kit Depot stores. It also operates a B2B distribution network under the Blackwoods and Workwear Group businesses. Bunnings Group employs more than 51,000 team members.

Bunnings Warehouse | Bunnings | Bunnings Trade | Bunnings Marketplace | TKD Tool Kit Depot | Beaumont Tiles | Bunnings Trade Frame & Truss

hammer media | Bunnings pacific | Blackwoods | NZ Safety Blackwoods | Workwear Group | zelora

Blackwoods, NZ Safety Blackwoods, Workwear Group: From 1 July 2026

zelora: 50% from 18 August 2026

Kmart Group

Kmart is a leading product development company and trusted brand that operates 325 stores throughout Australia and New Zealand. Kmart's vision is to be where families come first for the lowest prices on everyday items. Kmart Group employs team members in Australia, New Zealand and key sourcing markets. Kmart has approximately 39,000 team members in Australia and New Zealand. Target operates 120 stores and employs more than 9,000 team members across Australia.

Kmart | Target | anko

Chemicals, Energy and Fertilisers

Chemicals, Energy and Fertilisers (WesCEF) manages a portfolio of eight businesses in Australia and employs more than 1,200 team members across its production and distribution facilities and support offices. WesCEF's businesses supply essential chemical, energy, fertiliser and lithium products to customers including in the agriculture, mining, energy, construction, food and beverage and industrial industries.

CSBP | Covalent Lithium (50%) | Kleenheat | QNP (50%) | AGR (75%) | Australian Vinyls | Modwood

Officeworks

Officeworks is a leading retailer of technology, stationery, furniture, art supplies and learning and development resources. The business also offers services including Print & Create, Geeks2U technology support and the Box of Books digital education platform. Operating through a nationwide network of 176 stores, Officeworks employs more than 7,600 team members.

Wesfarmers Health

Wesfarmers Health manages a portfolio of health, beauty and wellness companies operating in retail, pharmaceutical wholesale, medical aesthetics and digital health industries. The retail business centres around Priceline Pharmacy, a full-service brand with 433 community pharmacies across Australia, operated through franchise partnerships with pharmacists. The division employs more than 3,000 team members.

Group data and digital

OneDigital comprises Group data and digital assets and capabilities. It forms part of the Corporate Office.

Other activities

Wesfarmers is an investor in Flybuys, BWP Group, Wespine Industries and Gresham Partners.

Flybuys	bwp	wespine	GRESHAM
50%	23.44%	50%	50%

Our performance

Revenue

$47.3b

▲ 3.4%

Net profit after tax

$2.9b

▲ 8.3%

Excluding significant items

Ordinary dividends per share
Fully-franked

$2.22

▲ 7.8%

Return on equity
(R12)

35.5%

Salaries, wages and other benefits

$6.6b

Government taxes and other charges

$1.6b

Well positioned to deliver returns through the cycle

Portfolio of high-quality, resilient businesses

Retailers with strong value credentials and industrial businesses supporting critical industries

Advancing our growth and productivity agenda

Digitising operations through technology, data, digital and AI

Growth platforms and new earnings streams

Growing demand in lithium, retail media, health and housing sectors

Supported by a strong and flexible balance sheet with significant headroom against key credit metrics

Supporting long-term value creation

People

9.1	total recordable injury frequency rate, improved from 9.5 in 2025
4.0%	Indigenous employment, maintaining employment parity
42%	women in Board and Leadership Team positions

Climate and environment

21.9%	reduction in Scope 1 and Scope 2 (market-based) emissions
17.2%	increase in rooftop solar capacity to 64.7 megawatts across 307 systems, with 50 added this year
73.3%	of operational waste diverted from landfill

Communities and suppliers

$102m	direct and indirect contributions, largely to community organisations in Australia and New Zealand
5,393	supplier sites in ethical sourcing programs

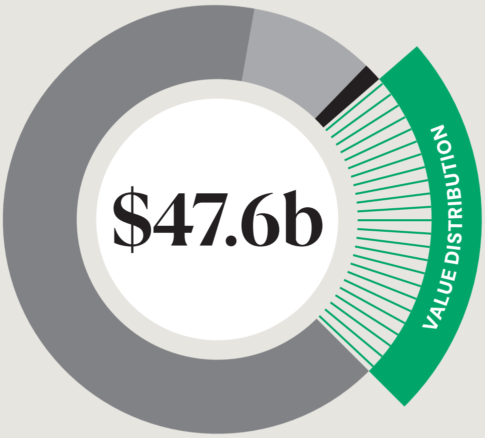
Value creation and distribution

Wesfarmers is a significant contributor to the communities in which we operate.

During the year, the Group generated wealth of $47.6 billion, of which $31.1 billion related to supplies of raw materials and inventory, $4.5 billion for rent, freight, services and other external expenses, $6.6 billion related to salaries, wages and other benefits for our team members and $1.6 billion for taxes and other charges.

Wesfarmers distributed $4.2 billion to shareholders as fully-franked dividends and capital management distributions.[1]

Wealth generated



Value distribution

- **$31.1b** for supplies of raw materials and inventory
- **$4.5b** for rent, freight, services and other external expenses
- **$0.6b** retained in the business

- **$6.6b** to team members (salaries, wages and other benefits)
- **$4.2b** to shareholders (FY2026 dividends and capital management distribution[1])
- **$0.2b** to lenders
- **$1.6b** to government (taxes and other charges)

[1] Capital management distribution comprises a special dividend of $0.40 per share and a capital return of $1.10 per share.
[2] Includes capital return to shareholders.

Performance overview

Group performance

FINANCIAL RESULTS		2026	2025
Revenue	$m	**47,274**	45,700
Earnings before interest and tax	$m	**4,493**	4,465
Earnings before interest and tax (excluding significant items)[1]	$m	**4,493**	4,186
Earnings before interest and tax (after interest on lease liabilities)	$m	**4,184**	4,210
Earnings before interest and tax (after interest on lease liabilities) (excluding significant items)[1]	$m	**4,184**	3,931
Net profit after tax	$m	**2,874**	2,926
Net profit after tax (excluding significant items)[1]	$m	**2,874**	2,653
Basic earnings per share	cents	**253.4**	258.0
Basic earnings per share (excluding significant items)[1]	cents	**253.4**	234.0

CASH FLOW AND DIVIDENDS			
Operating cash flows	$m	**4,272**	4,568
Net capital expenditure	$m	**779**	1,099
Acquisition of subsidiaries, net of cash acquired	$m	**281**	69
Free cash flows	$m	**3,992**	3,446
Ordinary dividends paid	$m	**2,418**	2,291
Operating cash flow per share	cents	**376.7**	402.8
Ordinary dividends per share	cents	**222**	206
Capital management distribution per share[2]	cents	**150**	-

BALANCE SHEET AND GEARING			
Total assets	$m	**28,884**	27,981
Net debt[3]	$m	**5,271**	4,326
Shareholders' equity	$m	**7,977**	9,189
Gearing (net debt to equity)	%	**66.1**	47.1

GROUP SUSTAINABILITY PERFORMANCE			
Scope 1 and Scope 2 (market-based) emissions	$ktCO_2e$	**801.7**	1,026.6
Aboriginal and Torres Strait Islander team members		**4,257**	4,163
Safety performance	TRIFR	**9.1**	9.5
Gender balance Board and Leadership Team	% women	**42**	50

Divisional performance

BUNNINGS GROUP		2026	2025
Revenue	$m	**20,399**	19,595
Earnings before tax	$m	**2,455**	2,336
Capital employed R12	$m	**3,547**	3,266
Return on capital employed R12	%	**69.2**	71.5
Cash capital expenditure	$m	**359**	416

KMART GROUP			
Revenue	$m	**11,751**	11,429
Earnings before tax	$m	**1,109**	1,046
Capital employed R12	$m	**1,624**	1,548
Return on capital employed R12	%	**68.3**	67.6
Cash capital expenditure	$m	**256**	136

CHEMICALS, ENERGY AND FERTILISERS			
Revenue	$m	**3,138**	2,962
Earnings before tax	$m	**473**	399
Capital employed R12	$m	**3,750**	3,563
Return on capital employed R12	%	**12.6**	11.2
Cash capital expenditure	$m	**365**	390

OFFICEWORKS			
Revenue	$m	**3,698**	3,565
Earnings before tax	$m	**165**	212
Capital employed R12	$m	**1,266**	1,183
Return on capital employed R12	%	**13.0**	17.9
Cash capital expenditure	$m	**105**	63

WESFARMERS HEALTH			
Revenue	$m	**6,474**	5,933
Earnings before tax	$m	**76**	64
Capital employed R12	$m	**1,806**	1,700
Return on capital employed R12	%	**4.2**	3.8
Cash capital expenditure	$m	**70**	62

INDUSTRIAL AND SAFETY			
Revenue	$m	**1,758**	1,998
Earnings before tax	$m	**76**	104
Capital employed R12	$m	**773**	1,263
Return on capital employed R12	%	**9.8**	8.2
Cash capital expenditure	$m	**38**	68

OTHER			
Cash capital expenditure[4]	$m	**1**	12

1 2025 excludes the following significant items pre-tax (post-tax): $233 million ($233 million) gain on sale of Coregas in Industrial and Safety, $97 million ($75 million) profit associated with the BPI property structure wind up transaction and $51 million ($35 million) of one-off costs associated with the wind down of Catch.
2 Capital management distribution was paid in December 2025 comprising a capital return of 110 cents per share and a special dividend of 40 cents per share.
3 Interest-bearing loans and borrowings less cash at bank and on deposit and held in joint operation. Excludes lease liabilities.
4 Includes capital expenditure for Catch (2026: nil; 2025: $2 million) and OneDigital.

Chairman's message

I am pleased to report that Wesfarmers recorded increased profits in 2025/26, despite it being a year marked by substantial uncertainty – domestically due to the continuing weak economic environment and internationally due to conflict around the world.

Net profit after tax of $2.9 billion represented an increase of 8.3 per cent on the previous year, excluding significant items. The directors declared fully-franked ordinary dividends totalling $2.22 per share for the year, comprising a $1.02 interim and a $1.20 final dividend. This compares with total dividends in the 2025 financial year of $2.06 per share.

In the 2026 financial year, year-on-year profit increases were recorded by the Bunnings Group, Kmart Group, Chemicals, Energy and Fertilisers, Industrial and Safety (on an underlying basis) and Wesfarmers Health divisions. Earnings from Officeworks fell, largely as a result of restructuring activities. Once again, the Group's results illustrate the value of having a diversified portfolio, where weakness in one business may be compensated by strong performances in other businesses.

My own involvement with Wesfarmers spans 43 years – as an executive and director from 1983 until 2005 and as Chairman from 2015. With my retirement coming up in October this year, I wanted to take this opportunity to reflect on what I believe has made the company successful over the time since its listing on the Australian Stock Exchange, as it was then called, in 1984.

That success has been well documented. From the time of our initial public offering in November that year, Wesfarmers has outperformed every other company that was then listed on the exchange, with a compound shareholder return of 19.4 per cent per annum. A $1,000 investment at the time would be worth around $1.5 million today, assuming dividends were reinvested. This compares with around $61,000 for an investment of $1,000 in the All Ordinaries Index.

I can assure shareholders that this result does not cause the Board or management to feel boastful about their achievements or over-confident about the future. We are faced with ever-changing challenges but it is worth pausing to consider what has worked well and why. Why has the Wesfarmers conglomerate succeeded when the model became unfashionable and most other conglomerates disappeared?

Putting aside good fortune, in my view the single most important factor in that success is the corporate objective we adopted back in 1984 as part of our first corporate planning process. That objective was:

'To provide a satisfactory return to shareholders'.

Note that we didn't talk about maximising returns, because we understood that it was impossible to maximise anything if you're inevitably going to make mistakes along the way – and Wesfarmers has certainly had its share of those. In framing our objective, we chose to define 'satisfactory' as our total shareholder return being in the top quartile of listed companies over the long term.

The logic for this was as follows: why does someone buy a share in Wesfarmers? It's because they hope it will give them a better return than if they buy shares in another company. Why does someone buy listed shares rather than, for example, putting their money in the bank? It's because they expect that over the long term, equities will likely give them a better return than bank deposits.

An investor might also apply an ethical overlay to their share purchase decision – for example, investing in a company involved in activities they approve of or not investing where a company is involved in activities they disapprove of. Regardless of any ethical overlay, when they invest in a company, their purchase decision is about return expectations.

Some people's reaction to the Wesfarmers objective may be that it's mercenary and would allow the company to embark on any venture, regardless of ethical considerations; or that it would be demotivating for employees who would be looking for a bolder 'vision'.

The first concern is valid if the objective is not qualified by value statements which address other stakeholder needs. Wesfarmers addressed this by stating very clearly from the outset that it sought to achieve the objective by:

- providing safe, fulfilling and rewarding employment for its team members
- providing its customers with the products and services they require, at attractive prices and quality
- treating its suppliers as partners and paying them on time
- caring for the environment
- acting ethically as a responsible corporate citizen, and
- supporting the communities in which it operates.

We found that if you did all those things, you developed a good reputation as a company: people wanted to work for you, customers wanted to buy your products or services, suppliers wanted to deal with you, other companies invited you to enter joint ventures, or even to take them over; and when the rationale was explained clearly, backed up by demonstrated performance at the stakeholder level, team members found the desired 'vision' in the objective itself.

The reason the objective drove financial success was that it was financially focused, as opposed to the purpose statements of many companies which are operationally-focused – objectives like ‘to be the biggest widget maker’, which can lead to empire building, or ‘to supply our customers with their daily needs’, which may be achieved regardless of return outcomes.

Employees act in response to the signals coming from the top and if the consistent message is about return on investment, they will pay attention to the things that enhance that, whether by making investments only where the numbers add up, providing better customer service, innovating with new products or services, or witnessing the enhancement of their business as a result of a community reciprocating the support the company gave to it.

Achieving such alignment among over 100,000 team members requires structuring the company’s systems in a way that reinforces the objective – its target setting, management accounting, measurement, reporting, planning and remuneration systems – structuring them with a focus on return on investment, not on measures like asset growth or revenue growth, which are important but which can distract from the need to focus on investment returns.

The financial objective and the actions flowing from it also explain why the complexion of the Group has changed regularly over the last 40 years. As an example, our fertiliser business contributed around 55 per cent of the Group’s profit at the time of listing. The same business now contributes about one per cent of profits. The Group has changed over time, originally dominated by agriculture, subsequently by coal mining, then by supermarket retailing, and more recently by DIY, general merchandise, and electronics retailing, along with industrial products, a health business and a future-facing lithium mine and refinery: all driven by a shared focus on return on capital.

One way in which I think Wesfarmers has differed from most other companies has been our attitude to capital investment. It is a common belief that capital is limited so that a company, being faced with many investment options, rules a line at where capital would be used up and does not proceed with investments below that line, even though they may meet hurdle rates. In fact, for a publicly-listed company the opposite is the case; namely that, with the exception of brief periods like the weeks after the global financial crisis, capital is unlimited because shareholders and lenders are happy to provide it for good investments. What is actually limited is investments where the numbers add up. They are hard to find and when you do find them, you should invest.

This belief in the availability of capital was influential in our decision in 1988, on the introduction of dividend imputation, to lift our dividend payout ratio. It was clear that while franking credits were of value to our shareholders, they were of no value to the company, so we should distribute them as they accrued. If that caused us to need more capital, we could raise it in a very cost-effective way through dividend re-investment. This policy has resulted in Wesfarmers paying out a very high proportion of profits ever since and has undoubtedly been a significant factor in the company’s shareholder return record.

A key success factor for Wesfarmers with respect to capital management and growth was the early establishment of a Business Development team which today employs around 25 professionals. They evaluate scores of external investment prospects annually as well as assisting the operating businesses with their own strategies. The diversification and growth of the Group has been a direct result of those activities.

But none of those requirements I’ve described above is of any use in the absence of the most important ingredient: good people. Over the 42 years of its existence as a listed company and the previous 70 years as a cooperative, Wesfarmers has been blessed with an outstanding group of employees and directors. Its CEOs have been characterised by the absence of huge egos – something that so often gets in the way of rational decision making – and it has managed to attract and retain team members of high calibre with strong values. It has been for me an enormous pleasure in my different roles working with a team pulling in the same direction and motivated to do the right thing by shareholders and stakeholders.

Your company is in great hands, with an outstanding Board, CEO and management team. We are delighted that Ken MacKenzie, who joined our Board in June, will succeed me as Chairman from the conclusion of Wesfarmers’ 2026 Annual General Meeting, subject to him being elected as a director at that meeting. Ken is an exceptional leader with a strong track record of overseeing disciplined and efficient capital allocation and creating long-term shareholder value.

In October 2025, we farewelled Jennifer Westacott AC, after 12 years as a director. Over that time, the Board benefited greatly from Jennifer’s experience in business, government and the community. I take this opportunity to thank her and our current directors – and every director I’ve had the pleasure to work with – for their support, diligence and commitment.

On behalf of the Board, I acknowledge with gratitude the efforts of the more than 100,000 team members employed across the Group. We thank our management team led so ably by CEO, Rob Scott, for their dedication to the company and its prosperity.

I look forward to watching the continuing success of the company in the years ahead.

Michael Chaney AO
Chairman

Managing Director's report

In the 2026 financial year Wesfarmers grew revenue and earnings while making significant progress with our strategic agenda. This result is a credit to our more than 100,000 team members and further demonstrates the growth and resilience of our portfolio.

Various challenges emerged over the past year, as interest rates increased, the domestic economy and consumer sentiment weakened, and the Middle East conflict presented supply-side challenges in areas such as fuel, fertilisers and international transport. In practical terms, this was felt most acutely by households through higher costs of living, and businesses that faced weaker demand and rising costs of doing business.

Wesfarmers is at its strongest when we focus on meeting customer needs, from retail shoppers to farmers and millions of businesses, big and small. Our long-term focus means leaning in to help our customers during the tough times by keeping prices as low as possible, investing more in service and quality, and expanding our offer to provide greater choice.

This is only possible when we run our businesses as efficiently as possible and keep our costs low, so we can maintain low prices. We talk about this as focusing on productivity, but it is basically just good business and common sense.

This results in a win-win scenario, where we help our customers when it matters most and we continue to grow our businesses, creating fulfilling jobs for our team members and delivering better returns for our shareholders.

The history of Wesfarmers is one of continuous improvement, entrepreneurial initiative and portfolio renewal. We continue to be optimistic about the opportunities to accelerate our growth and productivity agenda.

There have been various examples of this over the past year.

Firstly, we established strategic partnerships with leading global technology companies that provide access to critical capabilities to help our team deliver even more value at pace.

As we leverage new technologies, including AI, we are adopting a 'People-first, Digitally-enabled' approach. This recognises that we are first and foremost in the people business, and that new technologies should improve the service we provide customers and enhance the jobs of our team members.

Secondly, we are investing for the future, where we see new market opportunities and a capacity to generate long-term value for shareholders. Recently announced examples of this include the expansion of our Mt Holland lithium project; and a joint venture with Built Group to bring state-of-the-art modular construction to Australia, initially through an automated manufacturing facility in Neerabup, north of Perth, which we expect to support housing supply and affordability.

Finally, our divisions continue to expand their addressable markets. This includes the ongoing expansion of Bunnings' retail and commercial offer. Kmart has also achieved pleasing growth through the refresh of its store format, the new Kmart Marketplace and encouraging progress with initiatives such as K Home and Anko stores in the Philippines.

We have also seen positive progress in lead indicators of business sustainability and performance.

Team member safety is our highest priority, and our Group TRIFR improved to 9.1, with meaningful progress across most businesses, including WesCEF, which achieved a record TRIFR of 0.6.

Group Scope 1 and Scope 2 (market-based) emissions fell by 21.9 per cent, driven principally by our retail divisions achieving their 100 per cent renewable electricity targets, and continued progress at WesCEF towards its interim 2030 emissions reduction target.

Our Board and Leadership Team remain in gender balance. Across the Group, 4.0 per cent of Australian team members identify as Aboriginal or Torres Strait Islander people, maintaining proportional representation. Recently, we were proud to deliver our ninth Reconciliation Action Plan, which includes a focus on leadership pathways and increased economic participation.

Our performance

The Group generated net profit after tax of $2.9 billion, an increase of 8.3 per cent on the prior year, excluding significant items.

Bunnings' solid trading performance across all product categories reflects the resilience of its offer in challenging market conditions. Growth in transactions and unit sales was supported by Bunnings' lowest price positioning and the expansion of its addressable markets, including digital sales.

Kmart Group again delivered sales and earnings growth, supported by its market-leading value credentials and product development capabilities. The Kmart Marketplace launch has been well received by customers, given the broader range of products and brands.

WesCEF delivered strong earnings growth, supported by improved production performance at Mt Holland, combined with an uplift in lithium pricing. First product and sales of lithium hydroxide were achieved during the year, and ramp-up of the refinery continues to progress.

Officeworks earnings were impacted by costs associated with its transformation program which commenced in the first half of the 2026 financial year. The transformation program will lower Officeworks' cost base, enhance capabilities and provide a foundation for improved earnings.

Wesfarmers Health delivered strong earnings growth as its transformation program gained momentum, with sales growth in both Consumer and Wholesale businesses.

Financial and operating performance in Industrial and Safety continued to improve, driven by market share growth in Blackwoods.

OneDigital supported the continued development of the Group's omnichannel capabilities, through our shared data asset, OnePass membership program and retail media business. With the support of recent strategic technology partnerships, we have launched agentic commerce shopping assistants including 'Buddy' at Bunnings, 'Joy' at Kmart and 'Ollie' at Officeworks, which are bringing greater functionality to customers and supporting higher online sales.

Portfolio actions

Wesfarmers' disciplined approach to capital allocation and portfolio management ensures that capital is allocated to businesses and opportunities that will deliver satisfactory returns to shareholders. The actions taken this year strengthen the portfolio and position the Group for further growth.

From 1 July 2026, Blackwoods and Workwear Group transitioned into Bunnings. This brings together businesses with highly complementary customer bases, providing opportunity for Bunnings to accelerate growth with small- to medium-sized business customers.

In August 2025, Wesfarmers completed the sale of BWP Management Limited to BWP Group and in May 2026, the Group participated in BWP's entitlement offer, maintaining our 23.44 per cent holding.

Wesfarmers also successfully completed the wind up of the BPI property structure in September 2025.

In May 2026, Wesfarmers announced it had agreed to enter a joint venture with Built Group to establish Built Living, a business focused on delivering residential apartments at scale through advanced manufacturing.

In July 2026, Wesfarmers announced it had agreed to sell Cm3, a leading Australian contractor management software business that is part of the Blackwoods Group, to Achilles Group. The sale is subject to approval from the Australian Foreign Investment Review Board.

Leadership Team

I would like to thank Tim Bult, who retired as Managing Director of Wesfarmers Industrial and Safety following the division's transition into Bunnings, after more than 26 years with the Group. Tim made significant contributions to Wesfarmers including in the former Energy division, business development, and played a critical role leading the demerger of Coles Group in 2018. We thank Tim for his leadership and wish him well.

I would also like to acknowledge and thank our outgoing Chairman, Michael Chaney AO, who retires from the Board following the 2026 Annual General Meeting. Since first joining Wesfarmers in 1983, Mike has made an extraordinary contribution to the Group, both in his capacity as Managing Director from 1992 to 2005 and since 2015, as Chairman. I would like to personally thank Mike for his support and counsel over the years. As a leadership team, we have learnt a great deal from Mike's unwavering focus on disciplined capital allocation, shareholder returns and the importance of building businesses for the long term. We look forward to formally recognising his contribution at the Annual General Meeting.

Outlook

The economic environment continues to present opportunities and challenges. In Australia, capacity constraints and inflationary pressures present a challenge to economic growth. Consumer sentiment has been dampened by consecutive interest rate increases and an uncertain outlook for inflation, as well as the recent softening of the housing sector, albeit from a high base. Existing and new taxation and regulatory settings continue to weigh on productive areas of the economy, including workers, businesses and investors.

Despite these challenges, Wesfarmers is well positioned to deliver satisfactory returns to shareholders over the long term. The Group is supported by our diverse portfolio of high-quality, resilient businesses and recent investments that create new opportunities for earnings growth, independent of the near-term consumer outlook.

Our retail businesses have strong value-based omnichannel offers with product ranges that have broad customer appeal. The digitisation of operations and ongoing expansion of addressable markets and digital platforms will benefit customers and shareholders.

Our industrial businesses have strategic domestic manufacturing capabilities that support critical industries and Australian exports.

The Wesfarmers Health division provides exposure to the growing health, beauty and wellness sector, while delivering more accessible and affordable healthcare for Australians.

Underpinning all of this is the strength and flexibility of our balance sheet, which provides the capacity to invest in our existing portfolio and take advantage of value-accretive opportunities as they arise.

Finally, my thanks go to our team members and leadership teams whose dedication and contributions this year have underpinned our success, supported by the guidance and direction of our Board.

Rob Scott
Managing Director

Leadership Team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1 Rob Scott

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER WESFARMERS

Rob was appointed Managing Director and Chief Executive Officer in November 2017 following his appointment as Deputy Chief Executive Officer in February 2017.

Rob joined Wesfarmers in 1993, before moving into investment banking, where he held various roles in Australia and Asia. He re-joined Wesfarmers in Business Development in 2004, was appointed Managing Director of Wesfarmers Insurance in 2007 and then Finance Director of Coles in 2013. Rob was appointed Managing Director, Financial Services in 2014 and served as Managing Director of the Wesfarmers Industrials division from August 2015 to August 2017. He is a director of the Business Council of Australia.

2 Anthony Gianotti

CHIEF FINANCIAL OFFICER WESFARMERS

Anthony was appointed Chief Financial Officer of Wesfarmers in July 2017.

Anthony joined Wesfarmers in 2004 in Business Development and in 2005 was appointed Manager, Investor Relations and Business Projects. In 2006, he was appointed Head of Business Development and Strategy of Wesfarmers Insurance, then its Finance Director in 2009 and Managing Director in 2013. In August 2015, Anthony was appointed Finance Director of the Wesfarmers Industrials division and its Deputy Managing Director in February 2017. He is a Fellow of Chartered Accountants Australia and New Zealand. He is also Deputy Chair of West Australian Opera.

3 Maya vanden Driesen

GROUP GENERAL COUNSEL WESFARMERS

Maya has served as Group General Counsel since January 2015, previously holding various senior legal leadership roles, including Senior Legal Counsel and General Manager Legal – Litigation. Prior to joining Wesfarmers, Maya practised as a lawyer at Parker & Parker (now Herbert Smith Freehills) and Downings Legal (now HWL Ebsworth).

Maya is a graduate of the Australian Institute of Company Directors, and completed a full term on the Executive Committee of the GC100, representing the general counsel of Australia's top 100 ASX listed companies, from 2015 to 2023. She currently serves on the In House/Government Lawyers Committee of the Law Society of Western Australia, and previously served on the Joint Law Society and Women Lawyers Committee. Maya sits on the University of Western Australia Law School Advisory Board and is a member of Chief Executive Women.

She is a Director of MercyCare (since 2023), Bell Shakespeare Company (since 2021) and is a former Director of the Committee for Perth (2016–2025), including Deputy Chair of the Committee for Perth Audit Committee.

4 Michael Schneider

MANAGING DIRECTOR
BUNNINGS GROUP

Michael was appointed Bunnings' Managing Director in 2016.

Michael joined Bunnings in 2005, having previously held a range of senior operational, commercial and human resource roles across regional and national markets, in retail and financial services.

Outside Bunnings, Michael supports a range of not-for-profit and community organisations. He holds board roles with Amplify and the Global Home Improvement Network, representing some of the world's leading home improvement businesses. In addition, Michael chairs FightMND and is a member of Deakin University Business School Advisory Board.

5 Aleksandra Spaseska

MANAGING DIRECTOR
KMART GROUP

Aleks was appointed Managing Director, Kmart Group in April 2025.

Before that appointment, Aleks was Chief Financial Officer of Kmart Group having responsibility for finance, property, strategy, data science and risk and compliance. She subsequently assumed additional responsibilities for global sourcing as well as domestic and international supply chain.

Prior to this, Aleks held a number of executive roles across Wesfarmers, including Executive General Manager, Company Secretariat and Risk and General Manager Investor Relations. She held several senior operational roles with Target after commencing her career with Wesfarmers in 2008 in the Corporate Office Business Development team.

6 Aaron Hood

MANAGING DIRECTOR
WESFARMERS CHEMICALS, ENERGY & FERTILISERS

Aaron was appointed Managing Director, Wesfarmers Chemicals, Energy & Fertilisers (WesCEF) in November 2024.

Aaron joined Wesfarmers in 2017 and has held a number of executive roles across both Wesfarmers and WesCEF. At Wesfarmers, he worked in business development before being appointed as Executive General Manager Business Development. At WesCEF, he held the roles of Chief Financial Officer and Chief Operating Officer over a five-year period.

Aaron began his career in investment banking with Macquarie in Sydney, before moving into private equity funds management across the industrial and mining sectors. He also led the commercial team and investments for a prominent Australian family office.

Aaron is a Director of Covalent Lithium and represents Wesfarmers' investment in the joint venture managing the integrated Mt Holland lithium mining and refinery project.

7 John Gualtieri

MANAGING DIRECTOR
OFFICEWORKS

John Gualtieri is Managing Director of Officeworks, where he leads the business through its next phase of transformation, with a strong focus on customers, team members and long-term growth.

Since joining Officeworks in August 2025, John has focused on strengthening the customer experience, sharpening the business' value proposition and positioning Officeworks for the future.

Prior to joining Officeworks, John served as Chief Executive Officer of Kmart and Target.

8 Emily Amos

MANAGING DIRECTOR
WESFARMERS HEALTH

Emily was appointed Managing Director of Wesfarmers Health in April 2022, following Wesfarmers' acquisition of Australian Pharmaceutical Industries Limited in 2022.

Emily has extensive health and retail sector experience gained through time in various executive roles at Bupa Australia and New Zealand, Woolworths Australia and Sainsbury's United Kingdom.

Prior to joining Wesfarmers, Emily was the Managing Director Bupa Health Insurance and before that, Managing Director of Bupa Health Services. Emily is also a former non-executive director of Adore Beauty. During her time at Woolworths, Emily held the role of Finance Director at Endeavour Drinks Group and senior executive roles across finance, data and digital. Emily is a member of Chief Executive Women and is the chair of the Sisterhood Foundation.

9 Leah Balter

EXECUTIVE GENERAL MANAGER,
WESFARMERS ONEDIGITAL

Leah was appointed Executive General Manager, OneDigital in August 2025, responsible for accelerating growth and value through the Group's shared data platform, the retail and health divisions' loyalty and retail media offerings, and AI to drive growth and efficiency.

Previously, Leah led AI use case development across the Group. She brings extensive data and digital experience, including from her time as Chief Information Officer and Chief Transformation Officer at Bunnings.

Before joining Wesfarmers, Leah held executive leadership positions in strategy, mergers and acquisitions, and digital at organisations, including McKinsey & Company, ANZ and Incitec Pivot.

Leah is a member of Chief Executive Women. She is a director at Project Generation, a not-for-profit organisation.

10 Naomi Flutter

EXECUTIVE GENERAL MANAGER
CORPORATE AFFAIRS WESFARMERS

Naomi joined Wesfarmers as Executive General Manager, Corporate Affairs in August 2018.

Prior to this, Naomi worked for Deutsche Bank for 20 years, in roles including Head of the Global Transaction Banking for Australia and New Zealand and Head of the Trust and Agency business across Asia.

Naomi is a director of Wespine Industries, chair of The Kids Research Institute Australia and member of Chief Executive Women.

11 Jenny Bryant

CHIEF HUMAN RESOURCES OFFICER
WESFARMERS

Jenny was appointed Chief Human Resources Officer of Wesfarmers in October 2016.

Prior to this, she worked at Coles Group, Mars Inc (Europe and USA), Vodafone (global) and EMI Music (global). Over her career, she has held a variety of roles, including in international human resources, data analytics and technology, operations and sales and marketing.

Jenny is a Director of the Flybuys joint venture with Coles Group Limited, a non-executive member of the Australian Public Service Commission Learning Board, and a member of Chief Executive Women.

12 Michael Britton

EXECUTIVE GENERAL MANAGER
BUSINESS DEVELOPMENT
WESFARMERS

Michael joined Wesfarmers in March 2023 in the role of Executive General Manager, Business Development.

Before joining Wesfarmers, Michael worked in the private equity industry with global investment firm, The Carlyle Group. Michael has a background in mergers and acquisitions and strategic projects, with investment experience across a range of industries, including healthcare, consumer retail and industrial sectors.

Michael is Chairman of Wespine Industries, a Director of the Zelora joint venture with Intellihub and a member of The University of Western Australia Business School Ambassadorial Council.

13 Sheldon Renkema

EXECUTIVE GENERAL MANAGER,
COMPANY SECRETARIAT
WESFARMERS

Sheldon was appointed Executive General Manager, Company Secretariat in October 2023 and is the Company Secretary of Wesfarmers.

Before that appointment, Sheldon was General Manager of Business Development at WesCEF and held senior executive roles within the Wesfarmers Corporate Office, including leading the corporate and retail legal teams. He commenced at Wesfarmers in 2007 as a legal counsel and has a background in advising on corporate transactions. Sheldon is a fellow of the Governance Institute of Australia.

Operating and financial review

I am pleased to provide this operating and financial review for the 2026 financial year.

This review details Wesfarmers' approach to fulfilling its primary objective of delivering a satisfactory return to shareholders over the long term. It provides an overview of our operating model, value-creating strategies, material risks and prospects, how we measure our performance and how we allocate capital in pursuing Wesfarmers' objective.

Divisional summaries on pages 24 to 54 provide more detail about the performance of each of our businesses and their key strategies. This review should also be read in conjunction with the 2026 financial statements, which are presented on pages 143 to 189.

This year, Wesfarmers has reported climate-related financial disclosures in accordance with the Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*. These disclosures highlight the connection between Wesfarmers' financial performance and its climate-related risks and opportunities, and the role sustainability plays in how Wesfarmers creates long-term value. The climate-related financial disclosures are presented on pages 56 to 93 in the Sustainability Report.

The Wesfarmers Way

The Wesfarmers Way guides the Group's operating model, founded on our core values and value-creating strategies, which are directed at achieving our primary objective of delivering a satisfactory return to shareholders.

Wesfarmers' model of divisional autonomy drives accountability and focus within the divisions, underpinned by our annual corporate planning framework and access to capital and specialist support from the Corporate Office and throughout the Group. The Group is focused on equipping each of our divisions with a strong management team that is accountable for long-term strategy development and execution, as well as day-to-day operational performance.

Wesfarmers focuses on seven key enablers to drive operating performance:

- outstanding people
- empowering culture
- commercial excellence
- innovation
- robust financial capacity
- social responsibility
- sustainability.

The Group maintains strong commercial discipline in relation to capital investment decisions and working capital management.

Measuring performance

The primary measure used by the Group to assess satisfactory returns is total shareholder return (TSR) over the long term. We measure our performance by comparing Wesfarmers' TSR against that achieved by the broader Australian market.

Growth in TSR is achieved by improving returns from invested capital relative to the cost of that capital and by growing the capital base at, or above, a satisfactory rate of return on capital (ROC).

Given TSR performance is influenced by the movement in Wesfarmers' share price, which can be affected by factors outside the company's control (including market sentiment, business cycles, geopolitical events and interest rates), the Group focuses on return on equity (ROE) as a key internal performance indicator.

While ROE is recognised as a fundamental measure of performance at a Group level, ROC has been adopted as the principal measure of performance for the divisions.

ROC focuses the divisions on increasing earnings and/or capital productivity by managing existing assets efficiently, as well as making an adequate return on any new capital deployed.

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

For the divisions already delivering a strong ROC, key performance measures also include an earnings growth target.

In considering opportunities to drive performance against targets and support long-term value creation, the divisions also have regard to key operational and customer metrics.

Delivering shareholder returns

As part of Wesfarmers' approach to delivering a satisfactory return to shareholders, we seek to:

- enhance the competitive position of existing businesses to drive earnings and cash flow growth
- invest in Group businesses where the return on the capital invested will exceed return requirements
- acquire or divest businesses where doing so delivers an increase in long-term shareholder value
- ensure effective capital management and the efficient distribution of franking credits to shareholders.

To support this, the Group endeavours to maintain balance sheet strength and flexibility to take advantage of opportunities that arise. This includes maintaining access to diverse sources of funding and optimising funding costs.

The Group maintains strong credit metrics that are in line with investment grade credit ratings, supported by disciplined capital management and good cash flow generation.

Capital allocation

Wesfarmers continues to evaluate a broad range of investment opportunities. In assessing these opportunities, the Group applies a long-term horizon to investment decisions and incorporates a detailed assessment of potential considerations including on material sustainability issues.

The Group maintains strong commercial discipline in its approach to evaluating opportunities, with the most important criteria being whether the investment will generate long-term value for shareholders.

The Group has three broad avenues for incremental capital allocation. These are opportunities to deploy capital:

- in the existing portfolio to drive growth and productivity, and build businesses with unique capabilities and platforms in expanding markets
- in adjacent opportunities where we can leverage existing assets and capabilities to develop new sources of long-term growth
- through value-accretive transactions, where we remain disciplined and have the flexibility to consider a range of ownership models.

Overall, the portfolio and balance sheet are well positioned to support long-term shareholder value creation, and the Group has the flexibility and capacity to continue to consider new opportunities.

Anthony Gianotti
Chief Financial Officer

Year in review

Overview

The Group reported a statutory net profit after tax (NPAT) of $2,874 million for the full year ended 30 June 2026. Excluding significant items in the prior period, NPAT increased 8.3 per cent for the year. The result reflected the resilience of the Group's businesses and the continued strong execution of its growth agenda. The increase in profit was supported by strong earnings contributions from the Group's largest divisions, Bunnings Group, Kmart Group and WesCEF.

The businesses focused on mitigating cost pressures through productivity initiatives and were able to deliver more value, better service and increased convenience for our retail and business customers. As households continued to experience cost of living pressures, the retail businesses dropped prices on thousands of products during the year to support household budgets.

Bunnings and Kmart Group's everyday low prices continued to drive sales and earnings growth. Disciplined execution of strategies helped offset cost pressures and delivered operating leverage across both businesses. Bunnings' solid trading performance reflected the strength and resilience of its offer and ability to deliver growth through a range of market conditions. Kmart Group's higher earnings were supported by the strong value credentials of its Anko products and focus on operating efficiency and cost control. Retail growth was supported by range renewal and expansion, together with an acceleration of sales through digital channels.

While WesCEF's earnings were affected by the timing of higher ammonia prices due to the Middle East conflict, the division benefited from positive operational performance and an improved contribution from its lithium business. Spodumene concentrate production of 209 kilotonnes (kt) was above both guidance and nameplate capacity. Ramp-up of the refinery was affected by intermittent odour issues throughout the year and installation of mitigation measures commenced in late financial year 2026.

As previously advised, Officeworks' earnings reflected one-off costs associated with its transformation program, which commenced during the first half of the 2026 financial year. Successful execution of the program is expected to drive long-term earnings growth by transitioning the business to a low-cost operating model and improving the customer value proposition.

Wesfarmers Health delivered higher earnings as its multi-year transformation gained momentum, with strong network sales growth in Priceline Pharmacy, disciplined retail execution and improved performance in Wholesale in a competitive market.

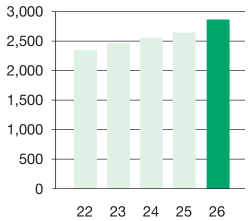
Industrial and Safety's underlying earnings increased, driven by higher sales and improved productivity in Blackwoods. In June, Wesfarmers announced the transition of the Industrial and Safety businesses, Blackwoods and Workwear Group, to Bunnings Group, effective 1 July 2026. This transition is aligned with Bunnings' focus on strengthening its commercial capabilities and brings together businesses with highly complementary customer bases. Blackwoods is well placed to support Bunnings' offer to commercial customers given its broad range, sophisticated fulfilment capabilities and improvements in profitability and customer service in recent years.

Led by the Group's 'People-first, Digitally-enabled' approach, new technologies and ways of working were embedded throughout the year to enhance customer experience, support team members and improve efficiency. This included progressing the responsible use of AI to accelerate key strategies, such as AI assistants for team members, and in supply chains, to improve availability, reduce costs and increase sales. Bunnings, Kmart and Officeworks launched their agentic commerce shopping assistants 'Buddy', 'Joy' and 'Ollie' to enhance the online shopping experience. The launch of Kmart's marketplace and Bunnings' commercial and services marketplaces delivered positive trading results over the year.

Net profit after tax[1]

(excluding significant items)

$2,874m

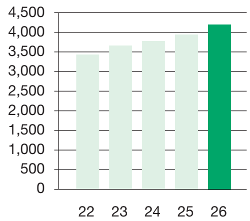


2026	**2,874**
2025	2,653
2024	2,557
2023	2,465
2022	2,352

Earnings[1,2]

(excluding significant items)

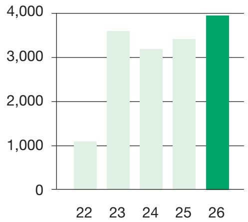
$4,184m



2026	**4,184**
2025	3,931
2024	3,753
2023	3,644
2022	3,416

Free cash flow

$3,992m

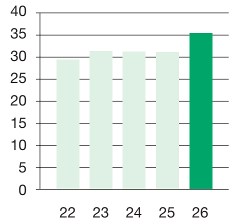


2026	**3,992**
2025	3,446
2024	3,225
2023	3,627
2022	1,110

Return on equity (R12)[1]

(excluding significant items)

35.5%



2026	**35.5**
2025	31.2
2024	31.3
2023	31.4
2022	29.4

1 2025 excludes post-tax significant items including: $233 million (pre-tax: $233 million) gain on sale of Coregas in Industrial and Safety, $75 million (pre-tax: $97 million) profit associated with the BPI property structure wind up transaction and $35 million (pre-tax: $51 million) of one-off costs associated with the wind down and transition of Catch.

2 EBIT after interest on lease liabilities.

Wesfarmers' leading omnichannel assets and capabilities, including the Group's shared data asset and loyalty programs, continued to deepen customer insights and drive long-term growth. OnePass supported incremental sales in the retail and health divisions and the Group's retail media network continued to scale.

During the year, the Group paid a capital management distribution of $1.50 per share,[1] totalling $1,703 million, reflecting Wesfarmers' commitment to effective capital management and enhancing returns to shareholders. The distribution supported a more efficient capital structure while maintaining balance sheet capacity to take advantage of value-accretive opportunities as they arise. See page 20 for further detail.

Further details on divisional financial performance are outlined in pages 24 to 54 of this Annual Report.

Operating cash flows

Operating cash flows decreased 6.5 per cent compared to the prior year, with cash realisation of 91 per cent.

The decrease in cash flow reflects deliberate investments in working capital in WesCEF and Wesfarmers Health. In WesCEF, this included higher spodumene inventories and investment in additional fertiliser inventory at elevated prices, as a result of supply disruptions from the Middle East conflict. In Wesfarmers Health, inventory contingency increased to protect against supply chain disruptions due to the Middle East conflict.

These investments reflect temporary decisions to strengthen availability to customers given volatile market conditions. Cash realisation across the retail divisions remained strong at 99 per cent, reflecting disciplined working capital management.

[1] Capital management distribution paid in December 2025, comprising a capital return of $1.10 per share and a fully-franked special dividend of $0.40 per share.

Divisional earnings summary

YEAR ENDED 30 JUNE	2026 $M	2025 $M
Bunnings Group	**2,455**	2,336
Kmart Group	**1,109**	1,046
WesCEF	**473**	399
Officeworks	**165**	212
Wesfarmers Health	**76**	64
Industrial and Safety[1]	**76**	104
Catch	**-**	(62)
Total divisional (excluding significant items)	**4,354**	4,099
Other	**(170)**	(168)
Total (excluding significant items)	**4,184**	3,931
Significant items[2]	**-**	279
Total earnings[3]	**4,184**	4,210

[1] Excluding Coregas, in 2025 Industrial and Safety generated earnings of $65 million.
[2] Significant items in 2025 include the following pre-tax amounts: a gain on the sale of Coregas of $233 million, profit on the wind up of the BPI property structure of $97 million and costs associated with the wind down and transition of Catch of $51 million.
[3] EBIT after interest on lease liabilities.

Group capital employed

AS AT 30 JUNE[4]	2026 $M	2025 $M
Inventory	**6,558**	6,038
Receivables and prepayments	**2,656**	2,455
Trade and other payables	**(5,810)**	(5,440)
Other	**155**	245
Net working capital	**3,559**	3,298
Property, plant and equipment	**6,097**	5,580
Goodwill and intangibles	**4,964**	4,957
Other assets	**1,346**	2,039
Provisions and other liabilities	**(1,995)**	(1,910)
Total capital employed[5]	**13,971**	13,964
Net financial debt[6]	**(5,295)**	(4,231)
Net tax balances	**389**	445
Net right-of-use asset/(lease liability)	**(1,088)**	(989)
Total net assets	**7,977**	9,189

[4] Balances reflect the management balance sheet, which is based on different classification and groupings than the balance sheet in the financial statements.
[5] Capital employed excludes right-of-use assets and lease liabilities.
[6] Interest-bearing loans and borrowings less cash at bank and on deposit and held in joint operation, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes lease liabilities.

Cash capital expenditure

YEAR ENDED 30 JUNE	2026 $M	2025 $M
Bunnings Group	**359**	416
Kmart Group	**256**	136
WesCEF	**365**	390
Officeworks	**105**	63
Wesfarmers Health	**70**	62
Industrial and Safety	**38**	68
Catch	**-**	2
Other	**1**	10
Gross capital expenditure	**1,194**	1,147
Proceeds from sale of property, plant, equipment and intangibles	**(36)**	(48)
Net cash capital expenditure (excl. BPI)	**1,158**	1,099
BPI sale proceeds	**(379)**	-
Net cash capital expenditure	**779**	1,099

Year in review

Capital expenditure

Gross capital expenditure of $1,194 million was 4.1 per cent higher than the prior year, due to higher project expenditure at Kmart and Officeworks, from the development of new omnichannel supply chain facilities. Capital expenditure at WesCEF reflected spending on the Covalent Lithium project and expansion of the sodium cyanide facility, while project expenditure at Bunnings reflected spending on new store and expansion projects. Proceeds from the sale of property, plant and equipment of $415 million were $367 million above the prior year, as it included proceeds from the sale and leaseback of seven properties following the wind up of the BPI structure. The resulting net capital expenditure of $779 million was 29.1 per cent lower than the prior year.

Free cash flows

Free cash flows of $3,992 million increased 15.8 per cent on the prior year, as proceeds from the sale of Coregas were partially offset by lower operating cashflows.

Balance sheet

The Group recorded a net financial debt position of $5,295 million as at 30 June 2026, comprising interest-bearing loans and borrowings, excluding lease liabilities, net of cross-currency and interest rate swap contracts, and cash at bank and on deposit and held in joint operation. This was higher than the net financial debt position of $4,231 million as at 30 June 2025, reflecting the distribution of $1,703 million associated with the capital management initiative paid in December 2025.

Debt management and financing

Other finance costs increased 6.4 per cent to $167 million due to higher average net debt. On a combined basis, other finance costs including the component of interest that was capitalised increased 8.0 per cent to $202 million.

The Group retains significant headroom against key credit metrics and this year its debt to EBITDA ratio, excluding significant items, increased to 1.9 times, compared to 1.7 times in the prior year. The Group maintained its strong credit ratings, with a rating from Moody's Ratings of A3 (stable) and a rating from S&P Global Ratings of A- (stable). In July 2026, S&P Global Ratings revised the Group's credit rating downside threshold to a 3.0x debt to EBITDA ratio from 2.75x, increasing the Group's debt headroom at its current rating.

Dividends

A key component of total shareholder return is dividends paid to shareholders. The Group's dividend policy considers available franking credits, balance sheet position, credit metrics and cash flow generation and requirements. The Board has determined to pay a fully-franked ordinary final dividend of $1.20 per share, taking the full-year ordinary dividend to $2.22 per share. The final dividend record date is 2 September 2026 and will be paid to shareholders on 7 October 2026.

Given the preference of many shareholders to receive dividends in the form of equity, the Board has decided to continue the operation of the Dividend Investment Plan (the 'Plan'). The allocation price for shares issued under the Plan will be calculated as the average of the daily volume-weighted average price of Wesfarmers shares on each of the 15 consecutive trading days from and including the third trading day after the record date, being 7 September to 25 September (inclusive).

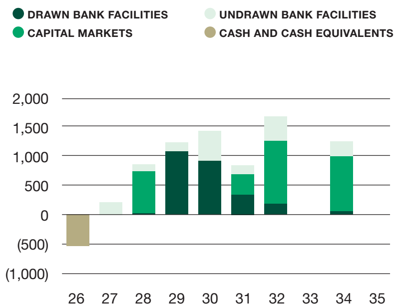
The latest time for receipt of applications to participate in or to cease or vary participation in the Plan is by 5:00pm (AWST) on 3 September 2026. No discount will apply to the allocation price and the Plan will not be underwritten. Shares to be allocated under the Plan will be transferred to participants on 7 October 2026. It is intended that any shares to be issued under the Plan will be acquired on market.

Fixed financial obligations

Lease liabilities[1]	$7.1b
Bank facilities and bonds[2]	$5.7b

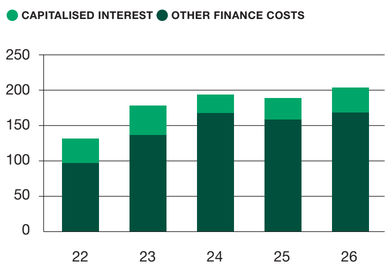
[1] Represents total discounted lease liabilities as at 30 June 2026.
[2] As at 30 June 2026. Bank facilities and bonds is net of swaps.

Debt maturity profile ($m)[1]

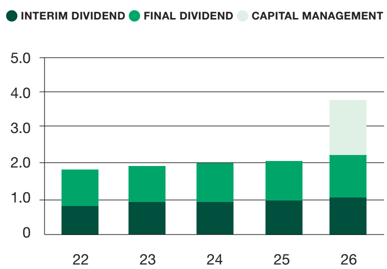


[1] As at 30 June 2026. Capital markets debt is net of cross-currency interest rate swaps.

Other finance costs ($m)



Shareholder distributions ($/share)[1]



[1] The dividends are presented in the financial year to which they relate. The capital management initiative was proposed upon finalisation of the FY25 results and paid in FY26 after approval was obtained from shareholders at the Wesfarmers Annual General Meeting on 30 October 2025.

Risk

Wesfarmers recognises the importance of, and is committed to, identifying, monitoring and effectively managing risks associated with the Group's activities.

The following information details a selection of material Group-wide risks, in no particular order. These material risks do not include generic risks, such as changes to macroeconomic conditions affecting businesses and households in Australia, which would affect all companies with a large domestic presence.

Specific information on sustainability and climate-related risks is provided on pages 55 to 101 of this Annual Report.

Health, safety and wellbeing

As one of Australia's largest private sector employers, Wesfarmers is committed to providing a safe and fulfilling work environment for its more than 100,000 team members. Refer to page 94 for details.

Approach and action:

- Continuing to focus on mitigating safety risks through safety processes and systems
- Continued investment in assets and technology to support and enhance team member safety
- Regular monitoring and evaluation of health and safety metrics
- Team member health and wellbeing programs
- Ongoing focus on respect at work and psychosocial risk awareness and training

Geopolitical disruption

Wesfarmers' divisions are exposed to the impacts of geopolitical disruption, including potential impacts on global supply chains and input prices.

Approach and action:

- Regular corporate planning and scenario analysis
- Monitoring of geopolitical developments and assessment of potential impacts on supply chains, input costs and consumer sentiment
- Engagement with government, industry bodies and regulatory stakeholders
- Diversification of supplier base and sourcing strategies
- Business continuity and crisis management planning
- Where feasible, hedging financial risks

Data governance, privacy and consent

Wesfarmers strives to be a trusted and responsible custodian of customer and team member data. Refer to page 98 for details.

Approach and action:

- Continuing to enhance the Group's privacy and data governance frameworks, processes and resourcing
- Investing in internal processes in technology to protect and control data access
- Policies and standards to manage data and safeguard personal data
- Advancing the responsible use of AI with appropriate guardrails and frameworks

Competition and business model disruption

Wesfarmers' divisions operate in highly competitive markets and face increasing competition from new and existing competitors.

Approach and action:

- Each division is focused on executing its own strategies to deepen customer engagement and mitigate competitor risks
- Analysis of business performance and trend forecasting to identify emerging risks and opportunities
- A detailed corporate planning process, which includes developing strategies to mitigate competitor and market risks

Product safety and liability

Wesfarmers' divisions aim to offer products that meet relevant product safety regulations, standards and guidelines. Refer to page 98 for details.

Approach and action:

- Working with suppliers and performing relevant product testing and quality checks
- Complying with product safety standards when engaging in the design and development of own-brand products
- Cross-divisional collaboration to share developments, learnings and best practice in product quality and safety standards

Commodity price and currency movement

The Group is exposed to material adverse movements in foreign exchange and commodity prices that could impact profitability.

Approach and action:

- Conducting scenario analysis to identify potential exposures to commodity price and foreign exchange rate movements
- Continuing to implement hedging strategies to mitigate the impact of adverse market movements
- Regularly monitoring macroeconomic indicators, geopolitical developments and commodity market trends to identify risks and opportunities

Cyber security

Wesfarmers is focused on cyber security to safeguard against an information security breach. Refer to page 98 for details.

Approach and action:

- Continued investment in systems, processes and capabilities, including by using technology and dedicated cyber security teams
- Ongoing training provided to team members on cyber security and AI risks
- Collaborating on cyber security, information technology and advanced analytics across the Group
- Oversight by management and the Board of cyber security metrics and resilience, including through crisis simulations
- Leveraging deep relationships with technology providers and participating in industry and government consultations to support AI and cyber security resilience

Customer expectations

Wesfarmers' divisions are focused on meeting customer expectations as their needs and preferences change. This requires our divisions to continually evolve their product and service offerings.

Approach and action:

- Investing in AI, data, digital and e-commerce capabilities to deepen understanding of customers and provide more relevant, personalised and engaging experiences across all channels
- Investing in strategy, marketing, merchandise and customer insight teams
- Monitoring local and global trends and responding with range reviews, new store formats and services, and refreshed customer propositions
- Pioneering the adoption of AI in customer shopping journeys to enhance the customer experience

Strategy execution

Wesfarmers sets strategic objectives through a detailed corporate planning process and regularly assesses performance against these strategic objectives. Through Wesfarmers' divisional autonomy model, the accountability for divisional strategy execution lies primarily with divisional management.

Approach and action:

- Detailed planning and budgeting processes
- Performance measurement frameworks and key performance indicators to track progress
- Regular review of projects and programs to monitor progress on strategy execution, including benefits, costs and resource allocation
- Divisional boards to monitor progress

Regulatory compliance

Wesfarmers' divisions are subject to a wide range of laws and regulations. Failure to comply could negatively impact the Group, for example through enforcement action by regulators and by adversely impacting stakeholders' trust, our reputation or licence to operate and/or financial performance. The pace of regulatory change is increasing compliance obligations and the risk of adverse consequences for our businesses.

Approach and action:

- Legal and compliance teams to manage legal issues
- Monitoring and responding to legal, regulatory and public policy changes
- Maintaining strong relationships with regulators, government and industry bodies
- Establishing clear policies, guidelines and expectations for divisional governance
- Providing training to team members to promote and support compliance

Sourcing and supply chain

The Group's domestic and international supply chains are highly complex. The divisions are focused on minimising the risk of interruptions to our supply chains to maintain product and service availability for customers.

Approach and action:

- Ongoing development of supply chain capabilities and strengthening systems and processes
- Increasing the diversification of sourcing operations
- Continuing to modernise and update supply chain facilities and systems
- Actively managing supplier relationships, engaging in regular dialogue, performance reviews and supplier development initiatives to foster long-term relationships that align with the Group's minimum standards including in relation to modern slavery risk
- Investing in supply chain analytics and AI technologies for supply chain optimisation

Talent attraction, retention and engagement

The Group values team members with appropriate skills, capabilities and values to execute divisional and Group strategies. There is strong competition to attract and retain these individuals.

Approach and action:

- Market competitive remuneration structures that are aligned with delivering our corporate objective
- Succession planning, retention and targeted development programs
- Creating and maintaining a respectful, welcoming and engaging environment for team members grounded in the Wesfarmers Way
- Strategies and investments to strengthen employee value proposition so the right talent is attracted and retained by the Group
- Comprehensive team member training on the use of new AI tools and platforms, enabling them to work smarter and faster

There is a wide range of other material risks across the Group.

These include strategic, operational, regulatory and financial risks (in no particular order), such as:

- digital disruption, for example through technological innovation
- portfolio management, noting Wesfarmers actively manages its portfolio through acquisitions and divestments
- loss of major infrastructure and physical security
- risks inherent in the distribution and sale of products
- conduct risk, which may impact Wesfarmers' reputation
- inventory management in our divisions
- human rights risks, including modern slavery in our operations and supply chains (refer to page 97 for more details)
- nature-related risks (refer to page 64 for more details)
- risks inherent in asset management, including process safety risk
- clinical governance risks in Wesfarmers Health
- franchisee compliance risk
- liquidity and access to funding.

Further information on risk management including policies, responsibilities and certification, can be found on page 108.

Read more on our website: wesfarmers.com.au/cg

Prospects

Wesfarmers remains well positioned to deliver satisfactory returns to shareholders over the long term, supported by its portfolio of high-quality, resilient businesses and growth platforms. Wesfarmers' strong and flexible balance sheet supports continued investment across the Group and provides capacity to manage potential risks and opportunities under a range of scenarios.

Wesfarmers recognises the impact of ongoing inflation on households and businesses, and the retail divisions play an important role in the community through offering everyday low prices.

While Australian consumer demand remains resilient, cost of living pressures continue to affect many households across the economy. Uncertainty regarding the outlook for inflation, house prices, interest rates and tax settings are affecting consumer sentiment, while higher costs of doing business are weighing on business confidence and spending.

In this environment, the Group's retail divisions are well positioned to grow profitably, supported by their strong value credentials, focus on improving the customer experience and expanding addressable markets. The retail divisions will continue to develop their omnichannel capabilities to drive sales and earnings growth, including their agentic commerce solutions, faster and more reliable delivery and growing marketplaces.

The Group also benefits from the diversity of its portfolio and recent investments that create new opportunities for earnings growth, independent of the near-term consumer outlook.

Higher costs of doing business, driven by elevated labour, energy and supply chain costs, are expected to persist in the 2027 financial year. To mitigate these impacts, the divisions will continue to execute their productivity agendas, through a 'People-first, Digitally-enabled' approach, including digitising operations and leveraging AI and technology to support operating efficiency.

Wesfarmers and its joint venture partner remain focused on the ramp-up of the Covalent Lithium refinery, with production rates expected to accelerate through the second half of financial year 2027 as further odour mitigation solutions are implemented. Product qualification with key offtake partners will continue to progress while the refinery ramps up. Spodumene concentrate production at Mt Holland is expected to be in line with nameplate capacity of approximately 380kt (WesCEF share approximately 190kt), with around half of this production to be sold to market.

Wesfarmers Health is well positioned to continue improving earnings and returns by executing its transformation program and capitalising on long-term health and wellness trends. The division remains focused on accelerating growth in its higher-margin Consumer business and building on recent improvements in Wholesale.

Bunnings Group

5.1%

increase in earnings

506

stores in Bunnings Group

7.6%

digital sales

Our business

Bunnings is a leading retailer of home improvement and lifestyle products in Australia and New Zealand, and a major supplier to project builders and commercial tradespeople.

Bunnings Group operates a network of 506 stores across Australia and New Zealand comprising Bunnings Warehouses, smaller format stores and trade centres, supported by frame and truss manufacturing operations, Beaumont Tiles and Tool Kit Depot stores. This physical network is complemented by growing digital, marketplace and supply chain capabilities that enable Bunnings to deliver an increasingly connected omnichannel experience for customers. Bunnings employs more than 51,000 team members.

The integration of Blackwoods and Workwear Group into Bunnings Group from 1 July 2026 brings together businesses with highly complementary customer bases. It provides an opportunity for Bunnings to strengthen the commercial customer value proposition and accelerate growth with small- to medium-sized business customers.

Bunnings continues to evolve as a purpose-led, customer-focused business, guided by its long-standing strategic pillars of delivering the lowest prices, widest range and best experience. These pillars are reinforced by a focus on the safety of its team, customers and suppliers, and by fostering strong relationships with the local communities it serves.

Highlights and outlook

Revenue

$20,399m

2026	**20,399**
2025	19,595
2024	18,968
2023	18,539
2022	17,754

Earnings before tax

$2,455m

2026	**2,455**
2025	2,336
2024	2,251
2023	2,230
2022	2,204

Revenue for Bunnings increased 4.1 per cent to $20,399 million for the year, with earnings increasing 5.1 per cent to $2,455 million. Excluding net property contributions, earnings increased 5.0 per cent. The result reflects the strength and resilience of the Bunnings offer and operating model, and disciplined execution of its strategic agenda.

During the year, Bunnings continued to expand its addressable market through investment in new and existing categories, commercial capability, digital and marketplace platforms and adjacent growth opportunities. The business also strengthened its retail media, data and AI capabilities, supporting customer engagement, productivity and long-term earnings growth.

Bunnings invested in its store network, supply chain and technology platforms to enhance the omnichannel customer experience and improve operational efficiency, with a strong focus on cost discipline to enable continued investment in price.

The business maintained strong momentum in community engagement and progressed towards its commitment to achieve net zero Scope 1 and Scope 2 (market-based) emissions by 2030. Safety remained a key focus, with TRIFR improving to 12.5 from 13.7 in the prior year.

Bunnings is well positioned to deliver sustainable long-term growth through its resilient operating model, disciplined execution and investment in capabilities that strengthen its customer proposition.

Bunnings will continue to execute its strategic agenda with a sustained focus on customer value, commercial growth and operational excellence. Ongoing productivity initiatives and disciplined cost management will support further investment in price, capability and customer experience, further strengthening the business' operating model.

While residential building activity is expected to remain subdued in the short term, the structural housing undersupply and population growth are expected to support increased building activity in the medium term and Bunnings remains well positioned to benefit from this recovery.

The relaunch of the commercial loyalty program to PowerPass Pro Rewards in July 2026 is also expected to deepen customer engagement and drive growth among small and medium-sized enterprises (SMEs).

Michael Schneider
Managing Director
Bunnings Group

Bunnings Group

Year in review

Revenue for Bunnings increased 4.1 per cent to $20,399 million for the year, with earnings increasing 5.1 per cent to $2,455 million. Excluding net property contributions, earnings increased 5.0 per cent.

Total store sales and store-on-store sales increased 4.0 per cent and 3.7 per cent respectively. Sales growth was observed across both consumer and commercial customers, and all product categories and regions. The result was supported by disciplined execution of the business' strategic agenda, investment in price for increasingly cost-conscious customers and ongoing productivity initiatives.

Consumer sales were supported by demand across home improvement, repairs and maintenance together with range innovation and expansion. During the year, Bunnings broadened its offer in tools, automotive, rural, pet and lifestyle categories, while continuing to evolve core ranges through innovation and supplier partnerships.

Commercial sales grew across all customer segments as Bunnings strengthened its proposition through faster fulfilment, specialist services and targeted capability investment.

Investment in digital, data and AI, including the AI-powered shopping and DIY assistant ‘Buddy’, strengthened Bunnings' omnichannel experience while making it easier for the team to better serve customers. Digital sales grew across all channels, with marketplace continuing to deliver strong growth following ongoing range expansion and the launch of new commercial and services marketplace offers. New capabilities improved customer personalisation, enabled faster commercial quoting and strengthened merchandising decisions, lifting the experience across every channel.

Ongoing productivity initiatives strengthened cost discipline and allowed further investment in price. Investments in store technology, including electronic shelf labels, rostering tools and AI-enabled workflows simplified operations, improved team productivity and enabled faster decision-making across the business.

Bunnings continued to invest in the store network, improving layouts to better showcase new and expanded ranges, enhance the customer experience and

KEY FINANCIAL INDICATORS (YEAR ENDED 30 JUNE)	2026	2025
Revenue ($m)	**20,399**	19,595
Earnings before tax ($m)	**2,455**	2,336
Capital employed ($m) R12	**3,547**	3,266
Return on capital employed (%) R12	**69.2**	71.5
Cash capital expenditure ($m)	**359**	416

SUSTAINABILITY RESULTS	2026	2025
Total recordable injury frequency rate (TRIFR)[1] R12	**12.5**	13.7
Aboriginal and Torres Strait Islander team members	**1,778**	1,742
Scope 1 and Scope 2 (market-based) emissions (ktCO_2e)	**14.9**	24.6
Operational waste diverted from landfill (%)	**64.9**	60.8
Community contributions ($m)	**72.7**	67.9
Sites in the ethical sourcing program that were monitored (%)	**65**	71[2]

1 TRIFR measures the number of lost time and medical treatment injuries per million hours worked.
2 Ethical sourcing data is for the period 16 June 2024 to 30 June 2025.

64.9%

operational waste diverted from landfill

$72.7m

in total community contributions

increase sales density. The business also increased investment in growth categories, including home electrification, and expanded geographically by launching an online store for customers in the Pacific.

Supply chain capability evolved through targeted investments in inbound freight, fulfilment, last-mile delivery and automation, simplifying store replenishment, improving inventory flow and strengthening product availability.

The business expanded its retail media proposition across stores and digital channels in Australia and New Zealand, creating additional value for supplier partners. Hammer Media now has more than 580 instore screens in approximately 250 stores.

At the end of the period, there were 288 warehouses, 65 smaller format stores and 26 trade centres in the Bunnings network, as well as 110 Beaumont Tiles stores and 17 Tool Kit Depot stores.

Team member health, safety and wellbeing

Bunnings is committed to maintaining a strong safety culture, where every team member can return home safely each day. Bunnings' TRIFR was 12.5 for the period, compared to 13.7 in the prior year, reflecting the ongoing advancement of injury prevention initiatives and a sustained, business-wide commitment to strong safety outcomes.

Bunnings' material safety risk relates to the potential for harm to team members, including mobile plant interactions, hazardous manual handling and customer threatening situations.

These risks continue to inform risk reduction activities, including through a targeted program for senior leaders and people, plant and forklift interaction risk mitigation strategies. Bunnings' Life Threatening Risk program, which focuses on critical, life-saving controls to protect team members, customers and contractors, remained a priority during the year and contributed to a 29.6 per cent reduction in significant incidents with high-potential harm compared to the prior year.

Injury management outcomes also improved, with total workers' compensation claims decreasing by 13.2 per cent.

During the year, Bunnings continued to invest in holistic support for team members, with a focus on physical, social and mental wellbeing. Initiatives focused on health promotion, early access to counselling services and psychosocial hazard awareness training for leaders.

Circular economy

Bunnings supports the transition to a circular economy by working towards reducing the environmental impacts of its operations through operational waste management, product stewardship initiatives and driving positive change through improved product packaging. Bunnings diverted 64.9 per cent of its operational waste from landfill this year, compared with 60.8 per cent in the prior year.

During the year, Bunnings was recognised as a leading retailer through the Australian Packaging Covenant Organisation (APCO) 2026 performance assessment, based on its 2025 result. As an APCO signatory, Bunnings takes a collaborative approach to improving packaging circularity, including reducing unnecessary and difficult-to-recycle materials and supporting improved recovery outcomes across the packaging value chain.

Bunnings' Sustainable Packaging Guidelines support early consideration of packaging design with suppliers as part of broader efforts to reduce material use and improve circular outcomes.

Bunnings Group

During the year, the Australasian Recycling Label was applied to more than 2,800 additional own-brand products to assist customers in responsibly disposing of and recycling packaging.

Bunnings' timber pallet recycling program expanded during the year. The program is available at more than 290 sites and collects pallets that cannot be reused and recycles them into garden mulch. More than 180,000 bags of mulch were generated through the program.

Bunnings continued to provide customers with product stewardship solutions for batteries and plastic plant pots. The battery recycling program is available across all stores and the plastic plant pot recycling program is at more than 240 stores. During the year, more than 600 tonnes of batteries were collected for recycling.

Local communities

Bunnings continued to support communities across Australia and New Zealand through locally led initiatives, including sausage sizzles, instore fundraising and community partnerships. Beyond fundraising, team members provided hands-on support for grassroots programs such as garden makeovers and DIY projects, and in-kind product and gift card donations to local organisations. Bunnings raised and contributed more than $72.7 million in total community contributions, supporting over 76,000 community activities.

For the eighth consecutive year, Bunnings supported FightMND's Big Freeze campaign to contribute more than $2.5 million to motor neurone disease research. Bunnings sold beanies, co-branded buckets and pet toys, and facilitated a national sausage sizzle.

Bunnings partnered with Share the Dignity for the ninth consecutive year, collecting more than 109,000 bags to support women and girls experiencing homelessness, domestic violence and period poverty.

Stores for Paws raised more than $270,000 across Australia and New Zealand for animal rescue and welfare organisations, supported by additional funds raised through the sale of a limited edition Bunnings dog hoodie, supporting PetRescue in Australia and Pe Refuge in New Zealand. Bunnings contributed a combined total of more than $320,000 to Telethon in Western Australia and the Good Friday Appeal in Victoria and Tasmania, helping support sick children and their families. Donations were also made to health, emergency services and disaster relief organisations, with product donations and hands-on support provided to communities affected by bushfires in Victoria and Queensland and floods in New Zealand.

Bunnings supporting mental health

Bunnings supports mental health through its partnership with organisations such as This Is A Conversation Starter (TIACS) and Movember. During the year, Bunnings partnered with TIACS in Australia and Movember in New Zealand to deliver fundraising and awareness campaigns through its store network. Funds were raised through the sale of limited edition, co-branded Bunnings Trade hoodies, with 100 per cent of profits donated to partner organisations. Bunnings raised and contributed more than $600,000 for TIACS in Australia and over NZ$89,000 for Movember New Zealand.

The funding will support free mental health counselling services for skilled manual workers in Australia and programs focused on men's mental health, suicide prevention and prostate and testicular cancer in New Zealand.

Strategy

ACHIEVEMENTS	FOCUS FOR THE COMING YEARS
Care	
– Improved safety outcomes through enhanced injury prevention risk programs – Matched 100 per cent of electricity needs with renewable sources and progressed decarbonisation initiatives – Strengthened team capability and engagement through investment in skills, AI-enabled tools and flexible workforce models – Continued strong community impact through local partnerships, fundraising and disaster response	– Further reduce safety incidents and progress towards single-digit TRIFR through strengthened controls and leadership capability – Continue progress towards 2030 net zero Scope 1 and Scope 2 (market-based) emissions targets – Enhance team retention and productivity through a skills-based, flexible workforce model – Maintain strong community engagement and deepen partnerships with local communities and suppliers
Grow	
– Expanded product ranges and key categories, including tools, automotive and lifestyle – Strengthened commercial capability through improved fulfilment, specialist support and digital tools – Progressed marketplace offers, including early trials for trade and services marketplaces – Established foundations for emerging growth platforms, including home electrification (Zelora) and geographical expansion by launching an online store for customers in the Pacific	– Accelerate category expansion across core and adjacent markets (e.g. smart home, appliances, rural) – Strengthen commercial offer through improved customer journey, fulfilment capability, next generation PowerPass Pro Rewards loyalty program rollout and offer expansion through Blackwoods and Workwear Group – Scale marketplaces to expand range and customer reach – Expand participation in emerging opportunities, including home electrification and geographical expansion
Simplify	
– Progressed productivity agenda through new rostering platform, automation and AI-enabled tools – Reduced manual processes across stores, supply chain and support functions – Began consolidation of systems and improvement in operational processes to support lower costs of doing business (CODB) – Leveraged AI and data to improve team member productivity and decision-making	– Scale use of AI and automation to reduce manual tasks and improve efficiency – Continue to digitise and simplify store and support processes – Accelerate productivity initiatives to further reduce CODB and fund reinvestment in price and experience – Further optimise team member productivity, including centralising select functions and improving labour planning
Evolve	
– Advanced supply chain capability, including new fulfilment centres and improved delivery performance – Progressed space optimisation and data capability to improve range execution and sales density – Enhanced omnichannel customer experience through improved digital platforms, data insights and personalisation – Scaled retail media capability (Hammer Media) and data-driven customer engagement	– Continue supply chain evolution through investment in technology (WMS, TMS) and network optimisation – Further improve space productivity to drive sales and stockturns – Continue to enhance omnichannel experience, enabling stronger loyalty and customer lifetime value – Grow and monetise retail media and customer data capabilities

Kmart Group

6.0%
increase in earnings

445
stores in Kmart Group

10.5%
digital sales

Our business

Kmart was established in 1969, with the opening of its first store in Burwood, Victoria.

Kmart is a leading product development company and trusted brand that operates 325 stores throughout Australia and New Zealand, employing approximately 39,000 team members. Kmart's vision is to be where families come first for the lowest prices on everyday items.

Target is celebrating its 100th anniversary in 2026, marking the centennial of its founding as a textiles and homewares store in Geelong, Victoria. The business has grown to become a destination for apparel and soft home products. Target operates 120 stores and employs more than 9,000 team members across Australia, with a vision to be where quality comes first, at low prices.

Kmart Group's purpose is to make everyday living brighter. It is strengthening and growing the core of the business and scaling new growth platforms through the execution of five strategic pillars: better products at even lower prices; stores that customers and team members love; low-cost leadership through operational excellence; a winning online offer; and profitable global growth.

Highlights and outlook

Revenue

$11,751m

2026	**11,751**
2025	11,429
2024	11,107
2023	10,635
2022	9,129

Earnings before tax

$1,109m

2026	**1,109**
2025	1,046
2024	958
2023	769
2022	505

Kmart Group's revenue increased 2.8 per cent to $11,751 million for the 2026 financial year. Earnings of $1,109 million were 6.0 per cent or $63 million above the prior year.

Earnings growth for the year reflected the solid trading performance and a focus on productivity and cost control. Productivity benefits were delivered through the continued digitisation of operations across stores, sourcing and supply chain. These benefits mitigated ongoing cost of doing business pressures, including increased fuel prices as a result of the Middle East conflict, and the impact of investments in projects that are expected to deliver long-term operational benefits.

Kmart Group remains well positioned to deliver sustained growth in sales and earnings, leveraging the strength of its world-class product development capabilities to maintain a competitive advantage. Delivering low prices for customers remains a strategic priority for Kmart Group, with customers expected to remain highly focused on value in the current environment.

Productivity and cost control will remain a focus to mitigate cost pressures which are expected to persist across cost of goods sold and operating expenses. The continued digitisation of sourcing, supply chain and store operations, including the development of agentic capabilities, provides the opportunity to drive efficiencies and support continued investment in initiatives to deliver benefits over the long term.

The 2027 financial year will represent a year of material investment for Kmart Group with the continued rollout of the Kmart Plan C plus store format, as well as further investment in core technology capabilities across stores and supply chain. Earnings for the year will include costs associated with commissioning the Next Gen omnichannel fulfilment centre, including dual-site operations in New South Wales from October 2026.

Progress to increase Kmart Group's addressable market will also continue through the expansion of the third-party marketplace and further growth in the Anko store network in the Philippines.

Aleks Spaseska
Managing Director
Kmart Group

Kmart Group

Year in review

Kmart Group's revenue increased 2.8 per cent to $11,751 million for the 2026 financial year. Earnings of $1,109 million were 6.0 per cent or $63 million above the prior year.

Kmart Group's total sales increased 2.8 per cent for the year, with comparable sales increasing 2.7 per cent. In the second half, total sales increased by 2.2 per cent and comparable sales increased by 2.7 per cent. Comparable sales growth in the second half reflected more challenging conditions for seasonal categories in the fourth quarter and the impact of a material deterioration in the exchange rate on Kmart's New Zealand dollar denominated sales. Adjusting for the New Zealand dollar impact, comparable sales growth for the second half was above the first half. Target's performance in the first half was impacted by the closure of the Queensland distribution centre due to storm damage but improved in the second half as stock flow normalised. Total sales growth in the second half was further impacted by a reset of the strategy in Anko Global.

Kmart Group continued to benefit from its strong value credentials, with customer numbers and transaction volumes growing on the prior year. Prices were dropped on more than 2,500 items during the year, while product innovation in Anko's 'one-up' and 'two-up' price tiers continued to generate strong demand.

KEY FINANCIAL INDICATORS (YEAR ENDED 30 JUNE)	2026	2025
Revenue ($m)	**11,751**	11,429
Earnings before tax ($m)	**1,109**	1,046
Capital employed ($m) R12	**1,624**	1,548
Return on capital employed (%) R12	**68.3**	67.6
Cash capital expenditure ($m)	**256**	136

SUSTAINABILITY RESULTS	2026	2025
Total recordable injury frequency rate (TRIFR)[1] R12	**6.8**	6.1
Aboriginal and Torres Strait Islander team members	**2,043**	1,959
Scope 1 and Scope 2 (market-based) emissions (ktCO_2e)	**6.6**	161.3
Operational waste diverted from landfill (%)	**82.4**	82.1
Community contributions ($m)	**11.9**	11.1
Sites in the ethical sourcing program that were monitored (%)	**85**	88[2]

1 TRIFR measures the number of lost time and medical treatment injuries per million hours worked.
2 Ethical sourcing data is for the period 16 June 2024 to 30 June 2025.

Earnings growth reflected the solid trading performance and continued focus on productivity and cost discipline. The ongoing digitisation of operations across stores, sourcing and supply chain delivered productivity benefits to the business. These benefits mitigated the impact of increased fuel prices as a result of the Middle East conflict and the cost of investments in projects that are expected to deliver long-term operational benefits.

Good progress was made during the year in executing Kmart Group's strategic priorities. Investment in the store network continued, with 20 stores trading in Kmart's new Plan C plus format at the end of the year, and the launch of a new concept, K Home, trial store. The innovations in store format supported the continued expansion of the addressable market and enhanced cross-shop between departments. Digitisation of store processes advanced through the expansion of radio frequency identification (RFID) capabilities and the use of AI-enabled solutions.

1.6m+
monthly active app users

82.4%
operational waste diverted from landfill

The transformation of Kmart Group's supply chain also progressed, with construction of the Next Gen omnichannel facility in New South Wales proceeding in line with expectations, centralised online fulfilment scaled across Victoria and New South Wales, the implementation of a new order management system and the commencement of the upgrade of the warehouse management systems.

Kmart also continued to scale its digital ecosystem, including through the launch of a third-party marketplace, growing app engagement as monthly active users exceeded 1.6 million and the launch of Kmart's AI digital assistant 'Joy'. Digital sales, including marketplace gross merchandise value, increased 19.7 per cent in the second half relative to the prior year. The expansion of Anko into new markets progressed, with six stores open in the Philippines at the end of the financial year.

Return on capital increased to 68.3 per cent, reflecting higher earnings and continued capital discipline.

Kmart opened two net new stores and Target closed four stores during the year. There were 445 stores across Kmart and Target as at 30 June 2026.

Human rights and ethical sourcing

Kmart Group recognises that modern slavery and forced labour are salient human rights risks in global retail supply chains. Its ethical sourcing program is intended to identify, assess and mitigate these risks through supplier due diligence, third-party audits and remediation.

Kmart Group directly sources goods for resale, goods not for resale and services. The main types of goods for resale are finished products such as apparel, footwear, homewares, health and beauty and general merchandise.

Kmart Group's goods not for resale include products such as uniforms, store fittings, office and information technology equipment. The main types of services supplied to Kmart Group include information technology, electricity, energy, utilities, shipping, logistics, financial and insurance marketing, travel and accommodation, professional services, cleaning, trolley services and security.

Kmart Group does not generally directly procure raw materials, but they are used in the production of both goods for resale and goods not for resale (for example polyester, timber, cotton, wool, viscose, metals, minerals and chemicals).

In 2026, Kmart launched an online marketplace platform with third-party vendors selling a range of products directly to customers. Kmart facilitates the payment for these products on the vendors' behalf and receives a commission for the sale, but marketplace sellers are responsible for the product (including product listing content, delivery and returns).

Third-party audit and monitoring activities are a core component of supplier due diligence, helping to identify, assess and address ethical sourcing risks. Kmart Group Tier 1 own-brand and licensed brand suppliers are subject to third-party ethical sourcing audits during onboarding and at least every two years thereafter, depending on prior audit findings.

During the year, 1,413 third-party ethical sourcing audits were conducted at 1,184 Tier 1 Kmart Group supplier factories.

Kmart Group

In 2026, Kmart Group continued the work it began in 2025 to conduct limited due diligence on upstream Tier 2 and Tier 3 facilities, focusing on supply chains identified through risk assessments as being at higher risk of modern slavery. The due diligence is limited because these facilities are not Kmart Group's direct suppliers. Challenges may include limited visibility of the facilities and in the absence of a direct contractual relationship, third-party audits may not be available, and workers may not have access to the Kmart Group grievance mechanism. Kmart Group will continue to develop this program in 2027.

Kmart Group also implemented an ethical sourcing due diligence approach for marketplace sellers to support the rollout of the new Kmart Marketplace.

Team member health, safety and wellbeing

Kmart Group TRIFR in 2026 was 6.8 compared with 6.1 in the prior year. Analysis identified manual handling as causing an increase in incidents and the key contributor to injury outcomes.

This year, Kmart Group progressed a number of initiatives to further strengthen its approach to improve safety performance, including implementing an integrated Safety Management System across both Kmart and Target to allow for improved data capture, analytics and problem solving across sites.

Supported by its life-threatening risk program, Kmart Group delivered a more than 50 per cent reduction in significant and high-potential incidents. Recognising the increasing risk profile of customer-threatening situations across the retail sector, Kmart Group prioritised action to mitigate these risks. Key initiatives included a review of tactical and static security guards, the installation of front-of-store gates, and strengthened partnerships with centre management and local police across its highest-risk stores.

People and diversity

Kmart Group is committed to reflecting the communities it operates in and fostering an inclusive, respectful environment for team members and customers. Its inclusion strategy is centred around the three pillars of equity, experience and engagement with focus areas across reconciliation, gender equity, accessibility and disability and LGBTQIA+ inclusion. In 2026, this expanded to include a focus on Māori and Pasifika culture.

Kmart Group maintained 40:40:20 gender balance across General Manager, Senior Manager and Manager roles, with women representing 47 per cent of leadership roles, an increase from 46 per cent the previous year.

Indigenous representation remained above parity at 4.6 per cent of the workforce, an increase of 84 team members year-on-year. Indigenous representation within operational leadership roles increased from 2.2 per cent to 2.9 per cent. In 2026 the Take A Deadly Walk leadership program (focused on early leadership development) expanded to 21 participants. Kmart Group continued to strengthen cultural capability through 12,974 cultural awareness training instances and formalised partnerships with the Stars Foundation and Yothu Yindi Foundation.

Representation of team members identifying with a disability increased from 2.2 per cent to 2.4 per cent. In 2026, Kmart Group embedded the Career Pathways program following a successful 2025 pilot with the Federal Government. This program aims to help employees with disability advance from entry-level roles into leadership positions.

The LGBTQIA+ store inclusion program continued to expand, with 87 stores participating, an increase of 11.

Strategy

ACHIEVEMENTS	FOCUS FOR THE COMING YEARS
Better products at even lower prices	
– Invested in value, including more than 2,500 price drops in the 2026 financial year – Expanded product ranges to grow share of wallet, including in youth apparel and kidult (toys, collectibles and electronics aimed at adults) – Leveraged digitisation and AI to accelerate product innovation and supplier collaboration	– Continue investing in low prices – Expand and innovate ranges to grow share of wallet, particularly in beauty and furniture – Strengthen digital product development, including AI tools, to improve efficiency and trend responsiveness
Stores that customers and team members love	
– Launched 20 Kmart Plan C+ format stores and one K Home concept store – Expanded RFID, including the first RFID-enabled apparel stocktake – Implemented AI-enabled inventory solutions to improve general merchandise visibility and accuracy – Digitised store processes to support team members and improve execution	– Scale Kmart Plan C+ format, with up to 40 stores converted by the end of the 2027 financial year – Expand RFID across more general merchandise categories and into Target, to support inventory availability and accuracy – Develop AI assistance for team members to enhance customer and team experiences – Test and refine new formats, including the K Home concept
Low-cost leadership through operational excellence	
– Scaled centralised online fulfilment in Victoria and New South Wales, improving availability, reducing complexity in stores and supporting a better customer experience – Implemented a new online order management system and commenced the upgrade of warehouse management systems – Continued construction of the Next Gen omnichannel fulfilment centre in New South Wales – Scaled RFID at source for more than 75 per cent of Kmart apparel purchase order volumes	– Modernise the supply chain to improve productivity, availability, resilience and cost efficiency – Commission the Next Gen omnichannel fulfilment centre in New South Wales, planned for the first half of the 2028 financial year – Upgrade further warehouse management systems – Optimise international supply chain stock flow and scale RFID at source – Scale AI tools for demand forecasting, inventory visibility and stock flow
Winning online offer	
– Launched a third-party marketplace, with more than 120,000 products available and positive early trading results – Grew monthly active Kmart app users to more than 1.6 million – Leveraged OnePass, Flybuys and Kmart Group data to personalise customer experiences – Deployed 'Joy', an AI digital assistant to improve discovery and engagement	– Scale assortment, seller services and marketplace offer to expand choice and convenience for customers – Invest in the Kmart app to enhance the omnichannel experience – Enhance personalisation using AI, OnePass, Flybuys and Kmart Group data – Further develop agentic capabilities to support conversion, personalisation and post-purchase experience
Profitable global growth	
– Opened four more Anko stores in the Philippines through a joint venture partnership with positive customer response – Refined the store operating model to support future growth and improve execution	– Expand the Anko store network in the Philippines – Refine the operating model to support profitable growth – Build Anko's presence in attractive global markets while supporting selected retail partners

Chemicals, Energy and Fertilisers

18.5%
increase in earnings

3.4%
increase in production tonnes

0.6
total recordable injury frequency rate

Our business

WesCEF manages a portfolio of eight businesses in Australia across the chemicals, energy, fertilisers and lithium sectors with a shared services model that supports these businesses.

Chemicals includes:

- CSBP Chemicals, which manufactures and supplies ammonia, ammonium nitrate (AN) and industrial chemicals
- Australian Gold Reagents (AGR), CSBP's 75 per cent-owned joint venture with Coogee Chemicals, which manufactures and supplies sodium cyanide
- Queensland Nitrates (QNP), CSBP's 50 per cent-owned joint venture with Dyno Nobel Asia Pacific, which manufactures and supplies AN
- Australian Vinyls, which supplies polyvinyl chloride (PVC) resin and specialty chemicals
- ModWood, which manufactures wood-plastic composite decking and screening products.

WesCEF's energy business, Kleenheat, extracts liquefied petroleum gas (LPG) from natural gas and manufactures liquefied natural gas (LNG) at the Kleenheat Production Facility. Kleenheat is also a retailer of natural gas to residential and commercial markets.

CSBP Fertilisers manufactures, imports and distributes fertilisers for the Western Australian agricultural sector.

Covalent Lithium, Wesfarmers' 50 per cent joint venture with Sociedad Química y Minera (SQM), is a vertically integrated operation in Western Australia comprising a mine and concentrator at Mt Holland producing spodumene concentrate, and a refinery in Kwinana producing lithium hydroxide.

Highlights and outlook

Revenue

$3,138m

2026	**3,138**
2025	2,962
2024	2,747
2023	3,306
2022	3,041

Earnings before tax

$473m

2026	**473**
2025	399
2024	440
2023	669
2022	540

Revenue for WesCEF increased 5.9 per cent to $3,138 million for the year, driven by higher prices for fertilisers and spodumene concentrate. Earnings increased by 18.5 per cent to $473 million, reflecting a significant uplift in Lithium earnings, partially offset by reduced earnings from Ammonia and Energy.

WesCEF's TRIFR significantly improved to 0.6 and two major capacity expansion projects were delivered with no recordable injuries.

Scope 1 and Scope 2 (market-based) emissions decreased by 3.3 per cent.

Chemicals earnings will continue to be dependent on global commodity pricing and the execution of major shutdowns in financial year 2027. Ammonia earnings are expected to benefit from the timing lag mechanism in sales contracts, which shifted earnings from the fourth quarter of financial year 2026 to financial year 2027, partially offset by reduced production due to a planned major shutdown. Earnings from AN and Sodium Cyanide are expected to benefit from increased production following completion of debottlenecking and expansion projects.

At Mt Holland, spodumene concentrate production is expected to be in line with nameplate capacity of approximately 380kt (WesCEF share approximately 190kt), with around half of this production to be sold to market.

Production rates at the Covalent Lithium refinery are expected to accelerate through the second half of financial year 2027 as further odour mitigation solutions are implemented. A portion of costs incurred during the ramp-up phase will continue to be capitalised until commercial production is achieved.

Fertiliser earnings remain dependent on potential supply disruptions, market pricing and seasonal conditions. Fertilisers will maintain its focus on supply chain resilience and manufacturing capability for the season ahead.

Energy earnings are expected to be affected by lower LPG content in processed gas and remain dependent on the Saudi Contract Price.

Significant progress was made on WesCEF's growth and focus areas, including the final investment decision on the Mt Holland mine and concentrator expansion, completion of the first phase of the sodium cyanide expansion project and completion of debottlenecking at one of CSBP's three nitric acid plants.

Aaron Hood
Managing Director
Wesfarmers Chemicals, Energy & Fertilisers

Chemicals, Energy and Fertilisers

Year in review

KEY FINANCIAL INDICATORS (YEAR ENDED 30 JUNE)	2026	2025
Revenue ($m)	**3,138**	2,962
Earnings before tax ($m)	**473**	399
Capital employed ($m) R12	**3,750**	3,563
Return on capital employed (%) R12	**12.6**	11.2
Cash capital expenditure ($m)	**365**	390

SUSTAINABILITY RESULTS	2026	2025
Total recordable injury frequency rate (TRIFR)[1] R12	**0.6**	5.6
Aboriginal and Torres Strait Islander team members	**55**	55
Scope 1 and Scope 2 (market-based) emissions (ktCO_2e)	**767.0**	792.9
Operational waste diverted from landfill (%)	**31.3**	45.2
Community contributions ($m)	**0.5**	0.6
Sites in the ethical sourcing program that were monitored (%)	**50**	72.9[2]

1 TRIFR measures the number of lost time and medical treatment injuries per million hours worked.

2 Ethical sourcing data is for the period 16 June 2024 to 30 June 2025. Restated following the identification and correction of a system error.

Chemicals earnings decreased compared to the prior year. This decline was driven by lower Ammonia earnings, with rising ammonia index prices and the timing lag mechanism in sales contracts resulting in an unfavourable earnings impact on imported volumes in the year. Lower Ammonia earnings were partially offset by an increase in AN earnings from higher sales to WA mining customers. Sodium Cyanide earnings were broadly in line with the prior period, despite lower production due to a planned extended shutdown to complete the first stage of the expansion project. Following this shutdown, the first sodium cyanide plant reached its targeted production rates in May, with the second stage of expansion to be completed in the first half of financial year 2027.

The WesCEF result includes its 50 per cent interest in Covalent Lithium. Lithium earnings of $40 million were a significant improvement compared to the prior year loss of $59 million. This increase was driven by higher market pricing for spodumene concentrate and improved production performance at the Mt Holland mine and concentrator.

WesCEF's share of spodumene concentrate production was 209kt, a pleasing result that was above both guidance and nameplate capacity of 190kt. The strong production performance at Mt Holland was driven by improved availability and throughput, reflecting WesCEF's focus on operational excellence. WesCEF sold 151kt of spodumene concentrate during the year, with the remainder being used as feedstock for the refinery or held as inventory.

First product and sales of lithium hydroxide from the Kwinana refinery were achieved in financial year 2026. Ramp-up and progression of qualification activities were affected by intermittent odour issues throughout the year and installation of mitigation measures commenced in late financial year 2026.

Energy earnings decreased on the prior year, affected by a lower Saudi Contract Price in the first half of the year, the international benchmark indicator for LPG pricing, and reduced LPG production due to declining LPG content in the Dampier to Bunbury Natural Gas Pipeline.

12.6%
return on capital employed (R12)

$40m
lithium earnings

Momentum in Fertiliser earnings was affected by the conflict in the Middle East in the second half of financial year 2026. Strong first half earnings were offset by higher import costs and supply disruptions in the second half following the Middle East conflict. To minimise supply disruptions to Western Australian farmers, CSBP responded quickly by increasing local manufacturing and sourcing product from alternative regions.

Overall, earnings for WesCEF increased on the prior year. The key driver for this improvement was the significant uplift in earnings from the Lithium business which was partially offset by reduced earnings from Ammonia and Energy.

Team member health, safety and wellbeing

WesCEF prioritises the safety and health of team members as part of its commitment to operational excellence. Safety performance is supported by a culture that encourages team member input, recognises proactive safety behaviours, considers both physical and psychological impacts, and focuses on the effective management of risk controls.

Safety programs at WesCEF address both life-threatening risk and injury prevention. Life-threatening hazards have been identified, risk-assessed and controls implemented to reduce the likelihood and consequence of serious incidents. Life-saving controls are managed through worker checklists, independent verifications and senior leader sponsorship. In 2026, WesCEF recorded nine high potential significant incidents compared with six in 2025. Each incident was fully investigated with actions implemented to prevent recurrence. Verification of life-saving controls remains a key focus, both in the field and across the systems that support control effectiveness, including testing, inspection and audit programs.

During the year, WesCEF consulted a behavioural psychologist to assist in updating assessment tools that enhance safe workplace behaviours. Behavioural safety focuses on identifying, observing and modifying the employee actions that could introduce risk. The new Reset tool was then successfully launched through the Your Reasons to Stay Safe safety campaign. This campaign strengthened WesCEF's safety culture by connecting safe behaviours with team members' personal motivations for staying safe.

Supported by a sustained focus on safety leadership and behavioural safety, WesCEF's TRIFR decreased to 0.6 in 2026, compared with 5.6 in the prior year.

Asset integrity and process safety

WesCEF manufactures, handles and stores hazardous chemical products. These products have an associated risk of a serious incident from chemical release or fire. While the risk cannot be eliminated entirely, safe production is supported by asset integrity and process safety programs that identify controls and prevent serious incidents.

Asset integrity is managed through preventative maintenance, inspections, testing and data analysis. These activities help keep equipment fit for purpose, support the safe containment of hazardous chemicals and identify deterioration before it affects safe operation.

WesCEF's process safety program is focused on preventing serious incidents, such as chemical releases, fires and explosions. Such serious incidents are unlikely but require constant vigilance. The process safety program identifies how failures could occur, assesses the level of risk and confirms controls are in place to reduce the likelihood and consequences of an event. Controls include managing changes to plant and operations, training and assessing people for their roles, and maintaining emergency response plans.

Chemicals, Energy and Fertilisers

Water and wastewater

Reliable water supply and effective wastewater discharge management are critical to WesCEF's operations at CSBP's Kwinana site in Western Australia. Both can affect production reliability, environmental outcomes and relationships with regulators and local communities. During the year, WesCEF's total water use increased by two per cent to 4,410 megalitres, of which 35 per cent came from recycled sources.

WesCEF uses a combination of recycled water, groundwater and scheme water. It continues to improve water use efficiency and increase its use of lower-impact sources. To strengthen long-term water security, WesCEF is progressing recycled water supply options and assessing alternative sources to meet future demand.

It continues to optimise wastewater treatment, including nitrogen removal, and is focused on making more efficient use of available water. Following challenges encountered with the original groundwater remediation pilot, an alternative approach has been developed and is planned to be tested in 2027.

Human rights and ethical sourcing

WesCEF sources a diverse range of goods and services from over 40 countries globally, which creates a potential exposure to suppliers whose labour practices do not meet Wesfarmers' minimum standards.

WesCEF continued to mature its Ethical Sourcing and Modern Slavery program during the year, including implementing improvements to the program's governance framework.

WesCEF's program includes supplier monitoring, where high-risk suppliers identified via a risk assessment complete monitoring activities, which may include self-assessment questionnaires, physical audits, corrective action plans (CAPs) and follow-up audits as required. Suppliers in the monitoring program are subject to periodic monitoring for the duration of the commercial relationship.

In 2026, WesCEF updated its ethical sourcing and modern slavery risk assessment framework and expanded the number of suppliers included in the monitoring program to 153 suppliers, an increase from 118 in the previous year. WesCEF initiated fewer physical audits in 2026 compared to 2025, instead focusing on program uplift and progressing and closing out existing CAPs with suppliers.

WesCEF continues to educate team members on modern slavery risks, with 116 team members trained or retrained during the year.

Applying AI to asset integrity monitoring

This year, WesCEF piloted AI-assisted analysis of drone inspection images to identify potential defects, such as corrosion, cracks and weld issues in critical processing, storage and transport infrastructure. The manual review of images of equipment and structures is time-intensive and vulnerable to variability. The use of AI improves consistency and efficiency of inspections, while reducing the likelihood of missed defects. Teams can focus their attention on higher-risk areas requiring specialist assessment, with AI supporting their judgement and expertise.

Following this successful pilot, WesCEF will scale the technology across its inspection program with refinements, stronger validation processes and integration into existing inspection workflows.

Strategy

ACHIEVEMENTS	FOCUS FOR THE COMING YEARS
Safe person, safe process, safe place	
– Recorded a significant improvement in TRIFR – Strengthened safety culture through initiatives targeted at connecting safe behaviours to personal motivations – Implemented RESET tool to improve safety outcomes by reinforcing risk-aware decision-making – Completed all major projects and shutdowns without any recordable injuries, demonstrating a strong safety culture and disciplined approach to risk management – Delivered WesCEF's Psychosocial Safety Awareness campaign, embedding psychological safety alongside physical safety in operations	– Expand safety support to a 'whole of division' model, increasing proactivity and further strengthening safety improvement programs – Continue enhancement of safety capability using data analytics, enabling proactive risk identification and intervention – Utilise improved safety tools and processes to drive reduction in high potential incidents – Complete expansion, major maintenance and debottlenecking projects with no safety incidents – Ongoing commitment to improving safety performance and psychosocial outcomes for team members
Invest for growth	
– Achieved first lithium hydroxide production and commenced the ramp-up of the Kwinana lithium hydroxide refinery – Progressed the Mt Holland mine and concentrator expansion project through key government approval pathways, while advancing internal engineering, design and project delivery activities – Delivered the first phase of AGR's sodium cyanide expansion – Completed debottlenecking the first of CSBP's three nitric acid plants	– Complete ramp-up of the Kwinana lithium hydroxide refinery, achieve lithium hydroxide product qualification with Tier 1 customers and continue to identify optimisation opportunities across the operation – Execute the Mt Holland mine and concentrator expansion – Complete the sodium cyanide expansion project, including the installation of a low emissions incinerator – Evaluate opportunities to debottleneck CSBP's remaining two nitric acid plants to meet market demand – Continue to assess and identify longer-term growth opportunities in local manufacturing for critical and strategic industries
Maintain world-class performance	
– Maintained industry-leading plant availability while delivering expansion and debottlenecking projects – Achieved above nameplate production levels at the Mt Holland mine and concentrator – Continued investment in the enterprise resource planning (ERP) system to optimise operational efficiency and support long-term growth – Executed low-capital, high-return initiatives to enhance operational assets	– Maintain market-leading customer service and investigate expanding service offerings – Continue to identify optimisation opportunities across the business through AI and robotics use cases – Successfully implement new ERP system to streamline operations and realise efficiency benefits – Continue delivering on our promise of reliable, high-quality and cost-competitive supply
Enhance our reputation	
– Launched the Aboriginal Inclusion Plan, strengthening our commitment to reconciliation through sustainable employment, procurement opportunities and a culturally safe and inclusive workplace – Received the 2025 Platypus Environmental Award, recognising WesCEF's significant investment in decarbonisation – Strengthened reputation as a reliable partner to WA's critical industries, supporting customers during periods of global supply disruption	– Continue to focus on ethical sourcing and growing sustainable spend with Indigenous-owned businesses – Enhance cyber security and data governance capability to support secure and resilient operations – Build on community investment through targeted initiatives, with a continued focus on science, technology, engineering and mathematics (STEM) programs – Evaluate opportunities to further integrate sustainable water sources and improve wastewater management

Officeworks

3.7%
increase in revenue

176
stores

34.8%
online penetration

Our business

Officeworks is a leading retailer of technology, stationery, furniture, art supplies and learning and development resources, helping customers bring big ideas to life at low prices. As a complete solution provider, the business also offers services including Print & Create, Geeks2U technology support and the Box of Books digital education platform.

Officeworks provides easy, engaging and personalised omnichannel experiences instore, online, through third-party marketplaces and with support from dedicated business specialists. This extensive network serves households, students, businesses, education facilities and governments.

Officeworks delivers value across a comprehensive and continuously evolving product range. This value is underpinned by a commitment to low prices, a price beat guarantee and rewarding loyalty programs.

The safety, health, wellbeing and career progression of more than 7,600 team members remains a priority. Aboriginal and Torres Strait Islander employment in Officeworks is at more than three per cent of its Australian workforce.

Officeworks is committed to building and maintaining meaningful connections with the communities in which it operates, fundraising for national partners, reducing its impact on the environment and sourcing products and services responsibly.

Highlights and outlook

Revenue

$3,698m

2026	**3,698**
2025	3,565
2024	3,434
2023	3,357
2022	3,169

Earnings before tax

$165m

2026	**165**
2025	212
2024	208
2023	200
2022	181

Officeworks' revenue increased 3.7 per cent to $3,698 million for the year, demonstrating resilience amid a more challenging economic and trading environment. Earnings decreased 22.2 per cent to $165 million largely due to one-off transformation costs, including restructuring activities to reset the cost base, costs associated with the replacement of Officeworks' legacy ERP system and strategic clearance activity to support the introduction of new and expanded ranges.

During the year, Officeworks reset its strategic direction and commenced a multi-year transformation. The first three priorities are focused on the fundamentals of becoming a low-cost operator, resetting merchandise and value fundamentals and creating inspiring omnichannel experiences. With those strong fundamentals in place, Officeworks will accelerate growth by being the first choice for complete technology solutions and being the market leader in B2B and education.

The business commenced its Australian support office operating model changes, which included onboarding team members in India and commencing a partnership in the Philippines to establish the customer contact centre.

Officeworks remains well positioned for sustainable long-term earnings growth. Earnings in financial year 2027 are expected to show a meaningful improvement as the benefits from a structurally lower cost base provide a foundation for improved performance, partially offset by further one-off transformation costs.

The transformation program remains on track for completion by the end of calendar year 2027.

Officeworks will continue to focus on delivering value and convenience to customers, while targeting accelerated expansion in technology, B2B and education.

John Gualtieri
Managing Director
Officeworks

Officeworks

Year in review

Officeworks' revenue increased 3.7 per cent to $3,698 million for the year, demonstrating resilience amid a more challenging economic and trading environment in the second half of the year.

Higher sales were supported by growth in key categories, including technology, Print & Create and stationery, art and education. During the second half, Officeworks launched the Price Dropped campaign, with prices being dropped on approximately 2,000 products between February and July 2026. These changes resonated strongly with customers, driving transaction, unit and margin dollar growth amid softer market conditions.

Earnings decreased 22.2 per cent to $165 million due to one-off transformation costs of approximately $40 million. These costs largely reflect restructuring activities to reset the cost base and ERP-related costs. Earnings were also affected by strategic clearance activity to support the introduction of new and expanded ranges. The initial benefits from the shift to a lower cost operating model, combined with productivity initiatives and disciplined cost of doing business management, partially offset the impact of one-off transformation costs.

To progress its strategic objective of becoming the first choice for complete technology solutions, Officeworks completed the new instore operating model structure, finalised planning for the team member financial incentives pilot in the first quarter of financial year 2027 and continued to expand its technology offering.

KEY FINANCIAL INDICATORS (YEAR ENDED 30 JUNE)	2026	2025
Revenue ($m)	**3,698**	3,565
Earnings before tax ($m)	**165**	212
Capital employed ($m) R12	**1,266**	1,183
Return on capital employed (%) R12	**13.0**	17.9
Cash capital expenditure ($m)	**105**	63

SUSTAINABILITY RESULTS	2026	2025
Total recordable injury frequency rate (TRIFR)[1] R12	**6.0**	6.9
Aboriginal and Torres Strait Islander team members	**256**	290
Scope 1 and Scope 2 (market-based) emissions (ktCO_2e)	**0.2**	11.2
Operational waste diverted from landfill (%)	**86.3**	87.4
Community contributions ($m)	**2.5**	5.3
Sites in the ethical sourcing program that were monitored (%)	**49**	57[2]

1 TRIFR measures the number of lost time and medical treatment injuries per million hours worked.
2 Ethical sourcing data is for the period 16 June 2024 to 30 June 2025.

Officeworks progressed its objective of creating inspiring omnichannel experiences by launching 'Ollie', an AI customer assistant, and launching on Kmart and Uber Eats marketplaces.

Officeworks opened three net new stores during the year, including 'Officeworks Tech', a small-format store featuring technology products inside Target Southland, bringing the total store network to 176 as at 30 June 2026. Technology layout upgrades were also completed across 165 stores to enhance the customer experience.

Circular economy

Officeworks helps customers keep products in use for longer through product and packaging design, repair, reuse and recycling services. The Bring it Back program offers trade-in, repair and recycling for technology products, printer cartridges and school stationery supplies. During 2026, the program repurposed

6,165 kilograms of items via partners Stationery Aid and Give Write, supporting 759 disadvantaged students. In 2026, the trade-in program expanded to accept additional products like game consoles, media players and GoPro cameras, collecting 3,418 devices. Officeworks also supports students with laptop donations via The Smith Family's Learning for Life program.

Operational waste diverted from landfill was 86.3 per cent, a slight decrease on 2025 (87.4 per cent).

Team member health, safety and wellbeing

Officeworks is committed to providing a safe and healthy workplace for team members and contractors. This includes managing physical safety risks, supporting mental health and wellbeing, and maintaining established safety systems across its operations. Officeworks' TRIFR improved to 6.0 from 6.9 in 2025.

Safety performance was supported by the SwitchOn behavioural safety program, alongside revised manual handling training and injury management workshops. Safety performance was also supported by the introduction of Officeworks' Interim Safety Standard and Overhead Stock Safety Standard, which set out requirements for manual tasks and for safely storing and retrieving stock above shoulder height.

To manage the increasing risk of threatening or aggressive customer interactions, Officeworks introduced an aggressive behaviour training module to help team members recognise early warning signs and safely respond to challenging situations. This was supported by enhanced psychosocial incident reporting processes and personal security devices, providing team members with structured pathways to report incidents and access support following an incident.

Strategy

ACHIEVEMENTS	FOCUS FOR THE COMING YEARS
Become a low-cost operator	
– Established the Officeworks-operated global capability centre (GCC) in India – Launched the Customer Contact Centre in the Philippines through third-party partnership – Commenced the restructure of the Australian support office to drive operational efficiencies – Commenced strategic operational procurement reviews – Commenced the rollout of AI solutions across stores, supply chain and support office	– Scale global capabilities, including the GCC and transitioning customer contact centre operations to the Philippines – Accelerate adoption of AI and digitisation of business processes – Complete the enterprise resource planning upgrade – Consolidate underperforming stores and open five net new stores in the 2027 financial year
Reset merchandise and value fundamentals	
– Rationalised slow-moving brands and products to simplify the customer offer – Reinvested productivity gains to fund product price drops, enabling price leadership – Commenced transition to Anko Sourcing	– Continue simplifying the range and brand architecture – Continue reinvesting into targeted price drops – Progress transition private brand sourcing to Anko Sourcing to unlock innovation and cost benefits – Increase private brand penetration – Build deeper partnerships with core national brand suppliers
Create inspiring omnichannel experiences	
– Expanded digital reach by launching on Kmart and Uber Eats marketplaces – Launched sub-one-hour delivery – Continued construction of the automated omnichannel supply chain facility in Queensland – Commenced trial of a small-format Officeworks Tech concept in a high-traffic shopping centre	– Build agentic commerce capabilities and modernise platforms – Optimise end-to-end supply chain to drive seamless convenience and rapid fulfilment – Scale mobile app adoption to deepen customer loyalty – Accelerate retail media growth across all channels
Win as the first choice for complete technology solutions	
– Launched first tranche of a new instore service model, deploying dedicated technology specialist team members – Launched new services through Geeks2U to support the full technology life cycle – Expanded into high-growth categories, including smart home, health technology, gaming and pop culture and collectibles	– Complete national rollout of the new instore service model – Continue expanding into high-growth technology categories to establish Officeworks as a destination for technology – Continue scaling the Geeks2U proposition – Launch a refreshed post-paid telco offer
Be the unquestionable leader in B2B and education	
– Expanded into adjacent categories such as workplace facilities and education resources – Scaled the Officeworks for Business (O4B) loyalty program – Launched the Officeworks for Education sub-brand, creating a unified destination for schools, teachers, students and parents	– Continue expanding into adjacent categories – Expand customer base through strong value credentials and a high-performance, AI-enabled sales engine – Strengthen customer loyalty through evolving the O4B program

Wesfarmers Health

18.8%
increase in earnings

832
stores, pharmacies and clinics

10.4m+
loyalty program members

Our business

Wesfarmers Health is a consumer health and beauty business, enabled by a unique range of digital, data and loyalty assets and supported by a pharmaceutical wholesale business.

The division operates a portfolio of Consumer businesses and a Wholesale business.

The Consumer business includes:

- Retail, which centres around Priceline Pharmacy, a full-service community pharmacy brand with 429 franchise-operated stores across Australia. Wesfarmers Health also operates a growing portfolio of complementary pharmacy brands including Pharmacy 4 Less and InstantScripts, and in the beauty category it operates 57 non-pharmacy Priceline stores and 10 atomica stores. The Sister Club loyalty program is Australia's largest health and beauty loyalty program, with 10.4 million members which was relaunched as Pulse Rewards in August 2026.
- MediAesthetics, Australia's largest provider of non-surgical medical aesthetics services, offers a wide range of treatments across a national network of clinics under the SILK Laser, Australian Skin Clinics and Clear Skincare brands.
- Digital Health, through InstantScripts, provides accessible, patient-centred healthcare, including telehealth consultations, online prescriptions and medical certificates, and self-service health checks through SiSU health stations.

The Consumer business operates with sound clinical oversight that supports the delivery of high-quality care.

The Wholesale business supports the consumer-facing businesses and supplies pharmaceutical products to community pharmacies across Australia. This includes the distribution of Pharmaceutical Benefits Scheme (PBS) medicines under the Australian Government's Community Service Obligation (CSO) arrangements, providing timely access to essential medications nationwide.

Highlights and outlook

Revenue

$6,474m

2026	**6,474**
2025	5,933
2024	5,624
2023	5,312
2022[1]	1,240

Earnings before tax

$76m

2026	**76**
2025	64
2024	50
2023	45
2022[1,2]	(25)

1 2022 results are for the period 31 March to 30 June 2022.
2 2022 includes impairments of $21 million relating to Priceline company-owned stores and other non-recurring expenses of $4 million relating to the exit from the Consumer Brands manufacturing operations in New Zealand.

Wesfarmers Health's revenue increased 9.1 per cent to $6,474 million and earnings increased 18.8 per cent to $76 million. The result reflected strong execution of the transformation program and growing operating leverage, with continued growth in the higher-margin Consumer business.

The Consumer business delivered strong sales and earnings growth. Priceline Pharmacy's headline network sales increased 12.7 per cent, including dispensary sales, supported by network expansion, a positive customer response to differentiated beauty, skincare and private label ranges and competitive pricing on more key value lines.

Digital sales grew strongly, supported by the new Priceline Pharmacy app and a stronger omnichannel experience across loyalty, online and health services. The Sister Club loyalty program surpassed 10.4 million members, and in August 2026 relaunched as a health and wellness coalition called Pulse Rewards, enabling customers to earn points across the retail and healthcare brands.

MediAesthetics delivered profitable growth through a simplified operating model and Digital Health maintained strong momentum, with growth in InstantScripts users and services.

Wholesale performance continued to improve, with higher sales driven by new customer acquisitions and ongoing demand for weight-loss and high-value drug categories. Lower supply chain unit costs reflected productivity initiatives and increased automation in the fulfilment centre network, with the new Cairns fulfilment centre fully operational.

Wesfarmers Health is well positioned to continue improving earnings and returns by executing its transformation program and capitalising on trends in the large and growing health and beauty market.

As a full-service community pharmacy, Priceline Pharmacy will invest in value, a differentiated range and service, and its loyalty and digital assets, including Pulse Rewards and the retail media network. Health will continue to focus on expanding the addressable market through new store formats, including atomica and Pharmacy 4 Less.

Wholesale will pursue customer growth and continue investing in the ongoing automation of fulfilment centres as the new Adelaide and Perth centres progress towards opening in financial year 2027. Investment in core technology systems will continue.

The administration and receivership process of the Infinity Group, a franchisee of 73 Priceline Pharmacy stores, is continuing to progress and Wesfarmers Health is confident that Priceline-aligned franchisees will participate in the process. Overall, the stores continue to trade well, and franchise or licence arrangements remain in place.

Emily Amos
Managing Director
Wesfarmers Health

Wesfarmers Health

Year in review

In the Consumer business, Priceline Pharmacy delivered strong headline network sales growth of 12.7 per cent, including dispensary sales. Retail sales growth was supported by network expansion, a positive customer response to differentiated beauty, skincare and private label ranges and competitive pricing on more key value lines. Digital sales grew strongly, supported by the new Priceline Pharmacy app and a stronger omnichannel experience across loyalty, online and health services.

MediAesthetics delivered profitable growth, supported by a simplified operating model, refreshed brand identities and expansion of the premium cosmeceuticals AestheticsRX own-brand range. Digital Health maintained strong momentum, with continued growth in InstantScripts users and services. The launch of Wesfarmers Health's Telehealth Code of Practice in July 2025 enhanced service quality and clinical safety.

Wholesale performance continued to improve, with higher sales driven by new customer acquisitions and ongoing demand for weight-loss and high-value drug categories. Lower supply chain unit costs reflected productivity initiatives and increased automation in the fulfilment centre network, with the new Cairns fulfilment centre fully operational.

Return on capital increased to 4.2 per cent, reflecting strong earnings growth.

KEY FINANCIAL INDICATORS (YEAR ENDED 30 JUNE)	2026	2025
Revenue ($m)	**6,474**	5,933
Earnings before tax ($m)	**76**	64
Capital employed ($m) R12	**1,806**	1,700
Return on capital employed (%) R12	**4.2**	3.8
Cash capital expenditure ($m)	**70**	62

SUSTAINABILITY RESULTS	2026	2025
Total recordable injury frequency rate (TRIFR)[1] R12	**4.0**	4.6
Aboriginal and Torres Strait Islander team members	**34**	15
Scope 1 and Scope 2 (market-based) emissions (ktCO_2e)	**5.3**	9.0
Operational waste diverted from landfill (%)	**86.1**	81.4
Community contributions ($m)	**2.9**	2.0
Sites in the ethical sourcing program that were monitored (%)	**91**	82[2]

1 TRIFR measures the number of lost time and medical treatment injuries per million hours worked.
2 Ethical sourcing data is for the period 16 June 2024 to 30 June 2025.

Human rights and ethical sourcing

Wesfarmers Health operates within a complex domestic and global supply chain. This complexity means there is a risk that modern slavery and other forms of labour exploitation may occur if risks are not effectively identified and managed.

During the year, Wesfarmers Health continued to apply a risk-based approach, prioritising own-brand products and tracing manufacturing sites to improve sourcing visibility. All own-brand supplier sites identified as medium- or high-risk were subject to audits.

Due diligence and ongoing monitoring activities were undertaken at 96 manufacturing sites, up from 67 in the prior year. During the year, 58 reportable breaches were identified. More than half were remediated during the financial year and remediation is underway for the remaining breaches.

Capability building and engagement activities were also provided to team members with more than 1,100 team members receiving modern slavery and ethical sourcing training.

Advancing reconciliation

Wesfarmers Health recognises that its activities can impact Aboriginal and Torres Strait Islander peoples, including through access to employment, economic participation and engagement with communities.

During the year, Australian Pharmaceutical Industries (API) renewed its Community Service Obligation agreement, including a mandatory Indigenous Participation Plan with defined First Nations employment and procurement commitments.

The division also progressed initiatives to expand First Nations employment, with 34 self-identified First Nations team members representing 1.1 per cent of the workforce, compared with 15 team members (0.5 per cent) in the prior year.

Indigenous procurement increased to $242,000, up from $20,000 in 2025.

More than 3,100 instances of cultural competency training were completed in 2026, and two new community partnerships were established with Aboriginal and Torres Strait Islander controlled organisations through the Sisterhood Foundation.

Community contributions

Wesfarmers Health directs its major charitable contributions through the Sisterhood Foundation.

In 2026, total community contributions increased to $2.9 million compared to $2.0 million last year. The Foundation expanded its charity partner portfolio from 8 to 12 partners.

The Foundation also launched Helping with Heart, a new workplace giving program allowing individuals to support the Foundation through volunteering and financial donations.

Strategy

ACHIEVEMENTS	FOCUS FOR THE COMING YEARS
Growing share and scale in Consumer	
Accelerate growth of Priceline Pharmacy	
– Opened 23 new Priceline Pharmacy stores and completed 23 refurbishments – Reduced prices and expanded the range on key value lines – Grew private label sales 19 per cent and digital sales more than 36 per cent – Expanded exclusive brand partnerships and range of owned brands	– Grow the network with high-quality franchise partners – Grow health services as pharmacist scope of practice expands – Strengthen omnichannel through better digital channels and delivery options
Expand the addressable market through new store formats	
– Continued the atomica beauty format trial, with Net Promoter Score (NPS) above 90 – Piloted the InstantScripts Pharmacy Health Hub for small-format pharmacies – Integrated Pharmacy 4 Less into the network, enhancing customer value through a complementary discount offering	– Rollout additional atomica stores and online offering – Continue to test and learn across new beauty, wellness and pharmacy formats
Accelerate profitable growth in MediAesthetics and Digital Health	
– Completed consolidation of the MediAesthetics network, revitalised the brands and grew AestheticsRX – Embedded the shared ownership model in MediAesthetics to drive network performance – Delivered new Digital Health journeys and partnerships	– Grow MediAesthetics through new treatments and promotions – Accelerate growth in AestheticsRX and Balense skincare brands – Leverage integration of Digital Health assets to support customers through health journeys, including weight management and menopause
Invest in and leverage unique loyalty, digital and data assets	
– Grew Sister Club to 10.4 million members and relaunched as Pulse Rewards in August 2026 – Relaunched the Priceline Pharmacy app for health services, shopping and rewards – Accelerated retail media commercialisation with more than 150 suppliers	– Develop Pulse Rewards into a health and wellness coalition, enabling customers to earn points across the retail and healthcare brands – Rollout loyalty program across consumer health portfolio brands – Accelerate online growth and scale retail media
Improve Wholesale performance and operating efficiency	
– Improved the customer proposition through pricing, availability and the myAPI platform – Commissioned the automated Cairns fulfilment centre and progressed Adelaide – Optimised the supply chain to lower the cost to serve	– Increase fulfilment centre automation to reduce supply chain costs – Invest in systems and AI to improve order management and service reliability

Industrial and Safety

Our business

The Industrial and Safety portfolio of businesses supports customers across diverse industries, such as mining and resources, manufacturing, construction, retail, food and beverage, utilities, transport, facilities maintenance, health, government and defence. The businesses service diverse customer groups, including large corporates, government organisations and small- to medium-sized businesses across Australia and New Zealand.

Industrial and Safety operates two main businesses: Blackwoods and Workwear Group, and employs more than 2,000 team members.

Blackwoods is the larger business by revenue and is a distributor of tools, workplace safety and personal protective equipment, workwear and electrical and industrial supplies. It services a wide variety of customers through an extensive supply chain, branch network and online platforms. It includes the trading businesses Blackwoods Australia, NZ Safety Blackwoods and Bullivants.

On 24 July 2026, Wesfarmers announced it had agreed to sell Cm3, a leading Australian contractor management software business that is part of the Blackwoods Group, to Achilles Group. The sale is subject to approval from the Australian Foreign Investment Review Board.

Workwear Group is a leading workwear solutions provider, featuring industrial workwear brands Hard Yakka and KingGee, and corporate brand, NNT. Workwear Group supplies bespoke and catalogue uniforms to large organisations.

On 1 July 2026, Wesfarmers transitioned the Industrial and Safety businesses into the Bunnings Group. The transition is expected to strengthen the commercial customer value proposition and accelerate growth with SMEs. Blackwoods' and Workwear Group's financial contributions will be included in Bunnings' results from the first half of the 2027 financial year and the Industrial and Safety division will no longer continue as a separate division within the Wesfarmers Group.

1.3%

increase in revenue, excluding Coregas

16.9%

increase in earnings, excluding Coregas

2.4

total recordable injury frequency rate

Year in review

Industrial and Safety's revenue of $1,758 million increased 1.3 per cent and earnings of $76 million increased 16.9 per cent after excluding Coregas from the prior year results. After adjusting for the restructuring costs incurred in the prior year, earnings increased 2.7 per cent.

Blackwoods' revenue increased, driven by strong demand from strategic customers in Australia's mining, manufacturing, utilities and construction sectors. Revenue growth in Australia was partially offset by lower revenue in New Zealand due to challenging local market conditions. Earnings increased on the prior year, driven by higher sales and productivity benefits following the operating model reset in financial year 2025. Blackwoods' ongoing investment in customer service and digital capabilities continued to improve key metrics such as net promoter scores, stock availability, customer retention and new customer win rates.

Workwear Group's revenue increased, with higher customer demand for the industrial workwear brands, including KingGee and Hard Yakka, partially offset by lower sales in corporate uniforms. Earnings increased on the prior year. The business secured new strategic customer commitments in the defence sector which will commence in the 2027 financial year and made good progress on initiatives required to support delivery of these commitments.

The Blackwoods and Workwear Group businesses continued to see a reduction in emissions in financial year 2026, following the achievement of meeting its 2025 interim Scope 1 and Scope 2 (market-based) decarbonisation targets in the prior year. This achievement demonstrates the continued efforts to build climate resilience.

KEY FINANCIAL INDICATORS (YEAR ENDED 30 JUNE)	2026	2025
Revenue ($m)	**1,758**	1,998
Earnings before tax ($m)	**76**	104
Capital employed ($m) R12	**773**	1,263
Return on capital employed (%) R12	**9.8**	8.2
Cash capital expenditure ($m)	**38**	68

SUSTAINABILITY RESULTS	2026	2025
Total recordable injury frequency rate (TRIFR)[1] R12	**2.4**	2.5
Aboriginal and Torres Strait Islander team members	**89**	100
Scope 1 and Scope 2 (market-based) emissions ($ktCO_2e$)	**7.3**	25.8[2]
Operational waste diverted from landfill (%)	**45.7**	34.7
Community contributions ($m)	**1.5**	0.6
Sites in the ethical sourcing program that were monitored (%)	**66**	69[3]

1 TRIFR measures the number of lost time and medical treatment injuries per million hours worked.
2 2025 emissions includes Coregas' Scope 1 and Scope 2 emissions.
3 Ethical sourcing data is for the period 1 June 2024 to 30 June 2025 (excluding Coregas).

Team member health, safety and wellbeing

Industrial and Safety proactively manages the potential for physical injury and psychosocial harm to team members across its operations. These risks are managed through structured, early intervention, awareness and prevention programs that include Life Saving Rules, S.A.M (Stop, Assess, Move), First Aid First, Mental Health First Aiders and leader-led safety conversations focused on physical, psychosocial and critical risk.

The division recorded a TRIFR of 2.4, compared with 2.5 in 2025. Site safety plans support consistent identification and management of key risks, and the safety management system and framework aligns with ISO 45001:2018 Safety Management System.

Human rights and ethical sourcing

Industrial and Safety operates a risk-based ethical sourcing program, which utilises the Sedex framework and platform for audit management.

During the year, Blackwoods strengthened its monitoring approach through targeted sourcing and factory engagement to address recurring non-conformances. Workwear Group expanded the 'Your Voice, Worker Helpline' grievance mechanism across its global supply chain to incorporate an increase in the number of sites coming on board and effectiveness continued to be monitored through its 'Trust and Verify' audit program. Blackwoods completed a review of its use of 'Your Voice, Worker Helpline' and implemented a number of improvements.

The division monitored 207 sites and supported 206 third-party audits, down 3.9 per cent and 2.4 per cent respectively. The decline in monitoring across the division is the result of a lower number of suppliers within the program.

Product quality and safety

The division continued its focus on risk mitigation to strengthen its product safety and quality program. Lessons learned have been shared across the division and include enhancements such as operating system efficiencies, strengthening master data and the establishment of dedicated support teams to enable effective customer management given the B2B customer relationships.

Tim Bult
Managing Director
Wesfarmers Industrial and Safety (retired July 2026)

Group data and digital

1,500+

instore retail media screens across Bunnings, Officeworks and Priceline

~12m

customer records in shared data asset

400k+

online marketplace SKUs

700+

online marketplace sellers

Our business

OneDigital comprises the Group's data and digital assets and capabilities, and forms part of the Corporate Office. It is focused on driving incremental value for customers and the divisions through leveraging the scale of the Group's loyalty, shared data and retail media assets and by accelerating the responsible application of AI across the Group.

Through OneData, OneDigital manages one of Australia's richest first-party data assets, with approximately 12 million customer records. OneData provides unique, actionable customer insights which enable the Group to better understand customers, improve personalisation and drive cross-shop. Importantly, the asset is supported by continued investment in privacy, security and data governance.

The OnePass program strengthens customer engagement and cross-shop activity, driving incremental sales and earnings through a compelling omnichannel membership proposition. OnePass' partners include Bunnings, Kmart, Target, Officeworks, Priceline, InstantScripts and Flybuys.

OneReach, the Group's retail media network, connects advertisers with Group-wide customer audiences and insights, and supports the divisional retail media teams with product, data, technology and sales capabilities.

OneDigital also helps divisions accelerate the application of AI solutions that enhance team member productivity, customer experiences and decision-making across the Group. This is supported by strategic partnerships with leading AI organisations.

Together, these capabilities position the Group to grow customer lifetime value, support divisional performance and develop new earnings streams across loyalty, retail media and AI over time.

Year in review

Wesfarmers is committed to leveraging its leading omnichannel retail and health businesses to benefit customers and create shareholder value. These businesses are supported by leading fulfilment capabilities, complementary loyalty programs, the Group's retail media network and strategic partnerships to accelerate the responsible application of AI across the Group.

OnePass members remained the Group's most engaged customers, shopping and spending more than non-members, and doing so across more brands and channels. Member value was further enhanced through new partnerships across categories including transport, entertainment, telecommunications and energy. In June, OnePass was recognised by Canstar as Australia's 2026 Most Satisfied Customers for a rewards program.

Wesfarmers owns a 50 per cent interest in the Flybuys joint venture. During the year, Flybuys launched the ability to redeem Flybuys points instore at Bunnings and Kmart which improved engagement in the program, giving customers more ways to use points. Flybuys active members increased to 10.3 million, a 3.5 per cent increase on last year.

The Group's retail media network continued to scale, broadening its advertiser base across categories including utilities, financial services, automotive, government, travel and technology. This reflected growing demand and the strength of the Group's customer reach across its retail brands.

The Group's shared data asset, managed by OneData, continued to identify cross-shop opportunities, delivering incremental sales and earnings by reaching new customer audiences and delivering more personalised customer experiences. These capabilities continued to be supported by ongoing investment in privacy, security and data governance.

The Group's strategic partnerships with leading global technology companies provided access to new technologies and expertise to upskill team members and transform key business processes to accelerate the Group's strategic agenda. Throughout the year, Wesfarmers became the first retail group in Australia to deploy Google Cloud's agentic AI Shopping Agent at scale across multiple brands, delivering conversational and agentic shopping capabilities across Bunnings, Kmart, Officeworks and OnePass.

OnePass members spend and shop

3.3x more

Group retail online sales[1]

$3.3b+

1 Includes Bunnings and Kmart marketplace sales.

Marketplace items in online basket

~1 in 4

at Bunnings

~1 in 6

at Kmart

Leah Balter
Executive General Manager
OneDigital

Other activities

Wesfarmers is an investor in Flybuys, BWP Group, Gresham Partners and Wespine Industries.

Flybuys

Wesfarmers owns a 50 per cent shareholding in Flybuys, one of Australia's leading loyalty programs, with Coles Group Limited holding the other 50 per cent. Following the demerger of Coles from Wesfarmers in November 2018, the Flybuys business was set up as an independent, standalone business.

As at 30 June 2026, there were 10.3 million active members in the Flybuys loyalty program.

For more information on Flybuys, visit **flybuys.com.au**

Gresham Partners

Wesfarmers has a 50 per cent shareholding in Gresham Partners Group Limited, the holding company for the Gresham Partners operations. Gresham Partners is a leading independent financial services business with activities in corporate advisory, funds management, property and capital solutions.

For more information on Gresham Partners, visit **gresham.au**

BWP Group

Wesfarmers' investment in BWP Group (BWP) contributed earnings of $96 million for the financial year compared to $59 million in the prior year, reflecting favourable property revaluation movements.

BWP Group is an A-REIT focused on large format retailing properties, particularly those leased to Bunnings. BWP's stapled securities are listed on the Australian Securities Exchange (ASX).

On 1 August 2025, Wesfarmers completed the sale of its 100 per cent interest in BWP Management Limited, the responsible entity of the BWP Trust, for total consideration of approximately $143 million. Wesfarmers received $100 million in cash, with the balance satisfied through stapled securities in BWP. Following completion of the transaction, Wesfarmers' ownership in BWP increased from 22.29 per cent to 23.44 per cent of stapled securities.

On 18 May 2026, Wesfarmers subscribed for its full pro-rata entitlement of $53 million under BWP's accelerated non-renounceable entitlement offer, maintaining its holding of 23.44 per cent.

BWP's portfolio as at 30 June 2026 consisted of 80 properties.

For more information on BWP Group, visit **bwptrust.com.au**

Wespine Industries

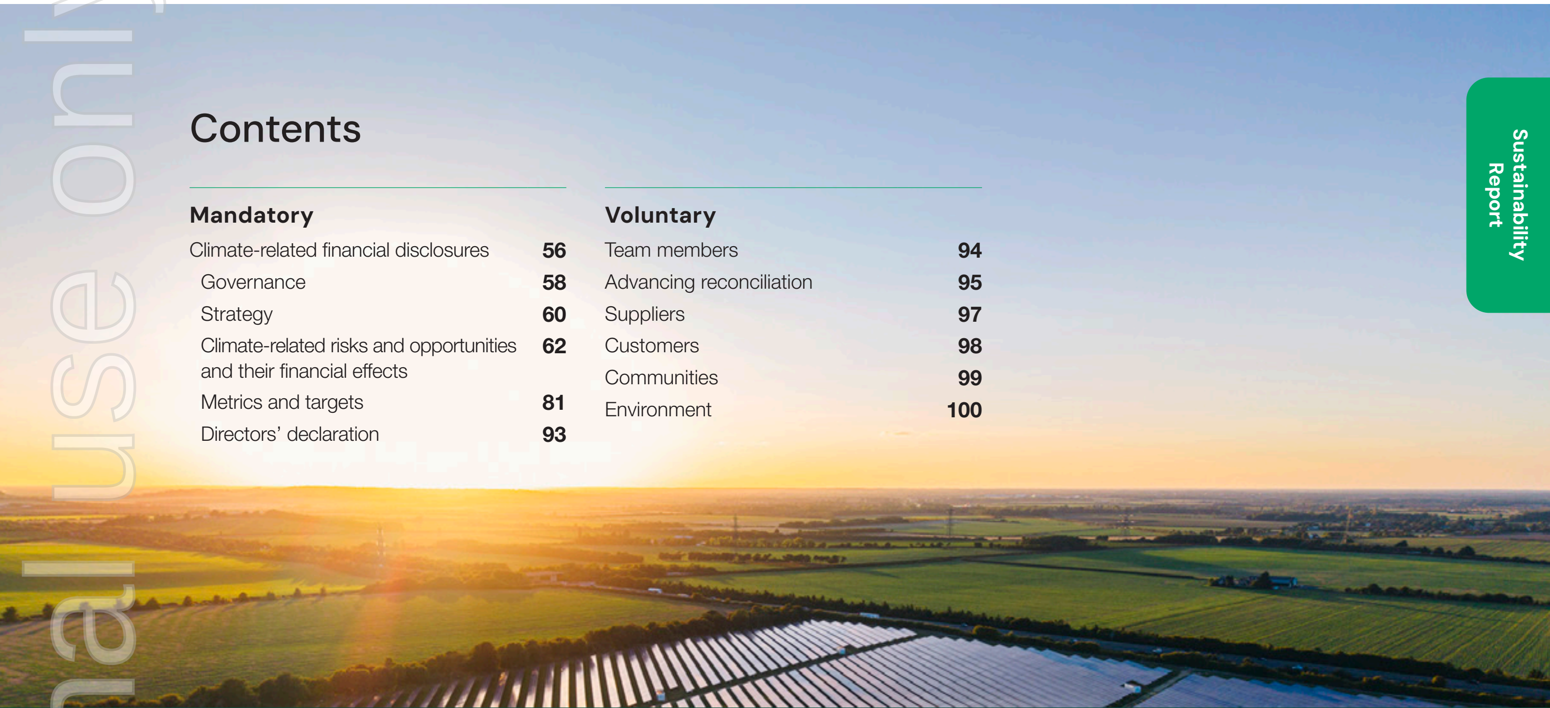
The 50 per cent-owned Wespine Industries (Wespine) operates a plantation softwood sawmill in Dardanup, Western Australia. Wespine manufactures structural timber used for the construction, landscaping and packaging industries.

Demand for sawn timber products continued to recover, with increasing housing approvals and commencements in WA. Wespine achieved higher mill throughput and improved product mix during financial year 2026, delivering revenue of $152 million, up from $139 million in the prior financial year.

Safety continues to be a focus for management with ongoing investment and operational initiatives to ensure a strong safety performance.

For more information on Wespine, visit **wespine.com.au**

Sustainability Report



Contents

Wesfarmers conducts a structured materiality review each year to help our businesses maintain a current understanding of sustainability risks and opportunities across their operations and value chains.

The review supports alignment with leading sustainability reporting practice and is performed in accordance with the Global Reporting Initiative's GRI 3: Material Topics 2021 standard. This standard guides the identification of the most significant actual and potential impacts on people, the environment and the economy.

In 2026, each division completed a structured materiality review. The reviews considered impacts across each division's own operations, suppliers and customers. Divisions assessed the significance of these impacts by considering their scale, scope and irremediable character. This assessment was supported by a qualitative review, including peer benchmarking, media and stakeholder analysis.

The divisional results were then aggregated at Group level. The outcomes were tested and challenged with key internal stakeholders, including Board members, and were subject to limited assurance.

For 2026, the topics that met the Group materiality threshold were:

- climate adaptation, resilience and transition
- modern slavery and ethical sourcing
- team member health and safety
- data and cyber security
- customer and product health and safety
- environment, nature and circular economy (including water and wastewater)
- investing in stronger communities
- advancing reconciliation and rights of Indigenous Peoples
- people development, diversity and inclusion
- waste and packaging.

Details of our reporting relating to these topics are provided in our GRI Content Index.

Sustainability disclosures should be read in conjunction with the 2026 Sustainability Databook. The databook contains Wesfarmers' sustainability performance data and metrics, presented across five years to highlight trends. The databook and the GRI Content Index are available on the Wesfarmers website.

Climate-related financial disclosures

Statement of compliance

This Sustainability Report – Climate-related financial disclosures (Climate Report) details the climate-related financial disclosures of Wesfarmers Limited and its controlled entities (the Group) for the year ended 30 June 2026.

The Climate Report has been prepared in accordance with the Australian Sustainability Reporting Standard *Climate-related Disclosures* (AASB S2), issued by the Australian Accounting Standards Board (AASB) and with the sustainability reporting requirements of the *Corporations Act 2001* (Cth).

As this is Wesfarmers' first year applying AASB S2, comparative information has not been presented, consistent with transitional relief. In certain instances, comparative information has been disclosed voluntarily.

Wesfarmers has elected to apply the temporary Scope 3 greenhouse gas relief under Appendix C paragraph C4(b) and the measurement relief under Appendix C paragraph C4(a) of AASB S2. While this relief means the Group is not required to disclose Scope 3 emissions for the reporting period, Scope 3 emissions information has been disclosed voluntarily.

The Group has also adopted amendments to AASB S2 issued by AASB in December 2025. These amendments, which are effective for annual reporting periods beginning on or after 1 January 2027, clarify the application of jurisdictional relief for selected parts of the Group, including the use of National Greenhouse and Energy Reporting (NGER) requirements for relevant Australian emissions sources. They permit the use of the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR5) to assess global warming potentials.

The Climate Report has been prepared for the same reporting period as the Group's consolidated financial statements, as described in the 'Basis of consolidation' (page 149). The Climate Report should be read in conjunction with the financial statements.

The Climate Report contains forward-looking statements which involve significant assumptions, uncertainties and risks, including in relation to climate scenarios and carbon costs.

The directors confirm that this Climate Report has been authorised for issue by resolution of the Wesfarmers Board on 26 August 2026.

Scope and assessment approach

Wesfarmers' climate-related disclosures reflect the operations, investments and value chain activities that are considered relevant to understanding the climate-related risks and opportunities (CRROs) that could reasonably be expected to affect the Group's prospects. The reporting boundary was determined through an assessment of subsidiaries, joint ventures, associates and other interests, together with relevant upstream and downstream value chain exposures, having regard to their potential financial relevance and materiality to the Group.

The assessment considered both quantitative and qualitative factors. Quantitative screening included an assessment of the effect on financial metrics such as earnings, revenue and asset values, while qualitative screening considered matters such as exposure to physical climate hazards, emissions-intensive activities, regulatory obligations, climate-related capital expenditure, transition planning and material value chain emissions. Businesses and activities were included within the reporting boundary where either assessment indicated they could give rise to CRROs.

The Group identified CRROs across its operations and value chain using all reasonable and supportable information available. Joint ventures, associates and relevant value chain exposures were assessed where they could reasonably be expected to affect the Group's cash flows, access to finance and cost of capital over the short-, medium- or long-term.

Wesfarmers' diversified portfolio spans retail, health, industrial and resources businesses with differing emissions profiles, regulatory exposures and customer markets and an extensive footprint, principally in Australia and New Zealand. This diversity is an inherent source of resilience to climate-related risks. It moderates the concentration of physical and transition exposures. Wesfarmers' strategy of renewing the portfolio through value-adding transactions provides flexibility in capital allocation, enabling the Group to respond to climate-related risks and opportunities across different time horizons.

During the reporting period, the Group's Scope 1 and Scope 2 (market-based) emissions decreased by 21.9 per cent compared with the prior year, reflecting continued divisional progress on operational decarbonisation. Bunnings Group, Kmart Group and Officeworks met 100 per cent of their electricity demand with renewable sources reducing Scope 2 (market-based) emissions. WesCEF continued to progress abatement initiatives in support of its interim target to reduce operational emissions by 30 per cent by 2030 relative to a 2020 baseline. As at the end of 2026, eight divisional climate-related targets had been met (see pages 84 to 87).

During the year, the Group assessed the resilience of its strategy and operations using climate scenario analysis across three climate scenarios and three time horizons. The analysis indicates that the nature and timing of potential climate-related effects vary across divisions and depend on the pace of policy action and the extent of physical climate change. Relative to other scenarios, the Group regards the Delayed Transition scenario as the most plausible short- to medium-term pathway.

The Group's climate scenario analysis identified higher transition cost exposure at WesCEF, together with increased physical hazard exposure at selected retail and logistics sites. Based on the methods, thresholds and assumptions described in this Climate Report, the Group did not assess these exposures as having a material financial effect on the Group in the reporting period (with earnings materiality defined as approximately five per cent of Group profit before tax). This Climate Report sets out the assessment of CRROs and the associated financial effects that support this conclusion.

Each division assesses CRROs through their corporate plans, investment approval processes and divisional risk management frameworks. With oversight from divisional boards and risk committees, divisions make decisions on decarbonisation initiatives and climate-related investments, considering commercial viability and risk. Where relevant, these decisions may be considered by the Wesfarmers Audit and Risk Committee (ARC) and the Wesfarmers Board.

Divisions report all value chain (Scope 3) emissions categories,[1] recognising that progress in the decarbonisation of certain industrial processes and value chain activities depends on suppliers and customers, and on the commercial viability and scalability of emerging solutions and technologies. Where emissions are concentrated in purchased goods, logistics and customer use, divisions are engaging selected suppliers and customers to improve emissions data, assess lower-emissions alternatives and identify commercially viable emissions reduction actions.

In assessing its capacity to respond to identified CRROs, the Group considered its available liquidity, cash flow, committed bank facilities and credit metrics. These factors give the Group flexibility to fund adaptation, abatement and resilience responses, where investments meet established return and risk criteria, and to direct capital towards higher-exposure sites where appropriate and manage potential increases in operating or compliance costs. The 'Climate resilience' section (page 74) describes the Group's financial capacity and approach to capital allocation.

[1] The disclosures are provided on a voluntary basis in accordance with the *GHG Protocol Value Chain Standard* and should not be interpreted as constituting full compliance with AASB S2.

Governance

The Group's governance framework relevant to climate-related matters is described below.

Wesfarmers Board and committee oversight

The Wesfarmers Board has ultimate responsibility for oversight of how the Group identifies, manages, monitors and reports on CRROs. Climate-related responsibilities are formally assigned through the Board's Charter, which is reviewed periodically and available on the Wesfarmers website. Specifically, the Board:

- approves the Group's Environment and Climate Policy, the internal carbon price, and emissions reduction and net zero targets
- approves the Risk Appetite Statement (most recently in May 2026), which explicitly addresses climate-related risks
- oversees the integration of CRROs into the Corporate Plan, enterprise risk management (ERM) framework and major investment decisions, including climate and other strategic, financial, operational and reputational factors that are considered, including any trade-offs
- oversees the adequacy of the Group's climate-related disclosure controls.

The Wesfarmers Board is informed about CRROs through scheduled reporting from management and through the ARC.

Climate matters were considered at five ARC meetings during 2026. The ARC oversees the integrity of emissions data and reporting controls, the external assurance program conducted under *Australian Standard on Sustainability Assurance ASSA 5000*, progress against targets and compliance with climate-related disclosure obligations (see page 199 for the external assurance statement).

Internal audit reviews of climate processes are reported to the ARC, with material findings escalated to the Board.[1]

The Remuneration Committee considers climate and sustainability-related performance, including performance against the Environment and Climate Policy and progress against divisional sustainability targets (including emissions reduction and net zero targets), when assessing executive remuneration outcomes. The Remuneration Committee's role in relation to executive remuneration is set out in its Remuneration Committee Charter, which is available on the Wesfarmers website.

Management accountability

Accountability for managing CRROs is delegated through the Group's existing management structures.

Group management is responsible for embedding climate considerations into Group planning (including the Corporate Plan) and risk processes (including the enterprise risk management framework), investment and operating decisions, and for monitoring the Group's climate-related performance.

Divisional executive management is responsible for divisional compliance with the Environment and Climate Policy. It is accountable for the integration of climate considerations into divisional corporate plans, investment decisions and operations, along with the development of divisional climate strategies and transition pathways, the delivery of emissions reduction initiatives and the accuracy and completeness of climate-related data.

Divisional boards oversee divisional executive management, including climate-related strategies, progress against targets, the effectiveness of climate-related risk management processes and the quality of reporting controls. Climate-related matters are reported periodically to divisional risk committees. Through the annual corporate planning process, each division submits emissions forecasts and decarbonisation strategies for consideration and approval by the Wesfarmers Board.

Corporate Office, through the Group corporate affairs team, supports the Wesfarmers Board and ARC with reporting on climate-related performance, coordinates cross-divisional collaboration through a quarterly carbon and energy forum and oversees progress towards any sustainability-linked finance initiatives.

Controls and assurance

Management oversight is supported by controls integrated into the Group's broader governance and risk management framework, covering emissions measurement, climate-related risk assessment, disclosure controls and target tracking. The sustainability reporting questionnaire is a climate-specific internal control, completed by divisional executive management annually to confirm divisional adherence to the Environment and Climate Policy, compliance with Group reporting protocols, the accuracy and completeness of climate-related data, and retention of appropriate supporting evidence. Climate-related outputs from the questionnaire inform management understanding, escalation and assurance activities.

[1] Climate processes include climate scenario analysis, the identification and quantification of CRROs, governance and key targets, metrics and policy compliance.

The internal audit function reviews climate-related processes periodically. Findings are reported to divisional risk committees and the ARC. Management is responsible for developing a response to findings including actions, timeframes and action owners. Progress is monitored and reported periodically to the ARC.

The ARC also oversees assurance scope and auditor performance.

Policies and frameworks

The Environment and Climate Policy[1] is reviewed annually by the Wesfarmers Board for ongoing relevance and compliance with legal and regulatory developments. It sets minimum requirements for managing CRROs and supports alignment between divisional climate strategies and the Group's overall approach.

Under the policy, each division must identify and report its CRROs based on the climate scenarios set by the Corporate Office and report its Scope 1 and Scope 2 emissions and progress against its targets in a stipulated format. Each division must set an emissions reduction target and a net zero target which must be approved by the Wesfarmers Board, and must develop strategies to address its Scope 3 emissions. Each division must annually review and report applicable Scope 3 emissions in line with the *GHG Protocol Corporate Value Chain (Scope 3) Standard* and review its performance against the Environment and Climate Policy and its targets.

Board and management skills and competencies

During 2026, the Board, executive management and selected senior management received briefings and training on climate governance, scenario analysis, carbon markets, disclosure requirements and the quantification of the current and anticipated effects of CRROs. Selected team members also participated in refresher training on energy and emissions reporting.

The Board conducts an annual review of its skills and competencies, including climate-related knowledge, through the Board skills matrix process. This review incorporates self-assessment by directors and peer feedback and is overseen by the Nomination Committee, with outcomes disclosed on page 105. Wesfarmers periodically engages independent experts to support and review Board and executive climate-related skills and governance practices.

Executive remuneration

The Board sets the remuneration of the executive key management personnel (KMP) including approving all targets and performance conditions set under the Key Executive Equity Performance Plan (KEEPP).

The KEEPP scorecards comprise financial performance measures, safety performance measures and individual performance objectives relevant to the role of each executive KMP. Individual performance objectives are specific to the participant's role and the Group/division's circumstances and strategic priorities. The individual performance objectives are split into two categories: business enhancing objectives and sustainability objectives. Sustainability objectives cover several interrelated areas where strong performance is recognised as a driver of shareholder value. This includes our corporate reputation as well as Group-wide initiatives such as progress against emissions reduction targets and operational risk controls. For the 2026 financial year, sustainability objectives had a total weighting of 10 per cent of each executive KMP's KEEPP scorecard.

For the 2026 financial year, climate-related considerations form part of each KMP's sustainability objectives. Climate-related considerations can include, for example, progress against Scope 1 and Scope 2 emissions reduction targets, renewable electricity adoption, delivery of decarbonisation initiatives and climate-related risk management activities.

Consistent with the approach taken when setting business enhancing objectives, there was no weighting attributed to individual elements of the sustainability objective (including climate-related objectives), and performance is considered holistically and assessed as a whole.

For further details, including an assessment of the KEEPP scorecard for each member of the executive KMP, see the Remuneration Report on pages 114 to 142.

[1] The Wesfarmers Environment and Climate Policy is publicly available at wesfarmers.com.au/cg and is provided as additional reference only. Information regarding the Environment and Climate Policy is not provided to satisfy AASB S2 disclosure requirements and does not form part of this Climate Report.

Strategy

This section describes Group CRROs, where they are concentrated, and the associated current and anticipated effects on the Group's value chain and consolidated financial statements. They draw upon the Group's climate-related risk management processes described later in this Climate Report from page 62.

Corporate information and value chain

Wesfarmers has divisions with diverse businesses that span different industries and operate in different sectors of the economy. An overview of the Group's operating businesses, sectors and value chain is provided in the operating and financial review from page 16.

The climate strategies of Wesfarmers' divisions reflect their diverse emissions profiles and value chains. Across all divisions, strategic focus areas include operational decarbonisation (Scope 1 and Scope 2 emissions), value-chain emissions maturity (Scope 3 emissions), transition-aligned opportunities, and partnerships that enable decarbonisation and resilience.

During 2026, the Group updated its assessment of physical and transition risks. Key scenario variables were used to refine climate scenario analysis, risk assessments and disclosure of anticipated financial effects including policy, regulatory, energy and other market assumptions relevant to divisions and value chains.

The Group's CRROs are primarily concentrated within energy-intensive managed operations and industrial processes, and across an extensive portfolio of assets exposed to chronic and acute weather events. The Group's CRROs extend throughout upstream and downstream value chains, where emissions intensity is influenced by purchased goods, logistics activities, customer use of sold products and end-of-life outcomes.

Climate-related risks and opportunities

Wesfarmers' businesses face both physical and transition CRROs.

Wesfarmers considered whether any CRROs could reasonably be expected to affect Wesfarmers' prospects, including cash flows, access to finance and cost of capital over the short-, medium- and long-term. While the Group identified CRROs that could reasonably be expected to affect its prospects, taking into account both quantitative and qualitative factors, none of these were assessed as having a material financial effect on the Group in the reporting period for the purpose of quantitative disclosure.[1]

The assessment considered the nature, likelihood and potential magnitude of impacts across divisions and in the value chains, drawing on climate scenario analysis and external perspectives including views beyond those of internal management.

The Group continued to integrate CRROs into its Corporate Plan and risk processes, providing a consistent approach for identifying, assessing, managing and reporting climate-related matters across the Group, with oversight from the Corporate Office and divisional governance structures.

Climate scenarios

Climate scenarios are used by the Group for two related but distinct purposes. Scenario analysis is applied as an input to the identification and prioritisation of CRROs, including to assess the nature, timing and relative significance of potential transition and physical risks across divisions. Separately, scenarios are applied to stress test the resilience of the Group's strategy, operations and financial position over the short-, medium- and long-term. Outcomes from both applications inform divisional strategies, capital allocation decisions and adaptation planning.

Climate scenarios explore plausible future conditions and are not forecasts. They considered physical parameters including heat, precipitation, flooding, storm surge, cyclones, drought and bushfire. Transition drivers considered included policy, reputation, markets, technology and stakeholder perceptions.

The climate scenario analysis that informs this Climate Report was undertaken during 2026 and is based on climate pathways developed by the Intergovernmental Panel on Climate Change (IPCC) and applied through the Network for Greening the Financial System (NGFS), including SSP1-2.6 (Net Zero 2050), SSP2-4.5 (Delayed Transition) and SSP5-8.5 (Current Policies).[2] For the 2026 scenario analysis, SSP5-8.5 replaced SSP3-7.0 as the high-emissions reference scenario because it better captures extreme physical hazard outcomes under a current-policies trajectory, including more pronounced long-tail physical risks beyond 2030. This change better tests business resilience.

Time horizons

Climate scenario analysis was completed across three time horizons, aligned with the Group's planning processes: short-term (one year), being the 2027 financial year; medium-term (two to five years, with a 2030 assessment year), aligned with the five-year Corporate Plan period, which includes cash flows from operations, capital expenditure, asset maintenance and strategic investment decisions; and long-term (six to 25 years, with a 2050 assessment year), aligned with divisional net zero targets.

Using these horizons supports consistency between climate scenario analysis and broader business planning and provides the Group with a forward-looking basis for risk assessment and decision-making. Applying the same horizons, the Group assessed whether the effects of each CRRO are expected to occur over the short-, medium- or long-term.

[1] This assessment incorporates the assumptions, uncertainties and judgements outlined in this Climate Report.
[2] Wesfarmers refers to these climate scenarios throughout this disclosure as Net Zero 2050, Delayed Transition and Current Policies.

Details of the three physical and transition scenarios considered are outlined below.

VERY LIKELY RANGE BY 2100 +1.3°C TO +2.4°C

Physical scenario: SSP1–2.6 | Transition scenario: Net Zero 2050

1.0°C +1.3°C +2.4°C 5.7°C

Physical scenario: SSP1–2.6

- Wesfarmers considers this scenario referable to the 1.5°C temperature goal in section 3(a)(i) of the *Climate Change Act 2022* (Cth).
- Under this pathway, the physical climate outcome reflects a range of 1.3 to 2.4°C, with a best estimate of approximately 1.8°C by 2100.
- Results in comparatively lower physical hazard intensification, with reduced frequency and severity of extreme weather events over the long-term relative to higher-warming scenarios.

Transition scenario: Net Zero 2050

- Limits warming to 1.5°C and reaches global net zero emissions by 2050.
- Assumes strong, coordinated global climate policy action commencing in the near-term, including economy-wide carbon pricing, emissions standards and regulatory measures.
- Energy demand growth moderates due to efficiency improvements, with a rapid shift towards low-emissions electricity, high renewable penetration and widespread electrification of end-use sectors. Technology uptake is accelerated, with a moderate role for carbon dioxide removal.

VERY LIKELY RANGE BY 2100 +2.1°C TO +3.5°C

Physical scenario: SSP2–4.5 | Transition scenario: Delayed Transition

1.0°C +2.1°C +3.5°C 5.7°C

Physical scenario: SSP2–4.5

- Reflects uneven global progress and gradual emissions reduction, leading to approximately 2.7°C warming by 2100.
- Produces moderate physical hazard increases, including rising frequency of extreme heat, flooding and storm events.
- Characterised by uneven policy action and slower-than-required decarbonisation.

Transition scenario: Delayed Transition

- Assumes limited action before 2030, followed by rapid tightening of policy and carbon prices.
- Energy demand continues to grow in the near term, with the energy mix remaining partially reliant on fossil fuels before accelerating deployment of renewables post-2030.
- Carbon dioxide removal plays a limited role. Regional variation is pronounced, leading to elevated supply chain and cost pass-through risks. Physical risks increase due to delayed action.

VERY LIKELY RANGE BY 2100 +3.3°C TO +5.7°C

Physical scenario: SSP5–8.5 | Transition scenario: Current Policies

1.0°C +3.3°C +5.7°C

Physical scenario: SSP5–8.5

- Adopted as the high-warming reference scenario for the purposes of section 3(a)(ii) of the *Climate Change Act 2022* (Cth), being a scenario in which the increase in the global average temperature well exceeds the increase mentioned in subparagraph 3(a)(i) of that Act.
- Assumes continued fossil fuel growth and limited policy action, driving extreme warming of approximately 4.4°C warming by 2100.
- Results in severe physical hazard intensification, including significantly increased frequency and severity of extreme heat, extreme precipitation and flooding and storm surge and cyclones.
- Used primarily for stress-testing the resilience of Group strategy and operations against worst-case physical climate outcomes. It represents the highest end-of-century warming among all IPCC scenarios applied.

Transition scenario: Current Policies

- Assumes no material strengthening of climate policies beyond those already implemented, with limited or no carbon pricing in many jurisdictions.
- Energy demand increases strongly, driven by continued reliance on fossil fuel-based energy systems, with slow improvements in efficiency and limited change in energy mix.
- Technology uptake is incremental, with limited deployment of low-emissions alternatives and minimal use of carbon dioxide removal.
- Transition risks are lower in the short-term but increase over time as physical impacts intensify and abrupt policy responses become unavoidable.

CRROs and their financial effects

The Group used scenario analysis and applied quantitative and qualitative factors to identify four climate-related risks and one climate-related opportunity. The four identified risks were extreme heat, extreme precipitation and flooding, storm surge and cyclones, and carbon pricing. The climate-related opportunity is the Covalent Lithium joint venture.

The four risks that could be reasonably expected to affect Group prospects are described in the CRRO tables from page 64, including information about their current and anticipated financial effects. Quantitative information about anticipated financial effects has not been disclosed for all CRROs; as explained under 'Current and anticipated financial effects' below, some effects are not separately identifiable or are subject to high measurement uncertainty and cannot be reliably quantified, and some of these may be material over the medium- to long-term. For the CRROs where financial effects could be quantified, none were assessed as having a material financial effect on the Group's financial position, financial performance or cash flows in the reporting period for the purpose of quantitative disclosure.

As part of its scenario analysis and risk management processes, the Group also identified physical risks such as bushfire and drought, and transition-related risks including reputational risk and greenwashing. Based on the application of the Group's materiality assessment framework, these additional risks were also not assessed as reasonably expected to affect the Group's prospects over the short-, medium- or long-term, having regard to their potential financial effects, likelihood and exposure profile.

Climate-related risks continue to be monitored and are reassessed annually through periodic risk reviews. At least every three years, scenario analysis is used to identify any change in inherent exposure that could result in risks being reasonably expected to affect the Group's prospects in future periods.

Divisions identified a limited number of climate-related opportunities. The Group's 50 per cent share in the Covalent Lithium joint venture could reasonably be expected to affect its prospects.

Scenario analysis informs key assumptions and sensitivities but does not replace management's view of expected outcomes. For anticipated financial effects, the Delayed Transition scenario is considered the most plausible short- to medium-term pathway and has therefore informed the primary assessment. This scenario reflects the Group's current view of the external environment and incorporates assumptions consistent with those used in the Group's budget and corporate planning processes, including expectations regarding policy settings, energy markets and the pace of decarbonisation. Accordingly, it provides the most decision-useful basis for assessing expected financial effects.

Current and anticipated financial effects

The Group assessed the current and anticipated financial effects of CRROs on its financial position, financial performance and cash flows. In determining whether financial effects are material, the Group considered its quantitative financial statement materiality thresholds and other qualitative information relevant to primary users of the financial statements. Quantitative screening is performed at a divisional level, assessing whether the effect on revenue, earnings before tax (EBT), total assets or net assets exceed the relevant Group materiality threshold. This threshold is currently approximately five per cent of Group profit before tax.

Short- to medium-term assessments are informed by the Group's budget and Corporate Plan, while long-term assessments are informed by long-term estimates, climate scenario analysis (including annual expected loss (AEL) data) and management judgement. Earnings before interest and tax (EBIT) is also considered in assessing financial effects, where relevant, given the nature of the Group's operations.

The effects of climate-related matters on the carrying amounts of assets are disclosed in Note 7: Property, plant and equipment and Note 9: Impairment of non-financial assets in the financial statements in this Annual Report. The Group has not identified any significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities arising from CRROs.

Estimates of anticipated financial effects are based on assumptions used in the Group's budgets, capital allocation processes and Corporate Plan, and are expected to evolve as the Group's strategy, data availability and modelling capability continue to develop over time. For the short-term, estimates reflect the Group's current-year budget and management forecasts for the subsequent financial year. Medium-term estimates are informed by the Corporate Plan, while longer-term estimates, beyond the Corporate Plan horizon, are informed by long-term estimates, climate scenario analysis and management judgement.

Quantitative information about the current or anticipated financial effects of a CRRO are not disclosed where those effects are not separately identifiable from the broader financial performance or position of the underlying assets, operations or investments, or are subject to a high degree of estimation uncertainty. This may arise where climate-related considerations are embedded within routine capital expenditure or operational activities that deliver multiple commercial and operational benefits. For example, investments such as the upgrade of heating, ventilation and air-conditioning (HVAC) systems as part of store refurbishment programs, or the installation of on-site solar photovoltaic (PV) systems alongside broader energy management initiatives, are typically assessed on a combined basis. These investments deliver a range of outcomes, including improved asset performance, reduced energy consumption, lower electricity costs and enhanced resilience to energy price volatility, in addition to emissions reduction. As a result, the associated financial effects cannot be separately attributed to climate-related strategies, as they arise in combination with other drivers and are not disaggregated within financial or capital allocation processes. In these circumstances, the Group explains the basis for non-quantification in the relevant CRRO table and provides qualitative information describing the nature and direction of the associated financial effects, including the line items, totals or subtotals in the related financial statements that are likely to be affected. The Group also considered whether quantitative information about the combined financial effects of the relevant CRRO, together with other CRROs and other factors, would be useful.

Where such combined quantitative information is not provided, this is because Wesfarmers has determined that the combined effects are not separately identifiable or are subject to such a high degree of estimation uncertainty that the disclosure of the information would not be useful.

Further detail on methodologies, assumptions and data sources used to estimate anticipated financial effects is provided in the CRROs tables.

How annual expected loss (AEL) is used in the quantification of anticipated financial effects

AEL is derived from one of the Group's largest insurer's modelling and used as an input for the quantification of the financial effects of acute physical climate risks.

AEL is complemented by broader information to capture a range of financial effects.

What is AEL?

AEL represents the long-run average annual loss associated with climate-related hazard events. It is derived from externally developed catastrophe and climate risk models commonly used within the insurance market and provides an independent, asset-level assessment of inherent physical risk exposure.

AEL captures both:

- material damage including physical damage to buildings, fixtures, equipment, inventory and contents
- business interruption including modelled downtime, lost revenue from temporary closures and additional replenishment-related costs.

AEL does not represent an expected insurance claim or insurance cost. It excludes deductibles, excesses and retentions and is measured on a gross basis, prior to insurance recoveries.

This provides a consistent baseline for comparing exposure across divisions and over time.

How AEL is applied across time horizons

AEL information is applied over short-, medium- and long-term horizons to reflect differences in planning certainty and changes in exposure over time.

Short-term

AEL estimates reflecting current asset exposure and risk controls are used alongside sufficiently specific cost and operational impact information.

Medium-term

AEL information is applied across relevant climate scenarios and combined with the Group's Corporate Plan, including planned capital expenditure, asset maintenance and key cost drivers, to assess changes in exposure over the planning horizon.

Long-term

AEL analysis across multiple climate scenarios and extended time horizons is used, together with external climate datasets, strategic assumptions and management judgement, to assess potential financial effects under different future climate pathways beyond the Corporate Plan period.

How AEL fits within the broader quantification process

Quantification of the anticipated financial effects of CRROs involves using scenario analysis to identify relevant exposures and applying a consistent financial modelling framework to assess potential financial effects. The modelling draws on scenario-based climate risk data (including AEL), divisional exposure information or financial assumptions, and consistent core assumptions.

Divisional boards review their respective division's quantification of the anticipated financial effects of CRROs, with sign-off from divisional chief financial officers and heads of corporate affairs or other relevant divisional leadership team members. Divisional outputs are aggregated for a Group-level view of potential financial effects.

Limitations and use of judgement

While AEL provides an independent basis for assessing inherent exposure to acute physical climate risks, outcomes remain subject to uncertainty. Key dependencies include assumptions regarding future hazard frequency and severity, and the timing and effectiveness of adaptation responses. These factors increase in uncertainty beyond 2030 and are reflected through scenario analysis and qualitative disclosure where appropriate.

Climate-related physical risks

The three climate-related physical risks assessed as reasonably expected to affect Wesfarmers' prospects are discussed below.

PHYSICAL RISK 1: **TIME HORIZON:** SHORT-, MEDIUM-, AND LONG-TERM

Extreme heat

Description

The most direct effect of extreme heat is on people. Prolonged heat exposure raises the risk of heat-related illness, including heat stroke and heat exhaustion and physical harm to team members and customers at stores, offices, distribution centres and industrial sites.

Extreme heat also affects operations and costs. For the Group's retail divisions, higher cooling demand raises energy use and operating costs across retail stores, offices and distribution centres, and adds pressure on energy supply that can lead to shortages. Within Wesfarmers Health, extreme heat places additional strain on cold-chain storage and the ability to hold products at required temperatures. At WesCEF, heat impacts plant efficiency and requires modified controls to manage team member wellbeing (with these controls well established).

Extreme heat can also affect the Group's value chain. Upstream, it can disrupt supplier operations, transport and logistics, particularly in regions already exposed to high temperatures, constraining the availability and cost of key inputs. For example, at Bunnings Group, extreme heat increases the risk of shortages of water-dependent raw materials and restrictions on water-intensive processes associated with timber and greenlife. Downstream, extreme heat can affect customer access and demand, particularly during prolonged or severe heat events.

Effect of climate scenarios

Exposure rises under higher-warming pathways. Wesfarmers expects that under the Delayed Transition scenario, the frequency and intensity of heatwaves increase steadily. Inter-annual patterns such as El Niño can amplify extremes, and heat is often more severe in urban areas where hard surfaces retain heat. Higher warming may require changes to operating practices, cooling capacity and facility design standards.

Concentration in the business model and value chain

Own operations

Exposure is greatest across the geographically distributed retail store and distribution centre network and within WesCEF's industrial operations, reflecting the scale and asset-intensive nature of these businesses.

Value chain

Upstream exposure arises where key transport routes, supplier facilities or logistics infrastructure faces heat-related constraints. Heat already affects certain raw-material sourcing across Asia.

Divisional concentration

Bunnings Group and Kmart Group, where team member wellbeing and safety, customer access and asset performance may be affected across extensive networks; and WesCEF, where extreme summer temperatures affect plant efficiency and may extend shutdowns to manage team member wellbeing and safety. Existing controls reduce risk, but residual exposure remains. At Kmart Group, outdoor unpacking of shipping containers raises team member heat exposure risk. For Bunnings, greenlife and timber are its most heat- and water-sensitive product categories.

Under the Delayed Transition scenario, the medium-term horizon rated residual extreme-heat risk was highest at WesCEF, followed by Kmart Group, Bunnings Group, Wesfarmers Health and Officeworks.

Current effects

Current effects on the business model and value chain

In the reporting period, the Group did not experience significant disruption attributable to extreme heat. Past heat events have been localised to individual sites and have not had a material effect on the Group or its value chains. Extreme heat remains a physical risk to team member health and safety, operational continuity and asset performance, particularly during peak heat periods, planned shutdowns and work in exposed or temperature-sensitive environments.

Current financial effects

There was no material effect of extreme heat on financial performance, financial position or cash flows in the reporting period.

CONT. **PHYSICAL RISK 1: EXTREME HEAT**

Anticipated financial effects

Anticipated effects on the business model and value chain

The Group expects its operations to remain exposed to extreme heat over the short-, medium- and long-term. More frequent and severe heatwaves may raise energy use for cooling, affect plant efficiency, extend planned and unplanned shutdowns to reduce team member exposure to extreme heat, and increase water and energy demand for cooling. Observed effects are built into divisional operating plans, covering team member productivity, facility uptime and maintenance, and responses are adjusted as conditions change.

WesCEF expects the most concentrated effects, given continuous industrial processes, but the effects are expected to be limited in all scenarios.

Anticipated financial effects

Quantitative analysis indicates the risk is not expected to have material financial effects over the short-, medium- or long-term. In the short-term, existing mitigation and operational controls are expected to contain financial effects. In the medium- to long-term, the potential magnitude rises but is not expected to be material to the Group's financial position, financial performance or cash flows.

The geographically distributed retail and distribution network means heat effects are expected to be site-specific and episodic rather than systemic, so it is unlikely that a significant proportion of operations would be affected at once. Financial effects are therefore expected to remain isolated to individual sites.

WesCEF's more concentrated industrial exposure is expected to be managed through established operational controls.

Financial statement lines that may be affected

- **Income statement** – effects may include revenue, raw materials and inventory, employee benefits expense and utilities and office expenses, freight and other related expenses
- **Balance sheet** – effects may include inventory
- **Cash flow statement** – effects may include operating cash flows

Quantification methodology and assumptions

Estimates draw on available operational, cost and scenario-based data. Because AEL is not available for extreme heat, divisions estimate financial effects using five-year historic cost data, including HVAC and building energy management system (BEMS) operating and capital costs for heat mitigation and known effects of extreme heat on plant efficiency. These estimates incorporate assumptions about future heat intensity, heatwave duration and expected adaptation responses, consistent with the Group's scenario analysis and planning assumptions, and provide a reasonable and supportable basis for assessing potential financial effects.

Mitigation or adaptation efforts

The Group manages extreme heat through established operational controls and ongoing adaptation, drawing on experience operating a diversified portfolio across high-temperature regions. Controls combine engineering, administrative and behavioural team member-related measures tailored to each setting.

Across retail and distribution operations, controls maintain safe working conditions and continuity, including ventilation and fans, accessible hydration points, task rotation and additional rest breaks, leader monitoring of thermal comfort, heat-stress awareness, and sun-smart clothing for outdoor or high-exposure tasks.

Divisional controls include:

- **Bunnings Group** – upgrading ageing HVAC infrastructure, removing skylights across warehouses to cut heat load, providing temperature-controlled facilities, and retrofitting stores and warehouses for extreme-weather resilience.
- **Kmart Group** – upgrading cooling, holding backup generators for power outages, applying proactive store and distribution centre closures, and diversifying sourcing.
- **WesCEF** – scheduling major shutdowns for cooler months where possible and implementing controls such as increasing team member breaks, providing shade and cooling and assessing plant cooling strategies to address extreme heat-related productivity losses.

A worked example of how the health and safety elements of this risk are managed is provided in 'Managing extreme heat risk across operations' on page 66.

Vulnerability metric	Vulnerability metric methodology and assumptions
Group exposure – Under the Delayed Transition scenario, asset exposure to extreme heat begins at about 200 sites (11 per cent of all sites), rising to about 300 sites (17 per cent) in the medium term and around 435 sites (24 per cent) in the long term. **Divisional exposure** – Climate scenario data indicates that the share of sites experiencing 15 or more days a year above 35°C will rise at each division between 2030 and 2050. At Bunnings Group, it rises from about 10 per cent historically to about 15 per cent by 2030 and about 25 per cent by 2050; at Kmart Group, from about 11 per cent to about 17 per cent then about 29 per cent; and at WesCEF, from about seven per cent to nine per cent then about 16 per cent.	The metric expresses the number and proportion of assets exposed to elevated modelled heat exposure under each scenario and time horizon, derived from asset-level hazard data and the Group's climate scenario analysis. Divisional figures use a comparable site exposure basis. Estimates of exposed assets are indicative and sensitive to hazard thresholds, portfolio composition and refinements to datasets over time.

Managing extreme heat risk across operations

The following examples illustrate how extreme heat presents an acute physical climate risk, with potential impacts on team member health, safety and wellbeing, operational continuity and asset performance, particularly during peak summer periods, planned shutdowns or for work undertaken in exposed or enclosed environments.

For WesCEF, extreme summer temperatures increase the risk of heat stress for team members and contractors undertaking physically demanding tasks outdoors.

In response, enhanced controls are implemented, including strengthened job safety analyses, enforced work rest regimes, increased access to hydration, localised cooling through portable air conditioning and the provision of additional personal cooling equipment.

During the year, there were no recordable or reportable injuries associated with extreme heat, evidencing the effectiveness of WesCEF's controls.

Across Bunnings Group, heat stress risk is managed through a combination of engineering, administrative and behavioural controls designed to reduce exposure and support workforce resilience during extreme heat events.

Controls include the use of ventilation systems to improve air movement and moderate indoor temperatures, accessible hydration points in work areas, task rotation and increased rest breaks, active monitoring of thermal comfort by leaders, heat stress awareness practices, and provision of sun-smart clothing and accessories for outdoor or high-exposure tasks.

PHYSICAL RISK 2: **TIME HORIZON:** SHORT-, MEDIUM-, AND LONG-TERM

Extreme precipitation and flooding

Description

Projected increases in extreme precipitation and flooding in some regions give rise to risks across the Group's assets, operations, supply chains and for team members and customers. Flooding can cause significant damage to assets and infrastructure, including store and distribution centre closures in the retail and health divisions, adding to repair costs and increasing insurance premiums (or causing a withdrawal of cover). Closures may impact revenues.

For the Group's retail businesses, Wesfarmers expects that extreme precipitation and flooding may disrupt domestic and international supply chains and transport and logistics infrastructure, including through port closures, causing delays, product shortages and higher storage costs that reduce revenue and increase expenses.

For WesCEF, flooding can disrupt freight to customers by road or rail. In the long term, more persistent extreme precipitation could disrupt loading at the Kwinana port in Western Australia.

Extreme precipitation and flooding conditions drive higher costs for protective infrastructure, contingency and insurance, and can threaten customer delivery schedules and contractual obligations. Extreme precipitation also poses direct risks to team members and customers, including injury in stores or while commuting, and can shift customer behaviour, reducing sales of certain products.

Effect of climate scenarios

Rainfall patterns are non-linear and shaped by interacting factors, such as temperature, atmospheric circulation and ocean conditions, so extreme precipitation events occur across all scenarios and time horizons with variability in frequency and intensity rather than consistently or increasing linearly. Wetter regions generally become wetter. Many regions already exposed are projected to face more intense or frequent events, even by 2030 under lower-emissions pathways. Financial effects rise more steadily and are more pronounced under the Delayed Transition scenario over the long term.

Concentration in the business model and value chain

Own operations

Exposure is concentrated in retail stores, distribution centres and transport and logistics infrastructure, where flooding can damage property, plant and equipment, cause inventory loss, raise occupancy and insurance costs, interrupt operations, and affect team members through safety risks, reduced availability and lower productivity. As the Target Richlands Distribution Centre (DC) event in Queensland in October 2025 illustrates (page 68), individual sites can be affected, but such effects are site-specific and were not material to the Group in the reporting period.

Value chain

Upstream exposure arises across freight movements and suppliers of raw materials and goods, particularly suppliers located in flood-prone regions across Asia, affecting product availability and customer fulfilment. Downstream, customer purchasing may shift during events, with fewer customers in stores and higher demand for delivery.

Divisional concentration

Flooding exposure varies based on location, asset characteristics and operating models. Bunnings Group and Kmart Group have extensive site networks and extreme precipitation and flooding may disrupt operations and logistics. For WesCEF, freight to customers by road or rail may be impacted by flooding. At Wesfarmers Health, climate-controlled warehouses are relatively resilient, although distribution networks depend on public road infrastructure that may be disrupted by flooding. Officeworks' late-January back-to-school peak coincides with the Australian flood and storm season, increasing potential revenue exposure.

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CONT. **PHYSICAL RISK 2: EXTREME PRECIPITATION AND FLOODING**

Current effects

Current effects on the business model and value chain

No material instances of extreme precipitation or flooding affecting the Group's operations or value chain were identified during the reporting period. The only related event was a storm-related partial roof collapse at the Target Richlands DC (page 68), which was not assessed as having a material financial effect on the Group. Insurance, including property damage and business interruption cover, may partially offset the financial consequences of such events but does not reduce the underlying physical exposure.

Current financial effects

No material effect on financial performance, financial position or cash flows in the reporting period, including in relation to the Target Richlands DC event.

Anticipated financial effects

Anticipated effects on the business model and value chain

The Group expects continued exposure over the short-, medium- and long-term. Extreme precipitation and flooding may damage sites, inventory and infrastructure and interrupt operations, including with temporary closures and supply chain disruption. Insights from recent events are being incorporated into adaptation planning, including the resilience of large, strategically significant sites such as distribution centres and the management of single point of failure risks within logistics infrastructure.

Anticipated financial effects

Financial effects rise steadily and are more pronounced under the Delayed Transition scenario over the long-term but are not expected to be material to the Group. Financial effects may include loss of revenue, inventory write-offs, higher operating costs (including repairs and maintenance, insurance claims and costs, supply chain and freight costs), and business-interruption.

Financial statement lines that may be affected

– **Income statement** – effects may include revenue, raw materials and inventory, freight and other related expenses, and insurance expenses
– **Balance sheet** – effects may include inventories, provisions (where required) and property, plant and equipment (PPE)
– **Cash flow statement** – effects may include operating cash outflows and capital expenditure as part of investing cash flows

Quantification methodology and assumptions

For retail sites, extreme precipitation and flooding is assessed using the percentage of sites exposed to a four per cent or greater increase in extreme single-day precipitation events (more than 30mm), relative to historic baseline conditions. The assessment draws on climate scenario analysis based on IPCC and NGFS pathways, combined with insurer-provided catastrophe modelling, including AEL.

Mitigation or adaptation efforts

The Group manages extreme precipitation and flooding through planning and site-level resilience measures, and is:

– developing and testing business continuity plans
– monitoring to better mitigate extreme precipitation and flooding events
– expanding online and omnichannel capability which maintains sales when instore operations are disrupted
– maintaining and upgrading drainage and flood mitigation systems, including strengthened site-level flood controls and updated emergency response protocols
– maintaining insurance cover for physical damage and business interruption as a risk transfer measure, and monitoring the availability and cost of cover as physical climate risks evolve
– considering flood exposure in future asset siting and design decisions to improve resilience across stores and the logistics network.

Divisional controls include:

– **Bunnings Group and Kmart Group** – port bypass routing during major weather-related port closures and buffer stock to absorb short-term supply interruptions.
– **Officeworks** – flood-mapping stores, elevating new-build sites where required, installing flood gates in high-risk locations (e.g. Cairns in Queensland and Taree in New South Wales), and holding inflatable water barriers and sandbags at high-risk stores.
– **Wesfarmers Health** – business continuity planning, longer-term product forecasting with suppliers, and collaborating with local services to maintain access to products during flood events.

Vulnerability metric

Group exposure – Exposure is assessed as the proportion of sites in areas with elevated modelled flood risk under each scenario and time horizon. Under the Delayed Transition scenario, exposure is estimated at about 375 sites (21 per cent) at baseline, decreasing to about 290 sites (16 per cent) by 2030 and then to about 120 sites (six per cent) by 2050.

Divisional exposure – Climate scenario data indicates portfolio exposure to a four per cent increase in extreme one-day precipitation of about 19 per cent at Bunnings Group by 2030, declining to about six per cent by 2050; declining from about 16 per cent at Wesfarmers Health by 2030, to about six per cent by 2050; declining from about 18 per cent in 2030 to about seven per cent at Kmart Group by 2050; and declining from about 23 per cent at Officeworks in 2030, to about seven per cent by 2050.

Vulnerability metric methodology and assumptions

Changes in exposure over time reflect the non-linear nature of precipitation-related hazards across scenarios, differences in the geographic distribution and severity of projected flooding, portfolio composition, site-level exposure thresholds, and refinements to modelling assumptions and hazard datasets over time. Divisional figures use comparable precipitation-exposure thresholds.

Extreme precipitation event at Target Richlands DC

Heavy rainfall and a strong downburst over a localised area resulted in the partial collapse of the roof at Target's Richlands DC in Queensland in October 2025. From an insurance perspective, the damage to the DC was categorised as a storm event.

As the structural integrity of the DC was compromised by the storm, operations at the facility ceased immediately, leaving a single east coast distribution facility to service the Target network including across northern New South Wales and Queensland. This constrained distribution capacity during the peak Christmas trade period and limited stock availability in parts of the Target store network. The closure resulted in a loss of revenue, as well as increased transport and logistics costs associated with rerouting.

Target's immediate response focused on maintaining operational capacity while minimising downstream effects. This was achieved through the activation of business continuity arrangements, including the rerouting of inventory and adjustment of logistics flows across Queensland, New South Wales and Victoria. A new temporary DC was subsequently activated in Queensland.

Target maintains property and business interruption insurance for the DC. Target's property damage exposure is limited to its stock and fit-out, with damage to the DC structure sitting with the property owner and landlord. Target's insurance partially mitigated the financial consequences of the event, although it did not reduce the underlying operational exposure to severe weather and climate-related risks.

While the closure temporarily affected trade and distribution capacity, Target's broader supply chain and logistics capabilities supported a rapid recovery and helped limit effects on customers and the business. The event reinforced the importance of operational resilience, network flexibility and contingency planning, in managing disruptions arising from severe weather events.

The event demonstrates the potential effects of extreme precipitation and storms on Group assets and operations including if these occur during peak trading periods. The financial effects of the event are not material at a Group level.

PHYSICAL RISK 3: **TIME HORIZON:** SHORT-, MEDIUM-, AND LONG-TERM

Storm surge and cyclones

Description

Projected increases in storms, cyclones and storm surge in some regions give rise to an emerging risk across the Group's assets, operations and supply chains. Severe storms and extreme wind can damage assets and infrastructure, including roofs, outdoor equipment, stores and distribution centres, increasing costs through repair and replacement and lost revenue from closures.

Across the retail divisions and Wesfarmers Health, these events can disrupt supply chains and transport and logistics infrastructure, including the movement of goods through domestic and international ports, causing delays and product shortages that reduce revenue.

For WesCEF, more severe storms and storm surge could delay port operations at Kwinana in Western Australia.

While cyclones are considered unlikely in southern areas, port vulnerability to severe storms remains a concern and could cause delays in loading and unloading. Over time, these risks drive higher costs for additional inventory, structural reinforcement, emergency preparedness and insurance, and could challenge operational continuity and supply chain resilience.

Effect of climate scenarios

Ocean warming and rising sea levels increase baseline coastal hazard exposure by amplifying storm surge and supporting more intense ocean storm systems.

Storm tracks shift towards the poles, creating new regions of exposure for ports and coastal infrastructure. In Australia, tropical cyclones are assumed to become less frequent in the north-east and more frequent in the north-west and north, with greater intensity and heavier rainfall at landfall.

Across Southeast Asia and other parts of the world exposed to more frequent and intense tropical cyclones, typhoons and hurricanes, suppliers, shipping routes and offshore operations may be disrupted.

Concentration in the business model and value chain

Own operations

The owned and operated asset base is less exposed to storm surge and cyclones than upstream logistics networks. Within own operations, exposure to damage from severe storms and storm surge is concentrated in coastal assets, including distribution centres and logistics infrastructure at ports.

Value chain

The principal concentration sits in upstream transport and logistics networks (such as domestic and international ports and associated infrastructure in east and south Asia) rather than in the owned and operated asset base; storm surge threatens port operations at Kwinana, delaying international shipments. Downstream, infrastructure damage and temporary store closures may affect customer behaviour, including to favour digital channels during events.

CONT. PHYSICAL RISK 3: STORM SURGE AND CYCLONES

Divisional concentration

Storm surge and cyclone risk primarily affects supply chain infrastructure, with exposure differing across divisions depending on sourcing locations and transport and logistics networks. Bunnings Group, Kmart Group and WesCEF are also exposed through logistics networks where transport routes intersect with cyclone and storm surge prone regions, including east Asian port and freight routes, and parts of northern Australia and the broader Indo-Pacific. Wesfarmers Health and Officeworks have exposure through reliance on upstream ports and freight routes in regions exposed to cyclone activity, including parts of east and south Asia, such as China and India.

Current effects

Current effects on the business model and value chain

During the reporting period, there was no material effect on the Group attributable to storm surge or cyclones. The risk is emerging and is monitored as scenario assumptions evolve.

Current financial effects

No material effect on financial performance, financial position or cash flows in the reporting period.

Anticipated financial effects

Anticipated effects on the business model and value chain

The Group expects exposure to increase over the medium- to long-term, concentrated in port, logistics and transport infrastructure. More frequent and severe storm surge events may cause recurring port closures and delays, with some Australian and key international ports becoming intermittently or, in some cases, persistently inaccessible.

Anticipated financial effects

Financial effects increase over time but are not expected to be material, reflecting the Group's geographically diversified operations, established mitigation controls and diversified supplier base. Effects may include loss of revenue, inventory write-offs, higher operating costs (including team member, freight, repairs and maintenance, insurance and occupancy-related expenses) and potential capital expenditure to support resilience and replace damaged assets. Continued monitoring is required as scenario assumptions evolve.

Financial statement lines that may be affected

- **Income statement** – effects may include revenue, raw materials and inventory, employee benefits expense, freight and other related expenses, and other expenses.
- **Balance sheet** – effects may include inventories and PPE.
- **Cash flow statement** – effects may include operating cash flows and capital expenditure as part of investing cash flows.

Quantification methodology and assumptions

The risk to retail divisions is assessed using the frequency of 1-in-100 year events and the percentage of supply ports exposed to such events, based on insurer-provided catastrophe modelling and AEL. For WesCEF, the risk assessment considered the frequency of imports and exports, freight flows to customers and inventory held for business continuity purposes. Further detail on the use of insurer-provided catastrophe modelling and AEL, including scope, limitations and interpretation, is on page 63. Information sources include Group climate scenario analysis and projections, externally developed climate and catastrophe risk modelling outputs, and divisional asset, insurance and cost data.

Mitigation or adaptation efforts

The Group manages storm surge and cyclone risk through measures including:

- using climate-related disruption data to support freight and logistics planning
- installing backup generators at retail stores in regions where storm surge and cyclones may cause loss of grid power, enabling continued operation when sites remain accessible and safe
- where appropriate and possible, diversifying suppliers by geography to reduce dependency and exposure to regions with elevated cyclone and typhoon risk
- maintaining insurance cover for physical damage and business interruption as a risk transfer measure, and monitoring the availability and cost of cover as physical climate risks evolve

Divisional controls include:

- **Retail divisions** – installed backup generators in certain locations, holds additional inventory to buffer disruption, and engages insurers on premiums and asset insurability.
- **WesCEF** – holds additional inventory and spare parts to buffer disruption and supply chain diversification.
- **Wesfarmers Health** – supply chain due diligence on overseas manufacturers and diversification of sourcing geographies to reduce single-location dependency.

Vulnerability metric

Group exposure – Exposure to storm surge and cyclone risk is concentrated within upstream logistics and transport networks – domestic and international ports and associated infrastructure – rather than within the owned and operated asset base, with up to about five per cent of relevant logistics and transport infrastructure exposed to storm surge on current assessment. By 2030, about five per cent of domestic and international ports and associated upstream logistics infrastructure remain exposed to storm surge and cyclones. By 2050, this exposure is projected to rise to about 40 per cent.

Divisional exposure – Climate scenario data indicates the share of supply ports exposed to a 1-in-100 year storm surge event roughly doubling, rising up to about 15 per cent for retail divisions by 2050 (from zero per cent in 2030).

Vulnerability metric methodology and assumptions

The metric expresses the proportion of relevant ports and upstream logistics infrastructure exposed to 1-in-100-year storm surge and cyclone events under each scenario and time horizon, drawn from insurer catastrophe modelling and the Group's scenario analysis. Divisional figures reflect each division's supply-port footprint.

Climate-related transition risks

The Group identified carbon pricing as a transition climate-related risk that could reasonably be expected to affect Wesfarmers' prospects.

TRANSITION RISK 1: **TIME HORIZON:** MEDIUM-, AND LONG-TERM

Carbon pricing

Description

Differences or changes in climate policy and regulatory settings, including carbon pricing regimes, across domestic and global jurisdictions may affect divisional cost structures and supply chains over time, particularly for emissions intensive activities, whether owned or upstream, including suppliers of emissions intensive raw materials.

Direct exposure is concentrated at WesCEF's CSBP facility, which is subject to facility-level regulation under the Safeguard Mechanism. Indirect exposure may arise across all divisions where upstream suppliers incur and pass on compliance costs, including any carbon price.

Effect of climate scenarios

Wesfarmers expects that under the Delayed Transition scenario, limited action before 2030 is followed by sharp increases in carbon prices and regulation.

Concentration in the business model and value chain

Own operations

Direct exposure is concentrated at WesCEF's CSBP facility, which is regulated under the Safeguard Mechanism. CSBP Kwinana accounts for 82.2 per cent of the Group's Scope 1 emissions and represents the primary concentration of carbon-cost exposure. Direct exposure is not expected to be material for the retail divisions or Wesfarmers Health, reflecting ongoing decarbonisation and declining operational emissions.

Value chain

Indirect exposure is concentrated in upstream supply chains, particularly suppliers in Asia that may incur and pass on carbon cost. This is most relevant for Bunnings Group and Kmart Group, which have significant Scope 3 emissions in purchased goods. Higher transport and logistics costs may also arise across freight and shipping networks in east Asia.

Divisional concentration

A direct compliance exposure is concentrated at WesCEF's CSBP facility, reflecting regulation and WesCEF's production processes which use natural gas as a feedstock and heat source. WesCEF's carbon dioxide emissions are hard to abate. WesCEF also has exposure to potential upstream carbon costs but these have not been assessed as material. Potential upstream transport carbon cost exposure (through Scope 3 cost pass-through) is also pronounced for Bunnings Group and Kmart Group, including for certain raw materials used in products and where international freight is affected by the maritime sector's inclusion in the European Union Emissions Trading System (EU ETS) since January 2024, phased through 2027, and the International Maritime Organization's net zero strategy targeting about 2050.

Current effects

Current effects on the business model and value chain

Existing Safeguard Mechanism obligations are managed within current operational and abatement plans, with WesCEF currently in a net favourable position, generating Safeguard Mechanism Credits (SMCs). WesCEF's CSBP facility has earned 170,003 SMCs to date, which are currently intended to be retained to meet future compliance obligations as baselines decline. The cumulative SMC balance for WesCEF reconciles to a carrying amount within goodwill and intangible assets in the balance sheet. Further detail on WesCEF's climate strategy is from page 77. For the retail divisions and Wesfarmers Health, current exposure arises mainly through the value chain rather than direct operational emissions, where suppliers of emissions-intensive goods (including merchandise, raw materials and packaging) and freight providers could pass on carbon-related costs. It is most pronounced in higher-emissions-intensity supply chains and in jurisdictions with existing or emerging carbon pricing.

No material financial effect from direct or indirect emerging carbon pricing was identified at the Group level in the reporting period. WesCEF met its obligations through abatement and any supplier or freight cost movements in the retail divisions were absorbed within normal procurement and pricing and not separately identifiable. The Group tracks indirect exposure through supplier engagement, procurement and cost monitoring; while not material now, its concentration in upstream supply chains is a key consideration for anticipated financial effects over the medium- and long-term.

Current financial effects

No material financial effect in the reporting period.

Quantification methodology and assumptions

Exposure is assessed using the Group's internal carbon price, described on page 75. Current obligations are not material. WesCEF's exposure to the mid-2030s is expected to be met from the cumulative SMC balance. No material financial effect arose in the period.

CONT. **TRANSITION RISK 1: CARBON PRICING**

Anticipated effects

Anticipated effects on the business model and value chain

As Safeguard Mechanism baselines reduce and policy settings evolve, WesCEF's direct exposure may increase. The 2027 Safeguard Mechanism review introduces uncertainty about baseline decline rates, cost containment settings and compliance mechanisms beyond 2030, which may affect the scale and timing of future obligations. WesCEF's abatement investment, including the projects described on page 77, is expected to limit, but not eliminate, these effects over the long-term. Reflecting projects implemented and planned to 2030, WesCEF does not expect to procure SMCs or Australian Carbon Credit Units (ACCUs) until at least the mid-2030s, based on current policy settings and production assumptions.

For the retail divisions and Wesfarmers Health, anticipated exposure is primarily indirect, arising through the value chain where suppliers and logistics providers pass on carbon costs via input prices or freight rates – mainly purchased goods and upstream transportation and distribution. It is concentrated in emissions-intensive supply chains and in sourcing regions where carbon pricing is implemented or strengthened over time. The extent of pass-through will depend on supplier-specific factors, contractual arrangements and market conditions, including the scope to mitigate through sourcing decisions, supplier engagement and operational efficiencies.

Wesfarmers expects indirect exposure to increase over the medium- to long-term as global policy tightens. These effects are incorporated into procurement and pricing processes and are expected to remain manageable within the Group's diversified business model and value chain.

Anticipated financial effects

The financial effect over the medium- and long-term has not been quantified as it remains highly uncertain and dependent on future domestic and international policy and regulation, technology availability, carbon market conditions and mitigation actions. Effects may include higher raw materials, inventory and operating costs (including for freight and utilities) if suppliers pass through carbon costs. The extent of any pass-through is uncertain and may be partially or fully mitigated by market conditions. There may be capital investment to support decarbonisation and abatement that generates carbon credits, including offsets and SMCs, and financing costs may be affected.

Financial statement lines that may be affected

- **Income statement** – effects may include raw materials and inventory, freight and other related expenses, other expenses and finance costs.
- **Balance sheet** – effects may include inventories, provisions (where required), PPE and intangible assets (where SMCs or ACCUs are reported).
- **Cash flow statement** – effects may include operating cash flows and capital expenditure as part of investing cash flows.

Quantification methodology and assumptions

There is significant uncertainty associated with any financial quantification of both the direct and indirect anticipated financial effects of this risk, arising from the uncertainty in the probability of legislative outcomes (impacting direct exposure) and supplier carbon price pass-through (impacting indirect exposure). Exposure in the retail divisions arises mainly through upstream supply chains and varies by market and contractual arrangement. WesCEF exposure is driven by facility-level obligations, baseline decline trajectories and the availability of abatement and carbon credits over time. Significant policy uncertainties remain, including from the Safeguard Mechanism review, carbon capture and storage (CCS) policy settings and carbon leakage mechanisms in Australia, and comparable uncertainties exist in key sourcing and competitor markets. There is significant uncertainty regarding supplier carbon price pass-through, so qualitative information is provided.

Mitigation or adaptation efforts

The Group manages carbon pricing risk including by:

- continuing to apply an internal carbon price in the Corporate Plan process and when considering new investments (refer to further details on page 75)
- working with stakeholders to advocate for policy and regulatory certainty
- reducing emissions through operational decarbonisation and progress towards interim and net zero targets, including the implementation of specific abatement projects at WesCEF. See page 77 for further detail on nitrous oxide and other abatement-related initiatives
- broadening the supplier base and diversifying sourcing regions to better manage exposure.

CONT. **TRANSITION RISK 1: CARBON PRICING**

Concentration and industry-based metric	**Metric methodology and assumptions**
Direct carbon-cost exposure is concentrated at WesCEF's CSBP facility. **Industry-based metric** – For WesCEF, emissions intensity per tonne of ammonium nitrate produced is disclosed in the 'Metrics and targets' section. For the retail divisions and Wesfarmers Health, no widely accepted industry-based metric currently provides decision-useful information beyond the emissions metrics already disclosed. **Divisional exposure** – Direct carbon price costs are relevant for WesCEF. Exposure across retail divisions is comparatively lower, reflecting differences in operating models and supply chain characteristics.	The Group uses direct and indirect exposure metrics to assess carbon pricing risk and its potential financial effects. Direct exposure is assessed using the volume of covered Scope 1 emissions at WesCEF's CSBP facility, the applicable baseline and its projected decline, and the balance of SMCs held relative to forecast emissions. This indicates potential future compliance obligations and the extent to which abatement reduces exposure. The financial effects would be reflected mainly in operating expenses (including carbon costs or credit purchases), provisions where applicable, and intangible assets where SMCs or ACCUs are recognised. For the retail divisions, indirect exposure is assessed using proxy measures based on value chain activity: the emissions intensity and spend of purchased goods, freight volumes and logistics costs for upstream transportation and distribution, and supplier and jurisdictional exposure to carbon pricing. This indicates the sensitivity of input costs to supplier cost pass-through, with financial effects reflected mainly in cost of goods sold, freight and logistics expenses, and inventory costs. Both exposure metrics draw on the Group's emissions inventory, procurement data, scenario analysis and internal carbon price assumptions. They are not intended to represent precise financial effects but provide a consistent basis for assessing relative exposure across divisions and over time.

Climate-related opportunities

Wesfarmers' divisions identified a limited number of climate-related opportunities. Among these, the Group determined that its 50 per cent interest in the Covalent Lithium joint venture could reasonably be expected to affect its prospects while also supporting the transition to a lower-emissions economy.

OPPORTUNITY: | **TIME HORIZON:** SHORT-, MEDIUM-, AND LONG-TERM

Covalent Lithium joint venture

Description	**Effect of climate scenarios**
Global demand for electric vehicles (EVs) and stationary energy storage is growing and driving demand for lithium products.	Wesfarmers expects growing global demand for EVs and stationary energy storage in all scenarios and that demand will be strongest under the Net Zero 2050 scenario, where rapid electrification accelerates battery materials demand. Demand is expected to remain structurally supported under the Delayed Transition scenario. The investment diversifies the Group's earnings profile and enhances portfolio resilience across the range of scenarios.

Concentration in the business model and value chain

Own operations

The opportunity sits within WesCEF. The Group has a 50 per cent interest in the Covalent Lithium joint venture, alongside Sociedad Química y Minera (SQM). Covalent Lithium is a vertically integrated Western Australian operation comprising a mine and concentrator at Mt Holland producing spodumene concentrate, and a refinery in Kwinana producing lithium hydroxide.

Value chain

Through Covalent Lithium, the Group participates directly in the global battery materials supply chain through the production of lithium products, with demand predominantly linked to EVs and transport electrification, and stationary energy storage. The integrated mine, concentrator and refinery operation delivers lithium products required to manufacture lithium batteries.

CONT. COVALENT LITHIUM JOINT VENTURE

Current effects

Current effects on the business model and value chain

Once fully operational, Covalent Lithium is expected to produce approximately 50,000 tonnes a year of battery grade lithium hydroxide of which Wesfarmers' share will be 25,000 tonnes, with near-term value available from sales of spodumene concentrate during the refinery ramp-up.

Current financial effects

In 2026, the earnings contribution from WesCEF's lithium operations was $40 million. Subject to lithium market conditions, this is expected to grow as the operations mature and the refinery is fully ramped up.[1]

In July 2026, Wesfarmers and SQM announced the final investment decision to expand the Mt Holland mine and concentrator and develop a new integrated ore sorting facility. The expansion will double spodumene concentrate production (to 760,000 tonnes per annum on a 100 per cent basis), lower unit costs and accelerate cash flows with the first spodumene concentrate production volumes from the expansion expected in the first half of calendar year 2030. Wesfarmers' share of capital expenditure for the project is estimated to be between $645 million and $715 million in nominal terms and excluding capitalised interest.

Quantification methodology and assumptions

Current-period earnings from WesCEF's lithium operations were a significant improvement on the prior year loss of $59 million. They reflect the transitional nature of the operation with the mine and concentrator achieving nameplate production during the period and the refinery in ramp-up.

The Group's share of Covalent Lithium's Scope 1 and Scope 2 emissions is reported within Scope 3 Category 15 (Investments), reflecting the absence of operational control.

Anticipated financial effects

Subject to lithium market conditions, ramp-up of the refinery, expansion of the mine and concentrator and steady-state operations, WesCEF's lithium operations are expected to deliver a satisfactory return to shareholders, while diversifying the Group's earnings profile and increasing the Group's exposure to sectors leveraged to global decarbonisation. The investment is consistent with Wesfarmers' strategy to invest in growth opportunities, including those aligned to the energy transition.

Once fully operational, Covalent Lithium is expected to produce approximately 25,000 tonnes a year of battery-grade lithium hydroxide (Wesfarmers' share). With the expansion of the mine and concentrator and the new ore sorting facility, increased production volumes are expected to be sold as spodumene concentrate. Production volumes indicate the scale of the Group's exposure to lithium markets and support the assessment of potential future earnings and cash flow contribution, as operations mature.

Earnings from WesCEF's lithium operations have the potential to be material to the Group, but the specific financial effects over the medium- and long-term are not disclosed, due to ongoing market, regulatory and operational uncertainty. The extent of financial effects will depend on lithium prices, production volumes, operating costs and the successful ramp-up and expansion of the operation. The Group's investment in Covalent Lithium is expected to affect the income statement (revenue; raw materials and inventory; depreciation and amortisation), cash flow statement (as spodumene concentrate and lithium hydroxide are sold) and balance sheet (reflecting spodumene concentrate and lithium hydroxide held as raw materials and inventory).

Quantification methodology and assumptions

Medium- and long-term financial effects are not quantified because the level of measurement uncertainty, arising from market, regulatory and operational uncertainty, is so high that any resulting quantitative information would not be useful to primary users of the financial reports. First spodumene concentrate volumes from the expansion are expected in the first half of calendar year 2030.

Management actions

The Group manages the opportunity by:

– monitoring and further progressing the investment, with targeted capital investment, active joint venture governance and integration into the Group's broader sustainability strategy
– maintaining oversight of project delivery, risk management and operational performance through joint venture governance structures
– continuing to position the Group to benefit from growth in battery minerals and electrification-related supply chains, as part of its climate transition strategy.

Opportunity metric

The Group monitors the performance of the opportunity using metrics that reflect its development and financial contribution over time, including:

– annual production volumes during ramp-up of the mine, concentrator and refinery
– earnings contribution from lithium operations, including EBT attributable to the Group's investment in Covalent Lithium.

These metrics indicate how the opportunity is progressing and its contribution to the Group's financial performance.

Opportunity metric methodology and assumptions

Production volumes are measured based on actual output from the mine, concentrator and refinery during ramp-up and compared with nameplate capacity.

Earnings contribution reflects the Group's share of the joint venture.

Interpretation of these metrics is influenced by factors including lithium prices, production volumes, operating costs and the timing of operational ramp-up and expansion. These metrics are used to assess the performance and financial significance of the opportunity over time.

[1] Refer to page 37 for further details on ramp-up constraints.

Climate resilience

The Group's climate scenario analysis indicates that Wesfarmers' diversified portfolio and value chain is expected to remain resilient across the three climate scenarios assessed and over the short-, medium- and long-term. The nature and timing of pressures vary depending on the degree of physical climate change and the pace of global policy action. The Group's responses focus on protecting team members' safety, maintaining operational continuity, strengthening supply chain resilience and managing transition cost exposure.

The scenario analysis and resilience assessment used national and regional assumptions relevant to the Group's footprint, principally Australia and New Zealand, and key sourcing regions in Asia. These assumptions were downscaled from the IPCC and NGFS pathways and kept consistent with the Corporate Plan. They vary across the three scenarios and cover four areas:

- Weather - the frequency and severity of extreme heat, extreme rainfall and flooding, storm surge and cyclones, drought and bushfire, including a poleward shift in cyclone tracks and changing regional rainfall intensity.
- Demographics - population growth and continued urbanisation in Australia and New Zealand, including greater heat retention in urban areas and shifts in customer demand during acute events.
- Land use and natural resources - water for water-dependent inputs such as timber and greenlife, land use in agricultural sourcing regions, natural gas as a feedstock and heat source for WesCEF, and growing demand for battery minerals.
- Infrastructure - electricity grid decarbonisation, particularly in Western Australia, port capacity and accessibility including at Kwinana, and the resilience of road, rail and logistics infrastructure in hazard-exposed regions.

Divisional and asset-level detail is set out under climate-related physical risks from page 64.

Net Zero 2050 scenario
Transition-related risks and opportunities are more pronounced in the near term, with WesCEF facing greater carbon cost exposure while the retail divisions benefit from performance against renewable electricity targets. Long-term physical risk exposure is materially lower.

Delayed Transition scenario
Considered the most plausible short- to medium-term pathway, transition and physical risk exposure is moderate and within the Group's existing risk appetite and capacity to manage. WesCEF's abatement program and Safeguard Mechanism strategy provide a structured pathway to manage compliance costs.

Current Policies scenario
Physical risk exposure increases materially over the long-term – particularly extreme heat, storm surge and cyclones, extreme precipitation and flooding – with the retail network and logistics and transport infrastructure most exposed. Transition risks are lower in the near term, however abrupt policy responses and escalating physical effects beyond 2030 may require accelerated adaptation investment and potential changes to asset configuration, supply chain and product mix.

Divisional adaptation and decarbonisation priorities are informed by scenario analysis. Strategies informed by scenario analysis include resilience investments at higher-exposure sites, renewable electricity procurement, industrial process abatement and value-chain engagement. Areas of focus for continued improvement across the Group include supply chain climate risk visibility and physical hazard management.

The resilience assessment is subject to uncertainties that increase materially beyond 2030, including:

- timing and severity of acute physical hazards at the local scale, which are subject to non-linear climate dynamics not fully captured in current modelling
- pace and stringency of policy responses, including the expected Safeguard Mechanism review, carbon leakage mechanisms and CCS policy settings
- future carbon pricing, particularly for WesCEF in the medium- and long-term
- commercial viability of industrial abatement technologies relevant to WesCEF beyond 2030, particularly CCS
- value-chain cost pass-through associated with future carbon pricing in upstream supply chains
- customer and consumer responses to changing climate conditions and product transitions
- capacity and decarbonisation of electricity, port and logistics infrastructure in various scenarios.

These uncertainties are considered through scenario analysis, Corporate Plan sensitivity testing and qualitative judgement.

The Group's investment-grade credit rating, diversified earnings and balance sheet capacity (see Note 13: Capital management on page 169 of this Annual Report) provide flexibility to allocate capital to adaptation, abatement and transition-aligned growth, where investments meet the Group's return and risk criteria.

The Group's financial flexibility is complemented by the diversified nature of its asset base: retail formats with relatively short refurbishment cycles support progressive upgrade or redeployment as climate conditions and resilience standards evolve, while the longevity of WesCEF's industrial assets is addressed through staged abatement investment.

Capital allocation and funding

Wesfarmers' primary objective to provide satisfactory returns to shareholders over the long term guides its approach to capital allocation. CRROs can affect the cost, timing and resilience of returns generated by assets and investments and, as a result, managing CRROs is integral to meeting the corporate objective and informs capital allocation across divisions. Internal mechanisms and market-based incentives support decarbonisation and inform capital allocation decisions (see Note 13: Capital management on page 169 of this Annual Report).

Since 2014, Wesfarmers has applied an internal carbon price to reflect potential transition costs in business decisions. The internal carbon price is embedded within key financial processes, including capital expenditure assessments, mergers and acquisitions analysis and the corporate planning process. It is also used in scenario-based sensitivity testing to strengthen investment resilience under alternative climate policy pathways.

Using the internal carbon price, divisions value emissions associated with capital projects and quantify the benefits of abatement initiatives and asset disposals, with projected future operational emissions incorporated into financial analysis. Consistent carbon pricing assumptions are applied across Corporate Plan forecasts and in 2026, across climate-related financial quantification models.

In 2026, the assumed carbon price was $48.10 per metric tonne of CO_2e increasing to $144.60 (2026, real) by 2050. The carbon price is reviewed periodically to maintain alignment with evolving policy and market conditions. The next review is planned for 2027.

Since 2020, Wesfarmers has accessed sustainability-linked finance markets through a combination of sustainability-linked bonds (SLBs) and sustainability-linked loans (SLLs), with approximately $2 billion in SLB issues. Pricing is linked to the achievement of divisional emissions targets – specifically emissions intensity at WesCEF and renewable electricity at Bunnings Group, Kmart Group and Officeworks. The finance is general purpose and is not directed to specific climate-related activities. As at the SLB test date of 31 December 2025, the SLB targets were achieved with performance independently assessed and reported to bond holders in March 2026, consistent with the terms of the SLBs. Further details are provided in the 'Metrics and targets' section of this Climate Report and in the financial statements (see Note 17: Interest-bearing loans and borrowings) on page 172 of this Annual Report.

The Group manages CRROs through existing operational and capital allocation processes. Expenditure associated with managing climate-related risks and delivering emissions reductions is generally incorporated within divisional operating budgets and capital expenditure programs. This includes investments in initiatives such as nitrous oxide abatement at WesCEF's nitric acid plants and upgrades to sodium cyanide production facilities (see page 77). Investments in measures like HVAC upgrades, solar PV installations, energy efficiency initiatives and other operational improvements are included in or assessed alongside other business priorities and are not generally tracked as standalone climate expenditure.

The Group also allocates capital to opportunities associated with the transition to a lower-emissions economy. In July 2026, Wesfarmers and its joint venture partner approved the expansion of the Mt Holland mine and concentrator and the development of a new integrated ore sorting facility. Wesfarmers' share of the capital expenditure for the project is estimated to be between approximately $645 million and $715 million in nominal terms and excluding capitalised interest.

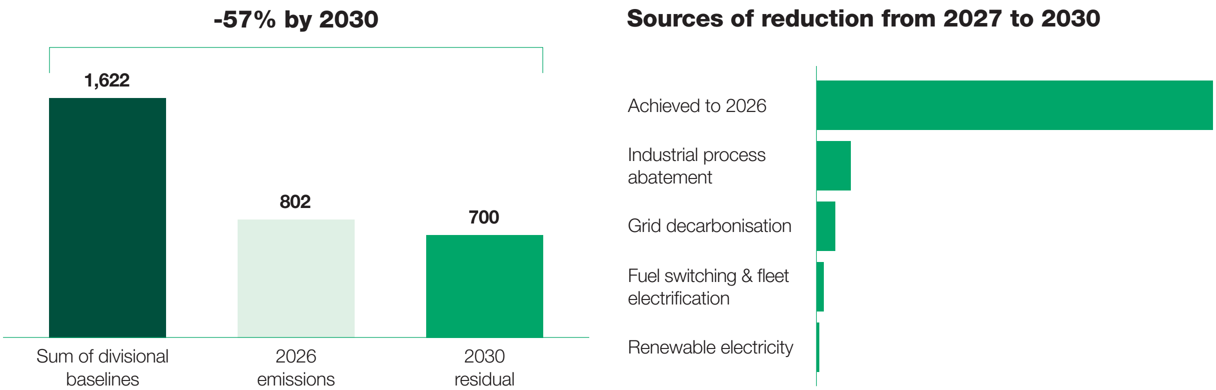
Divisional climate strategies and pathways

The Group's approach to managing the transition to a lower-emissions economy is implemented at a divisional level, with climate strategies and pathways delivered through divisional leadership structures, capital allocation processes and risk management frameworks, consistent with the governance arrangements described in the 'Governance' section on page 58.

Divisional climate strategies and pathways primarily support management of transition-related CRROs. Physical climate risks are managed through operational and asset-level controls in each division.

To address Scope 1 and Scope 2 emissions reductions, each division has operational emissions reduction and net zero targets and has developed a transition pathway appropriate to its sector, emissions profile and operating footprint.

Wesfarmers' Scope 1 and Scope 2 (market-based) emissions: achieved to 2026 and pathway to 2030, $ktCO_2e$



Wesfarmers' expected Scope 1 and Scope 2 (market-based) emissions reduction by 2030, showing progress achieved to 2026 and the projected 2030 residual emissions relative to the combined divisional baselines. Remaining emissions reductions to 2030 are expected to be delivered primarily through industrial process abatement, grid decarbonisation, fuel switching and fleet electrification and renewable electricity.

The relatively small contribution from renewable electricity reflects that Bunnings Group, Kmart Group and Officeworks had already achieved 100 per cent renewable electricity by 31 December 2025, with remaining reductions primarily associated with Industrial and Safety (Blackwoods, NZ Safety Blackwoods and Workwear Group) and Wesfarmers Health. The divisional baseline comprises 2018 emissions for Bunnings Group, Kmart Group, Officeworks and Industrial and Safety; 2020 emissions for WesCEF; and 2023 emissions for Wesfarmers Health.

Across divisions, climate strategies are underpinned by common focus areas, including:

- behind the meter on-site solar PV generation
- procurement of renewable electricity
- energy efficiency initiatives
- electrification of fleet and equipment aligned to asset lives
- industrial process abatement
- the use of offsets for residual emissions
- supplier engagement and Scope 3 reduction initiatives.

For Bunnings Group, Kmart Group, Officeworks and Wesfarmers Health, transition strategies are primarily focused on reducing Scope 1 and Scope 2 (market-based) operational emissions. This is being achieved through varying combinations of renewable electricity procurement, on-site solar PV generation, energy efficiency initiatives and the progressive electrification of fleet vehicles and equipment, aligned to asset replacement cycles and capital discipline. Where residual emissions remain, offsets may be applied in accordance with the Environment and Climate Policy.

Renewable electricity strategies are central to decarbonising operations and are designed to deliver both emissions reductions and commercial benefits. Renewable electricity investment opportunities are concentrated in Bunnings Group, Officeworks and Wesfarmers Health DCs, where on-site solar PV generation and renewable electricity procurement is reducing energy expenditure and Scope 2 (market-based) emissions, with Bunnings Group's 53.4 megawatt (MW) solar PV network representing the Group's largest single concentration of renewable electricity generation assets.

The potential for electricity cost savings through improved energy efficiency, renewable electricity procurement and on-site generation extends across Bunnings Group, Kmart Group, Officeworks and Wesfarmers Health and is dependent on grid tariff trajectories, renewable electricity instrument pricing, solar PV investment costs and the pace of on-site solar PV deployment.

Electricity efficiency reduces operating costs by lowering consumption; on-site generation reduces reliance on grid electricity, improves resilience to wholesale price volatility and provides a natural hedge against future increases in energy and carbon costs; and long-term renewable electricity procurement arrangements support cost certainty and risk management. Since 2021, Bunnings Group, Kmart Group and Officeworks have used a combination of these three levers to match 100 per cent of their electricity needs with renewable electricity by 31 December 2025.

These actions reduced Scope 2 (market-based) emissions and delivered financial benefits to the Group, while also meeting certain stakeholder expectations. Importantly, the focus on disciplined capital allocation supports climate-related solar PV investments meeting internal return thresholds. By reducing electricity costs and improving cost certainty, divisions reduce exposure to transition risk and support Wesfarmers' objective of delivering a satisfactory return to shareholders, while also advancing its broader climate strategy.

Divisional strategies reflect commercially available and proven technologies and remain subject to uncertainties including energy market conditions, policy and regulatory settings, data availability and quality, capital allocation approvals, and – for some divisions – landlord and lease arrangements, grid decarbonisation pathways and the availability of suitable technologies.

Divisional climate investment strategies are primarily focused on managing transition-related CRROs. Physical climate risks are managed through separate operational strategies and asset level controls, as described in the 'Risk management' section of this Climate Report. Each division's emissions profile, baseline, targets and 2026 performance is set out from page 84.

Divisions are progressing measurement and management of Scope 3 value chain emissions, including by supplier engagement or other initiatives. These initiatives are subject to key assumptions and dependencies, including energy market conditions, grid decarbonisation trajectories, technology availability, cost, policy and regulatory settings, data quality and the availability of practical abatement options for hard-to-abate emissions.

Operational (market-based) emissions intensity relative to EBT
Bunnings Group, Kmart Group and Officeworks

Emissions intensity for Bunnings Group, Kmart Group and Officeworks over the past five years, measured as Scope 1 and Scope 2 (market-based) emissions relative to EBT.

Changes over time reflect a combination of renewable electricity purchased and generated (consistent with the SLB target), energy efficiency initiatives and variations in underlying earnings.

WesCEF

In 2022, WesCEF adopted two climate-related targets: an interim target to reduce operational Scope 1 and Scope 2 (location-based) emissions by 30 per cent by 2030, relative to its 2020 baseline, and a net zero Scope 1 and Scope 2 (location-based) emissions target by 2050.

In setting its 2050 net zero target, WesCEF assumed that low-emissions technologies and emerging solutions (like low-emissions ammonia, hydrogen and carbon capture, storage and utilisation) advance and become commercially viable and operate at scale, well before 2050. WesCEF also assumed that government policy would remain supportive of climate action, technologies and the competitiveness of Australian manufacturing.

In reviewing its long-term pathway, WesCEF has tested these assumptions, and identified commercial challenges for abatement technologies for hard-to-abate industrial process emissions and continued uncertainty in long-term government policy. These are expected to impact WesCEF’s progress beyond 2030. WesCEF’s net zero 2050 target is subject to significant dependencies, challenges and uncertainties.[1] WesCEF’s interim target is unchanged.

Decarbonisation

WesCEF's pathway to its interim target, (a 30 per cent reduction in Scope 1 and Scope 2 emissions by 2030 against a 2020 baseline), is driven by technology-led abatement of industrial process emissions, principally nitrous oxide.

Nitrous oxide is a by-product of WesCEF's ammonium nitrate and sodium cyanide production and, with a global warming potential (GWP) 265 times that of carbon dioxide,[2] has historically been the largest single contributor to WesCEF's emissions. Abatement of nitrous oxide is the principal lever in WesCEF's medium-term decarbonisation pathway.

WesCEF’s pathway centres on the staged installation of tertiary nitrous oxide abatement catalysts across WesCEF's three nitric acid (NAAN) plants and the replacement of one of sodium cyanide's waste gas incinerators with lower-emissions technology.

These initiatives are expected to materially reduce operational emissions and generate SMCs while reducing WesCEF's future exposure to Safeguard Mechanism compliance costs. Given the significance of nitrous oxide to WesCEF's emissions profile and to this pathway, WesCEF's Scope 1 emissions are disaggregated by principal greenhouse gas on page 85.

Beyond 2030, WesCEF's pathway to net zero by 2050 is contingent on decarbonisation technologies maturing to become commercially viable and deployable at scale, comprehensive and enduring policy settings that support domestic manufacturers investing in abatement, and technology-agnostic policy incentives that provide material funding towards the abatement solutions.

Consistent with the Environment and Climate Policy, WesCEF’s preference is to abate emissions where it is technically and commercially viable to do so.

The Safeguard Mechanism requires an annual decline in emissions, although any improvements in emissions abatement technologies generally occur in step shifts. This means WesCEF may need to use offsets on occasion to meet its Safeguard Mechanism obligations.

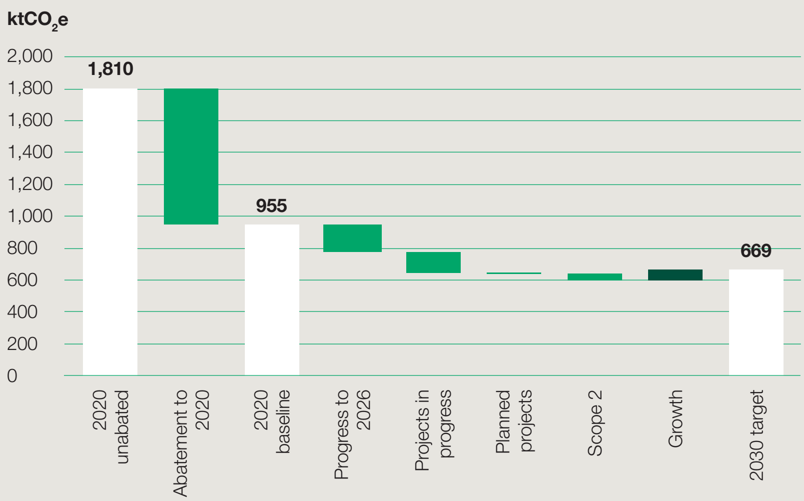
Offsets may also be required to meet WesCEF’s net zero target and Safeguard Mechanism obligations where emissions sources have no technical or commercially sound abatement solution. WesCEF estimates that five to 10 per cent of its 2026 emissions currently have no technical solution that can be deployed commercially at scale.

Current and planned actions for abatement (to 2030)

WesCEF is progressing the staged rollout of tertiary nitrous oxide abatement technology across its nitric acid plants. Commissioning of tertiary abatement at NAAN 3 was completed in 2025. Commissioning of tertiary abatement at NAAN 2 is expected in the first quarter of 2027 and design of tertiary abatement at NAAN 1 is underway. The combination of tertiary and existing secondary abatement catalysts is expected to deliver emissions reductions of at least 98 per cent relative to an unabated ammonium nitrate industrial process at WesCEF’s nitric acid plants. Tertiary catalysts are expected to abate around 115,000 tCO_2e each year, equivalent to a 12 per cent reduction relative to WesCEF’s 2020 baseline.

[1] Key dependencies are detailed on page 78.
[2] Aligns with Global Warming Potential value used for the Commonwealth Government’s NGER Scheme, which is based on the IPCC Fifth Assessment Report (AR5).

Pathway towards WesCEF's Scope 1 and Scope 2 (location-based) interim target of 30 per cent reduction by 2030 relative to a 2020 baseline



WesCEF’s 30 per cent reduction by 2030 is relative to a 2020 baseline of 955 $ktCO_2e$.

This chart represents WesCEF’s current view and excludes Covalent Lithium and QNP. Scope 2 emissions use location-based methodology.

WesCEF continues to evaluate additional opportunities to reduce emissions and assess potential risks to achieving its interim target.

WesCEF will receive $33 million from the Commonwealth Government's Powering the Regions Fund upon successful implementation of the tertiary abatement technology across NAAN 1 and NAAN 2 and $7.5 million upon installation of the new sodium cyanide incinerator. The investment in NAAN 3 received $500,000 in support from the Western Australian Government.

Commissioning of the replacement sodium cyanide incinerator is expected in the first half of 2027, which is expected to more efficiently eliminate nitrous oxide emissions in that plant.

Safeguard Mechanism management

WesCEF's CSBP Kwinana facility is subject to legislated and annually declining emissions baselines under the Commonwealth Government's Safeguard Mechanism (see 'Metrics and targets' on page 85). WesCEF manages this exposure through operational abatement, and retention of SMCs generated where emissions are below baseline levels. WesCEF expects that it may need to procure SMCs or ACCUs from the mid-2030s to comply with declining baselines at current settings.

WesCEF monitors its compliance position and assesses the sufficiency of its SMC and ACCU holdings against projected future baseline trajectories, including under different policy scenarios (see pages 70 to 73 of this Climate Report).

WesCEF is engaging in the Safeguard Mechanism review, which will consider key settings including the baseline decline rate beyond 2030 and the threshold for covered facilities.

Long-term decarbonisation (post-2030)

WesCEF is a partner in the Cygnus CCS project near Dongara, Western Australia. This project may play a key role in WesCEF's long-term decarbonisation pathway by providing a potential solution to capture and permanently store carbon dioxide emissions from ammonia production, which are otherwise difficult to abate. The commerciality of a large-scale CCS solution is dependent on substantial policy and financial support from government which WesCEF continues to engage on.

WesCEF is also exploring emerging technologies through research partnerships and evaluating options including low-carbon fuels and carbon dioxide utilisation options. WesCEF continues to evaluate pathways to decarbonise ammonia production post-2030.

Dependencies

Delivery of the 2030 interim target depends on the timely commissioning of remaining abatement projects, grid decarbonisation in Western Australia and production volumes of ammonium nitrate and sodium cyanide remaining consistent with current expectations. Government funding, including the Powering the Regions Fund, supports delivery of near-term abatement projects.

In targeting net zero by 2050, WesCEF depends upon low-emissions technologies and emerging solutions, including low-emissions ammonia, hydrogen and CCS, and that these strategies advance and become commercially viable at scale well before 2050. It also assumes that future Commonwealth and State Government policy will remain supportive of climate action with enduring policy settings that support domestic manufacturers investing in abatement and technology-agnostic strategies, with policy to provide material funding towards abatement solutions. Progress on the Cygnus CCS project is dependent on government funding and support for CCS, the development and implementation of regulations for onshore CCS, long-term access to affordable natural gas and further evaluation of transport options. These assumptions will be regularly reviewed.

Risks to delivery

The primary near-term risk is a delay in commissioning of remaining abatement projects, which would affect emissions performance. Medium-term risks include adverse changes to Safeguard Mechanism settings, including accelerated baseline decline rates. Long-term risks relate to the commercial viability and scalability of CCS and mechanical drives and reactors, the availability and cost of government funding, and the trajectory of carbon pricing and energy policy in Australia and Western Australia.

Group-wide strategy dependencies and assumptions

Delivery of divisional climate strategies and actions is subject to a range of common internal and external dependencies. Divisional pathways are expected to respond to continued development and implementation of climate-related policy and regulatory frameworks, including carbon pricing and renewable energy market settings, to support long-term investment decisions.

Progress is dependent on availability, performance and commercial viability of relevant technologies within required timeframes. This includes technologies supporting electrification, industrial process abatement and, where applicable, CCS and lower-emissions product pathways.

Management of value chain emissions relies on effective engagement across the value chain, including supplier capability, data availability and transparency, and the adoption of lower-emissions materials, manufacturing processes and logistics solutions.

Delivery further assumes continued access to capital and disciplined capital allocation, which may include access to sustainable finance markets through SLBs, SLLs and similar instruments. Workforce capability and climate literacy supports implementation, particularly in relation to the adoption and operation of new technologies and processes.

Decarbonising the value chain

The Group has continued to develop its approach to value chain (Scope 3) emissions, which substantially exceed its operational (Scope 1 and Scope 2) emissions and reflect the scale, diversity and complexity of its upstream and downstream value chains. The quantum and category profile of Scope 3 emissions are set out on pages 82 and 83.

In prior years, the Group's primary focus was on building its Scope 3 emissions inventory: establishing measurement methodologies; identifying material categories; and improving the coverage and quality of underlying data.

With the inventory now reported across all 15 Scope 3 categories, the Group has shifted towards more tangible action to address value chain emissions. This reflects both the maturity of the Group's Scope 3 data foundations and a decision to focus effort where the Group has the greatest influence over emissions outcomes and where actions are most likely to be commercially and operationally viable.

To guide this transition, the Group has adopted a managed momentum approach. This approach reflects the current regulatory environment, rising stakeholder expectations and the practical constraints of influencing emissions across complex, global value chains. The Group is prioritising actions where it has the greatest ability to influence outcomes and where initiatives align with commercial priorities, including cost management, supply resilience, product competitiveness and customer value. The concentration of the Group's value chain emissions informs this prioritisation, including supplier engagement, materials substitution and targeted decarbonisation actions (set out below).

The Group's value chain exposure to acute and chronic physical hazards is concentrated in raw materials and logistics nodes located in regions exposed to physical hazards. This concentration informs the Group's focus on supplier engagement and its assessment of storm surge reflecting the reliance of the Group's value chain on coastal ports, freight networks and supply chain infrastructure supporting product sourcing and distribution. Transition risks may also affect the Group's value chain emissions, as policy and regulatory change affects value chain emissions (including in supply chains and for customers).

The Group has identified five priority Scope 3 areas of focus:

1. Improve data

Invest in Scope 3 emissions data quality and systems, focusing on data related to the most material categories, products and suppliers, and data that will support better decision-making and measurable outcomes. Divisions continue to uplift data quality using activity, spend and life cycle-based methods, with supplier-specific data prioritised where available. Improving the quality, consistency and decision-usefulness of Scope 3 emissions data remains a foundation for subsequent action.

2. Build understanding and capability

Upskill key teams, including merchandising and sourcing teams, to strengthen Scope 3 emissions awareness and identify opportunities. Capability building is supported through targeted training, cross-functional forums and the integration of Scope 3 emissions considerations into existing commercial processes.

3. Engage suppliers

Develop and introduce a framework for engaging suppliers, including those responsible for significant Scope 3 emissions and others with limited Scope 3 experience or data systems, to support collaboration focused on emissions reduction opportunities. Supplier engagement systems may be scaled over time as data quality and supplier readiness improve. Upstream, some divisions are progressing measures including partnering with strategic suppliers to improve life cycle and activity-based data, adopting lower-emissions materials where commercially viable, strengthening procurement processes through climate criteria or contract requirements, or diversifying sourcing regions.

4. Prioritise

Develop and use a commercial, quantified approach, focused on emissions materiality, ability to influence and financially benefit or impact to guide a Scope 3 emissions roadmap for action. This approach supports disciplined capital allocation by directing effort towards the categories, products and suppliers where the Group believes it can influence the greatest emissions reduction for resources deployed. Prioritisation will consider the marginal abatement cost per tonne of carbon dioxide equivalent of different Scope 3 emissions strategies.

5. Embed in governance and related processes

Better integrate Scope 3 emissions strategy and planning into annual corporate planning, risk management and reporting processes.

Outlook

Over the coming two to three year period, consistent with the managed momentum approach, the Group aims to further embed Scope 3 emissions considerations into sourcing, product development, logistics and planning processes; expand targeted supplier engagement supported by improved data; and develop internal aspirations and forecasts to guide prioritisation and capital allocation.

Each division's strategy and actions will be dependent on its unique Scope 3 emissions profile and value chain. The Group expects to review its Scope 3 emissions ambition and posture as the five priority areas for action are implemented and as external expectations, market conditions and regulatory settings evolve.

Improving Kmart Group's value chain emissions transparency

During 2026, Kmart Group continued the collection and verification of supplier-specific energy and fuel data, covering more than 140 suppliers. These include suppliers of apparel, travel, home, toys and technology.

For the first time, Kmart Group adopted a platform used to support supplier fuel and energy data collection and verification within the global apparel sector.

Kmart Group is using this data to inform supplier engagement and emissions reduction pathways and to build the data foundation needed to improve the quality of Scope 3 emissions estimates over time. While it is not reflected in the reported 2026 Scope 3 emissions, Kmart Group intends to incorporate supplier-specific data into its Scope 3 emissions estimates progressively as supplier coverage and data quality increase. It trialled an energy efficiency tool with a strategic supplier and participated in joint renewable energy procurement initiatives, enabling two suppliers to access renewable electricity at commercially competitive cost levels. These initiatives are intended to support supplier readiness, enable collaboration on emissions reduction opportunities and position the business to scale abatement actions over time.

Risk management

Risk framework

Risk management is embedded across the Group through risk processes including the Wesfarmers enterprise risk management framework, which guides how risks are identified, assessed, managed and monitored. It forms part of the Corporate Governance Framework and sets out the structured, comprehensive and values-aligned approach to risk management.

Risk management processes and policies

Climate-related risk identification, assessment and prioritisation uses the taxonomy, likelihood scales and consequence ratings applied to all other Group risks. This enables climate-related risks to be assessed on a comparable basis alongside Wesfarmers' other risk categories.

Physical risk assessment is informed by asset-level hazard data and scenario outputs over the short-, medium- and long-term time horizons, while transition risk assessment is informed by relevant policy, technology, market and reputational factors, supported by scenario narratives and indicators. Where residual climate-related risks exceed risk appetite or tolerance, additional reporting and escalation is undertaken through divisional governance channels and the ARC.

Divisions are responsible for identifying risks relevant to their operations, supported by Group guidance and periodic cross-divisional workshops. Key risk indicators are defined and monitored to track changes in risk trajectory and the effectiveness of mitigation activities.

At the Group level, risks are aggregated from divisional assessments to provide a consolidated view of exposures and opportunities across the portfolio. Divisional risks are assessed on both an inherent basis, reflecting the level of risk or opportunity in the absence of controls, and on a residual basis, reflecting the effect of existing mitigation measures and management actions. This distinction supports clear visibility of the underlying climate drivers affecting the Group, as well as the effectiveness of current controls over time.

Group aggregation considers the nature, scale and commonality of risks across divisions, enabling the Group to identify cross-cutting risks, assess concentration or diversification effects, and determine whether issues warrant escalation to the Group risk register. Where risks are assessed as relevant at the Group level, they are subject to enhanced monitoring and oversight through established governance forums.

Assumptions, data sources and scenario parameters are documented in divisional risk registers and reviewed annually for alignment with current best practice and regulatory requirements.

Opportunities

Climate-related opportunities are identified through the annual corporate planning process, the Group's framework for evaluating investment (which applies the internal carbon price and sensitivity testing), and scenario analysis to test opportunities and their resilience across climate pathways. Opportunities are assessed against commercial criteria, including expected return, strategic alignment and risk profile, with prioritisation through established divisional governance and Group capital allocation processes.

CRRO accountability

Ownership of CRROs is assigned to accountable divisional and Group executives, consistent with the ERM Framework.

Risk owners are responsible for ensuring appropriate controls are designed and implemented, mitigation actions are progressed, and changes in risk profile are identified and reported. This approach supports clear accountability for managing short-term operational effects and medium- to long-term CRROs affecting the Group.

CRROs are prioritised when their combined likelihood and consequence ratings exceed the agreed threshold level of 'High'[1] on an inherent basis. Where relevant, management applies judgement to assess whether these matters, individually or in combination, could reasonably be expected to have a material financial effect on the Group, taking into account mitigating actions and residual risk outcomes.

Changes in risk processes in 2026

In 2026, Wesfarmers enhanced its risk management processes by formalising the use of externally developed insurance-based catastrophe and climate risk modelling (including AEL data) within its enterprise risk management consequence assessment methodology.

While this modelling has long informed insurance adequacy assessments, its application was standardised across divisions to improve comparability of physical climate risk ratings for enterprise risk management purposes.

Likelihood ratings for divisions with established baselines were maintained. For divisions without prior likelihood values, the 'ThinkHazard!' classification system was introduced to provide a consistent proxy for hazard frequency. These changes were implemented to strengthen the evidence base for risk ratings, and to ensure methodological consistency across divisions.

The overall approach continues to integrate CRROs into the Group's enterprise risk management framework, supporting consistent identification, assessment, management and monitoring of risks.

1 Under the Wesfarmers enterprise risk management framework, a 'High' risk rating indicates a risk with a significant potential effects on business objectives that requires active management.

Metrics and targets

The Group measures and reports absolute gross greenhouse gas emissions across Scope 1, Scope 2 and Scope 3 before the application of any offsets. Gross emissions provide the most direct measure of the Group's contribution to global greenhouse gas emissions and climate change.

The Group's divisional emissions reduction and net zero targets are set against Scope 1 and Scope 2 emissions. Scope 3 value chain emissions are reported and discussed on page 82. Unless otherwise stated, all divisional emissions reduction and net zero targets are measured on a Scope 1 and Scope 2 (market-based) basis.

Divisional Scope 1 and Scope 2 emissions reduction targets are expressed as net targets, reflecting the use of offsets, rather than gross targets. Wesfarmers does not currently expect to use offsets to meet interim targets. The extent to which offsets may be required to meet long-term climate ambition has not been determined and will depend on many factors including the costs of abatement strategies and offsets.

The Group applies the operational control approach to consolidate greenhouse gas emissions, consistent with the *GHG Protocol Corporate Accounting and Reporting Standard (2004)* (GHG Protocol). Under this approach, the Group accounts for 100 per cent of emissions from operations over which it has operational control, regardless of ownership interest. This organisational boundary reflects where the Group can most directly influence emissions outcomes through management action.

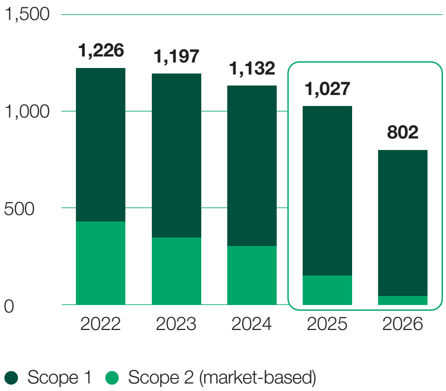
Scope 1 and Scope 2 emissions are disaggregated between the consolidated accounting group (the parent and its subsidiaries) and other investees, comprising associates and joint ventures.

Under the operational control test, Wesfarmers does not have operational control of Covalent Lithium, in which it holds a 50 per cent interest alongside SQM. The Group's proportional share of Scope 1 and Scope 2 emissions from Covalent Lithium is therefore reported within Scope 3 Category 15 (Investments) rather than within the consolidated Scope 1 and Scope 2 totals. The Group also holds a 50 per cent interest (without operational control) in Queensland Nitrates Pty Ltd (alongside Dyno Nobel Limited) and Wespine Limited (alongside Fletcher Building Limited). Neither of these investments are consolidated into Group Scope 1 and Scope 2 emissions. No other associates or joint ventures have a material effect on the Group's emissions disclosures for the reporting period.

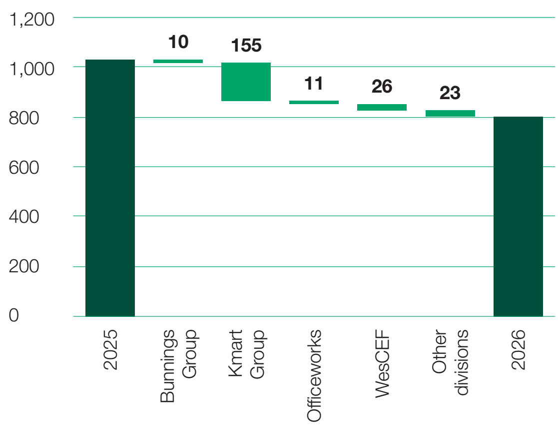
Scope 2 emissions are disclosed as both location-based and market-based. The location-based method reflects the average emissions intensity of the electricity grids in which consumption occurs. The market-based method reflects emissions associated with the Group's contractual renewable electricity arrangements, including power purchase agreements, GreenPower contracts and the purchase and surrender of renewable energy certificates. For the Group's facilities within the NGER Scheme, emissions are measured and reported under the NGER methodology.

The greenhouse gas emissions metrics disclosed in this section have been prepared using the methodologies described in the 'Approach used to calculate GHG emissions' section (see pages 88 to 89), which details standards applied, reporting boundary application, data sources and calculation methods.

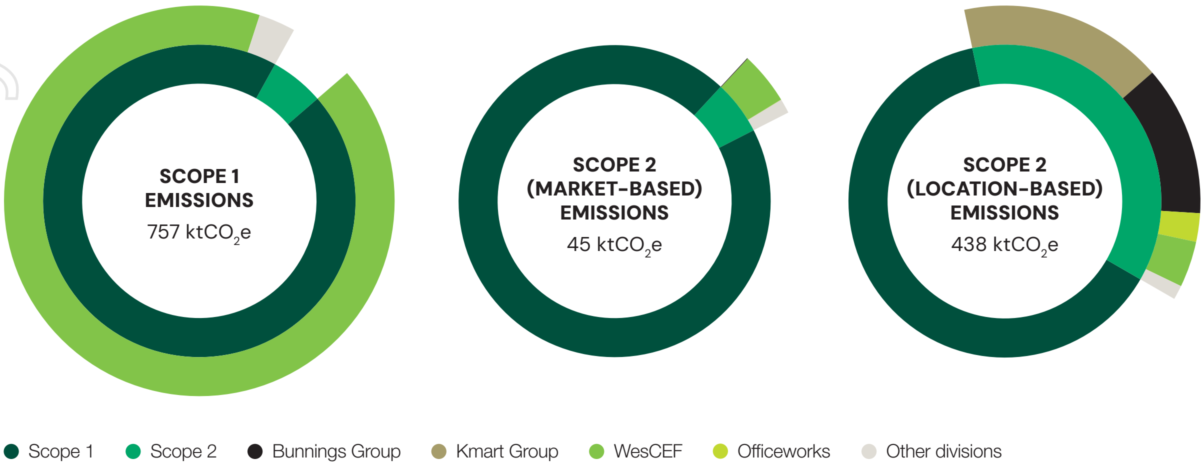
Scope 1 and Scope 2 (market-based) emissions ($ktCO_2e$)



Divisional contribution to FY26 Scope 1 and Scope 2 (market-based) emissions reduction



Group operational emissions profiles



Group performance

The Group measures its greenhouse gas emissions in accordance with the GHG Protocol, as required by AASB S2. For facilities within the scope of the NGER Scheme, emissions are measured under the NGER methodology, which AASB S2 permits as a jurisdiction-specific relief.

Because these measurement bases are not the same, the Group discloses its emissions disaggregated by the basis of measurement, consistent with AASB S2 (Appendix B, paragraph B29). For 2026, approximately 98.3 per cent of the Group's Scope 1 and Scope 2 emissions were measured under the NGER methodology (refer to the NGER boundary figures within the Group performance table below).

Scope 1

Scope 1 emissions account for 94.4 per cent of the Group's combined Scope 1 and Scope 2 (market-based) emissions profile. The Group's Scope 1 emissions represent direct greenhouse gas emissions from activities under operational control, mainly arising from industrial operations. Due to Wesfarmers' diversified portfolio, sources and drivers of Scope 1 emissions differ by division. WesCEF is the largest contributor, reflecting its industrial processes.

The retail divisions' Scope 1 emissions mostly relate to fleet and refrigeration with efforts focused on fleet efficiency, refrigerant management and operational improvements.

Scope 1 emissions data is compiled through divisional reporting processes and reviewed under the Group's reporting controls. The reported Scope 1 emissions are subject to external assurance by the Group's assurance provider.

Scope 2

Scope 2 emissions account for 5.6 per cent of the Group's combined Scope 1 and Scope 2 (market-based) emissions. Scope 2 emissions represent indirect greenhouse gas emissions from purchased electricity used in the Group's operations. The Group's market-based Scope 2 emissions profile reflects the significant investment in renewable electricity, with materially higher location-based Scope 2 emissions. The reported Scope 2 emissions are subject to external assurance by the Group's assurance provider.

Voluntary disclosure – value chain emissions (Scope 3)

In 2026, Wesfarmers voluntarily disclosed its Scope 3 emissions, expressed as absolute gross kilotonnes of carbon dioxide equivalent (ktCO$_2$e).[1] All 15 Scope 3 categories were assessed and included with total Scope 3 emissions of 32,385 ktCO$_2$e.

Measurement uncertainty is higher for Scope 3 emissions than for Scope 1 and Scope 2 emissions due to reliance on estimation and calculation, the availability of supplier data and the use of secondary emission factors. Wesfarmers uses a blended measurement approach to estimate Scope 3 emissions, combining spend-based, activity-based and, where available, lifecycle-based methodologies. This approach supports emissions estimates that are robust, reflect underlying value chain dynamics and are consistent with the GHG Protocol's *Corporate Value Chain Standard*.

Group performance

EMISSIONS SCOPE	AASB S2 (MARKET-BASED)	AASB S2 (LOCATION-BASED)	NGER BOUNDARY
Scope 1 (ktCO$_2$e)	757	757	753
Scope 2 (ktCO$_2$e)	45	438	422
Total	**802**	**1,195**	**1,175**

[1] 1 ktCO$_2$e equals 1,000 metric tonnes of CO$_2$e (tCO$_2$e)

Scope 3 emissions
Voluntary disclosure – value chain

Upstream value chain

Category 1

55%

Purchased goods and services

Emissions from the production of goods and services purchased

Category 4

3%

Upstream transportation and distribution

Emissions from freight and logistics movements across the supply chain

Downstream value chain

Category 11

36%

Use of sold products

Emissions resulting from the use of products sold over their expected lifetime

Category 12

2%

End of life treatment of sold products

Emissions from the disposal of products at the end of their useful life

Targets and progress reporting

The divisional climate-related targets (and reporting against those targets) disclosed below are informed by the long-term temperature goal of the Paris Agreement, to limit warming to well below 2°C above pre-industrial levels. The Group's net zero ambition is reviewed against this goal.

The divisional climate ambition including emissions reduction and net zero targets were not derived using a sectoral decarbonisation approach. Progress against climate ambition is monitored by divisional risk committees and divisional boards and reported to the Wesfarmers ARC and Board. Performance against targets in 2026 is summarised by division and includes an analysis of trends or changes in performance, together with the key drivers of change.

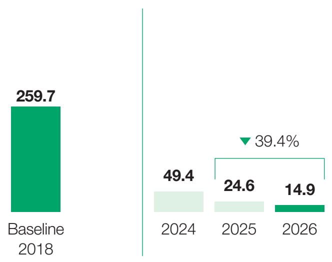
The reported emissions for the year is subject to external assurance by the Group's assurance provider as part of the annual reporting process. This assurance covers the emissions metrics for the reporting year. It does not extend to the Group's progress against its emissions targets, to the targets themselves, or to the methodology used to set them.[1]

[1] Wesfarmers' divisional emissions reduction and net zero targets have not been assessed or validated by a third party.

Operational decarbonisation divisional progress[1]

Bunnings Group

TARGETS[2]



Interim target
10% below 2018 baseline by 2025

Achieved

100% renewable electricity (RE)

Achieved

Net zero Scope 1 and Scope 2 (market-based) emissions

By 2030 (set in 2021)

EMISSIONS PROFILE

Scope 1 emissions represent around five per cent of Bunnings Group's 2018 baseline operational emissions and arise primarily from the use of natural gas for heating, LPG for community barbecues, and fuel consumed by forklifts and fleet vehicles. Scope 1 emissions continue to reduce through operational efficiency and electrification initiatives across the network.

Scope 2 emissions account for 95 per cent of Bunnings Group's 2018 baseline emissions and arise from grid-purchased electricity used across stores, DCs and offices.

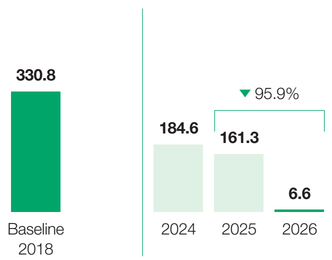
Bunnings Group achieved its 100 per cent renewable electricity target on 1 January 2025, addressing Scope 2 market-based emissions. During 2026, Bunnings Group maintained 100 per cent renewable electricity across all operations through a combination of energy efficiency initiatives, power purchase agreements, GreenPower contracts, on-site solar generation and voluntary surrender of large-scale generation certificates (LGCs).

In 2026, Bunnings Group surrendered 8,823 LGCs,[3] representing less than three per cent of electricity consumption to maintain 100 per cent renewable electricity. This outcome supported achievement of the Group's SLB target tested for the six month period ended 31 December 2025.

PROGRESS AND HIGHLIGHTS

- **Achieved a 2.4 per cent reduction in location-based Scope 1 and Scope 2 emissions, and a 39.4 per cent reduction in market-based Scope 1 and Scope 2 emissions, compared with the prior year. Relative to the 2018 baseline, Bunnings Group has reduced its Scope 1 and Scope 2 emissions by 37.2 per cent (location-based) and 94.3 per cent (market-based).**
- **Installed 29 additional on-site solar PV systems bringing total installed capacity to 53.4 MW across 220 systems.**
- **Acquired 67 passenger EVs in Australia and 12 in New Zealand, bringing the total fleet to 88 EVs. This rollout has been supported by the continued expansion of home-installed chargers to support team member charging requirements. While the internal combustion engine fleet used by team members represents approximately 26.6 per cent of Bunnings Group's Scope 1 emissions, transitioning to EVs supports Bunnings' longer-term decarbonisation and is a step towards its 2030 net zero target.**

Kmart Group



Interim target
20% below 2018 baseline by 2025

Achieved

100% RE target

Achieved

Net zero Scope 1 and Scope 2 (market-based) emissions

By 2030 (set in 2021)

Scope 1 emissions represent five per cent of Kmart Group's 2018 baseline operational emissions and primarily arise from refrigerant losses from cooling systems, natural gas used for heating, and fuel in fleet vehicles. Scope 1 emissions are expected to reduce through electrification and operational efficiency, subject to technology availability and capital approval.

Scope 2 emissions account for the majority of Kmart Group's 2018 baseline operational emissions and arise from purchased electricity used across its store network, DCs and offices.

During 2026, Kmart Group advanced renewable electricity and energy efficiency initiatives through a staged, capital-disciplined transformation program, reducing Scope 2 market-based emissions.

During 2026, Kmart Group surrendered 53,113 LGCs, representing around 15.3 per cent of electricity consumption to maintain 100 per cent renewable electricity use. This outcome supported achievement of the Group's SLB target tested for the six month period ended 31 December 2025.

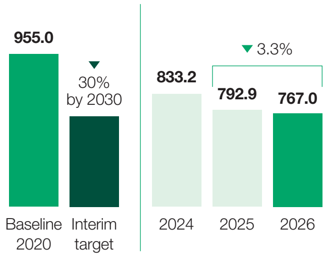
- **Achieved a 5.9 per cent reduction in location-based Scope 1 and Scope 2 emissions, and a 95.9 per cent reduction in market-based Scope 1 and Scope 2 emissions, compared with the prior year. Relative to the 2018 baseline, Kmart Group has reduced its Scope 1 and Scope 2 emissions by 36.8 per cent (location-based) and 98.0 per cent (market-based).**
- **From 1 July 2025, Kmart Group achieved 100 per cent renewable electricity across its operations, supporting a material reduction in Scope 2 emissions (market-based) and contributing to progress towards its 2030 net zero target.**

1 Unless stated otherwise, all emissions profiles charts and interim reduction targets relate to Scope 1 and Scope 2 (market-based) emissions.
2 Offsets may be required to address residual Scope 1 emissions, where feasible or commercially viable initiatives have been exhausted.
3 LGCs are surrendered to match electricity consumption at sites not directly covered by renewable electricity contracts or on-site generation, including sites supplied through embedded networks where electricity supplier choice is not available.

Operational decarbonisation divisional progress

TARGETS[1]

WesCEF



Interim target
30% below 2020 baseline

By 2030

Emissions intensity less than 0.25t CO_2e/tonne ammonium nitrate produced in the 24 months to 31 December 2025

Achieved

Targeting net zero Scope 1 and Scope 2 (location-based) emissions

By 2050

EMISSIONS PROFILE

Scope 1 emissions represent approximately 94 per cent of WesCEF's total 2020 baseline operational emissions (using location-based Scope 2 emissions) and arise predominantly from industrial processes associated with chemical manufacturing, including nitrous oxide emissions from ammonium nitrate and sodium cyanide production, and carbon dioxide from the production of hydrogen used as a feedstock to manufacture ammonia. Other carbon dioxide sources include LNG, LPG and sodium cyanide production. Scope 1 emissions reductions are primarily driven by technology-led abatement initiatives, including the installation of tertiary abatement catalysts, which significantly reduce nitrous oxide emissions from nitric acid plants.

Scope 2 emissions represent approximately six per cent of WesCEF's 2020 baseline operational emissions (using location-based Scope 2 emissions) and arise from purchased electricity. Scope 2 emissions are managed through energy efficiency initiatives.

PROGRESS AND HIGHLIGHTS

- **Achieved a 3.4 per cent reduction in location-based Scope 1 and Scope 2 emissions, and 3.3 per cent reduction in market-based Scope 1 and Scope 2 emissions compared to the prior year. Relative to its 2020 baseline, WesCEF has reduced its Scope 1 and Scope 2 emissions by 18.6 per cent (location-based) and 19.7 per cent (market-based).**
- **WesCEF achieved an emissions intensity of 0.12 tCO_2e per tonne of ammonium nitrate produced for the 24 months to 31 December 2025, materially outperforming the intensity target of 0.25 tCO_2e per tonne of ammonium nitrate produced, included in the SLB.**
- **Construction of a replacement incinerator used in sodium cyanide production is well advanced and due for completion in 2027. It will more efficiently eliminate nitrous oxide emissions from the production process.**
- **Installation of tertiary abatement at NAAN 2 is well advanced, with commissioning expected early in 2027.**
- **Detailed design for installing tertiary abatement catalysts in NAAN 1 is underway.**

Regulatory target — Safeguard Mechanism

WesCEF's CSBP Kwinana facility is subject to a legislated, annually declining emissions baseline under the Commonwealth Government's Safeguard Mechanism. The baseline is a compliance obligation rather than a target set by the Group. It is disclosed here because AASB S2 requires disclosure of targets an entity is required to meet by law or regulation.

Compliance is measured by the facility's covered Scope 1 emissions against its baseline. Reforms to the existing Safeguard Mechanism took effect on 1 July 2023, with the baseline set on a production-adjusted basis by the Clean Energy Regulator and declining by 4.9 per cent a year to 2030. The trajectory beyond 2030 is subject to the Safeguard Mechanism review which is underway.

WesCEF's covered emissions are currently below the baseline, leaving it in a net favourable position. During 2026, CSBP Kwinana earned 56,268 SMCs, increasing SMCs earned to date to 170,003. Reflecting abatement implemented and planned to 2030, WesCEF does not expect to procure SMCs or ACCUs until at least the mid-2030s.

The obligation covers the facility's Scope 1 covered emissions, principally nitrous oxide and carbon dioxide, on a gross absolute basis, adjusted for production under the Safeguard Mechanism methodology. Where emissions exceed the baseline, WesCEF may meet the obligation using SMCs or ACCUs. The Group's approach to offsets is described on page 87. WesCEF monitors its compliance position against projected baselines, including under different policy scenarios, and is contributing to the Safeguard Mechanism review.

This regulatory target is distinct from, but reinforced by, WesCEF's voluntary interim target (a 30 per cent reduction in Scope 1 and Scope 2 emissions by 2030 against a 2020 baseline). WesCEF is also targeting net zero by 2050 which is expected to support compliance with the Safeguard Mechanism, beyond 2030. The nitric acid tertiary abatement program and replacement sodium cyanide incinerator reduce both WesCEF's operational emissions and its exposure to the declining baseline.

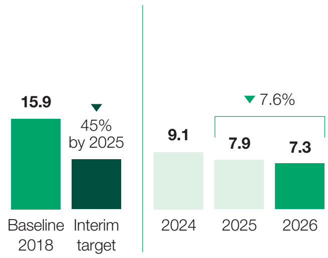
WESCEF SCOPE 1 EMISSIONS BY PRINCIPAL GREENHOUSE GAS	2026 (TCO_2e)	WESCEF SCOPE 1 EMISSIONS
Nitrous oxide	80,134	11%
Carbon dioxide	15,466	2%
Methane	636,657	87%
Other gases	8	0%
Total Scope 1 emissions	**732,265**	**100%**

[1] Offsets may be required to address residual Scope 1 emissions across the Group, where feasible or commercially viable initiatives have been exhausted.

Operational decarbonisation divisional progress

Industrial and Safety

TARGETS[1]



Interim target
45% below 2018 baseline by 2025

Achieved

Net zero Scope 1 and Scope 2 (market-based) emissions

By 2035

EMISSIONS PROFILE

Scope 1 emissions represent approximately 26 per cent of Industrial and Safety's 2018 baseline operational emissions and arise primarily from fuel combustion associated with logistics operations and fleet vehicles. Scope 1 emissions are being addressed through operational efficiency initiatives and targeted abatement measures across sites, with further reductions expected as equipment upgrades and process improvements are implemented.

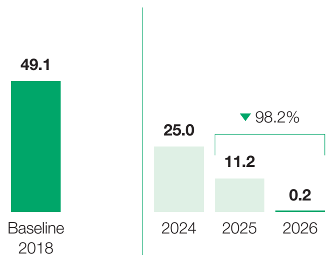
Scope 2 emissions represent approximately 74 per cent of Industrial and Safety's 2018 baseline operational emissions and arise from purchased electricity used across its DCs, trade stores and offices. Scope 2 emissions are managed through renewable electricity procurement and energy-efficiency initiatives, with progress reflecting in increased renewable electricity coverage and reductions in electricity intensity over time.

In 2026, Industrial and Safety surrendered 975 LGCs.

PROGRESS AND HIGHLIGHTS

- Achieved a 2.4 per cent reduction in location-based Scope 1 and Scope 2 emissions, and a 7.6 per cent reduction in market-based Scope 1 and Scope 2 emissions, compared with the prior year. Relative to the 2018 baseline, Industrial and Safety has reduced its Scope 1 and Scope 2 emissions by 52.1 per cent (location-based) and 53.9 per cent (market-based).
- The Industrial and Safety baseline and emissions reduction progress was adjusted to exclude Coregas, which was divested on 30 June 2025.
- NZ Safety Blackwoods and Workwear Group New Zealand maintained 100 per cent renewable energy generation across their New Zealand operations.
- With Industrial and Safety joining the Bunnings Group, Industrial and Safety will from 2027 align to Bunnings Group's net zero Scope 1 and Scope 2 (market-based) emissions target by 2030.

Officeworks



Interim target
20% below 2018 baseline by 2025

Achieved

100% RE target

Achieved

Net zero Scope 1 and Scope 2 (market-based) emissions

By 2030 (set in 2021)

Scope 1 emissions represent a negligible proportion of Officeworks' 2018 baseline operational emissions and arise primarily from the use of natural gas at a small number of sites and fuel consumed by fleet vehicles.

Scope 2 emissions represent almost all of Officeworks' 2018 baseline operational emissions and arise from purchased electricity used across its store network, distribution centres and offices.

From 1 January 2025, Officeworks achieved 100 per cent renewable electricity, with electricity demand met through a combination of renewable electricity contracts, on-site solar generation and the purchase and surrender of LGCs. This outcome also supported the achievement of the Group's SLB target tested for the six month period ended 31 December 2025.

During 2026, Officeworks surrendered 3,798 LGCs representing approximately 7.6 per cent of electricity consumption to maintain 100 per cent renewable energy.

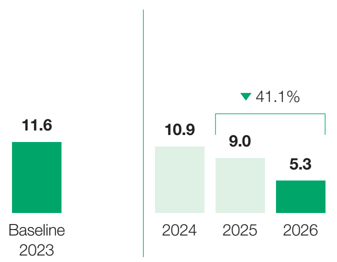
- Achieved a 3.7 per cent reduction in location-based Scope 1 and Scope 2 emissions, and a 98.2 per cent reduction in market-based emissions, compared with the prior year. Relative to the 2018 baseline, Officeworks has reduced its Scope 1 and Scope 2 emissions by 42.2 per cent (location-based) and 99.7 per cent (market-based).
- Installed 13 additional on-site solar PV systems bringing total installed capacity to 6.4 MW across 65 systems. The program delivers more than $400,000 in annual savings from avoided electricity costs.

[1] Offsets may be required to address residual Scope 1 emissions across the Group, where feasible or commercially viable initiatives have been exhausted.

Operational decarbonisation divisional progress

TARGETS[1]	EMISSIONS PROFILE	PROGRESS AND HIGHLIGHTS

Health



100% renewable electricity at all new fulfilment centres as they come online

Expected by 2031

Net zero Scope 1 and Scope 2 (market-based) emissions

By 2035

Scope 1 emissions represent approximately two per cent of Wesfarmers Health's 2023 baseline operational emissions and arise primarily from fuel use associated with the distribution fleet. Scope 1 emissions are expected to reduce progressively over time through fleet electrification and efficiency measures, subject to vehicle availability and operational requirements.

Scope 2 emissions represent approximately 98 per cent of Wesfarmers Health's total 2023 baseline operational emissions and arise from purchased electricity used across fulfilment centres, company-owned sites and majority-owned clinics. Scope 2 emissions are being addressed through rooftop solar installations and the procurement of renewable electricity for new fulfilment centres as they come online, with GreenPower purchased at smaller sites where retailer choice is available.

During 2026, Wesfarmers Health surrendered 543 LGCs to meet its target to use 100 per cent renewable electricity at all new DCs, as they come online.

- **Achieved a 17.6 per cent reduction in location-based Scope 1 and Scope 2 emissions, and a 41.1 per cent reduction in market-based Scope 1 and Scope 2 emissions, compared with the prior year. Relative to the 2023 baseline, Wesfarmers Health has reduced its Scope 1 and Scope 2 emissions by 24.3 per cent (location-based) and 54.3 per cent (market-based).**
- **A new Cairns (Queensland) fulfilment centre opened, powered through a combination of a 0.1 MW on-site rooftop solar PV system and electricity procured under accredited renewable electricity arrangements. This lifted the total renewable electricity consumed by Wesfarmers Health to 59.4 per cent.**

[1] Offsets may be required to address residual Scope 1 emissions across the Group, where feasible or commercially viable initiatives have been exhausted.

Use of carbon offsets

Wesfarmers' approach to carbon offsets is guided by the principle that each division must seek abatement opportunities that are commercially viable to meet its emissions targets prior to relying on offsets. Offsets are generally only used where technically feasible and commercially viable strategies have been reasonably exhausted.

The Group prioritises emissions reduction at source and reports progress on a gross emissions basis, with offsets used solely to achieve net targets, including for residual emissions that are hard to abate.

Where required, Wesfarmers aims to source offsets that meet quality criteria, including additionality, permanence, avoidance of leakage and third-party verification. Offsets are sourced from recognised registries and schemes, including the ACCU scheme administered by the Clean Energy Regulator. ACCUs are issued only following independent audit and verification against legislative and methodological requirements.

In 2026, the Group did not use any ACCUs to meet its targets or for regulatory requirements. WesCEF's Kleenheat business purchased and surrendered 6,498 ACCUs to meet customer demand for an energy offer bundled with ACCUs.

Wesfarmers generally prefers recent-vintage offsets that reflect contemporary methodologies and verification standards. The use of offsets does not substitute for emissions reduction efforts and does not affect the Group's reporting of gross emissions, which are disclosed separately from any offsets applied including to meet net targets.

Renewable electricity instruments such as LGCs are accounted for within Scope 2 market-based emissions and disclosed on pages 84 to 87.

Approach used to calculate GHG emissions

This section describes the methodologies, standards and data sources used to calculate the greenhouse gas emissions metrics disclosed in the 'Metrics and targets' section.

Operational Scope 1 and Scope 2 emissions

Scope 1 and Scope 2 emissions for the Group's Australian assets and operations are measured and reported in accordance with the NGER (Measurement) Determination 2008, which prescribes the measurement methods and estimation techniques for the parts of the Group that are in scope of NGER reporting requirements. For the remaining parts of the Group, Scope 1 and Scope 2 emissions are measured using the measurement provisions of the GHG Protocol to support consistency across the Group.

Scope 1 and Scope 2 emissions are calculated using an operational control approach, under which emissions are included from operations over which Wesfarmers has the authority to introduce and implement operating policies. This includes all entities within the consolidated group and joint ventures where Wesfarmers has operational control. Emissions from entities where Wesfarmers does not have operational control are excluded from the operational Scope 1 and Scope 2 emissions inventory.

The following table sets out the principal emissions sources, measurement methods and key inputs applied in calculating the Group's Scope 1 and Scope 2 emissions for 2026.

Principal Scope 1 and Scope 2 emissions sources, measurement methods and key inputs

EMISSIONS SOURCE	MEASUREMENT METHOD Australian operations in scope of NGER	MEASUREMENT BASIS Operations outside NGER (including international sites)	KEY INPUTS, EMISSION FACTORS AND ASSUMPTIONS
Scope 1 — direct emissions			
Stationary fuel combustion (for example, natural gas, diesel for back-up generators)	NGER Method 1 (default method)	GHG Protocol — activity data × published emission factors	Activity data from invoices and delivery records (Criterion A and Criterion AAA) or estimates consistent with industry practice where no transaction data is available. Energy content and emission factors from the NGER (Measurement) Determination 2008 for NGER-scope sources; IEA v5.0 (November 2025) factors and AR6 GWPs for non-NGER sources.
Transport fuels	NGER Method 1 (default method)	GHG Protocol — activity data × published emission factors	Fuel use from fuel cards, invoices, metered records and fleet management systems, or estimated where primary records are unavailable. NGER energy content and emission factors are applied for Australian operations. Published international factors are applied for operations outside NGER.
Refrigerants and other fugitive emissions	NGER Method 1 and Method 3, using stock-change, service records or default leakage approaches where applicable	GHG Protocol — refrigerant top-up, leakage or equipment-based estimation	Inputs include refrigerant purchase and service records, equipment registers, maintenance data and leakage estimates. Emissions are converted to CO_2e using applicable GWP values consistent with the measurement basis for the relevant operation.
Industrial processes (for example, ammonia, nitric acid, sodium cyanide production)	NGER Method 1, Method 3 and Method 4	Not applicable	Emissions monitoring analysers. Activity data from invoices (Criterion A) and production volumes. Energy content and emissions factors from the NGER (Measurement) Determination 2008.

EMISSIONS SOURCE	MEASUREMENT METHOD Australian operations in scope of NGER	MEASUREMENT BASIS Operations outside NGER (including international sites)	KEY INPUTS, EMISSION FACTORS AND ASSUMPTIONS
Scope 2 — indirect emissions from purchased electricity			
Purchased electricity — location-based	NGER Method A1 and A2, using state or territory grid factors	*GHG Protocol Scope 2 Guidance* — location-based method using grid-average factors	Electricity consumption is sourced from supplier invoices, meter data and site energy records. Australian operations apply NGER state or territory electricity factors. Non-NGER operations apply relevant national or regional grid-average factors.
Purchased electricity — market-based	Not prescribed under NGER; calculated for AASB S2 and GHG Protocol reporting where applicable	*GHG Protocol Scope 2 Guidance* — market-based method	Market-based emissions reflect contractual instruments where they meet quality criteria, including renewable electricity contracts, certificates or supplier-specific factors. These take account of power purchase agreements, GreenPower contracts, on-site generation and voluntary surrender of LGCs. Residual mix or grid-average factors are applied where eligible instruments are not available.

Basis for measurement of Scope 1 and Scope 2 emissions

ASPECT	BASIS	DETAIL
Unit of measurement	Metric tonnes/kilotonnes of carbon dioxide equivalent (tCO_2e/$ktCO_2e$)	All Scope 1 and Scope 2 emissions are expressed in tCO_2e (or $ktCO_2e$), aggregated using 100-year GWP values.
Global warming potentials	NGER-scope Australian operations: AR5 100-year GWPs. Operations outside NGER (including international sites): AR6 100-year GWPs	AR5 100-year GWP values are used for Australian operations, consistent with the NGER (Measurement) Determination 2008 as applicable to 2026. AR6 100-year GWP values are used for operations outside NGER, applied with IEA v5.0 (November 2025) emission factors. The mixed AR5/AR6 basis reflects the different measurement sources for NGER-scope and non-NGER emissions and is applied consistently within each.
Greenhouse gases covered	Kyoto Protocol gases (including the Doha Amendment)	Emissions recorded for carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs) and sulphur hexafluoride (SF_6). No perfluorocarbons (PFCs) or nitrogen trifluoride (NF_3) form part of the Group's emissions profile.
Measurement standards	NGER (Measurement) Determination 2008 for NGER-scope operations; GHG Protocol Corporate Standard (2004) for the remaining parts of the Group	The NGER (Measurement) Determination 2008 prescribes the measurement methods and estimation techniques for the parts of the Group in scope for the NGER Scheme. For the remaining parts of the Group, Scope 1 and Scope 2 emissions are measured using the measurement provisions of the GHG Protocol Corporate Accounting and Reporting Standard (2004), with reference to the GHG Protocol Scope 2 Guidance for market-based Scope 2. Reporting, boundary and consolidation requirements are determined by AASB S2.

Scope 3 emissions calculations[1]

As described on pages 78 and 79, the Group continues to uplift Scope 3 data quality. Reported Scope 3 emissions are calculated or estimated using available information and reasonable assumptions. Scope 3 inventory is also based on the *GHG Protocol's Corporate Value Chain (Scope 3) Standard* (GHG Protocol Scope 3 Standard) and captures data across all 15 Scope 3 emissions categories. The Scope 3 inventory:

- applies category boundaries as outlined in the GHG Protocol Scope 3 Standard
- follows GHG Protocol Scope 3 Standard calculation methods
- applies data quality assessments consistent with the GHG Protocol Scope 3 Standard.

SCOPE 3 CATEGORY	ACTIVITY	DATA SOURCE	METHODOLOGY AND DATA QUALITY
Category 1 Purchased Goods and Services	Upstream emissions from the production of goods and services purchased or acquired during the reporting year (e.g. merchandise for retail sale, raw materials, packaging and third-party services such as IT, marketing and professional services).	General ledger expenditure data, supplemented by supplier-specific activity or emissions data where available.	Emissions are estimated using spend-based and hybrid methods. Supplier-specific data is prioritised where available; otherwise, relevant secondary emission factors are applied. Data quality varies by supplier and category, and assumptions are applied consistently to support comparability and completeness.
Category 2 Capital Goods	Upstream emissions from the production of capital goods purchased or acquired during the reporting year (e.g. store fit-outs, plant and equipment, machinery, vehicles, buildings and infrastructure).	Capital expenditure data sourced from the general ledger and asset registers.	Emissions are estimated using a spend-based approach and relevant capital goods emission factors. Estimates reflect the upstream production of capital goods acquired during the reporting year. Data is subject to estimation uncertainty due to limited supplier-specific information and is prepared using reasonable and supportable assumptions.
Category 3 Fuel and Energy-Related Activities	Upstream ('well-to-tank') emissions from the extraction, production and transport of fuels and energy purchased and consumed by the Group during the reporting year, not already included in Scope 1 or Scope 2 (including electricity transmission and distribution losses where applicable).	Energy invoices and fuel consumption records.	Upstream ('well-to-tank') emissions are calculated using supplier-specific or average data methods, applying published life cycle emissions factors for fuel extraction, production and transport. The category includes upstream emissions of purchased fuels and electricity, as well as electricity transmission and distribution losses where applicable.
Category 4 Upstream Transportation and Distribution	Emissions from third-party transportation and distribution services purchased during the reporting year, including inbound freight of purchased products from Tier 1 suppliers, third-party warehousing/storage and logistics movements between Group facilities in vehicles or facilities not owned or operated by the Group.	Logistics invoices, freight records and supplier-provided transport data where available.	Emissions are estimated using distance- or spend-based methods, applying mode-specific emission factors. Where detailed transport activity data is unavailable, conservative proxy assumptions are used. Data quality varies by logistics provider and geography and is disclosed.
Category 5 Waste Generated in Operations	Emissions from third-party disposal and treatment of waste and wastewater generated in owned or controlled operations during the reporting year (e.g. landfill, recycling, incineration, composting, wastewater treatment), where treatment facilities are not owned/operated by the Group.	Waste management invoices and supplier-reported waste volumes and treatment pathways.	Emissions are estimated using waste-type and treatment-specific emission factors. Supplier-specific data is used where available; otherwise, standard assumptions are applied for waste composition and disposal routes. Data quality is influenced by the consistency and coverage of waste contractor reporting.
Category 6 Business Travel	Emissions from employee travel for business purposes in third-party vehicles and services (e.g. flights, rail, bus, taxis, rideshare, rental cars), and (optionally) accommodation such as hotels during the reporting year.	Travel management system data, expense records and invoices for third-party travel services.	Emissions are calculated using activity-based methods (e.g. passenger-kilometres or nights stayed) and recognised emission factors for different transport modes. Where detailed activity data is unavailable, spend-based estimates are applied. Data quality is considered moderate and is expected to improve with enhanced system capture over time.

1 The Group has voluntarily disclosed Scope 3 emissions calculations methodology to provide additional transparency regarding value chain emissions. The 2026 Scope 3 inventory is not prepared in alignment or compliance with AASB S2.

SCOPE 3 CATEGORY	ACTIVITY	DATA SOURCE	METHODOLOGY AND DATA QUALITY
Category 7 Employee Commuting	Emissions from employee travel between home and worksites across all transport modes (and, where included, emissions associated with remote/teleworking arrangements) during the reporting year.	Employee workforce information.	Emissions are estimated using average commuting distances, transport mode splits and standard emission factors. Estimates rely on representative assumptions and population survey responses, resulting in higher estimation uncertainty.
Category 8 Upstream Leased Assets	Emissions from the operation of assets leased by the Group (as lessee) during the reporting year that are not already included in Scope 1 or Scope 2 (e.g. leased offices, warehouses, stores or leased equipment where operational emissions fall outside Scope 1 or Scope 2 boundary).	Not relevant to the Group.	Not applicable.
Category 9 Downstream Transportation and Distribution	Transportation and distribution of sold products after the point of sale during the reporting year, including third-party logistics, warehousing and retail distribution activities in vehicles and facilities not owned or controlled by the Group. This includes outbound freight, distribution centres, storage and last-mile delivery to customers where the Group does not purchase or control the service.	Logistics invoices, freight records and supplier provided transport data where available.	Emissions are estimated using proxy distance and mode assumptions for third-party distribution networks where the Group does not control or purchase the service. Calculations involve higher estimation uncertainty. These emissions exclude those already reported as Scope 1 and Scope 2 emissions. Activity data quality is generally high due to invoiced energy consumption, while upstream emissions are primarily estimated using published emissions factors.
Category 10 Processing of Sold Products	Emissions from processing of sold intermediate products by third parties after sale and before end use (e.g. downstream customers/ manufacturers processing chemical or industrial inputs) during the reporting year.	Product sales data and industry processing assumptions.	Emissions are estimated using average industry processing emission factors applied to volumes of intermediate products sold. Estimates are based on reasonable and supportable assumptions due to limited visibility of downstream processing activities. Data quality is considered low to moderate.
Category 11 Use of Sold Products	Emissions from the use phase of goods and services sold during the reporting year, including the end users' Scope 1 and Scope 2 emissions (e.g. electricity/fuel consumed during product use and direct emissions released during use where applicable).	Product specifications, sales volumes and use-phase assumptions.	Emissions are estimated using average lifetime energy or fuel consumption assumptions and relevant emission factors for goods and services. Estimates reflect typical customer use profiles and involve material uncertainty.
Category 12 End-of-life Treatment of Sold Products	Emissions from waste disposal and treatment of sold products and packaging at end of life (e.g. landfill, recycling, incineration) during the reporting year, based on expected end-of-life pathways following customer use.	Sales data, packaging specifications and industry-average waste treatment assumptions.	Emissions are estimated using expected end-of-life pathways and waste treatment emission factors. Estimates rely on standard disposal assumptions due to limited customer-specific data. Data quality is subject to uncertainty.
Category 13 Downstream Leased Assets	Emissions from the operation of assets owned by the Group (as lessor) and leased to other entities during the reporting year that are not already included in Scope 1 or Scope 2 (e.g. assets leased to customers/tenants).	Not relevant to the Group.	Not applicable.
Category 14 Franchises	Emissions from the operation of franchise businesses during the reporting year (i.e. the franchisees' Scope 1 and Scope 2 emissions) where the Group acts as franchisor and grants the right to operate under its brand/format.	Franchise site information and representative operational assumptions.	Emissions are estimated using franchisee Scope 1 and Scope 2 proxy data and standard emission factors. Data availability varies across franchise networks, which can result in higher reliance on estimates.
Category 15 Investments	Scope 3 emissions associated with the Group's investments during the reporting year not already included in reported Scope 1 or Scope 2 emissions, reflecting the investees' Scope 1 and Scope 2 emissions (e.g. equity and debt investments, joint ventures/ associates not consolidated under Scope 1 and Scope 2 boundary, and project finance where applicable).	Investment holdings data.	Emissions represent the Group's proportionate share of investees' reported Scope 1 and Scope 2 emissions, allocated using an attribution-based approach reflecting equity ownership or financing exposure, as relevant. Where investee specific emissions data is unavailable, sector average emission intensity factors are applied to financial exposure proxies using reasonable and supportable assumptions. Investees included are Covalent Lithium, QNP, BWP and Wespine.

Judgements and measurement uncertainty

In preparing this Climate Report, the Group applied judgement across a number of areas that have a significant effect on the information disclosed. These judgements were informed by the Group's corporate planning and risk processes, along with external data sources and the reasonable, supportable information available at the reporting date without undue cost or effort.

Identification and relevance of CRROs

Judgement was applied in identifying the CRROs that could reasonably be expected to affect the Group's prospects and in determining information relevant for disclosure.

This assessment considered the nature, likelihood and potential magnitude of financial effects on the Group and its businesses, informed by climate scenario analysis, risk processes and divisional input.

Aggregation of CRROs across divisions

The Group has aggregated certain CRROs that share common climate-related drivers, time horizons and financial characteristics across divisions, where doing so provides more coherent and decision-useful information.

Where divisional exposures are sufficiently distinct in nature or magnitude, particularly for WesCEF given its emissions profile and exposure to carbon pricing and energy transition risks, these have been disclosed separately to preserve transparency. The aggregation approach applied reflects a balance between Group-level coherence and divisional specificity and the principle that aggregation should not obscure information that is material to users.

Scenario selection and time horizons

Judgement was applied in selecting the climate scenarios and time horizons for scenario analysis, including the weighting applied to each scenario in assessing anticipated financial effects. The selection of three scenarios – representing aggressive mitigation, current pledges and limited action – was designed to provide a range of outcomes that capture both transition and physical risk.

Of these, the Delayed Transition scenario has been assessed by Wesfarmers as the most plausible short- to medium-term pathway, reflecting current global policy trajectories, and has accordingly been given greater weight in assessing anticipated financial effects. It reflects the Group's current view of the external environment and incorporates assumptions consistent with those used in the Group's budget and corporate planning processes, including expectations regarding policy settings, energy markets and the pace of decarbonisation. It is therefore thought to provide the most decision-useful basis for assessing anticipated financial effects.

Quantification of current and anticipated financial effects

Judgement was applied in the quantification of the current and anticipated financial effects on the Group, in preparing the climate-related financial disclosures. These included judgements relating to:

- the translation of climate impacts into financial effects, including the identification of relevant transition pathways through which physical and transition climate risks and opportunities affect the Group's financial performance, position and cash flows (e.g. effects on operating costs, capital expenditure, asset values, revenue, inventory, financing and compliance costs)
- the determination of the timing of financial effects, including the allocation of effects to short-, medium- or long-term horizons based on the expected onset, persistence and duration of underlying climate drivers, alignment with the Corporate Plan period, and the extent to which impacts are expected within existing planning and investment cycles
- the application of climate scenarios to financial quantification, including the use of scenario-specific assumptions to inform the magnitude and direction of anticipated financial effects. Greater weight was given to the Delayed Transition scenario in assessing near- to medium-term financial effects, while alternative scenarios were used to test sensitivity to more aggressive mitigation or more limited policy action
- the use of internal planning assumptions and financial metrics, including reliance on the Corporate Plan, capital allocation frameworks and existing financial models to ensure consistency with broader business planning and decision-making.

Where the Group has not provided quantitative information about the current or anticipated financial effects of a CRRO, this is because the effects were not assessed to be material and/or are not separately identifiable and/or there were high levels of estimation uncertainty involved. In these cases, the Group has explained why quantitative information has not been provided, and has provided qualitative information about those financial effects, including identifying the line items associated within the Group's consolidated financial statements that are likely to be, or have been, affected.

The treatment of uncertainty and scenario variability including the use of qualitative disclosure where outcomes are highly sensitive to assumptions, policy settings or external factors and where quantitative estimates would not be sufficiently reliable is also disclosed.

Methodology judgements

Greenhouse gas emissions are measured using the GHG Protocol, with reference to the GHG Protocol Scope 2 Guidance to the extent it does not conflict with AASB S2. Scope 3 emissions are measured in accordance with the GHG Protocol Scope 3 Standard and are not prepared in accordance with AASB S2. The application of this measurement basis is required under AASB S2 and does not involve significant judgement.

Judgement was applied in determining the organisational boundary for entities at the margin of the operational control boundary, and in selecting emission factors and GWPs where prescribed factors did not apply or alternatives were available.

Measurement uncertainty

The following were the most significant sources of measurement uncertainty in these disclosures.

Scenario-based assessment of anticipated financial effects

The Group's assessment of anticipated financial effects is informed by a combination of internal planning assumptions and climate scenario analysis, with differing levels of reliance across time horizons.

In the short-term, anticipated financial effects are based on budget assumptions, which reflect current operating conditions and incorporate observable effects of CRROs where relevant. Scenario inputs are not directly applied in this period but are considered in assessing emerging risks.

In the medium-term, anticipated financial effects are aligned with the Group's Corporate Plan assumptions. These incorporate selected climate-related assumptions informed by the Delayed Transition scenario where relevant, including policy, demand and cost drivers, although the Corporate Plan remains the primary basis for financial projections.

In the long-term, beyond the Corporate Plan horizon, anticipated financial effects are informed by climate scenario analysis, including transition pathways, carbon pricing and physical risk assumptions.

Scenario analysis outputs are subject to significant uncertainty arising from the timing and severity of future climate hazards at a local scale, the design and timing of policy and regulatory change, technology availability and cost trajectories, and assumptions regarding behavioural and market responses. This uncertainty increases materially beyond 2030 and, for certain variables, including carbon pricing, reputational effects, policy development and cost pass-through, and requires the application of qualitative judgement. Reflecting this, and the greater reliance on scenario analysis over longer horizons, scenario analysis outputs are intended to be interpreted as directional rather than predictive.

Scope 3 greenhouse gas emissions

Scope 3 emissions calculations and estimates are subject to significant uncertainty arising from limitations in supplier-specific data availability and quality, reliance on secondary and industry-average emission factors, methodological differences across value chain categories and the inherent difficulty of estimating emissions for non-owned assets and upstream and downstream value chains. Data quality and coverage vary materially across Scope 3 categories. Divisions aim to refine estimates over time assuming supplier engagement, data collection processes and methodology development improve.

Physical risk quantification

Quantification of financial effects associated with physical climate risks is subject to uncertainty arising from the geographic resolution and temporal granularity of available hazard data, the translation of hazard outputs to asset-level financial effects, and assumptions regarding adaptation responses (including the effectiveness of these responses) and insurance coverage. These uncertainties affect estimates under the Group’s Delayed Transition scenario, which has been given greater weight in assessing anticipated financial effects in these disclosures.

While higher warming and stress test scenarios are used to assess the resilience of the Group’s strategy, uncertainty remains across all time horizons, including under the Delayed Transition scenario, reflecting limitations in data, modelling approaches and assumptions.

The Group will continue to refine estimates and aim to expand the scope of quantified disclosures over time as data quality, modelling capabilities and methodological guidance develop.

Directors’ declaration

In the opinion of the directors, Wesfarmers Limited has taken reasonable steps to ensure that the substantive provisions of the Sustainability Report – Climate-related financial disclosures for the year to 30 June 2026 included on pages 56 to 93 of this Annual Report, are in accordance with the *Corporations Act 2001* (Cth), including:

- The Australian Sustainability Reporting Standards S2 Climate-related Disclosures, as required by Section 296C of the *Corporations Act 2001* (Cth) (compliance with sustainability standards etc)
- Section 296D of the *Corporations Act 2001* (Cth) (climate statement disclosures).

Signed in accordance with a resolution of the directors of Wesfarmers Limited.

Michael Chaney AO
Chairman
Perth
26 August 2026

Team members

Wesfarmers and its divisions seek to attract, develop and retain outstanding people, fostering inclusive and diverse teams that reflect the communities in which we operate.

Our team

Wesfarmers and its divisions employ more than 100,000 team members primarily located in Australia, New Zealand and Asia, across diverse roles, including customer-facing, operational, technical or engineering, commercial and support function roles. Approximately 60 per cent of our team members are permanent (on a full- or part-time basis) and 40 per cent are casual, reflecting operational needs and team member preferences for flexibility.

The Group's performance links strongly to our team members and this year, the Group generated $47.6 billion in wealth, of which $6.6 billion related to salaries, wages and other benefits to our team members.

Our Group voluntary turnover rate for permanent and fixed-term team members was approximately 15 per cent.

Team member health and safety

The Group is committed to providing a safe, healthy and fulfilling work environment for team members.

All divisions maintain occupational health and safety management systems. These systems may include processes for identifying and managing risks, investigating incidents and promoting continuous improvement, along with independent audits and external expert assistance.

Across the Group, there were 1,678 workers' compensation claims this year compared to 1,860 last year. Group TRIFR was 9.1, an improvement compared to 9.5 in the prior period.

With the exception of the Kmart Group, improved safety performance was recorded across all divisions, with a reduction in workers' compensation claims and TRIFR, driven by strong safety cultures and disciplined execution of targeted safety initiatives. The decline in safety performance in Kmart Group was largely attributable to an increase in manual handling incidents. Focused interventions are now underway to address these drivers and strengthen divisional safety outcomes.

Team member safety has also been affected by a rise in customer-threatening situations (CTS). Over the past 12 months, the retail divisions recorded more than 14,500 incidents against team members, up from over 13,500 on the prior period (an increase of approximately seven per cent).

The divisions are adopting a range of measures to reduce CTS and to better protect team members when incidents occur, including body cameras for customer-facing team members, additional duress buttons, revised security, altered trading hours and ongoing training programs that reinforce de-escalation processes.

People development, diversity and inclusion

Wesfarmers seeks to attract, develop and retain outstanding people, giving everyone access to opportunities based on merit regardless of identity. Through diverse teams, Wesfarmers gains access to the best available talent, harnesses more creativity and problem solving skills, and better reflects the communities in which it operates.

Wesfarmers has a long-standing focus on gender balance, with oversight from the Board and Leadership Team. Gender diversity is central to our inclusion strategy. We aim for at least 40 per cent female, 40 per cent male and 20 per cent any gender across the Group and in leadership roles.

As at 30 June 2026, approximately 57 per cent of our workforce is female and 42 per cent is male. Currently women hold 40 per cent of senior executive roles and 42 per cent of all management and professional positions.

Wesfarmers continues to strengthen equitable and transparent people practices, supporting inclusive, high-performing workplaces across the Group. The Group and its divisions are committed to pay equity, equal pay for work of equal value and have reviewed salaried team members' pay each year since 2010.

Divisional managing directors examine the results of reviews, with oversight from the Group Managing Director and the Wesfarmers Board. They consider market factors, performance and experience, and investigate and address any gaps or areas of concern. The Group also participates in Workplace Gender Equality Agency (WGEA) compliance reporting with its WGEA report available on the Wesfarmers website.

All team members must uphold the Wesfarmers Code of Conduct and the Diverse, Inclusive and Respectful Workplaces Policy, which together set the standard for Group and divisional policies and practices.

Training and development

Wesfarmers continues to develop team members including high-calibre talent, investing in training that improves performance and supports career growth. Divisions lead job-specific and professional development programs for all team members, including casuals, and have broadened these programs to cover wellbeing, mental health and inclusive leadership alongside role-specific skills.

Building the technical capability to drive change across the Group remains a particular focus. Recruitment and development focus on priority areas, including data, cybersecurity, AI, software engineering, transformation and supply chain. At a Group level, the Corporate Office partners with divisions to develop senior leaders through tailored programs that align leadership capability with Wesfarmers' values and strategic objectives.

Team member engagement

More than 82 per cent of our workforce is covered by collective enterprise agreements, and the Group remains committed to good faith bargaining that delivers shared value for team members and the business.

We conduct annual engagement surveys and targeted pulse checks across the Group. Over the past year, engagement remained stable, closely aligning with Australian benchmarks.

Advancing reconciliation

Wesfarmers' vision for reconciliation is an Australia where Aboriginal and Torres Strait Islander peoples can participate, lead and prosper and where reconciliation creates shared value for communities, businesses and the nation.

As one of Australia's largest listed companies and employers, we recognise the opportunity and responsibility our scale provides to contribute to practical outcomes that create lasting benefits for Aboriginal and Torres Strait Islander peoples, our businesses and the communities where we operate.

Wesfarmers was among the first Australian companies to adopt a Reconciliation Action Plan (RAP) in 2009. In July 2026, Wesfarmers released its second Elevate RAP, endorsed by Reconciliation Australia. It is available on the Wesfarmers website.

The new RAP reflects our ambition to embed reconciliation across the Group, integrated into leadership, decision-making and business strategy. Wesfarmers recognises that strong cultural, social and commercial outcomes are interconnected and mutually reinforcing. Building on the foundations of our previous Elevate RAP, cultural capability continues to be a priority across the Group, with team members completing more than 12,000 hours of cultural awareness training in 2026. This sustained investment in cultural safety strengthens teams, supports retention and builds leadership capability across the Group.

Our workforce

As one of Australia's largest private employers, with team members and operations spanning both metropolitan and regional communities across Australia, Wesfarmers is uniquely positioned to advance reconciliation at scale.

Through our businesses, we can create meaningful employment, targeted career development and leadership pathways that deliver lasting economic and social outcomes for Aboriginal and Torres Strait Islander peoples, their families and communities.

This year, 4,257 team members[1] identified as Aboriginal and Torres Strait Islander people, representing around four per cent of our Australian workforce and maintaining employment parity with the broader Australian population.

Under our new RAP, we will continue to build on this foundation, deepening career development, expanding leadership pathways and strengthening the cultural safety that supports team members to thrive.

The Wesfarmers Indigenous Leadership Program has supported more than 100 Indigenous team members to complete Certificate II or IV qualifications in Indigenous Leadership, helping build leadership capability, confidence and cross-divisional networks.

Divisions across the Group are continuing to strengthen culturally-safe leadership pathways tailored to their teams, businesses and communities. Programs such as Bunnings' Indigenous leadership initiatives and Kmart Group's Take A Deadly Walk are building the experience, confidence and readiness of Aboriginal and Torres Strait Islander team members to step into future leadership roles.

Aligned with the ambition of our new Elevate RAP, these programs are strengthening teams, supporting retention and building broader leadership capability across the Group.

Celebrating Aboriginal and Torres Strait Islander culture

Wesfarmers continues to support Aboriginal and Torres Strait Islander artists, communities and cultural organisations through our Wesfarmers Arts partnership program. During the year, we partnered with leading Australian performing arts company Bangarra Dance Theatre, supporting the company's national touring. Bangarra draws on 65,000 years of Indigenous culture to create works of theatre that combine dance, music, poetry and design, developed in consultation with First Nations communities and created on Country.

Recognising reconciliation leadership

In October 2025, Wesfarmers recognised team members who made outstanding contributions to advancing reconciliation across the Group at an annual awards event. The awards celebrated leadership in three areas: increasing employment and career development opportunities for Aboriginal and Torres Strait Islander team members; strengthening engagement with Indigenous-owned businesses through supplier diversity initiatives; and fostering greater cultural understanding and community impact through reconciliation activities.

[1] This includes all full-time and part-time Aboriginal and Torres Strait Islander team members and casual team members who have worked a shift within the 30-day period prior to reporting.

Wesfarmers Arts has also been the National Gallery of Australia's First Nations Arts Partner since 2009. The partnership is built on a shared commitment to elevating Aboriginal and Torres Strait Islander art, artists and cultural leadership in Australia and internationally.

Highlights during the year included the culmination of the three-year international tour of *Ever Present: First Peoples Art of Australia* at the NGA in Canberra from 4 September 2024 to 24 August 2025. More than 500,000 visitors attended the exhibition over the course of the tour.

Another significant milestone was the presentation in 2025 of Emily Kam Kngwarray at Tate Modern, London. This landmark exhibition attracted 150,000 visitors and will tour Australia in 2027.

Aboriginal and Torres Strait Islander procurement

Wesfarmers continues to grow engagement with Aboriginal and Torres Strait Islander suppliers, recognising that this helps to support economic empowerment, employment and self-determination in First Nations communities, while also strengthening supplier diversity, capability and long-term business resilience across the Group.

In 2026, Wesfarmers increased spend with Indigenous suppliers to $53 million, with 92 per cent directed to certified Supply Nation businesses.

We awarded a Building Outstanding Aboriginal and Torres Strait Islander Businesses (BOAB) Fund grant to Bush to Bowl, supporting their expansion and readiness to become a supplier of bush tucker and native plants into Bunnings. Bush to Bowl is a 100 per cent Aboriginal-owned social enterprise that connects people to Country and traditional food ways through native plant nursery operations, bush tucker supplies and cultural education workshops.

Elevating First Nations voices

Wesfarmers has been the First Nations partner of the National Gallery of Australia (NGA) since 2009, bringing Aboriginal and Torres Strait Islander art to audiences nationally.

In July 2025, we partnered with the NGA and Tate Modern to present the first international retrospective of Emily Kam Kngwarray – one of Australia's most significant artists – at Tate Modern, London.

A senior Anmatyerr woman from Utopia, Kngwarray began painting in her 70s, producing an extraordinary body of work that captures deep cultural knowledge, lived experience and connection to Country. Today, she is recognised as one of the most important contemporary artists of the twentieth century.

The exhibition brought together the most significant works from across her short but prolific career, from early batiks to monumental late paintings, including rarely seen works. It marked the first time a dedicated retrospective of an Australian artist has been presented internationally at this scale.

Wesfarmers' support enabled this landmark collaboration, strengthening the global visibility of First Nations art and artists.

Alongside the exhibition, our Dhiraamalang First Nations Arts Leadership Program – delivered with the NGA – supported emerging and established First Nations curators and arts workers to undertake professional development at Tate Modern, building capability and connections on an international stage.

Photographer credit: Installation view in Emily Kam Kngwarray, Tate Modern, 2025.
Photo © Tate (Liam Man) courtesy of Tate Modern and National Gallery of Australia.

Suppliers

Our supply chains are extensive, multi-tiered and diverse, reflecting the breadth of the Group's operations. Across our businesses, Wesfarmers sources goods for resale (GFR), goods not for resale (GNFR) and services from suppliers in Australia and internationally. GFR comprise products sold to customers, including home improvement, apparel, general merchandise, office, health and beauty products. GNFR are goods used to support business operations, such as IT equipment, store fit-outs, uniforms, industrial equipment and raw materials. Services include logistics, transport, cleaning, security and professional services. The Group's supplier management and ethical sourcing programs focus on identifying and managing risks across these supply chains, with particular attention given to higher-risk sourcing categories and locations.

Wesfarmers operates across diverse industries, including retail, industrial and safety, chemicals, energy and fertilisers, health and digital, with operations in multiple countries. Its supply chains span more than 24,300 suppliers across more than 90 sourcing locations, of which more than 2,900 suppliers are included in divisional ethical sourcing programs.

Modern slavery and ethical sourcing

Wesfarmers recognises that modern slavery risks are dynamic and may change over time as sourcing patterns, market conditions and regulatory expectations evolve. The management of modern slavery risks is ongoing and ethical sourcing programs continue to evolve as risks, supply chains and regulatory expectations change over time.

Risk management

The Wesfarmers Ethical Sourcing and Modern Slavery Policy sets the minimum standards expected across the Group's operations and supply chains. Informed by internationally-recognised human rights principles, the standards require suppliers to provide safe and fair working conditions, prohibit forced labour and child labour, comply with applicable labour laws and respect workers' rights. These requirements are embedded through supplier contracts, due diligence, monitoring and remediation processes, with divisions tailoring their ethical sourcing programs to the specific risks within their operations and supply chains. Where non-conformances are identified, suppliers are expected to implement corrective actions to achieve compliance with Wesfarmers' minimum standards.

Activities may be directly linked to, contribute to, or cause adverse human rights impacts, including forced labour, child labour and exploitative working conditions. The risk profile is influenced by geographic, sectoral, product and operational factors and may evolve over time in response to changes in sourcing patterns, market conditions and regulatory expectations.

Divisions assess these risks using a range of indicators, including geographic, sector, product and operational risk factors. The Group recognises, however, that visibility decreases in lower supply chain tiers, particularly in complex or fragmented sourcing environments, which may limit the ability to identify and address impacts.

Each division runs its own ethical sourcing and supplier due diligence program, aligned with the Group's Ethical Sourcing and Modern Slavery Policy and its minimum standards. To support these programs, divisions employ team members with dedicated ethical sourcing responsibilities. Some divisions have sourcing managers in locations, such as Bangladesh and China, who lead supplier engagement across supply chains.

Where non-conformances or adverse impacts are identified, divisions may undertake investigations and develop remediation plans, with a preference to working with suppliers to improve the conditions rather than exit the supply relationship.

In August 2026, Wesfarmers released its eleventh Modern Slavery Statement, which sets out the Group's approach to identifying, assessing and addressing modern slavery risks across its operations and supply chains. The Modern Slavery Statement is available on the Wesfarmers website.

Customers

Product quality and safety

Wesfarmers prioritises the safety, quality and compliance of the products and services it provides, recognising the importance of customer trust and brand integrity.

Product safety is overseen through divisional governance frameworks, supported by Group-level coordination. The Wesfarmers Product Safety Forum meets quarterly and brings representatives together to share insights on emerging risks, regulatory developments and best practice approaches.

Each division maintains its own quality management systems, compliance training and specialist teams.

Data and cyber security

Wesfarmers takes a proactive and responsible approach to data protection and cyber security. We invest in digital capabilities and governance frameworks to safeguard customer and team member data, while supporting strong performance in privacy, data governance, cyber security and the responsible use of AI.

Wesfarmers is taking a 'People-first, Digitally-enabled' approach to using AI responsibly across the Group. We recognise the importance of putting people first, including our team members and our customers. We are leveraging our AI partnerships to implement technology and digital solutions to accelerate our strategies.

Dedicated forums for privacy, data governance, cyber security and AI continue to support knowledge sharing and best practice across the Group.

During the year, Wesfarmers strengthened Group-wide governance, frameworks and controls for the responsible use of AI, data governance and broader cyber risk management.

Key initiatives include:

- introducing Group-wide guidance and guardrails for the responsible use, development and deployment of AI systems
- strengthening supporting frameworks, tools and training, including risk assessment tools, development guidance, playbooks and AI system registers
- updating Group-wide policies and standards for incident management, identity and access management, AI security testing, supply chain risk management, API security and security monitoring.

These initiatives are designed to enhance the effectiveness of controls and support consistent risk mitigation practices across divisions.

We also manage cyber risks across our supply chains and operational technologies, strengthening our posture and defences in response. This includes assessment and management of third-party cyber risks and vulnerabilities that may impact operations and customer data.

We maintain compliance with the Payment Card Industry Data Security Standard and regularly adapt our cyber security capabilities to address emerging threats.

Key initiatives include:

- implementing multi-factor authentication for online retail businesses
- improving and investing in preventative technologies
- enhanced monitoring for cyber threats, fraud and scams.

Communities

Wesfarmers and its businesses have long supported the communities in which we operate, knowing this contributes to our success over the long term.

With successful businesses across the Group, we are able to provide significant financial and other practical support to community organisations.

We partner with organisations that are connected to local, regional and national communities, and that are well placed to drive positive social outcomes.

Investing in stronger communities

During the year, Wesfarmers and its divisions contributed $102 million to community organisations in Australia and New Zealand – $21.5 million in direct contributions and $80.5 million in indirect contributions from customers and team members.

The divisions continued to make meaningful contributions to communities across Australia and New Zealand through charitable donations, fundraising campaigns, volunteering and community partnerships. Bunnings, Kmart Group, Officeworks and Wesfarmers Health supported a range of diverse initiatives, including in education, health and wellbeing, community connection, disaster recovery, literacy and social inclusion. These contributions included direct financial and in-kind support, customer and team member fundraising, partnerships with community organisations and the provision of products, services and expertise to those in need.

Wesfarmers Corporate Office directed $10 million to 51 organisations across three priority areas: medical research and wellbeing, education, and the arts. In each area, we include partners that are Indigenous-led or deliver meaningful outcomes for Aboriginal and Torres Strait Islander peoples and communities.

Wesfarmers' long-standing partnership with The Kids Research Institute Australia continues to drive the work of the Wesfarmers Centre for Vaccines and Infectious Diseases, advancing research that reduces the burden of childhood infection.

In education, our 25-year partnership with the Clontarf Foundation supports more than 12,000 young Aboriginal and Torres Strait Islander men to build their education, life skills and employment pathways, with around 260 Clontarf students and graduates currently employed across our businesses.

Wesfarmers has supported the arts for more than four decades, reflecting our belief in the role creativity plays in building vibrant, cohesive communities.

Through Wesfarmers Arts, the Group invested $4.8 million during the reporting period, supporting premier arts companies across Australia.

During the year, Wesfarmers Arts became Principal Partner of the Australian Chamber Orchestra, building on our long-standing support. We also support Bell Shakespeare, the West Australian Symphony Orchestra, West Australian Opera, Bangarra Dance Theatre and West Australian Ballet, among other leading Australian cultural organisations.

Sisterhood Foundation's long-term partnership with PANDA

PANDA supports parents and families experiencing perinatal mental health conditions during pregnancy and a baby's first year. A charity partner of Wesfarmers Health's Sisterhood Foundation since 2015, PANDA has grown from a team of 27 into one of Australia's largest providers of digital perinatal mental health care. The Foundation's investment of almost $2.4 million in systems and infrastructure has helped PANDA scale its impact, tender for government funding, and meet new Digital Mental Health Standards.

$102m

contributed to community organisations in Australia and New Zealand by Wesfarmers and its divisions

Environment

Taking care of the environment

The Wesfarmers Environment and Climate Policy guides how we reduce the Group's environmental impact and manage our businesses with carbon awareness.

Each division implements this policy, meeting minimum standards on environmental compliance and climate-related matters. Material environmental risks and impacts including emissions, resource and raw-material use and waste are identified, managed and reported to divisional risk committees and boards, with the Wesfarmers Board retaining ultimate oversight.

In addition to the climate-related financial risks detailed on pages 56 to 93, divisions are also building awareness of environmental dependencies and impacts, including raw material and water use. The maturity of this work varies by division, reflecting differences in their material risk exposures.
The Group applies circular economy strategies to reduce waste, extend product lifecycles and improve packaging sustainability.

Natural environment

Wesfarmers recognises that healthy natural ecosystems underpin the long-term resilience of its businesses and supply chains, and that understanding the Group's dependencies and impacts on nature is becoming more important to our customers and the communities in which we operate.

We are building our capability to identify and respond to nature-related risks and opportunities, drawing on emerging frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD).

Bunnings Group assesses harvesting practices and sources timber and wood-fibre products in accordance with its Responsible Timber Sourcing Policy. This requires timber products originating from natural forests to carry recognised third-party certification.

Kmart Group identifies nature and biodiversity as a material sustainability topic and captures nature-related risk within its divisional risk taxonomy.

WesCEF's nature-related risks and dependencies are managed through its Environmental Impact risk category, which is reviewed regularly.

Waste

In 2026, Wesfarmers achieved a Group-wide operational waste recovery and landfill diversion rate of 73.3 per cent, a modest improvement on the 71.3 per cent recorded in the prior year. While incremental gains are becoming harder to achieve as our recovery rate matures, the result reflects the sustained effort of our offices and divisions to keep materials in productive use and out of landfill, and we remain focused on lifting this rate further by targeting the operational waste streams most material to each business.

Packaging and plastics

Our retail divisions work to consider how to design out waste earlier in the value chain, through approaches such as smarter packaging and product stewardship.

APCO members (Blackwoods, Bunnings, Kmart, Officeworks, Priceline, SILK, Target and Workwear Group) are working to make own-brand packaging reusable, recyclable or compostable. Although the APCO national packaging targets have not been met, our businesses continue to progress towards improved outcomes.

Circular economy

Where practical, divisions consider using materials that are recycled or reused, have lower embodied energy and carbon, and which reduce resource depletion.

Our policy encourages retail divisions to apply this thinking across product development and life cycle management, reducing resource intensity in manufacturing, improving energy efficiency in use, and where possible designing products for repair, reuse and responsible disposal. Cross-functional teams share design improvements and end-of-life solutions across the Group, so progress in one division can be taken up by others.

These efforts extend to customer engagement strategies. For example, Bunnings operates take-back schemes that allow used products to be returned for recycling, and works with industry to scale circular solutions. To make recycling at home easier, some of our divisions are working towards providing clear, consistent on-pack information so customers know how to dispose of packaging correctly.

Blackwoods pilots circular take-back scheme

Through its circular take-back scheme, Blackwoods piloted a practical way to recover and reprocess used workwear from some of Australia's most remote industrial sites. The pilot was supported by the Seamless Circular Clothing Textiles Fund.

Blackwoods collected garments from three mining sites and its Brisbane headquarters, then had them professionally laundered by Gerrbik Launderer, an Indigenous-owned organisation. This ensured the clothing could be safely handled, sorted without contamination and directed to its highest-value outcome.

Sorting and preparation took place at Wallara Logistics – a social enterprise and division of Wallara Australia, a long-established not-for-profit disability support organisation, that provides supported employment and workplace training for adults with disability across packing, assembly and third-party logistics services – creating employment opportunities for people with disability. Wearable items were then sent to Assembled Threads, a Melbourne social enterprise that manufactures Australian-made safety uniforms and offers textile recycling and upcycling services while creating employment pathways for refugee, asylum seeker and migrant women. There the garments were de-branded, repaired and redistributed. Assembled Threads also produced upcycled collection bags and managed the ReTread platform that coordinated national redistribution.

In total, Blackwoods redirected 2,628 kilograms of clothing to charities, Indigenous organisations, farming communities and remote 'op shops' through ReTread. Unwearable garments were processed by Textile Recyclers Group into recycled fibres for use in yarns and non-woven products such as insulation and stuffing, with 441 uniforms successfully recycled.

Bunnings battery recycling

Bunnings has been running its battery recycling program since November 2021 at all sites across Australia and New Zealand. Since then, Bunnings has collected more than 1,600 tonnes of household and power tool batteries for recycling, equivalent to an estimated 70 million AA batteries. This milestone reflects the everyday actions of customers and team members who have chosen to recycle their batteries rather than discard them in landfill.

Board of Directors

Michael Chaney AO

CHAIRMAN

BSc MBA Hon. LLD W.Aust FAICD

Age 76

Term: Chairman since November 2015; Director since June 2015

Skills and experience: After an early career in petroleum geology and corporate finance, Michael joined Wesfarmers in 1983 as Company Secretary and Administration Manager. He became Finance Director in 1984 and was appointed Managing Director in July 1992. He retired from that position in July 2005. Michael was Chairman of National Australia Bank Limited from 2005 to 2015 and of Woodside Petroleum Limited from 2007 to 2018; a director of BHP and BHP Billiton Limited from 1995 to 2005; Chancellor of The University of Western Australia from 2005 to 2017 and President of the Business Council of Australia from 2005 to 2007.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chairman of Northern Star Resources Limited (since July 2021)
- Director of Australians for Indigenous Constitutional Recognition Ltd (retired November 2024)
- Chairman of the National School Resourcing Board (retired October 2023)

Ken MacKenzie

DIRECTOR AND CHAIRMAN-ELECT

BEng FIEAust FAICD

Age 62

Term: Director since June 2026

Skills and experience: Ken holds a Bachelor of Engineering (McGill University, Canada) and has extensive global experience as a non-executive chairman and senior executive. He had a 23-year executive career at Amcor Limited, a global packaging company, serving for 10 years as Chief Executive Officer and Managing Director. Most recently Ken was Chairman of BHP Group Limited from September 2017 to March 2025. Currently he is Chairman of Melbourne Business School, a Strategic Advisor of Barrenjoey and a Member of the Advisory Board of American Securities Capital Partners LLC.

The Wesfarmers Board has resolved to appoint Ken as Chairman to succeed Michael Chaney from the conclusion of Wesfarmers' 2026 Annual General Meeting.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chairman of Applied EV (since June 2026)
- Chairman of Melbourne Business School Limited (since October 2023)
- Strategic Advisor of Barrenjoey Capital Partners Group Holdings Pty Limited (since April 2021)
- Member of the Advisory Board of American Securities Capital Partners LLC (since January 2016)
- Chairman of BHP Group Limited (retired March 2025)

Rob Scott

MANAGING DIRECTOR

B.Comm MAppFin CA GradDipAppFin OLY

Age 57

Term: Director since November 2017

Skills and experience: Rob joined Wesfarmers in 1993 before moving into investment banking in various roles in Australia and Asia. Rob rejoined Wesfarmers in 2004 in Business Development before being appointed Managing Director of Wesfarmers Insurance in 2007 and then Finance Director of Coles in 2013. He was Managing Director, Financial Services in 2014 and Managing Director of the Wesfarmers Industrials division in 2015. Rob became the Group's Deputy Chief Executive Officer in February 2017 and assumed the role of Managing Director and Chief Executive Officer at the conclusion of the 2017 Annual General Meeting in November 2017.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of Business Council of Australia (since November 2021)
- Director of Gresham Partners Group Limited (since November 2020)
- Director of Gresham Partners Holding Limited (since November 2020)
- Member of UWA Business School Advisory Board (since August 2017)
- Director of Brisbane 2032 Board (retired July 2025)
- Director of Flybuys joint venture with Coles Group Limited (retired May 2025)
- Chairman of Rowing Australia (retired June 2024)

The Right Honourable Sir Bill English KNZM

DIRECTOR

BA (Hons) BCom (Otago)

Age 64

Term: Director since April 2018

Skills and experience: Bill was Minister of Finance and Deputy Prime Minister of New Zealand from October 2008 to December 2016, and Prime Minister until the change of government in October 2017. He retired from parliament in March 2018. Bill now invests with his family in technology and data businesses and consults with government and business in Australia and New Zealand.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chairman of Airwallex (New Zealand) Limited (since March 2026)
- Director of Airwallex Holdings (Australia) Pty Ltd (since March 2026)
- Director of McKinnon Foundation (since June 2024)
- Director of TMG Cloudland (since January 2024)
- Chairman of Precision Technology Group (since June 2022)
- Director of Paul Ramsay Foundation (since December 2021)
- Director of The Todd Corporation Limited (since May 2021)
- Director of Centre for Independent Studies (since March 2021)
- Director of Impact Lab Ltd (since May 2019)
- Director of Manawanui Support Ltd (since April 2019)
- Chairman of Mount Cook Alpine Salmon (since July 2018)
- Advisor to JBWere New Zealand (retired August 2025)
- Chairman of Jarden Wealth Investment Committee (retired March 2025)
- Director of The Instillery (retired December 2023)

Mike Roche

DIRECTOR

BSc GAICD FIA (London) FIAA (Australia)

Age 73

Term: Director since February 2019

Skills and experience: Mike has more than 40 years' experience in the finance sector where he held senior positions firstly as an actuary with National Mutual/AXA and then in investment banking where he provided strategic, financial, merger and acquisition, and capital advice to major corporations, private equity and government clients. Mike spent more than 20 years with Deutsche Bank including 10 years as Head of Mergers and Acquisitions where he advised on major takeovers and privatisations. He stepped down as Deutsche Bank's Chairman of Mergers and Acquisitions (Australia and New Zealand) in 2016 and was a member of the Takeovers Panel for two terms from 2008 to 2014.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of Macquarie Bank (since January 2021)
- Director of Macquarie Group (since January 2021)
- Director of MaxCap Group Pty Ltd (since April 2019)
- Founder and Director of Sally Foundation (since April 2013)
- Director of Te Pahau Management Ltd (retired March 2026)

Sharon Warburton

DIRECTOR

BBus (Accounting & Business Law) FCA FAICD

Age 56

Term: Director since August 2019

Skills and experience: Sharon has extensive board and executive experience in corporate strategy, business operations, finance, accounting and risk management, particularly in the resources, construction, infrastructure and property sectors, along with significant expertise in governance and remuneration. She was previously Executive Director Strategy and Finance at Brookfield Multiplex and held senior management roles with ALDAR Properties PJSC in the United Arab Emirates, Citigroup in Sydney and Rio Tinto Limited in London and Perth.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of South32 Limited (since November 2023)
- Director of Mirvac Funds Management Australia Limited (since July 2022)
- Director of Northern Star Resources Limited (since September 2021)
- Director of Thiess Group Holdings Pty Limited (retired July 2026)
- Director of Karlka Nyiyaparli Aboriginal Corporation RNTBC (retired May 2026)
- Director of Worley Limited (retired September 2025)
- Member of the Australian Takeovers Panel (retired April 2024)

Alison Watkins AM

DIRECTOR

BCom FCA FAICDLife F FIN

Age 63

Term: Director since September 2021

Skills and experience: Alison holds a Bachelor of Commerce (University of Tasmania), is a Fellow of Chartered Accountants ANZ, the Financial Services Institute of Australasia, and the Australian Institute of Company Directors. She is an experienced Chief Executive and Non-executive Director. Alison's previous roles include Group Managing Director of Coca-Cola Amatil, Chief Executive Officer of GrainCorp Limited and Berri Limited, and Managing Director of Regional Banking at ANZ. She spent 10 years at McKinsey & Company from 1989 to 1999 and became a partner of the firm in 1996 before moving to ANZ as Group General Manager, Strategy.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Directors of Qantas Airways Limited (since March 2026)
- Director of PGA Australia (since December 2022)
- Director of CSL Limited (since August 2021)
- Chancellor of the University of Tasmania (since July 2021)
- Member of The Ian Potter Foundation – Board of Governors (since December 2025)
- Member of the University Chancellors Council Executive (since February 2025)
- Director of Reserve Bank of Australia Monetary Policy Board (retired February 2026)
- Member of Reserve Bank of Australia Board (retired February 2025)
- Director of The Geoff Ogilvy Foundation (retired January 2025)
- Director of Centre for Independent Studies (retired June 2024)

Alan Cransberg

DIRECTOR

BEng (Civil Eng) (Hons)

Age 67

Term: Director since October 2021

Skills and experience: Alan holds an Honours Degree in Civil Engineering from The University of Western Australia (UWA). He has 36 years of experience from roles in mining, processing and resources.
Alan joined Alcoa in 1980 and worked in a variety of assignments and locations across their Australian and international businesses, prior to being appointed as Chairman and Managing Director of Alcoa Australia, and President of Alcoa Refining in 2008. He retired from these positions in 2016. Alan was previously a Director and Chairman of the West Coast Eagles Football Club. He was also a founding member of Our Watch, as well as being a founding member of the CEO's for Gender Equity in Western Australia.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Chairman of the Waalitj Foundation (since November 2017)
- Member of the University of Western Australia Business School Board (since October 2016)
- Deputy Chairman and Lead Investment Committee member of SAS Resources Trust (since October 2016, appointed Deputy Chairman in March 2025)
- Ambassador to Our Watch (since September 2016)

Kate Munnings

DIRECTOR

LLB (UNSW) BHSc (Nursing) (UTS) AMP INSEAD

Age 59

Term: Director since August 2024

Skills and experience: Kate holds a Bachelor of Health Science (Nursing) (UTS) and a Bachelor of Law (UNSW). Kate is an accomplished senior executive and director with a background in healthcare and services, having commenced her career as a registered nurse before studying law, practising as a lawyer and working in senior executive and board positions in healthcare organisations.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of Joss Group (since September 2025)
- Member of L.E.K Healthcare Advisory Board (since September 2025)
- Director of Vitrafy Life Sciences Ltd (since October 2024)
- Director of Ryman Healthcare Limited (since November 2023)
- Chair of the Digital Health Cooperative Research Centre (since November 2019)
- Member of Baza Capital Advisory Board (since September 2025)
- Member of Bastas Academy of Healthcare Leadership Advisory Board (since February 2025)
- Managing Director and Chief Executive Officer of Virtus Health Limited (retired December 2023)

Tom von Oertzen

DIRECTOR

BBA MBA GAICD

Age 62

Term: Director since October 2024

Skills and experience: Tom holds a Bachelor of Business Administration (Ludwig Maximilian University of Munich) and a Master of Business Administration from the Australian Graduate School of Management (University of New South Wales). Tom joined Boston Consulting Group (BCG) in 1996 and has held the roles of Senior Partner and Managing Director and currently is a Senior Advisor and Senior Partner Emeritus. His work for BCG has focused on corporate innovation (including incubation of corporate ventures and digital transformation), and travel and tourism (including loyalty, aviation, airports and tour operators). Tom has a strong focus on building client capabilities in digital and agile through early-stage projects and ventures, including the challenges of digital disruption. He has also worked extensively in the mining and retail sectors and was a director of BCG Digital Ventures Australia.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Senior Partner Emeritus and Senior Advisor of Boston Consulting Group (since 2021)

Julie Coates

DIRECTOR

GradDipEd BA AMP

Age 63

Term: Director since May 2025

Skills and experience: Julie holds a Bachelor of Arts and Graduate Diploma of Education (University of Melbourne) and has completed the Advanced Management Program at Harvard Business School. Julie is an experienced chief executive and non-executive director with a background in retailing, building materials and fast moving consumer goods. Most recently she was Managing Director and Chief Executive Officer of CSR Limited. Before that Julie was Managing Director (Australia and New Zealand) of Goodman Fielder Limited.

Directorships of listed entities (last three years), other directorships/offices (current and recent):

- Director of Scentre Group Limited (since October 2025)
- Director of CSR Pty Ltd (retired November 2025)
- Director of Green Building Council of Australia (retired November 2025)
- Chief Executive Officer and Managing Director of CSR Limited (retired July 2024)

Corporate governance overview

The Board of Wesfarmers Limited

The Board of Wesfarmers Limited is committed to providing a satisfactory return to shareholders and fulfilling its corporate governance obligations and responsibilities. The 2026 Corporate Governance Statement on the company's website at **wesfarmers.com.au/cg** 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**).

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 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 and in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

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 10 non-executive and independent directors. Detailed biographies of all current directors are set out on pages 102 and 103.

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.

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

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
- **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
- **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

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.

Corporate governance overview

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.

Corporate governance overview

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.

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 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.

Committees of the Board

The Board has established a Nomination Committee, a Remuneration Committee and an Audit and Risk Committee as standing committees to assist with the discharge of its responsibilities. Details of the current membership and composition of each committee are set out in the 2026 Corporate Governance Statement.

Role of the Nomination Committee

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 Nomination Committee is responsible for ensuring 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. More details are available in the 2026 Corporate Governance Statement.

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

Role of the Remuneration Committee

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.

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 remuneration 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.

Annual performance reviews of each Wesfarmers Leadership Team member, including the Group Managing Director, for the 2026 financial year have been completed. More details about Wesfarmers' performance and development review process for the executive KMP are set out in the 2026 Corporate Governance Statement.

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 the other Wesfarmers Leadership Team members, in accordance with the 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

Corporate governance overview

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.

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.

Ernst & Young has provided the required independence declaration to the Board for the financial year ended 30 June 2026. The independence declaration forms part of the Directors' Report and is provided on page 113.

Governance policies

The corporate governance section of the company's website at **wesfarmers.com.au/cg** contains access to all relevant corporate governance information, including Board and committee charters, and Group policies referred to in the 2026 Corporate Governance Statement.

Ethical and responsible behaviour

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**

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 instil and reinforce a culture of acting lawfully, ethically and responsibly.

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.

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

Corporate governance overview

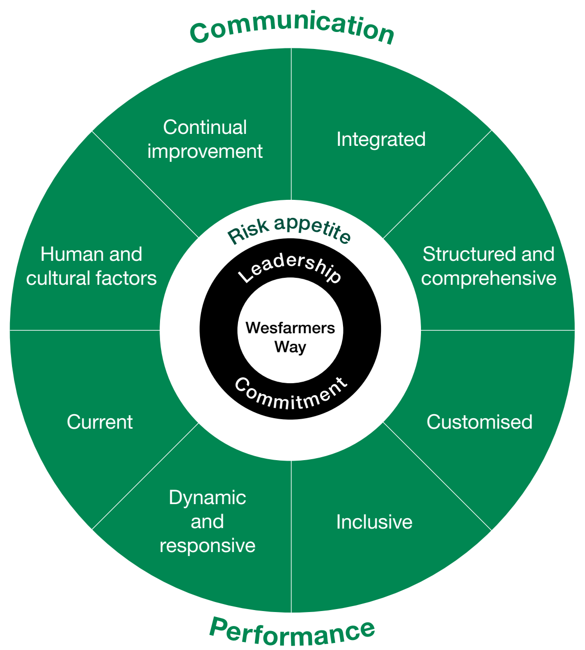
Risk management

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. Further details on roles and responsibilities are set out in the 2026 Corporate Governance Statement.

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.

Diversity and inclusion

Wesfarmers considers 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.

Further details on diversity and inclusion are set out on page 94 and in the 2026 Corporate Governance Statement.

Directors' Report

Wesfarmers Limited and its controlled entities

The information appearing on pages 6 to 108 forms part of the Directors' Report for the financial year ended 30 June 2026 and is to be read in conjunction with the following information:

Results and dividends

YEAR ENDED 30 JUNE	2026 $M	2025 $M
Profit		
Profit attributable to equity holders of the parent	**2,874**	2,926
Dividends		
The following dividends have been paid or are payable* by the company or have been determined to be paid by the directors since the commencement of the financial year ended 30 June 2026:		
(a) for the year ended 30 June 2025:		
(i) fully-franked final dividend of $1.11 (2024: $1.07) per share paid on 7 October 2025 (as disclosed in last year's Directors' Report)	**1,260**	1,214
(b) for the year ended 30 June 2026:		
(i) fully-franked interim dividend of $1.02 (2025: $0.95) per share paid on 31 March 2026	**1,158**	1,078
(ii) fully-franked final dividend of $1.20 (2025: $1.11) per share to be paid on 7 October 2026	**1,362**	1,260
Capital management		
The following capital management distribution was paid during the financial year ended 30 June 2026 following receipt of shareholder approval at the 2025 Annual General Meeting:		
(i) a capital return of $1.10 per fully-paid ordinary share paid on 4 December 2025	**1,249**	-
(ii) a fully-franked special dividend of $0.40 per fully-paid ordinary share paid on 4 December 2025	**454**	-

* The payment of dividends for the Deferred Shares and Performance Shares issued under the Key Executive Equity Performance Plan (KEEPP) are delayed until either the shares vest (with the dividends paid to the participant) or upon forfeiture (with the dividends paid to the trustee). This means no component of any dividend will be paid to the executive KMP unless and until the vesting outcome is known. For further details, see the Remuneration Report on pages 114 to 142.

Principal activities

The principal activities of the entities within the consolidated Group during the year were:

- retailing of home improvement and outdoor living products and supply of building materials
- industrial and safety product distribution
- retailing of general merchandise and apparel products
- retailing of office and technology products
- retailing and provision of health, beauty and wellness products and services
- management of a retail subscription program, shared data asset and Group retail media network
- wholesale distribution of pharmaceutical goods
- manufacturing and distribution of chemicals and fertilisers
- participation in a joint venture for an integrated lithium project, including operation of a mine and concentrator and development of a refinery
- processing and retailing of gas
- management of the Group's investments.

Directors

The directors in office at the date of this report are:

- M A Chaney (Chairman)
- R G Scott (Group Managing Director)
- J A Coates
- A J Cransberg
- S W English
- K N MacKenzie
- K M Munnings
- M Roche
- F von Oertzen
- S L Warburton
- A M Watkins

All directors served on the Board for the period from 1 July 2025 to 30 June 2026, except for K N MacKenzie who was appointed as a director of the company effective from 1 June 2026.

During the year, J Westacott retired as a director of the company on 30 October 2025, from the conclusion of the 2025 Annual General Meeting.

The qualifications, experience, special responsibilities and other details of the directors in office as at the date of this report appear on pages 102 and 103.

Directors' Report

Wesfarmers Limited and its controlled entities

Directors' shareholdings

Securities in the company in which directors had a relevant interest (as defined in section 608 of the *Corporations Act 2001* and which is a notifiable interest under section 205G(1)(a) of the *Corporations Act 2001*) as at the date of this report are:

	SHARES
M A Chaney	50,000
J A Coates	4,000
A J Cransberg	5,381
S W English	5,669
K N MacKenzie	8,148
K M Munnings	1,375
M Roche	13,500
R G Scott*	1,243,468
F von Oertzen	2,665
S L Warburton	8,567
A M Watkins	9,000

* R G Scott holds 329,635 KEEPP Deferred Shares (previously referred to as Restricted Shares) and 334,486 KEEPP Performance Shares. For further details, see the Remuneration Report on pages 114 to 142.

J A Westacott retired as a director on 30 October 2025, from the conclusion of the 2025 Annual General Meeting. Ms Westacott had a relevant interest in 6,788 shares in Wesfarmers Limited as at her resignation date.

Directors' meetings

The following table sets out the number of directors' meetings (including meetings of Board committees) held during the year ended 30 June 2026 and the number of meetings attended by each director.

	BOARD		AUDIT AND RISK COMMITTEE		REMUNERATION COMMITTEE		NOMINATION COMMITTEE	
	Eligible to attend[1]	**Attended[2]**	**Eligible to attend[1]**	**Attended[2]**	**Eligible to attend[1]**	**Attended[2]**	**Eligible to attend[1]**	**Attended[2]**
M A Chaney[3]	9	9	-	-	8	8	2	2
J A Coates	9	9	-	-	8	8	2	2
A J Cransberg	9	9	-	-	8	8	2	2
S W English[4]	9	8	7	5	-	-	2	1
K N MacKenzie[5]	1	1	-	-	1	1	-	-
K M Munnings	9	9	7	7	-	-	2	2
M Roche	9	9	-	-	8	8	2	2
R G Scott	9	9	-	-	-	-	-	-
F von Oertzen	9	9	7	7	-	-	2	2
S L Warburton[6]	9	9	7	7	-	-	2	2
A M Watkins	9	9	-	-	8	8	2	2
J A Westacott[7,8]	4	3	-	-	4	3	1	1

1 Number of meetings held while the director was a member of the Board/Committee.
2 Number of meetings attended.
3 Notwithstanding he is not a member, M A Chaney attended seven meetings of the Audit and Risk Committee held during the year.
4 S W English was absent due to a bereavement from one Board meeting, one Audit and Risk Committee meeting and one Nomination Committee meeting.
5 K N MacKenzie was appointed a director on 1 June 2026.
6 Notwithstanding she is not a member, S L Warburton attended all meetings of the Remuneration Committee held during the year.
7 J A Westacott was absent under a leave of absence from one Board meeting and one Remuneration Committee meeting.
8 J A Westacott retired as a director of the company on 30 October 2025, at the conclusion of the 2025 Annual General Meeting.

Insurance and indemnification of directors and officers

During or since the end of the financial year, the company has paid premiums in respect of a contract insuring all directors and officers of Wesfarmers Limited and its related entities against certain liabilities incurred in that capacity. Disclosure of the nature of the liabilities covered by the insurance and premiums paid is subject to confidentiality requirements under the contract of insurance.

In accordance with the company's constitution, the company has entered into Deeds of Indemnity, Insurance and Access with each of the directors of the company. These Deeds:

- indemnify a director to the full extent permitted by law against any liability incurred by the director:
  - as an officer of the company or of a related body corporate and
  - to a person other than the company or a related body corporate, unless the liability arises out of conduct on the part of the director that involves a lack of good faith
- provide for insurance against certain liabilities incurred as an officer
- provide a director with continuing access, while in office and for a specific period after the director ceases to be a director, to certain company documents that relate to the director's period in office.

In addition, the company's constitution provides for the indemnity of officers of the company or its related bodies corporate from liability incurred by a person in that capacity to the full extent permitted by law.

No indemnity payment has been made under any of the documents referred to above during or since the end of the financial year.

Directors' and other officers' remuneration

Discussion of the Board's policy for determining the nature and amount of remuneration for directors and senior executives and the relationship between such policy and company performance is contained in the Remuneration Report on pages 114 to 142.

Options

No options over unissued shares in the company were in existence at the beginning of the financial year or granted during or since the end of the financial year.

Company Secretary

Sheldon Renkema was appointed Executive General Manager, Company Secretariat on 30 October 2023 and was appointed as Company Secretary of Wesfarmers Limited and a member of the Wesfarmers Leadership Team on the same date. From July 2021, Sheldon was General Manager of Business Development at Wesfarmers Chemicals, Energy & Fertilisers. Prior to that, Sheldon held roles within the Wesfarmers Corporate Office, including leading the corporate and retail legal teams. He commenced at Wesfarmers in 2007 as a legal counsel and has a background in advising on corporate transactions. Sheldon holds a Bachelor of Laws (Honours) degree from Murdoch University, a Master of Business Administration degree from the Australian Graduate School of Management at the University of New South Wales, is a Graduate of the Australian Institute of Company Directors and a Fellow of the Governance Institute of Australia. He was admitted to practise as a barrister and solicitor in 2001.

Significant changes in the state of affairs

Particulars of the significant changes in the state of affairs of the Group during the financial year are as follows:

- revenue from ordinary activities up from $45,700 million to $47,274 million
- net profit for the year down from $2,926 million to $2,874 million
- dividends per share of $2.22 (2025: $2.06 per share)
- total assets up from $27,981 million to $28,884 million
- shareholders' equity down from $9,189 million to $7,977 million
- net debt up from $4,326 million to $5,271 million
- net cash flows from operating activities down from $4,568 million to $4,272 million.

Review of results and operations

The operations, financial position, business strategies and prospects for future financial years of the Group are detailed in the operating and financial review on pages 16 to 54.

Events after the reporting period

The following significant events have arisen since the end of the financial year:

Dividends

A fully-franked final dividend of $1.20 per share resulting in a dividend payment of $1,362 million was determined with a payment date of 7 October 2026. The final dividend has not been provided for in the 30 June 2026 full-year financial statements.

Directors' Report

Wesfarmers Limited and its controlled entities

Events after the reporting period (continued)

Mt Holland lithium expansion project – final investment decision

On 22 July 2026, Wesfarmers and Sociedad Química y Minera de Chile S.A. (SQM) announced their joint approval of the final investment decision to expand the Mt Holland lithium project. The expansion is expected to approximately double annual spodumene concentrate production and includes construction of a second concentrator and an integrated ore sorting facility. Wesfarmers' share of the estimated capital expenditure is between $645 million and $715 million (excluding capitalised interest), which is expected to be funded from existing cash and debt facilities.

Sale of Cm3 Contractor Management Pty Ltd

On 24 July 2026, Wesfarmers announced that it had entered into an agreement to sell Cm3, a wholly owned subsidiary, to Achilles Group. Completion of the sale remains subject to approval by the Australian Foreign Investment Review Board.

Non-audit services

Ernst & Young provided non-audit services to the Group during the year ended 30 June 2026 and received or is due to receive the following amounts for the provision of these services:

	$'000
Tax compliance	**698**
Other	**49**
Total	**747**

The total non-audit services fees of $747,000 represents 10.1 per cent of the total fees paid or payable to Ernst & Young and related practices for the year ended 30 June 2026. Total non-audit services fees and other assurance and agreed-upon procedures fees were $1,037,000. Further details of amounts paid or payable to Ernst & Young and its related practices are disclosed in note 27 to the financial statements.

The Audit and Risk Committee has, following the passing of a resolution of the Committee, provided the Board with written advice in relation to the provision of non-audit services by Ernst & Young.

The Board has considered the Audit and Risk Committee's advice and the non-audit services provided by Ernst & Young, and is satisfied that the provision of these services during the year by the auditor is compatible with and did not compromise the general standard of auditor independence imposed by the *Corporations Act 2001* for the following reasons:

- the non-audit services provided do not involve reviewing or auditing the auditor's own work or acting in a management or decision-making capacity for the company
- all non-audit services were subject to the corporate governance procedures and policies adopted by the company and have been reviewed by the Audit and Risk Committee to ensure they do not affect the integrity and objectivity of the auditor
- there is no reason to question the veracity of the auditor's independence declaration (a copy of which has been reproduced on the following page).

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 Report 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 the communications with the external auditor.

The findings of the annual review are considered by the 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 Audit and Risk Committee also performs a periodic comprehensive review of the external auditor at least every five years. The comprehensive review has regard to the annual auditor quality review assessment but is expanded to include additional qualitative and quantitative data.

The last comprehensive review completed for the financial year ended 30 June 2024 affirmed the Group's position that the quality of Ernst & Young's service in their performance of the external audit was sound, but recommended that the external audit was put to tender given Ernst & Young's long-standing tenure as the external auditor. An external audit tender process was completed during the year ended 30 June 2025 and recommended the appointment of KPMG as the external auditor commencing in 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.

The directors received the declaration below from Ernst & Young:

EY

Shape the future
with confidence

Ernst & Young
9 The Esplanade
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the directors of Wesfarmers Limited

As lead auditor for the audit of the financial report of Wesfarmers Limited and the review and audit of the selective sustainability information in the sustainability report for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audits and review;

b. No contraventions of any applicable code of professional conduct in relation to the audits and review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audits and review.

This declaration is in respect of Wesfarmers Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

F M Campbell
Partner
26 August 2026

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Environmental regulation and performance

The activities of the Group are subject to environmental regulation by various authorities throughout Australia and the other countries in which the Group operates.

Licences granted to the Group regulate the management of air and water quality and quantity, the storage and carriage of hazardous materials, the disposal of wastes and other environmental matters associated with the consolidated entity's operations.

During the year, there have been no known breaches of the consolidated entity's licence conditions that are material at a Group level.

Proceedings on behalf of the company

No proceedings have been brought on behalf of the company, nor have any applications been made in respect of the company, under section 237 of the *Corporations Act 2001.*

Corporate governance

In recognising the need for high standards of corporate behaviour and accountability, the directors of Wesfarmers Limited believe the governance policies and practices adopted for the year ended 30 June 2026 follow the recommendations contained within the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. An overview of the company's corporate governance statement can be found on pages 104 to 108. The full corporate governance statement is available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

Corporate information

Wesfarmers Limited is a company limited by shares that is incorporated and domiciled in Australia. The company's registered office and principal place of business is Level 14, Brookfield Place Tower 2, 123 St Georges Terrace, Perth, Western Australia.

Rounding

The amounts contained in this report and in the financial statements have been rounded to the nearest million dollars unless otherwise stated (where rounding is applicable) under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183. The company is an entity to which the instrument applies.

Remuneration Report

Message from the Chairman of the Remuneration Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present the 2026 Remuneration Report.

Over the 2026 financial year, our businesses have delivered solid performance in an ongoing challenging market and the Board is pleased with the Group's overall performance.

The Group delivered net profit after tax (NPAT) of $2,874 million. We have continued to deliver long-term shareholder returns, with ordinary dividends (determined) in the 2026 financial year, increasing by 7.8 per cent to $2.22, in addition to the 40 cent special dividend paid in December 2025 reflecting the dividend component of the 2025 capital management initiative. In addition, our five-year total shareholder return (TSR) of 15.0 per cent per annum outperformed the ASX 100 over the same period (8.2 per cent per annum).

In this report, we explain how our remuneration for the executive key management personnel (KMP) for the 2026 financial year and other remuneration-related decisions taken by the Board reflect this performance.

Our approach and framework

The executive KMP participate in the Key Executive Equity Performance Plan (KEEPP) variable incentive plan, which was introduced in 2016. It is heavily weighted to long-dated equity, creating a strong relationship between executive KMP remuneration and performance, as well as alignment with shareholder outcomes. The Board did not make any changes to the KEEPP structure during the 2026 financial year. The Board seeks and carefully considers shareholder feedback into the approach to remuneration. Shareholders have continued to support our framework, with more than 98 per cent of votes in favour of the Remuneration Report at the 2025 Annual General Meeting (AGM). We remain confident that our remuneration framework continues to be appropriate and effective.

Key features of the KEEPP continue to be that:

- the quantum of the KEEPP award is determined against an individually personalised 12-month scorecard consisting of performance against:
  - quantitative financial and safety measures and
  - qualitative measures of performance against business enhancing and sustainability objectives.

  The Board exercises its judgement as to overall appropriateness before approving the final outcomes for each individual.
- 100 per cent of variable remuneration is delivered in equity for the Group Managing Director and Group Chief Financial Officer (the amount is slightly lower for other executive KMP who are also eligible to receive a portion of their KEEPP award in cash). This equity is restricted for up to six years, thereby directly linking long-term shareholder value and the value of current and prior year share grants.
- No less than 50 per cent of all executive KMP's share awards are subject to further performance testing over a four-year period subsequent to grant against a range of measures, including Wesfarmers' TSR performance relative to that of the S&P/ASX 100.

Company performance

As noted, the Board is pleased with the Group's overall financial performance for the 2026 financial year.

Both Bunnings Group and Kmart Group delivered growth in sales and earnings in what was a challenging retail environment with heightened volatility from external events and weakening consumer sentiment through the year. Bunnings Group and Kmart Group were able to keep prices low, and grow sales and profit, through effective execution of productivity initiatives. While Officeworks profit was lower than the prior year, this reflected one-off costs associated with its transformation program. Successful execution of the program is expected to drive long-term earnings growth by transitioning the business to a low-cost operating model. The Board is monitoring the transformation closely and is pleased by the progress made through the financial year.

Wesfarmers Chemicals, Energy and Fertilisers (WesCEF) delivered strong growth in profit, supported by good operational performance in Chemicals, while record spodumene production and lower unit costs enabled the business to benefit from higher than budgeted spodumene prices. Wesfarmers Health and Wesfarmers Industrial and Safety (WIS), adjusting for the contribution from Coregas, also delivered strong growth in revenue and earnings while making significant progress with business enhancing objectives, providing a platform for future growth.

OneDigital made good progress through the year, as measured through growth in known customers, OnePass memberships and retail media revenue. The Board was also pleased by the new strategic technology partnerships executed during the year, together with positive progress building and leveraging AI to support business performance.

The Group maintained its focus on team member safety and Group-level safety outcomes have improved year-on-year. Outcomes across the Group varied. Bunnings Group continued to improve with an 8.5 per cent improvement, however Kmart Group was outside the threshold performance level by 9.8 per cent.

Remuneration outcomes

In relation to financial measures, the published financial results for the 2026 financial year were adopted for remuneration purposes. The Board considered the financial components of the scorecard outcomes for the executive KMP to be fair and reasonable and did not make any adjustments.

Taking into account the Board's assessment of each executive KMP's performance against their business enhancing and sustainability objectives, the Board has approved above target KEEPP outcomes for all participants, except for the Managing Director, Kmart Group as set out in more detail in sections 5.2 to 5.4

Group Managing Director

The Board continues to be pleased with the performance of the Group Managing Director. The financial component of his annual KEEPP scorecard for the 2026 financial year was measured against NPAT and return on equity (ROE) targets for the Group as a whole. Group NPAT and Group ROE both exceeded the stretch performance targets set by the Board and therefore 100 per cent of the maximum KEEPP award was made for the financial component. Total recordable injury frequency rate (TRIFR) for the Group was better than the threshold level of performance set by the Board in the 2026 KEEPP scorecard, resulting in 60.4 per cent of the maximum KEEPP award being made for this measure.

The remaining 30 per cent non-financial component was awarded at an average level of 94.4 per cent of the maximum. The total 2026 KEEPP award represents 94.4 per cent of the Group Managing Director's maximum variable remuneration opportunity.

Other executive KMP

The total 2026 KEEPP awards for the other executive KMP as a percentage of their maximum variable incentive opportunities were 94.4 per cent for the Group Chief Financial Officer, 80.1 per cent for the Managing Director, Bunnings Group and 64.3 per cent for the Managing Director, Kmart Group (including the grant of additional KEEPP Performance Shares to reach her minimum grant of 85 per cent of FAR).

Vesting of 2022 KEEPP Performance Shares

Following 30 June 2026, the Board assessed the vesting outcomes of the 2022 KEEPP Performance Shares against the performance conditions set for each participant.

The four-year TSR result accounts for 80 per cent of the vesting result of the 2022 KEEPP Performance Shares for the Group Managing Director and Group Chief Financial Officer. For the divisional managing directors, the TSR result accounts for 50 per cent of the vesting result.

Over the four-year performance period, Wesfarmers Limited shares recorded a TSR of 95.37 per cent, placing it at the 83.8th percentile relative to peer companies in the S&P/ASX 100. As a result, the component subject to the relative TSR performance condition vested at 100 per cent.

For the Group Managing Director and Group Chief Financial Officer, the Board's assessment of their performance in relation to their portfolio management and investment outcomes accounts for the remaining 20 per cent of the vesting result. Performance over the four-year period was assessed resulting in vesting of the portfolio management and investment outcomes component at 75.0 per cent. Further details of these results are provided in section 5.5.

For the Managing Director, Bunnings Group, the remaining 50 per cent of the award was based on divisional outcomes over the four-year performance period and 76.0 per cent vested.

The Managing Director, Kmart Group, did not participate in the 2022 KEEPP and therefore no shares are vesting to her under this award.

Further details of these results are provided in section 5.5.

Fixed annual remuneration for executive KMP

As reported in the 2025 Remuneration Report, the Board approved that the Group Managing Director receive a $200,000 increase to his fixed annual remuneration, which became effective on 1 October 2025. No other changes were made to the fixed remuneration for the executive KMP during the 2026 financial year.

In July 2026, as part of the annual remuneration review cycle, the Board considered the fixed remuneration for the executive KMP. Following consideration, no changes were made other than for the Managing Director, Kmart Group. Further details are provided in section 5.1.

Non-executive director fees

In June 2026, the Board reviewed the fees payable to the non-executive directors having regard to benchmark data, market position and relative fees. Following consideration, no changes were made to the fees for the 2027 financial year. Further details are provided in section 6.1.

The table on the following page summarises the remuneration outcomes for the executive KMP for 2026. Refer to the relevant section of this report as indicated for further information.

Thank you for your continued support of Wesfarmers. We look forward to our ongoing engagement with you and sharing in the company's future success.

Mike Roche

Chairman, Remuneration Committee

Remuneration Report

Executive KMP 2026 remuneration outcomes summary

The information in the tables below summarises the remuneration outcomes for the executive KMP as at 30 June 2026, for the 2026 financial year.

		Rob Scott Group Managing Director	**Anthony Gianotti** Group Chief Financial Officer	**Mike Schneider** Managing Director, Bunnings Group	**Aleksandra Spaseska** Managing Director, Kmart Group	**Section**
FIXED REMUNERATION						
Fixed annual remuneration (FAR) The Board conducts an annual review of the remuneration for the executive KMP, including benchmarking to peer companies and roles.	Changes to FAR approved by the Board that became effective during the 2026 financial year	Increased by $200,000 to $2,800,000 effective 1 October 2025	Remained unchanged at $1,550,000	Remained unchanged at $1,800,000	Remained unchanged at $1,350,000	5.1
	Changes to FAR approved by the Board in July 2026 that will become effective during the 2027 financial year	No change approved	No change approved	No change approved	Increased by $50,000 to $1,400,000 effective 1 October 2026	

To determine the 2026 KEEPP scorecard outcomes, executive KMP performance for the 2026 financial year was measured against the performance measures in the annual KEEPP scorecards for the 2026 financial year. 2026 KEEPP scorecard outcomes for each executive KMP are summarised below.

		Rob Scott	Anthony Gianotti	Mike Schneider	Aleksandra Spaseska	Section
2026 KEEPP SCORECARDS						
Scorecard measures (weightings)	Financial (60%)	100% of maximum	100% of maximum	73.4% of maximum	60.2% of maximum	5.2 to 5.4
	Safety (10%)	60.4% of maximum	60.4% of maximum	68.8% of maximum	0% of maximum	
	Business enhancing (20%) and Sustainability (10%)	94.4% of maximum	94.4% of maximum	97.2% of maximum	86.1% of maximum	
2026 KEEPP scorecard outcomes[1] Amount available for allocation, including minimum Performance Shares		**$7,927,246** 94.4% of maximum	**$4,388,297** 94.4% of maximum	**$4,326,108** 80.1% of maximum	**$2,604,453** 64.3% of maximum	
2026 KEEPP cash amount To be paid in August 2026		N/A KEEPP delivered entirely in shares	N/A KEEPP delivered entirely in shares	30.0% of FAR	30.0% of FAR	
2026 KEEPP Deferred Shares To be allocated later in FY27, subject to vesting and restriction conditions for up to 6 years		141.6% of FAR[1]	141.6% of FAR	105.2% of FAR	77.9% of FAR	
2026 KEEPP Performance Shares To be allocated later in FY27, subject to vesting and performance conditions for 4 years		141.6% of FAR[1]	141.6% of FAR	105.2% of FAR	85.0% of FAR	

Following the end of the 2026 financial year, KEEPP Performance Share awards from prior years that were due to vest were tested and vested to the executive KMP, as set out in the table below.

		Rob Scott	Anthony Gianotti	Mike Schneider	Aleksandra Spaseska	Section
VESTING OF PRIOR YEAR PERFORMANCE SHARE AWARDS						
2022 KEEPP Performance Shares vesting result	Vesting result	95.0%	95.0%	88.0%	N/A	5.5
	Number of shares vested	69,544	39,085	35,127	N/A	
	Number of shares forfeited	3,660	2,057	4,790	N/A	

Other information for the 2026 financial year is shown in the table below.

	Rob Scott	Anthony Gianotti	Mike Schneider	Aleksandra Spaseska	Section
VESTED AND UNRESTRICTED SHAREHOLDINGS					
Pre-vesting and pre-release risk and conduct check completed by the Audit and Risk Committee for all equity grants.	✓	✓	✓	✓	4(b)
As at the date of this report, the market value of the shareholding (direct and beneficial) for each executive KMP is at least equal to or greater than their FAR.	✓	✓	✓	✓	5.8

[1] Allocation for the Group Managing Director is subject to shareholder approval at the 2026 AGM.

Remuneration Report (audited)

Contents

Remuneration Report (audited)

1. 2026 key management personnel

The key management personnel (KMP) include the directors of Wesfarmers Limited and the executive KMP (the Group Managing Director, the Group Chief Financial Officer and those executives who have authority and responsibility for planning, directing and controlling the activities of a major profit-generating division of Wesfarmers). The KMP for the 2026 financial year are as follows:

CURRENT NON-EXECUTIVE DIRECTORS	
Michael Chaney AO (Chairman)	These directors were members of the Board of Wesfarmers Limited throughout the whole of the 2026 financial year.
The Right Honourable Sir Bill English KNZM	
Mike Roche	
Sharon Warburton	
Alison Watkins AM	
Alan Cransberg	
Kate Munnings	
Friedrich (Tom) von Oertzen	
Julie Coates	
Ken MacKenzie (Chairman Elect)	Mr MacKenzie became a member of the Board of Wesfarmers Limited on 1 June 2026.

FORMER NON-EXECUTIVE DIRECTORS	
Jennifer Westacott AC	Ms Westacott retired from the Board of Wesfarmers Limited on 30 October 2025.

CURRENT EXECUTIVE KMP	
Rob Scott, Group Managing Director	These executive KMP held their positions throughout the whole of the 2026 financial year.
Anthony Gianotti, Group Chief Financial Officer	
Michael Schneider, Managing Director, Bunnings Group	
Aleksandra Spaseska, Managing Director, Kmart Group	

There have been no changes to KMP since 30 June 2026.

2. Overview of Group performance

Wesfarmers' results for the 2026 financial year demonstrated strong operational performance by divisions in challenging market conditions, combined with effective capital management. The Group benefited from a consistent focus on productivity and cost-saving initiatives that allowed retail divisions to keep prices low and enabled divisions to invest in new platforms for growth, which is important to Wesfarmers' corporate objective.

Bunnings Group and Kmart Group delivered growth in sales and earnings notwithstanding heightened volatility from external events and weakening consumer sentiment through the year. While Officeworks' profit was lower than the prior year, this reflected one-off costs associated with its transformation program. Successful execution of the program is expected to drive long-term earnings growth by transitioning the business to a low-cost operating model. WesCEF delivered strong growth in profit, supported by good operational performance in Chemicals, while record spodumene production and lower unit costs enabled the business to benefit from higher than budgeted spodumene prices. While earnings growth was positive, the ramp-up of the lithium refinery has been affected by an odour issue. Wesfarmers Health and WIS, adjusting for the contribution from Coregas, also delivered strong growth in revenue and earnings while making significant progress with business enhancing objectives, providing a platform for future growth.

OneDigital made good progress through the year, as measured through growth in known customers, OnePass memberships and retail media revenue. The Board was also pleased by the new strategic technology partnerships executed during the year, together with positive progress building and leveraging AI to support business performance.

The Group reported statutory net profit after tax (NPAT) of $2,874 million for the 2026 financial year.

Five-year statutory results

FINANCIAL YEAR ENDED 30 JUNE (AS REPORTED)	2022	2023	2024	2025	2026
Net profit after tax (NPAT) ($m)	2,352	2,465	2,557	2,926	2,874
NPAT (excluding significant items) ($m)[1]	2,352	2,465	2,557	2,653	2,874
Return on equity (ROE) (rolling 12 months) (%)[2]	29.4	31.4	31.3	34.3[3]	35.5
ROE (excluding significant items) (rolling 12 months) (%)[1]	29.4	31.4	31.3	31.2	35.5
Earnings per share (EPS) (cents)	207.8	217.8	225.7	258.0[3]	253.4
EPS (excluding significant items) (cents)[1]	207.8	217.8	225.7	234.0	253.4

1 These are considered non-IFRS measures. 2025 post-tax significant items include the gain on sale of Coregas of $233 million and profit of $75 million associated with the BPI property structure wind up transaction, partially offset by one-off costs of $35 million associated with the wind down of Catch. The Board exercises its judgement in determining whether these significant items are adjusted for when determining remuneration outcomes.

2 This is considered a non-IFRS measure.

3 2025 EPS and ROE include the items outlined in footnote 1 above.

Five-year shareholder returns

FINANCIAL YEAR ENDED 30 JUNE (AS REPORTED)	2022	2023	2024	2025	2026
Total ordinary dividends per share (determined) (cents)	180	191	198	206	222
Special dividends per share (determined) (cents)	-	-	-	-	40[1]
Closing share price ($ as at 30 June)[2]	41.91	49.34	65.18	84.75	90.40
Five-year rolling total shareholder return (TSR) (%, per annum)[3]	13.8	12.5	17.4	18.2	15.0
ASX 100 five-year rolling TSR (%, per annum)[3]	7.1	7.7	7.6	12.3	8.2

1 2026 special dividends per share includes the 40 cent special dividend determined during the year and paid in December 2025 reflecting the dividend component of the 2025 capital management initiative.

2 The opening share price on 1 July 2021 was $59.10.

3 Source: Bloomberg.

Remuneration Report (audited)

3. KEEPP history for the Group Managing Director

The table below summarises the KEEPP scorecard outcomes, the associated awards of KEEPP Deferred Shares and KEEPP Performance Shares, and the vesting levels for the KEEPP Performance Shares for the Group Managing Director.

The financial measures for the Group Managing Director in the KEEPP scorecards have been NPAT and ROE, and these accounted for 60 per cent of the weighting for the scorecard in the 2018 to 2021 financial years, 55 per cent of the weighting for the scorecard in the 2022, 2023 and 2024 financial years, before reverting to 60 per cent of the weighting for the scorecard in the 2025 financial year.

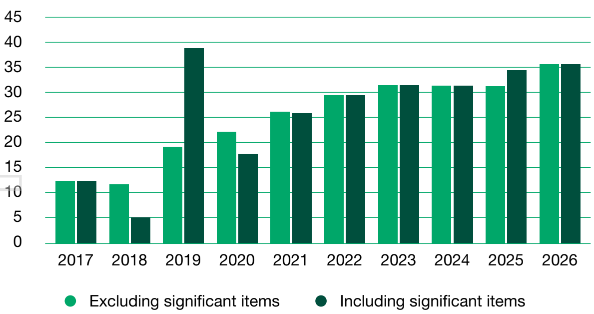
Relative TSR (rTSR) accounted for 50 per cent of the performance conditions for the 2017 KEEPP Performance Shares, 60 per cent of the performance conditions for the 2018 and 2019 KEEPP Performance Shares, and 80 per cent of the performance conditions since the 2020 KEEPP Performance Shares award.

YEAR	12-MONTH SCORECARD PERIOD ENDING	PERCENTAGE OF MAXIMUM KEEPP OPPORTUNITY AWARDED		KEEPP PERFORMANCE SHARES PERFORMANCE PERIOD	PERCENTAGE OF PERFORMANCE SHARES VESTED (%)
		DEFERRED SHARES (%)	PERFORMANCE SHARES[1] (%)		
2017[2]	30 June 2017	100.0	100.0	1 July 2017 – 30 June 2021	95.5
2018	30 June 2018	84.4	84.4	1 July 2018 – 30 June 2022	95.0
2019	30 June 2019	86.6	86.6	1 July 2019 – 30 June 2023	87.0
2020	30 June 2020	37.0	37.0	1 July 2020 – 30 June 2024	85.9
2021	30 June 2021	98.3	98.3	1 July 2021 – 30 June 2025	95.0
2022	30 June 2022	91.4	91.4	1 July 2022 – 30 June 2026	95.0
2023	30 June 2023	65.0	66.7	1 July 2023 – 30 June 2027	Not yet vested
2024	30 June 2024	79.0	79.0	1 July 2024 – 30 June 2028	
2025	30 June 2025	92.7	92.7	1 July 2025 – 30 June 2029	
2026	30 June 2026	94.4[3]	94.4[3]	1 July 2026 – 30 June 2030	

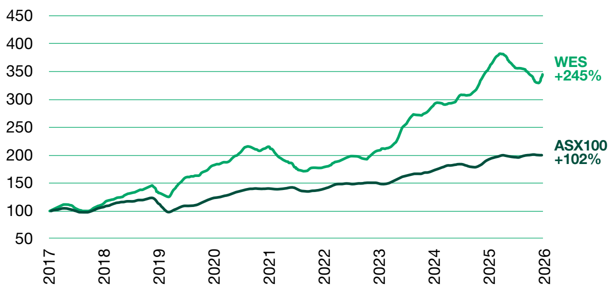
1 Including minimum Performance Shares where applicable.
2 The 2017 KEEPP scorecard outcome relates to Mr Scott's performance as Managing Director, Wesfarmers Industrials and the 2017 KEEPP Performance Shares performance period relates to his time as Group Managing Director.
3 Allocation of 2026 KEEPP Deferred Shares and Performance Shares to Mr Scott is subject to shareholder approval at the 2026 AGM.

The charts below summarise the performance of the Group for two key performance measures under the KEEPP over the same timeframes as above.

ROE (%)



TSR: Wesfarmers and ASX100 (3 month moving average)



Executive remuneration

4. Executive KMP remuneration approach

Wesfarmers' primary objective is to provide a satisfactory return to shareholders over the long term. Wesfarmers considers that we can only achieve our primary objective by looking after our team members, customers and suppliers; taking care of the environment; acting with integrity and honestly in all of our dealings; and supporting the communities in which the Group operates.

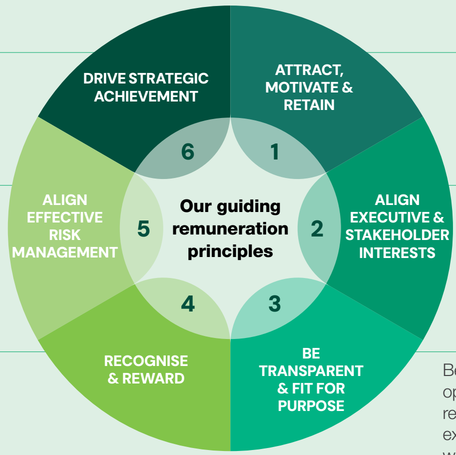
The guiding remuneration principles are focused on driving leadership performance and behaviours consistent with this objective, as well as with the Wesfarmers Way (as explained on pages 16–17) and the Group's overall strategies. The Board also believes embedding the right culture and ensuring the Group operates within effective risk management protocols are enablers of strategic execution over the long term.

The Board considers these principles in setting the executive KMP remuneration framework:

Drive strategic achievement which aligns with long-term shareholder interests

Align effective risk management and demonstration of appropriate behaviours, ethics and values with rewards

Recognise and reward high performance with a strong focus on the long term



Attract, motivate and retain world-class talent and outstanding people to drive outcomes

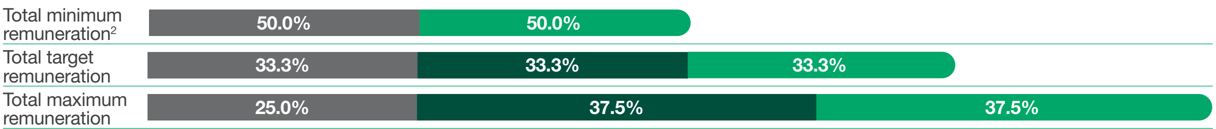
Align executive and stakeholder interests through share ownership while strengthening focus on Group results through awards of long-term, at-risk deferred equity

Be transparent and fit for purpose, recognising our operating model of divisional autonomy by linking rewards to the achievement of objectives for which executives are directly accountable and responsible while retaining a direct link to Group performance

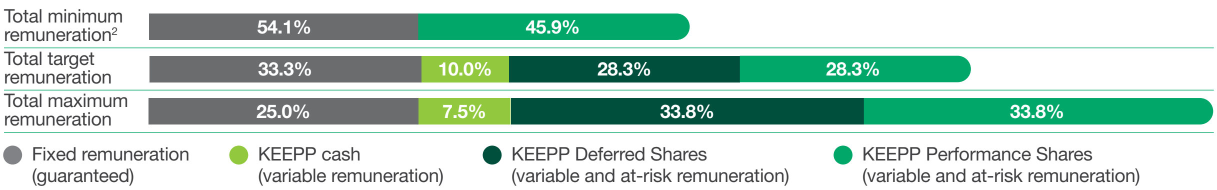
(a) Remuneration mix

The charts below show each component of the remuneration framework for the executive KMP as a percentage of total remuneration.

Group Managing Director and Group Chief Financial Officer[1]



Other Executive KMP (divisional managing directors)[1]



[1] The sum of the components of total remuneration do not equal 100 per cent in some instances, due to rounding.

[2] Under the KEEPP scorecard process, 100 per cent of FAR as Performance Shares is the minimum allocation for the Group Managing Director and the Group Chief Financial Officer, and 85 per cent of FAR for the divisional managing directors. These Performance Shares vest only to the extent the performance conditions are met over the following four years. This ensures that variable remuneration is sufficiently tied to performance over time. Notwithstanding this, the Board has discretion to reduce the number of Deferred Shares and/or Performance Shares to be allocated, or to award no Deferred Shares and/or Performance Shares if, in its view, this outcome is fair and reasonable.

Remuneration Report (audited)

(b) Remuneration framework

The remuneration framework for the executive KMP comprises fixed annual remuneration (FAR) and variable at-risk remuneration (through participation in the KEEPP). Total remuneration is set at a competitive level to attract, retain and engage key talent, with FAR set at a level that is appropriate for the requirements of the role.

FAR

FAR comprises salary and other benefits (including statutory superannuation). FAR, along with the other elements of executive remuneration, including total remuneration and each component of remuneration, is benchmarked to our external peers and levels vary between the executive KMP. FAR for each executive KMP is based upon: role and responsibility; business and individual performance; internal and external relativities; and contribution, competencies and capabilities. FAR is not varied by reference to inflation or indexation as a matter of course. Changes are based on merit, a material change in role or responsibility, the market rate for comparable roles varying materially, or as a result of internal relativities, while protecting the significant investment of Wesfarmers in developing our key talent.

JUL-25	OCT-25	
■		FAR for all Executive KMP was reviewed by the Board
	■	Executive KMP FAR increases (where applicable) became effective

VARIABLE REMUNERATION – KEEPP

Opportunity

The KEEPP is a single total incentive established for each executive KMP, with each cycle operating over seven years.

The quantum of the KEEPP award is determined against an individually personalised 12-month scorecard. For the 2026 financial year, this was split into financial performance measures, safety performance measures and individual performance objectives, weighted 60 per cent, 10 per cent and 30 per cent respectively. The scorecard sets out the threshold, target and stretch level of performance required for each performance measure.

The Remuneration Committee and the Board set the scorecards at the beginning of the financial year following consultation with the Group Managing Director (however, the Group Managing Director is not involved in setting his own KEEPP scorecard). The KEEPP award can vary up to a maximum of 300 per cent of FAR and is delivered through up to three delivery vehicles. See sections 5.2 to 5.4 for further information on the KEEPP scorecards. The Board has discretion to adjust the scorecard measures or objectives where, in its opinion, it is appropriate to do so.

Delivery vehicles

Cash: There is no cash component for the Group Managing Director and the Group Chief Financial Officer, with their awards delivered solely in equity. For the other executive KMP, cash is zero for awards at or below 100 per cent of FAR, excluding any Performance Shares awarded to ensure the minimum Performance Shares level is achieved. For awards above this level, a maximum of 30 per cent of FAR may be awarded in cash. This represents 15 per cent of an 'at target' award or 10 per cent of a 'stretch level' award.

Equity: KEEPP equity awards are delivered as long-dated equity, with the 'at target' awards split equally between Deferred Shares and Performance Shares. Deferred Shares are restricted up to a total of six years once granted and can be subject to additional conditions if set by the Board at allocation. Performance Shares are subject to further performance conditions over a future four-year performance period.

KEEPP equity awards are satisfied in unquoted Wesfarmers shares. These shares are identical to other ordinary Wesfarmers shares except that they are not quoted (i.e. tradeable) on the ASX and the payment of dividends during the vesting period is delayed until either the shares vest (with the dividends then paid to the participant), or upon forfeiture (with the dividends then paid to the trustee). No component of any dividend will be paid to the executive KMP unless and until the vesting outcome is known. Upon the vesting or forfeiture of the Deferred Shares and the Performance Shares, as applicable, the company will apply for the relevant unquoted shares to be quoted on the ASX.

Where the KEEPP scorecard process results in an award of Performance Shares lower than 100 per cent of FAR (or 85 per cent of FAR for the divisional managing directors), additional Performance Shares (which vest only to the extent the performance conditions are met over the following four years) will be allocated to achieve that level. This ensures variable remuneration is sufficiently tied to performance over time. Notwithstanding this, the Board has discretion to reduce the number of Deferred Shares and/or Performance Shares to be allocated, or to award no Deferred Shares and/or Performance Shares if, in its view, this outcome is fair and reasonable.

DETERMINING OUTCOMES

Performance outcomes against the KEEPP scorecard:

The financial performance measures and safety performance measures are assessed after the preparation and audit of the relevant results each financial year. The individual performance outcomes are simultaneously assessed after a review against the measures and objectives set. If performance against any measure or objective is assessed as below threshold, no outcome is awarded for that measure or objective; if assessed as at threshold, the award is 50 per cent of the target opportunity; if assessed above threshold, there is a straight-line calculation up to target; and if assessed above target a straight-line calculation up to maximum.

Vesting outcomes for KEEPP Performance Shares:

Performance Shares allocated as a result of KEEPP scorecard outcomes are subject to further performance conditions over a four-year performance period. Performance against measures, including performance of Wesfarmers' TSR relative to the TSR of the constituents of the S&P/ASX 100 Index, divisional financial performance and Wesfarmers portfolio management and investment outcomes, is measured over a four-year performance period. Vesting of Performance Shares occurs only to the extent that performance conditions are met. These are tested following the availability of audited financial results at the end of the performance period, independent calculation of rTSR and assessment of any non-financial performance conditions.

BOARD CONSIDERATION OF OTHER FACTORS

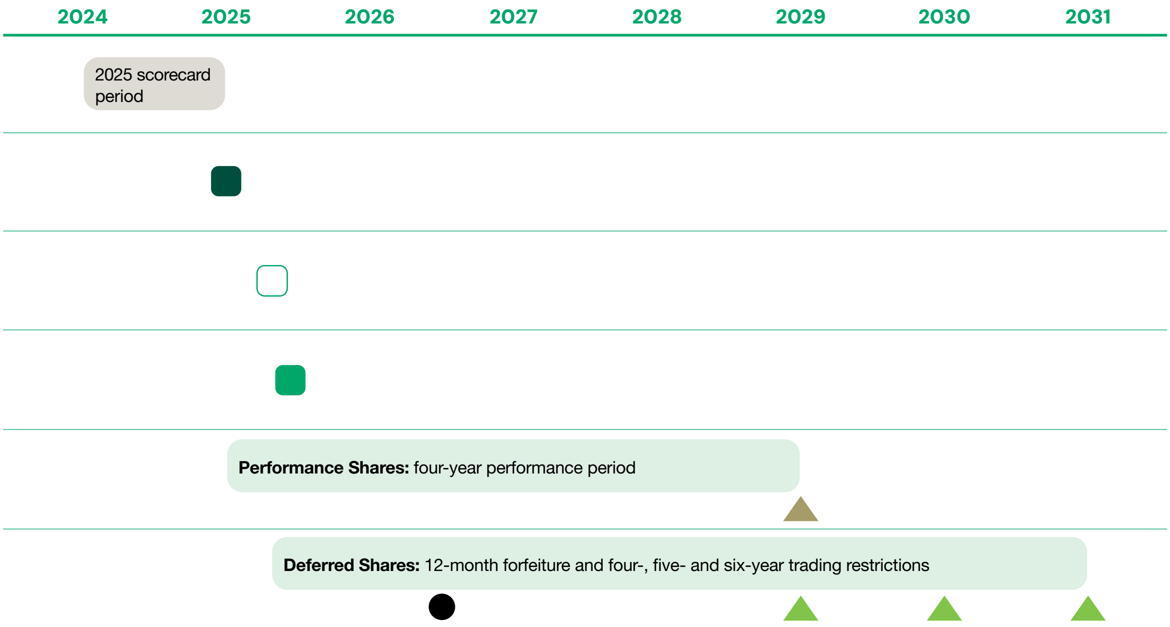
Prior to the Remuneration Committee recommending any variable remuneration outcomes to the Board (for example, for the KEEPP scorecards or the vesting or release of KEEPP shares), the Audit and Risk Committee completes a risk and audit check for each executive KMP.

Prior to finalising the KEEPP scorecard outcome, the Board calibrates the scorecard result with the personal performance and behaviours of each participant and the consideration of whether the calculated outcome is fair and reasonable, including that it is not inappropriate or simply formulaic. This assessment is a deliberate consideration by the Board as to whether to exercise its judgement to apply modifiers to decrease or increase the amount of the award.

Prior to finalising the vesting result for KEEPP Performance Shares, the Board considers whether the outcomes are fair and reasonable rather than simply formulaic. Further, the Board has discretion to adjust the performance conditions in appropriate circumstances, so that participants are not unfairly advantaged or disadvantaged, for example by portfolio management activity or external events.

KEEPP life cycle

The 2025 KEEPP outcomes were presented in section 5.2 of the 2025 Remuneration Report. The cash component was paid and the 2025 KEEPP Deferred Shares and Performance Shares were granted during the 2026 financial year. The terms applicable to the grant of these Deferred Shares and Performance Shares are set out in section 5.7. The chart below sets out the lifecycle for each element of the 2025 KEEPP.



Scorecard period: Scorecards were established at the beginning of the 12-month period. For the 2025 KEEPP this was 1 July 2024 to 30 June 2025.

Scorecards assessed and awards determined: The financial and safety performance measures were assessed after the preparation and audit of the final results for the 2025 financial year. The individual performance outcomes were simultaneously assessed after a review against the measures and objectives set. The 2025 KEEPP awards were then approved by the Board and the number of shares to be allocated was calculated using a face value equal to the volume weighted average price (VWAP) of Wesfarmers shares over a 10-day period (5 November to 18 November 2025).

2025 KEEPP cash: On 29 August 2025, the 2025 KEEPP cash was paid to Mr Schneider and Ms Spaseska. KEEPP participants other than the Group Managing Director and the Group Chief Financial Officer may receive a cash component where the total award exceeds 100 per cent of FAR, excluding any Performance Shares allocated to achieve the minimum award of Performance Shares. An award above that level is paid in cash up to a maximum of 30 per cent of FAR, with the remainder then delivered in equity.

2025 KEEPP Performance Shares and Deferred Shares allocated: 2025 KEEPP Performance and Deferred Shares were allocated following the 2025 AGM. Performance Shares and Deferred Shares were granted as newly issued, unquoted shares. An application to quote the shares will be made upon vesting or forfeiture of the shares.

Final number of vested Performance Shares determined: 2025 KEEPP Performance Share conditions will be tested, and subject to Board approval, the restrictions will be lifted on vested shares and delayed dividends will be paid. The performance conditions relating to the 2025 KEEPP Performance Shares are role-specific and will be tested over a four-year period ending 30 June 2029. The Performance Shares will only vest to the extent that these conditions are met. At the end of the 2029 financial year, the Board has discretion to take into account material one-off events when assessing achievement against the vesting result for the 2025 KEEPP Performance Shares to ensure participants are not unfairly advantaged or disadvantaged, for example, by portfolio management or external events. Following Board consideration and approval of the testing results and subsequent vesting, vested 2025 KEEPP Performance Shares should be released from trading restriction at or before the end of August 2029.

2025 KEEPP Deferred Shares vested and delayed dividends paid: Following Board consideration and approval, 2025 KEEPP Deferred Shares vested and the delayed dividends on these shares were paid.

2025 KEEPP Deferred Shares released: Subject to Board approval, 2025 KEEPP Deferred Shares will be released, in equal tranches, to the participant after four, five and six years. Following Board consideration and approval, for the 2025 KEEPP Deferred Shares, one-third will be released from the trading restriction in August 2029, one-third will be released in August 2030 and the remainder released in August 2031.

Remuneration Report (audited)

5. Executive KMP remuneration

5.1 Fixed annual remuneration (FAR)

Fixed remuneration levels are set so as to sufficiently reward the executive KMP for performing the key requirements of their roles, having regard to the competitive environment for talent and other internal and external factors.

As outlined in the 2025 Remuneration Report, in July 2025, the Board approved an increase of $200,000 per annum for the Group Managing Director, effective 1 October 2025. This increase was only the second change in FAR since Mr Scott's appointment as Group Managing Director in November 2017, with his only other prior change occurring in October 2023. There was no change in fixed remuneration for the other executive KMP.

In July 2026, the Board undertook a review of the remuneration for the executive KMP. Following this review, the Board approved an increase in FAR of $50,000 per annum for the Managing Director, Kmart Group, taking her total FAR to $1,400,000. This change was approved in July 2026 to take effect from 1 October 2026. This increase is the first change in FAR for the Managing Director, Kmart Group, since her appointment to role in April 2025.

Following consideration, there will be no change to the fixed remuneration of the other executive KMP.

5.2 2026 KEEPP scorecard award outcomes

The 2026 KEEPP scorecard award outcomes relate to performance from 1 July 2025 to 30 June 2026. The table below sets out specific information relating to the actual award outcomes for the 2026 financial year.

	BALANCE AVAILABLE FOR ALLOCATION				
NAME	FOR DEFERRED SHARES ($)	FOR PERFORMANCE SHARES[1] ($)	FOR CASH AWARD ($)	PERCENTAGE OF MAXIMUM 2026 KEEPP OPPORTUNITY AWARDED %	PERCENTAGE OF MAXIMUM 2026 KEEPP OPPORTUNITY FORFEITED %
EXECUTIVE KMP					
R G Scott	3,963,623	3,963,623	Not eligible	94.4	5.6
A N Gianotti	2,194,149	2,194,149	Not eligible	94.4	5.6
M D Schneider	1,893,054	1,893,054	540,000	80.1	19.9
A Spaseska	1,051,953	1,147,500	405,000	64.3	35.7

[1] Inclusive of the minimum KEEPP Performance Shares award for Ms Spaseska.

The cash component for the 2026 KEEPP award is expected to be paid to Mr Schneider and Ms Spaseska on 28 August 2026. The 2026 KEEPP Deferred Shares and KEEPP Performance Shares are expected to be allocated in November 2026 once performance conditions are set, subject to shareholder approval at the 2026 AGM in the case of the Group Managing Director. Further details of these grants will be provided in the 2027 Remuneration Report.

5.3 Details of the 2026 KEEPP scorecards

The 2026 KEEPP scorecards comprise financial performance measures (60 per cent weighting), safety performance measures (10 per cent weighting) and individual performance objectives (30 per cent weighting) relevant to the role of each executive KMP.

In the KEEPP scorecards, the performance measures set by the Board are designed to drive strategic outcomes that benefit the Group and our shareholders. The Board takes a balanced approach to setting the performance range for objectives, including setting the threshold and stretch performance targets, as well as in assessing the outcomes. The maximum outcome under the KEEPP scorecards can only be achieved if all of the financial performance measures, safety performance measures and the individual performance objectives are assessed at stretch performance and the Board judges this outcome to be fair and reasonable. Targets set by the Board are assessed to seek to ensure they are suitably risk-adjusted in accordance with the risk management framework so as to avoid inappropriate customer, team member or financial risk in the pursuit of the KEEPP outcomes. In assessing performance against the KEEPP scorecards, the Board also considers how the outcomes have been achieved, for example, through the demonstration of behaviours aligned with appropriate ethics, values and culture, including a focus on team member safety and wellbeing, and consideration of any actions impacting Group reputation. Section 5.4 contains further information on the KEEPP scorecards for the 2026 financial year.

Financial performance measures (60 per cent weighting)

Scorecard financial targets are set in relation to the annual budgets. Group NPAT and ROE were chosen for the Group Managing Director and the Group Chief Financial Officer because they reflect how Wesfarmers uses capital to generate earnings, manages total costs within the business and ultimately generates a profit to provide shareholder returns. Group NPAT and ROE performance is assessed following the preparation and audit of the annual financial statements. Group NPAT and ROE may be adjusted, where the Board considers it appropriate, to ensure participants are not unfairly advantaged or disadvantaged, for example, by portfolio management activity.

Threshold performance is required for both Group NPAT and ROE before any award is made in respect of either of these measures.

Divisional financial measures of earnings before tax (EBT), ROC (calculated as divisional EBT divided by divisional rolling 12-months capital employed, where capital employed excludes right-of-use assets and lease liabilities) and sales growth were chosen for the divisional managing directors because they are key financial measures directly linked to accountability at a divisional level that align with the Group financial measures and drive successful and sustainable financial business outcomes. Divisional performance is assessed following the preparation and audit of the annual financial statements. Similar to Group NPAT and ROE, divisional financial measures may be adjusted, where the Board considers it appropriate, to ensure participants are not unfairly advantaged or disadvantaged, for example, by portfolio management activity.

Threshold performance is required for both EBT and ROC, before any award is made in respect of either of these measures. Threshold EBT performance is also required before any award is made in respect of sales growth.

Safety performance measures (10 per cent weighting)

Safety targets are generally based upon an improvement on the previous financial year's result. Safety performance is measured through the total recordable injury frequency rate (TRIFR) at the Group or divisional level, as relevant to the executive KMP, and was chosen to reflect the Group's relentless focus on providing safe workplaces for all team members, in addition to the priority placed on the health and safety of the Group's customers and the community. TRIFR performance is assessed following completion of the annual sustainability assurance process. No award will be made in respect of the relevant safety measure if there is a fatality or a significant incident, for example, a workplace event that resulted in serious harm or a life-altering injury or illness (physical or psychological) within a managed entity.

Individual performance objectives (30 per cent weighting)

Individual performance objectives are specific to the participant's role and the Group/division's circumstances and strategic priorities. Where the Board considers it is appropriate to do so, the scorecard targets will be adjusted so that participants are not unfairly advantaged or disadvantaged, for example, following portfolio management activity.

The individual performance objectives are split into two categories, comprising business enhancing objectives with 20 per cent weighting and sustainability objectives with 10 per cent weighting. The individual performance objectives were chosen because they are key focus areas in enabling the Group to achieve its primary objective of generating a satisfactory return to shareholders over the long term. Focusing on the strategic priorities set as objectives within the KEEPP scorecards will enable our divisions to retain and improve their leading positions in their respective markets as well as generating long-term growth. Progress against the individual performance objectives is assessed by the Board following a review of performance against the individual performance objectives by the Group Managing Director or Chairman, as appropriate, as part of the performance review cycle.

Business enhancing objectives are designed to maximise business and growth opportunities over the long term. Examples include the identification and implementation of organic and inorganic growth and investment opportunities, and strategic business optimisation and transformation opportunities, across both the short and long term. Sustainability objectives are set in several interrelated areas where strong performance is recognised as a driver of long-term shareholder value. This includes our corporate reputation as well as Group-wide initiatives, such as progress against emissions reduction targets and operational risk controls, including cyber security. Sustainability objectives also have regard to team diversity measures, such as gender balance and Aboriginal and Torres Strait Islander employment, recognising that maintaining diverse teams, which reflect the diversity of the communities they serve, make our businesses more resilient and provides incremental growth opportunities.

The business enhancing and sustainability objectives are set by the Board at the beginning of the financial year, reflecting the key focus areas of the executive KMP and the Board. None of the individual business enhancing or sustainability objectives are individually weighted and upon assessing individual performance against the objectives at the end of the financial year, not all achievements will necessarily be considered equal by the Board when determining the KEEPP scorecard outcomes. During the financial year, the Group Managing Director and/or the Chairman update the Board as to how each of the executive KMP are progressing in relation to their business enhancing and sustainability objectives, including those that are the key individual performance objectives for the year.

5.4 Assessment and outcome of the 2026 KEEPP scorecards

In assessing the 2026 KEEPP scorecards, the Board reviewed performance against the financial measures and the non-financial measures in the scorecard, plus any other factors it considers relevant, before determining the scorecard outcome and the allocation of any KEEPP Deferred Shares and KEEPP Performance Shares. The divisional managing directors may also receive an allocation of cash where applicable.

Assessment and consideration of other factors

Reported financial and safety results were used, in the calculation of the 2026 KEEPP scorecard outcomes. Additionally, the Board considered the behaviours demonstrated by each executive KMP to determine whether the outcome should be modified. This included behaviours in relation to risk management and demonstration of appropriate ethics, values and culture, actions negatively impacting the Group's reputation, and team member safety and wellbeing. Further, the Board considered whether the calculated outcome is fair and reasonable.

The results of the performance against the 2026 KEEPP scorecards and final outcome for the 2026 KEEPP allocation are outlined on the following pages.

Remuneration Report (audited)

ROB SCOTT — GROUP MANAGING DIRECTOR

2026 KEEPP AWARD

Mr Scott's total 2026 KEEPP outcome, being 94.4 per cent of the maximum opportunity, will be allocated as:

Deferred Shares	**$3,963,623**
Performance Shares	**$3,963,623**

2026 PERFORMANCE HIGHLIGHTS

Financial (60% weighting) — Outcome: 100% of maximum opportunity / 180.0% of FAR

Wesfarmers 2026 financial results

	Target	Result
Group NPAT	**$2,714m**	**$2,874m**
Group ROE	**33.7%**	**35.5%**

Mr Scott's financial targets were set in relation to achievement of the Group's NPAT and ROE targets. Threshold performance was set at 92.5% of target with maximum at 105%. The Group achieved reported Group NPAT of $2,874 million and reported Group ROE of 35.5% and these reported results were used in the assessment of Mr Scott's 2026 KEEPP scorecard.

The Board continues to be very pleased with the performance and strategic leadership of Mr Scott in achieving the Group's financial results for the 2026 financial year under challenging economic conditions. As a result, Mr Scott achieved 100% of the maximum opportunity on financial measures.

Safety (10% weighting) — Outcome: 60.4% of maximum opportunity / 18.1% of FAR

The Group TRIFR result was 9.09, which was just outside the Group TRIFR target of 8.96 but pleasingly a 4.4% improvement year-on-year. There were no fatalities and no significant incidents (being a workplace event that resulted in serious harm or a life-altering injury or illness, either physical or psychological) across managed entities. The safety and wellbeing of all team members across the Group remains the highest priority.

Business enhancing (20% weighting) — Outcome: 93.3% of maximum opportunity / 56.0% of FAR

Mr Scott was set a number of business enhancing objectives for the performance period, each of which has been assessed by the Board.

Business growth: The Board assessed Mr Scott on a number of business growth objectives for the financial year, including the sales and earnings growth achieved across the Group's retail divisions relative to market, including improvements in e-commerce and retail media sales. The assessment of growth and investment opportunities throughout the portfolio included the transition of the Wesfarmers Industrial and Safety businesses into the Bunnings Group, the establishment of the Built Living joint venture with Built Group (subject to certain consents and approvals), the Zelora joint venture between Bunnings Group and Intellihub (subject to certain consents and approvals), and various transactions relating to BWP Group that realised value for the Group. In addition, the Group completed the capital management initiative in December 2025, returning $1.7 billion to shareholders. Strong progress has been made with regard to AI initiatives across each division and the establishment of strategic partnerships with global technology companies has delivered value.

Turnaround/newly acquired businesses: The Board is pleased with the progress of the Officeworks transformation. OnePass continued to strengthen with growth in membership and sales incrementality through the year, and OnePass received the Canstar award for highest-rated loyalty program for customer satisfaction.

Sustainability (10% weighting) — Outcome: 96.7% of maximum opportunity / 29.0% of FAR

The Board was pleased with the continued performance following the leadership transitions across Kmart Group, WesCEF, Officeworks and OneDigital. Further, the Board is pleased with the Scope 1 and Scope 2 (market-based) emissions reductions which were 21.9% during the year. Aboriginal and Torres Strait Islander employment remains above parity for the Group's Australian team members and gender balance (using the Group's goal of 40/40/20) has again been achieved at all levels of management.

2026 KEEPP SCORECARD

SCORECARD MEASURE		WEIGHTING (%)	THRESHOLD NOT MET	THRESHOLD ACHIEVED	THRESHOLD EXCEEDED	TARGET ACHIEVED	TARGET EXCEEDED	MAXIMUM ACHIEVED
Financial		60						●
Safety		10			●			
Business enhancing	*Business growth*	20					●	
	Turnaround/newly acquired businesses							●
Sustainability	*Reputation*	10						●
	Risk management							●
	People and culture						●	
	Climate change-related initiatives						●	

Remuneration Report (audited)

ANTHONY GIANOTTI — GROUP CHIEF FINANCIAL OFFICER

2026 KEEPP AWARD

Mr Gianotti's total 2026 KEEPP outcome, being 94.4 per cent of the maximum opportunity, will be allocated as:

Deferred Shares	**$2,194,149**
Performance Shares	**$2,194,149**

2026 PERFORMANCE HIGHLIGHTS

Financial (60% weighting)

Wesfarmers 2026 financial results

	Target	Result
Group NPAT	**$2,714m**	**$2,874m**
Group ROE	**33.7%**	**35.5%**

Mr Gianotti has had another successful year, contributing significantly to the financial results of the Group for the 2026 financial year. Again, Mr Gianotti's strong commercial and financial oversight of the Group, combined with detailed attention to debt management, were key in delivering growth in profit in volatile macroeconomic conditions. Management of debt and cash flow was positive through the year, noting that cash conversion was affected by a deliberate and prudent decision to hold higher fertiliser and pharmaceutical inventories at year end to support customers through the Middle East conflict. He also supervised the execution of various strategic projects that delivered positive outcomes for shareholders, including the completion of the sale of Coregas, the strategic groundwork for the transition of Wesfarmers Industrial and Safety into the Bunnings Group, and the wind up of the BPI arrangement.

As Group Chief Financial Officer, Mr Gianotti's Group financial measures were the same as those of the Group Managing Director. As a result, Mr Gianotti achieved 100% of the maximum opportunity on financial measures.

Safety (10% weighting)

Mr Gianotti's Group safety measure and outcome was the same as for the Group Managing Director.

Business enhancing (20% weighting)

As per prior years, Mr Gianotti continued to deliver very effective management of the Group's balance sheet and external relationships with the capital markets. Mr Gianotti oversaw the finalisation of the successful sale of Coregas and the continued cost and productivity improvements within the Industrial and Safety division, and improvements in customer service, leading to the decision to transition the Industrial and Safety businesses into Bunnings Group. Mr Gianotti has also made a significant contribution to strategic opportunities across the divisions and the Group, for example supporting the transformation agendas in both Officeworks and Wesfarmers Health, as well as with the progression of the Mt Holland lithium project and supporting the AI transformation agenda through strategic partnerships.

Sustainability (10% weighting)

Group risk, Group external and internal audit and Group cyber security capability continued to mature during the year, supported by the successful completion of internal and external audit tenders, the implementation of a refreshed internal audit model and continued development of Group cyber security capabilities. Within his focus on talent management, Mr Gianotti continues to play a leading role in the attraction, development and retention of key commercial and financial talent across the divisions and the Corporate Office, including secondments in financial and business development roles across the Group. Further, Mr Gianotti played a key role in securing cost-effective funding for specific projects within Bunnings, the Zelora joint venture and various divisional initiatives. In addition, Mr Gianotti has actively supported the Group's readiness to report against new climate reporting laws.

2026 KEEPP SCORECARD

SCORECARD MEASURE		WEIGHTING (%)	THRESHOLD NOT MET	THRESHOLD ACHIEVED	THRESHOLD EXCEEDED	TARGET ACHIEVED	TARGET EXCEEDED	MAXIMUM ACHIEVED
Financial		60						●
Safety		10			●			
Business enhancing	*Balance sheet and capital management*	20						●
	Business growth						●	
	Turnaround/newly acquired businesses							●
Sustainability	*Reputation*	10					●	
	Risk management							●
	People and culture						●	
	Climate change-related initiatives							●

Remuneration Report (audited)

MICHAEL SCHNEIDER — MANAGING DIRECTOR, BUNNINGS GROUP

2026 KEEPP AWARD

Mr Schneider's total 2026 KEEPP outcome, being 80.1 per cent of the maximum opportunity, will be allocated as:

KEEPP cash	**$540,000**
Deferred Shares	**$1,893,054**
Performance Shares	**$1,893,054**

2026 PERFORMANCE HIGHLIGHTS

Financial (60% weighting)

Mr Schneider's financial targets were set in relation to the achievement of Bunnings Group EBT, ROC and total sales growth. Threshold performance for the EBT and ROC measures was set at 92.5% of target with stretch performance at 107%.

Bunnings Group 2026 financial results

EBT	**$2,455m**
ROC	**69.2%**
Sales growth	**4.1%**

Under Mr Schneider's leadership, Bunnings Group has once again delivered pleasing financial results. EBT and ROC were between 100 and 105% of the targets set by the Board. Total sales growth (including trade centres) was slightly below the ambitious target set for the year. Growth in EBT was achieved despite a softening in consumer sentiment through the financial year. In total, Mr Schneider's 2026 KEEPP outcome on financial measures was 73.4% of the maximum.

Safety (10% weighting)

Pleasingly, and as a result of the continued significant effort and investment, Bunnings Group achieved more than an 8% improvement in TRIFR year-on-year, with an outcome of 12.49 compared to 13.65 for the 2025 financial year.

Business enhancing (20% weighting)

Mr Schneider oversaw a number of positive strategic initiatives throughout the 2026 financial year, specifically with the ongoing expansion of addressable markets through range renewal and extension, the Zelora joint venture with Intellihub, continued evolution of the Bunnings supply chain, significant growth in digitally enabled sales and the AI transformation within Bunnings, including the launch of Buddy. He also provided a leadership role supporting Bunnings' and the Group's development of retail media.

Sustainability (10% weighting)

Bunnings' Scope 1 and Scope 2 emissions have further reduced over the year, continuing the progress towards the 2030 net zero target. Bunnings met its 100% renewable electricity target during the year. Bunnings continued to strengthen its stakeholder relationships with suppliers and the wider community throughout 2026. Bunnings achieved strong Aboriginal and Torres Strait Islander employment, representing 3.8% of Bunnings' workforce as at 30 June 2026. Under Mr Schneider's leadership, Bunnings remains one of the most trusted brands in Australia and makes a significant contribution to the broader community and community organisations.

2026 KEEPP SCORECARD

SCORECARD MEASURE		WEIGHTING (%)	THRESHOLD NOT MET	THRESHOLD ACHIEVED	THRESHOLD EXCEEDED	TARGET ACHIEVED	TARGET EXCEEDED	MAXIMUM ACHIEVED
Financial	*EBT*	60					●	
	ROC						●	
	Sales growth				●			
Safety		10					●	
Business enhancing	*Business growth*	20						●
	Turnaround/newly acquired businesses						●	
Sustainability	*Reputation*	10						●
	Risk management						●	
	People and culture						●	
	Climate change-related initiatives							●

ALEKS SPASESKA — MANAGING DIRECTOR, KMART GROUP

2026 KEEPP AWARD

Ms Spaseska's total 2026 KEEPP outcome, being 64.3 per cent of the maximum opportunity, will be allocated as:

KEEPP cash	**$405,000**
Deferred Shares	**$1,051,953**
Performance Shares	**$1,147,500**

2026 PERFORMANCE HIGHLIGHTS

Financial (60% weighting)

Ms Spaseska's financial targets were set in relation to the achievement of Kmart Group EBT, ROC and comparable sales growth. Threshold performance for the EBT and ROC measures was set at 92.5% of target with stretch performance at 105%.

Kmart Group 2026 financial results

EBT	**$1,109m**
ROC	**68.3%**
Comparable sales growth	**2.7%**

Kmart Group has delivered strong financial results for the financial year, with EBT and ROC performance between 100 and 105% of the targets set by the Board for the 2026 financial year. Comparable sales growth was below the ambitious target set for the year, impacted by damage to the Richlands distribution centre in Queensland and a devaluation of the New Zealand dollar. Growth in EBT was achieved despite a softening in consumer sentiment through the financial year. In total, Ms Spaseska's 2026 KEEPP outcome on financial measures was 60.2% of the maximum.

Safety (10% weighting)

Kmart Group TRIFR for the financial year was 6.81. Disappointingly this represents a 13% deterioration year-on-year, compared to the 6.05 result for the 2025 financial year. As a result, Ms Spaseska has not received any KEEPP award for the 2026 financial year in relation to this safety result. The safety and wellbeing of team members remains the highest priority and therefore improving safety outcomes will be a significant focus in the 2027 financial year.

Business enhancing (20% weighting)

Ms Spaseska has delivered strong business performance in her first full year as Managing Director, Kmart Group, including substantial progress against Kmart Group's long-term growth agenda. She has successfully embedded her refreshed strategy across the organisation and made progress against the strategic initiatives, such as the new store format innovation, the K Home initiative, the development of the online marketplace and the launch of the AI assistant, Joy.

Sustainability (10% weighting)

Kmart Group has continued its focus regarding the 2030 net zero target throughout the 2026 financial year and achieved the 100% renewable electricity target during the year with all electricity needs matched by electricity from renewable sources. The AI capability build across the workforce is being successfully delivered. Kmart Group again achieved strong Aboriginal and Torres Strait Islander employment and maintained gender balance in all areas of management.

2026 KEEPP SCORECARD

SCORECARD MEASURE		WEIGHTING (%)	THRESHOLD NOT MET	THRESHOLD ACHIEVED	THRESHOLD EXCEEDED	TARGET ACHIEVED	TARGET EXCEEDED	MAXIMUM ACHIEVED
Financial	*EBT*	60					●	
	ROC						●	
	Kmart comparable sales growth		●					
Safety		10	●					
Business enhancing	*Business growth*	20					●	
	Turnaround/newly acquired businesses						●	
Sustainability	*Reputation*	10				●		
	Risk management					●		
	People and culture						●	
	Climate change-related initiatives						●	

Remuneration Report (audited)

5.5 2022 KEEPP awards that vested during the 2026 financial year

In 2022, eligible executive KMP were awarded Deferred Shares and Performance Shares under the 2022 KEEPP. The four-year performance period for the 2022 KEEPP Performance Shares ended on 30 June 2026. Further details of the terms of the 2022 KEEPP are set out in the 2023 Remuneration Report. Mr Scott, Mr Gianotti and Mr Schneider are the current executive KMP who participated in the 2022 KEEPP. The table below summarises the applicable performance conditions and the vesting outcome of the 2022 KEEPP Performance Shares for each, as approved by the Board in August 2026.

Prior to approval of the vesting outcome, the Board considered whether it needed to exercise any judgement to amend entitlements and concluded it did not. Further information on each performance condition is provided below. Refer to section 5.7 of the 2023 Remuneration Report for the terms applying to the 2022 KEEPP Performance Shares.

	VESTING CONDITION	WEIGHTING OF VESTING CONDITION	PERFORMANCE CONDITION RESULT (2022—2026)	% OF MAXIMUM OPPORTUNITY	TOTAL % OF PERFORMANCE SHARES VESTED	NUMBER OF PERFORMANCE SHARES VESTED
EXECUTIVE KMP						
R G Scott	rTSR	80%	Maximum	100%	95.0%	69,544
	Portfolio management and investment outcomes	20%	Exceeds expectations	75%		
A N Gianotti	rTSR	80%	Maximum	100%	95.0%	39,085
	Portfolio management and investment outcomes	20%	Exceeds expectations	75%		
M D Schneider	rTSR	50%	Maximum	100%	88.0%	35,127
	Divisional financial performance	50%	Outcomes are detailed below	76.0%		

Relative total shareholder return (rTSR) condition

This condition measures the performance of Wesfarmers' TSR relative to the TSR of the constituents of the S&P/ASX 100 Index. The four-year TSR result was 95.37 per cent. The Group outperformed the majority of our peers over the performance period with regard to rTSR and was ranked at the 83.8th percentile in the ASX 100, resulting in 100 per cent vesting.

Portfolio management and investment outcomes condition

The Board assessed Mr Scott's contribution and outcomes over the four-year performance period. Greater emphasis was placed on the contribution of the decisions and actions in the early years of the performance period to allow the outcomes to be assessed over the longer term, in particular, the divestment of the remaining 2.8 per cent stake in Coles, the acquisitions of InstantScripts and SILK laser clinics into Wesfarmers Health and continuing focus upon Group-wide digital and data assets. The Board also considered the portfolio management and investment opportunities that had been considered but not pursued over the period. Overall, after weighing up the varying success of the decisions over this period, the Board assessed Mr Scott as having achieved outcomes that exceeded its expectations.

In addition, the Group Managing Director and the Board assessed Mr Gianotti's outcomes and Mr Gianotti was also deemed to have achieved outcomes that exceeded expectations.

Divisional financial performance

Mr Schneider had a segment result condition. This condition measures the annual segment result for each of the four years in the performance period against the relevant Corporate Plan for Bunnings Group, subject to a simple average ROC gate. Years one to four of the performance period are weighted 40 per cent, 30 per cent, 20 per cent and 10 per cent respectively. The EBT and ROC targets in the relevant Corporate Plan are not typically adjusted subsequently. The Board can, however, adjust these targets where it considers it appropriate, so that participants are not unfairly advantaged or disadvantaged, for example, due to major external events or portfolio management activity.

Over the four-year performance period, the Bunnings Group reported an average ROC of 68.8 per cent, which was above the required average ROC condition of 61.2 per cent. The annual segment EBT target result was partially met in each of the financial years as shown in the table below. Overall, this resulted in 76.0 per cent of the award vesting.

FINANCIAL YEAR	WEIGHTING	PERCENTAGE OF ANNUAL TARGET ACHIEVED
2023	40%	89.0%
2024	30%	78.3%
2025	20%	55.3%
2026	10%	58.5%

Remuneration Report (audited)

5.6 Executive KMP remuneration (statutory presentation)

(a) Statutory executive KMP remuneration table

In the following table, remuneration outcomes are presented based on the requirements of the *Corporations Act 2001 (Cth)* and accounting standards (which has the benefit of being readily comparable with other companies) rather than a take-home pay basis (generally being cash and benefits and the value of equity received during the financial year). In this regard:

- The KEEPP cash component is recognised for the year in which it is earned. The KEEPP Deferred Shares are recognised as an expense over a 12-month period typically spanning two financial years and the KEEPP Performance Shares are recognised over the performance period (four years) based on the assessed value when originally granted to the executive KMP. The value recognised for the KEEPP Deferred Shares and KEEPP Performance Shares may be significantly different to their value if and/or when the incentive vests to the executive KMP. Note, as at 30 June 2026, the service and performance conditions to determine vesting of the 2026 KEEPP Deferred Shares and 2026 KEEPP Performance Shares had not yet been finalised and therefore the following table does not include the expensing of these grants.
- In some circumstances, amounts are recorded as remuneration even when no equity vests to the executive KMP and in other cases there can be negative remuneration from equity awards in a given year, for example, due to non-vesting.

	SHORT-TERM BENEFITS				LONG-TERM BENEFITS[1]	POST-EMPLOYMENT BENEFITS[2]	SHARE-BASED PAYMENTS[3]	TERMINATION BENEFITS	TOTAL	PERFORMANCE RELATED[4]
	CASH SALARY ($)	KEEPP CASH[5] ($)	NON-MONETARY BENEFITS[6] ($)	OTHER ($)	LEAVE ($)	SUPER-ANNUATION ($)	KEEPP AND OTHER EQUITY ($)	TERMINATION PAYMENTS ($)	($)	(%)
EXECUTIVE DIRECTOR										
R G Scott – Group Managing Director, Wesfarmers Limited										
2026	**2,706,501**	**–**	**14,516**	**–**	**45,833**	**30,000**	**5,459,375**	**–**	**8,256,225**	**66.1**
2025	2,521,362	–	69,664	–	43,333	29,932	4,672,418	–	7,336,709	63.7
SENIOR EXECUTIVES										
A N Gianotti – Group Chief Financial Officer, Wesfarmers Limited										
2026	**1,502,904**	**–**	**19,432**	**–**	**25,833**	**30,000**	**3,147,040**	**–**	**4,725,209**	**66.6**
2025	1,481,300	–	24,352	–	25,416	29,932	2,632,702	–	4,193,702	62.8
M D Schneider – Managing Director, Bunnings Group										
2026	**1,770,000**	**540,000**	**55,201**	**–**	**30,000**	**30,000**	**3,076,894**	**–**	**5,502,095**	**65.7**
2025	1,740,118	540,000	26,574	–	29,583	29,932	2,356,143	–	4,722,350	61.3
A Spaseska[7] – Managing Director, Kmart Group										
2026	**1,320,000**	**405,000**	**2,825**	**–**	**22,500**	**30,000**	**1,633,585**	**–**	**3,413,910**	**59.7**
2025	328,287	100,973	1,777	–	5,625	7,483	198,334	–	642,479	46.6
FORMER SENIOR EXECUTIVES										
I Bailey[8] – Managing Director, Kmart Group										
2025	1,189,999	371,589	–	–	27,083	22,501	2,482,227	–	4,093,399	69.7
TOTAL										
2026	**7,299,405**	**945,000**	**91,974**	**–**	**124,166**	**120,000**	**13,316,894**	**–**	**21,897,439**	**–**
2025	7,261,066	1,012,562	122,367	–	131,040	119,780	12,341,824	–	20,988,639	–

1 Long-term benefits relate to leave entitlements earned during the year. The amounts disclosed in this column represent the increase in the associated provisions.

2 Post-employment benefits relate to superannuation contributions made on behalf of the executive KMP in accordance with Wesfarmers' statutory superannuation obligations. Also included is any part of the executive KMP's salary that has been sacrificed into superannuation.

3 The amounts included in share-based payments relate to the KEEPP and Wesfarmers Employee Share Acquisition Plan (WESAP), as applicable.
- The portion of the 2022 KEEPP, 2023 KEEPP and 2024 KEEPP that continue to be expensed in the 2026 financial year based on probability of vesting (i.e. achieving service or non-market conditions), as these shares are subject to performance and service conditions, together referred to as the service period. The amounts included for the 2025 KEEPP are detailed in section 5.7. The amounts included for A Spaseska, include the portion of her 2022 WESAP, 2023 WESAP, 2024 WESAP and FY24 STI mandatorily deferred shares (awarded before she became a member of the executive KMP) that continue to be expensed in the 2026 financial year.
- The expensing for the Deferred Shares and Performance Shares that are yet to be granted under the 2026 KEEPP will be included in the remuneration table in the 2027 Remuneration Report.

4 The percentage performance related to the 2026 financial year is the sum of the KEEPP cash and share-based payments divided by the total remuneration, reflecting the actual percentage of remuneration at risk for the financial year. The percentage of total remuneration that consists of KEEPP shares only, being the amount expensed in the 2026 financial year for the 2022, 2023, 2024 and 2025 KEEPP shares, as applicable, is as follows – R G Scott 66.1 per cent, A N Gianotti 66.6 per cent, M D Schneider 55.9 per cent and A Spaseska 47.9 per cent.

5 Cash payments expected to be made in August 2026 to eligible participants in relation to the KEEPP for the 2026 financial year.

6 Short-term benefits, 'Non-monetary benefits' (inclusive of FBT where applicable), include the cost to the company of providing vehicles, travel and the fair value of discounts received for goods and services acquired by the executive KMP below retail price, under the general team member discount schemes (noting that these purchases are on the same terms and conditions as those entered into by other Group team members or customers and are minor or domestic in nature).

7 A Spaseska became a member of the executive KMP effective 1 April 2025.

8 I Bailey ceased to be a member of the executive KMP effective 31 March 2025.

Remuneration Report (audited)

(b) Summary of equity that was expensed during the 2026 financial year

The table below sets out details of the equity that was expensed during the 2026 financial year. In addition, this table shows the equity that vested during the financial year.

		DEFERRED SHARES VESTED DURING THE YEAR[1]		PERFORMANCE SHARES VESTED DURING THE YEAR[2]		RANGE THAT COULD BE EXPENSED OVER THE REMAINING PERFORMANCE PERIOD[3] ($)
NAME	YEAR	NUMBER	%	NUMBER	%	
EXECUTIVE KMP						
R G Scott	2022 KEEPP	–	–	69,544	95.0	–
	2023 KEEPP	–	–	–	–	0 to 464,595
	2024 KEEPP	44,021	100	–	–	0 to 981,137
	2025 KEEPP	–	–	–	–	0 to 3,481,960
A N Gianotti	2022 KEEPP	–	–	39,085	95.0	–
	2023 KEEPP	–	–	–	–	0 to 269,464
	2024 KEEPP	24,200	100	–	–	0 to 539,370
	2025 KEEPP	–	–	–	–	0 to 2,060,837
M D Schneider	2022 KEEPP	–	–	35,127	88.0	–
	2023 KEEPP	–	–	–	–	0 to 392,163
	2024 KEEPP	18,432	100	–	–	0 to 558,833
	2025 KEEPP	–	–	–	–	0 to 2,146,616
A Spaseska[4]	2022 WESAP	8,156	–	–	–	0 to 59,661
	2023 WESAP	–	–	–	–	0 to 70,224
	2024 WESAP	–	–	–	–	0 to 483,475
	FY24 STI	7,059	–	–	–	–
	2025 KEEPP	–	–	–	–	0 to 1,257,696

1 The 2022 KEEPP Deferred Shares were subject to a 12-month service condition and vested in November 2023, although these remained subject to a four-, five- and six-year trading restriction until August 2026, August 2027 and August 2028 respectively. The 2023 KEEPP Deferred Shares were subject to a 12-month service condition and vested in November 2024, although these remain subject to a four-, five- and six-year trading restriction until August 2027, August 2028 and August 2029 respectively. The 2024 KEEPP Deferred Shares were subject to a 12-month service condition and vested in November 2025, although these remain subject to a four-, five-, and six-year trading restriction until August 2028, August 2029 and August 2030 respectively. The 2025 KEEPP Deferred Shares remain unvested. The KEEPP Deferred Shares are held in trust and can only be transferred to the executive KMP once all trading restrictions and any other conditions are met.

2 The 2022 KEEPP Performance Shares were subject to a four-year performance period that ended on 30 June 2026 (see section 5.5 for further information). The 2023 KEEPP Performance Shares, 2024 KEEPP Performance Shares and 2025 KEEPP Performance Shares will reach the end of the four-year performance period on 30 June 2027, 30 June 2028 and 30 June 2029 respectively. KEEPP Performance Shares are held in trust and can only be transferred to the executive KMP once vested.

3 Should the executive KMP resign prior to vesting, the WESAP and KEEPP Deferred Shares and WESAP and KEEPP Performance Shares would be forfeited. Accordingly, the minimum value of the unvested award would be nil. The fair value at the grant date represents the maximum possible total fair value of the shares. See the relevant Remuneration Report in the year of grant for further details regarding the KEEPP.

4 A Spaseska became a member of the executive KMP effective 1 April 2025 and the amounts include shares awarded before she became a member of the executive KMP. The 2022 WESAP Deferred Shares, 2023 WESAP Deferred Shares, 2024 WESAP Deferred Shares and FY24 STI mandatorily deferred shares vest and reach the end of their respective service condition between August 2025 and November 2027. The 2023 WESAP Performance Shares and 2024 WESAP Performance Shares will reach the end of the four-year performance period on 30 June 2027 and 30 June 2028 respectively. WESAP shares are held in trust and can only be transferred to participants once vested.

Other Board considerations of prior year KEEPP awards during the 2026 financial year

The table above shows awards vested in the 2026 financial year. In addition to the vesting of the 2022 KEEPP Performance Shares (as set out in section 5.5), in September 2025 the Board considered the Deferred Shares allocated under the 2024 KEEPP award and approved the vesting of these shares, noting that these continue to remain subject to trading restrictions. The trading restrictions on these shares will be lifted in equal tranches with one-third released in August 2028, one-third released in August 2029 and the remainder released in August 2030.

Additionally, in August 2026 the Board considered and approved the release of the third tranche of the vested 2020 KEEPP Deferred Shares, the second tranche of the vested 2021 KEEPP Deferred Shares, and the first tranche of the vested 2022 KEEPP Deferred Shares.

5.7 Details of equity allocated under the KEEPP during the 2026 financial year

The 2025 KEEPP outcomes were presented in section 5.2 of the 2025 Remuneration Report, including the percentage of the 2025 KEEPP award opportunity that was forfeited.

The 2025 KEEPP Deferred Shares and Performance Shares were granted during the 2026 financial year, with any cash component paid on 29 August 2025. Approval from Wesfarmers shareholders for the issue of these shares to the Group Managing Director was obtained under ASX Listing Rule 10.14 at the 2025 AGM.

The terms applicable to the grant of Deferred Shares and Performance Shares for the 2025 KEEPP are set out on the following pages. Details of prior year grants are set out in the Remuneration Report for the relevant year.

NAME	DEFERRED SHARES ALLOCATED (SUBJECT TO A FOUR-, FIVE- AND SIX-YEAR RESTRICTION FROM TRADING)[1,3]	PERFORMANCE SHARES ALLOCATED (VESTING SUBJECT TO PERFORMANCE CONDITIONS OVER A FOUR-YEAR PERFORMANCE PERIOD)[2,3]	FAIR VALUE OF DEFERRED SHARES AT GRANT DATE[4] ($)	FAIR VALUE OF PERFORMANCE SHARES AT GRANT DATE[4] ($)
EXECUTIVE KMP				
R G Scott	44,517	44,517	3,834,249	2,648,303
A N Gianotti	26,348	26,348	2,269,353	1,567,423
M D Schneider	24,939	24,939	2,147,996	1,732,745
A Spaseska	14,674	14,674	1,263,872	1,019,550

1 The 2025 KEEPP Deferred Shares were granted on 30 October 2025 and are still subject to restrictions, in accordance with the relevant service conditions and ongoing tenure. No 2025 KEEPP Deferred Shares vested or were forfeited during the reporting period.

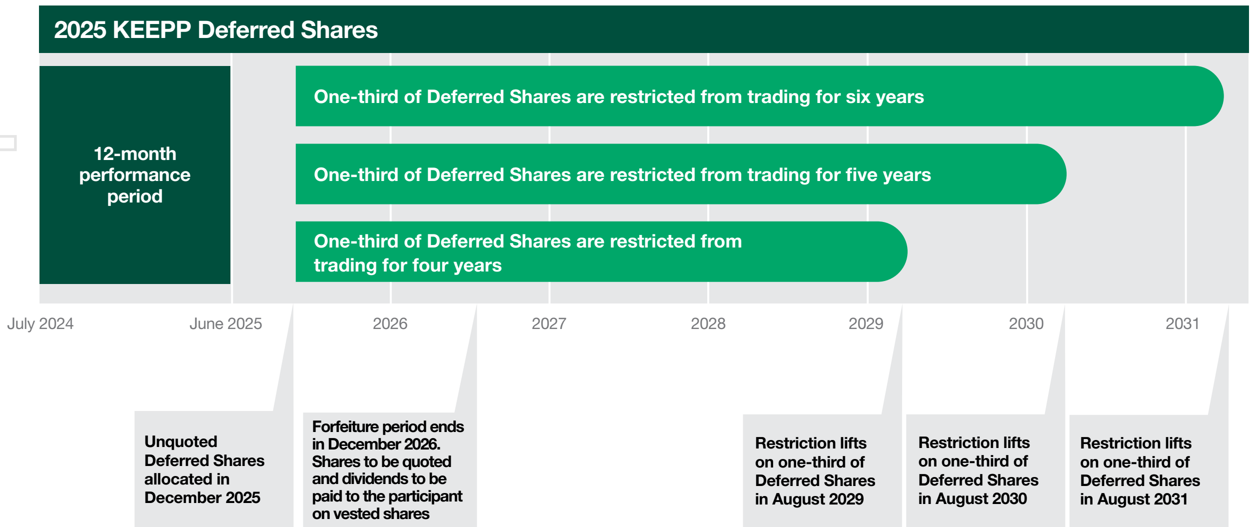
2 The 2025 KEEPP Performance Shares were granted on 30 October 2025 and are still subject to performance conditions until 30 June 2029. Accordingly, no 2025 KEEPP Performance Shares vested or were forfeited during the reporting period.

3 The number of Deferred Shares and Performance Shares allocated was determined using the face value of Wesfarmers shares, based upon the 10-day VWAP of Wesfarmers shares over the period following the commencement of trading ex-dividend (i.e. 5 November to 18 November 2025) being $81.2038.

4 For accounting purposes, the fair value at grant date is shown above, in accordance with AASB 2 *Share-based Payment.* The Performance Shares subject to market conditions (rTSR condition) have been independently valued using the Monte Carlo simulation based on the Black-Scholes-Merton framework. The Deferred Shares and the Performance Shares subject to non-market conditions (e.g. divisional EBT and ROC) have been valued with reference to the Wesfarmers share price on grant date. The value per Performance Share for the rTSR performance condition is $52.83 and the value per Deferred Share and per Performance Share subject to the portfolio management and investment outcomes condition or the divisional financial performance condition is $86.13, valued as at 30 October 2025 following approval of the grant to the Group Managing Director at the 2025 AGM. The fair value at the grant date represents the maximum possible total fair value of the shares. The minimum value of unvested shares is nil.

2025 KEEPP Deferred Shares

The 2025 KEEPP Deferred Shares were allocated in December 2025 and did not have further conditions applied but did have a 12-month service condition (the forfeiture period) from the date they were allocated to participants and continue to be subject to trading restrictions as outlined below. Prior to allocation, the executive KMP had the option of voluntarily applying a longer restriction period to their 2025 KEEPP Deferred Shares of up to 15 years.



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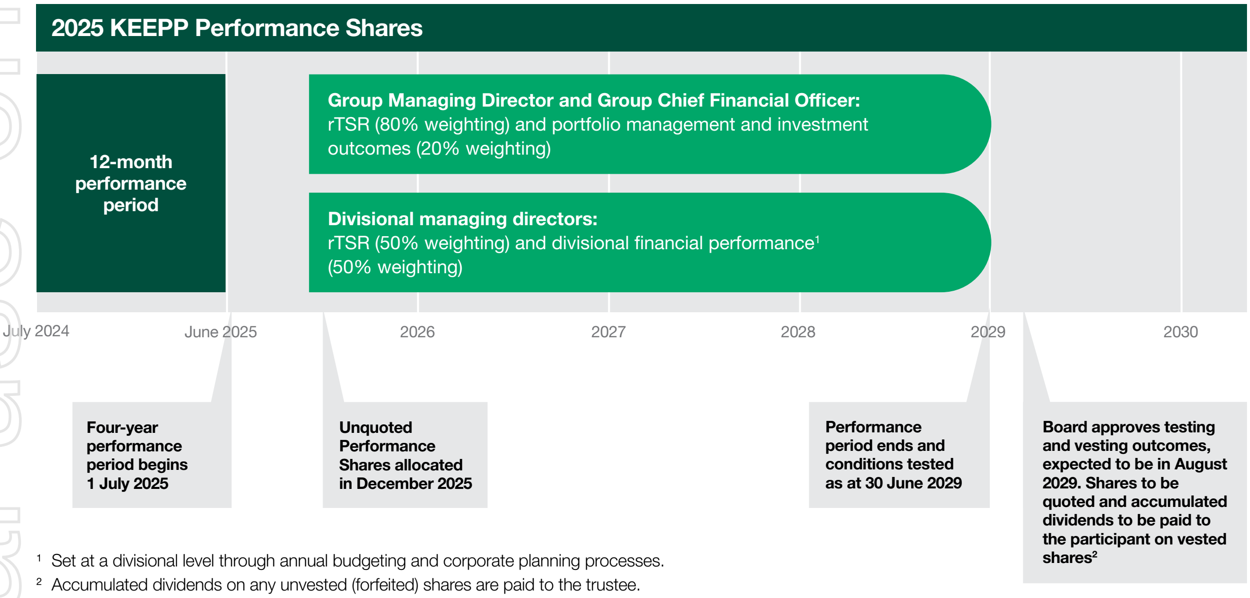
2025 KEEPP Performance Shares

The 2025 KEEPP Performance Shares were allocated in December 2025. These have performance conditions over a four-year performance period, from 1 July 2025 to 30 June 2029. The performance conditions will be tested shortly after the end of the performance period. KEEPP Performance Shares will only vest based on the extent of the satisfaction of the performance conditions outlined below. Following testing, any KEEPP Performance Shares that do not vest will be forfeited. The performance conditions applicable to the 2025 KEEPP Performance Shares vary as set out below and on the following page.



[1] Set at a divisional level through annual budgeting and corporate planning processes.
[2] Accumulated dividends on any unvested (forfeited) shares are paid to the trustee.

Assessment of the performance conditions and achievement against the performance conditions will be determined by the Board having regard to any matters that it considers relevant.

Specific divisional financial performance conditions have been set with regard to each divisional managing director and the relevant key financial measures for their respective division. Mr Schneider and Ms Spaseska's 2025 Performance Shares subject to divisional financial performance (being 50 per cent of the overall Performance Shares allocation) will be assessed against divisional EBT and ROC.

The table below provides further detail on the performance conditions, including how the testing and vesting, if applicable, will occur.

MEASURE	DETAIL
Relative TSR	For the Group Managing Director and the Group Chief Financial Officer, 80 per cent of their 2025 KEEPP Performance Shares will be tested against the rTSR condition. For the divisional managing directors, 50 per cent of their 2025 KEEPP Performance Shares are tested against the rTSR condition. The rTSR condition measures the performance of an ordinary Wesfarmers share (including the value of any dividend and any other shareholder benefits paid during the performance period) against TSR performance of a comparator group of companies, comprising the S&P/ASX 100 Index, over the same period. TSR performance is independently assessed over the performance period against the constituents of the S&P/ASX 100 Index as at the start of the performance period. Vesting schedule against rTSR:

PERCENTILE RANKING	PERCENTAGE OF AWARDS VESTING
Below the 50th percentile	0% vesting
Equal to the 50th percentile	50% vesting
Between the 50th and 75th percentile	Straight-line vesting between 50% and 100% i.e. an additional 2% of awards vest for each percentile increase
Equal to the 75th percentile or above	100% vesting

Wesfarmers' rTSR was chosen because it provides a relative external market performance measure having regard to Wesfarmers' ASX 100 peers and ensures all executive KMP are remunerated in relation to Group results.

MEASURE	DETAIL
Wesfarmers' portfolio management and investment outcomes	For the Group Managing Director and the Group Chief Financial Officer, 20 per cent of their 2025 KEEPP Performance Shares will be tested against the Wesfarmers' portfolio management and investment outcomes condition. Wesfarmers' portfolio management and investment outcomes were chosen to recognise the criticality of decision-making with regards to potential acquisitions, investments and disposals on shareholder value creation. At the end of the four-year performance period, the Board will consider the performance of the Group Managing Director and the Group Chief Financial Officer in relation to the acquisition, investment and disposal activities of the Group over that period. Throughout the performance period, the Board maintains a log of the portfolio management and investment decisions and rationale, including the decisions not to proceed with portfolio changes or investments. At the end of the performance period, the Board will consider the validity of these decisions from a shareholder value creation perspective, with a greater weighting placed upon decisions made in the first year of the performance period.
Divisional financial performance	For the divisional managing directors, 50 per cent of the 2025 KEEPP Performance Shares are tested against the divisional financial performance condition. The EBT condition measures the respective division's before-tax profit against its profit targets, subject to achieving a weighted average ROC gate over the four-year performance period. ROC is calculated as divisional EBT divided by divisional rolling 12-months capital employed, where capital employed excludes right-of-use assets and lease liabilities. The EBT targets and weighted average ROC gate have been calculated using the division's 2026 financial year budget and targets in the respective division's 2025 Corporate Plan. The ROC gate has been set at 90 per cent of the average ROC target over the four-year performance period. Subject to the ROC gate being passed, a portion of the KEEPP Performance Shares will vest for achievement against the annual EBT targets. The annual EBT target is individually weighted for each year of the performance period, with a 40 per cent weighting to the first year of the performance period, followed by 30 per cent, 20 per cent and 10 per cent weighting for years two, three and four respectively. Similarly the weighted average ROC is calculated using the same weighting profile. The EBT and ROC results are calculated after the preparation and audit of the financial statements following the end of the final year of the performance period and assessed against the targets set. The vesting schedule against EBT and ROC is: Subject to achieving the four-year weighted average ROC gate, **ANNUAL EBT RESULT** — **PERCENTAGE OF AWARDS VESTING** Below 90% of target — 0% vesting Equal to 90% of target — 50% vesting Between 90% and 100% of target — Straight-line vesting between 50% and 100% Equal to 100% of target or above — 100% vesting Divisional annual EBT, subject to weighted average ROC, was chosen to ensure the remuneration of divisional managing directors is directly linked to the achievement of long-term financial returns for the business for which they are directly accountable. The EBT and ROC targets may be adjusted, where the Board considers it appropriate to do so, so that participants are not unfairly advantaged or disadvantaged, for example, due to significant external events or portfolio management activity.

ANNUAL EBT RESULT	PERCENTAGE OF AWARDS VESTING
Below 90% of target	0% vesting
Equal to 90% of target	50% vesting
Between 90% and 100% of target	Straight-line vesting between 50% and 100%
Equal to 100% of target or above	100% vesting

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Further terms and processes of the 2025 KEEPP

The table below sets out further terms and practices applying to Deferred Shares and Performance Shares granted under the 2025 KEEPP.

KEEPP pricing period

The number of shares allocated is determined using a face value equal to the 10-day, volume-weighted average price (VWAP) of Wesfarmers shares typically over the period following the full-year results announcement in August of that year. Where required, the 10-day period will be delayed to include shares trading ex-dividend or ex-entitlement only. The 10-day period for the 2025 KEEPP award was 5 November to 18 November 2025, so that it was after the ex-dividend date for the special dividend paid in 2025.

Pre-vest assessment

Prior to finalising the vesting result for KEEPP Deferred and Performance Shares, the Board considers whether the outcomes are fair and reasonable rather than simply formulaic. Further, the Board has discretion to adjust the performance conditions in appropriate circumstances, so that participants are not unfairly advantaged or disadvantaged, for example, by portfolio management activity or external events.

Cessation of employment

If an executive KMP ceases employment with Wesfarmers before the end of the forfeiture period, restriction period or performance period (as applicable), their entitlement to the shares (if any) will depend on the circumstances of their departure. The table below summarises the treatment that will generally apply, subject to the Board's judgement to determine a different treatment to the treatment outlined below.

REASON	DEFERRED SHARES	PERFORMANCE SHARES
Resignation	*During the forfeiture period (i.e. within 12 months of allocation)* – the Deferred Shares will be forfeited. *After the forfeiture period has ended* – the Deferred Shares will remain on foot and subject to the original conditions.	The Performance Shares will be forfeited.
Dismissal by the Board for cause or significant underperformance or in circumstances justifying 'bad leaver' treatment	The Deferred Shares will be forfeited.	The Performance Shares will be forfeited.
Breach of restraint under the executive's service contract	The Deferred Shares will be forfeited.	The Performance Shares will be forfeited.
All other reasons (including for example, due to retirement, death, disability or serious injury)	The Deferred Shares will remain on foot and subject to the original conditions. Vesting outcomes will be assessed by the Board at the conclusion of the service/forfeiture period.	The Performance Shares will remain on foot and subject to the original conditions. Testing and vesting (if applicable) outcomes will be assessed by the Board at the conclusion of the performance period.

Following cessation of employment (where Deferred Shares remain on foot):

If, following cessation of employment, the Board determines in good faith that:

– the executive KMP has breached any restriction or undertaking owed to the Wesfarmers Group or any compromise or arrangement in relation to their cessation of employment, or

– the executive KMP's circumstances have changed making it no longer appropriate for them to retain the benefit of their award,

the Board may determine that:

– some or all of the executive KMP's vested or unvested KEEPP Deferred Shares will be forfeited, and/or

– the executive KMP is required to pay or repay as a debt the net proceeds of the sale of shares or dividends provided to them.

Change of control

If a change of control event occurs, the Board has broad discretion to determine the treatment of KEEPP Deferred Shares and KEEPP Performance Shares, having regard to any matter that the Board considers relevant.

Clawback and adjustment

The terms of the KEEPP allow for the Board to clawback or adjust any incentive awards (including cash or shares) which were granted, vest or may vest, or are released or may be released (as applicable). For example, these powers can be exercised as a result of a material misstatement in, or omission from, the financial statements or otherwise as a result of fraud, dishonesty or breach of obligations. In such circumstances, the Board may, reduce or defer or otherwise require the repayment of any amount paid or payable to the executive to ensure no inappropriate benefit is derived. The Board has discretion to adjust any conditions applicable to an award, if considered appropriate.

Dividend and voting rights

The KEEPP Deferred Shares and the KEEPP Performance Shares carry dividend and voting rights. While the shares are unquoted shares, any dividends determined are accumulated and are not paid until the shares are quoted. Where the KEEPP Deferred Shares and the KEEPP Performance Shares vest, the dividends are paid to the participant and where the KEEPP Deferred Shares and the KEEPP Performance Shares are forfeited, the dividends are paid to the trustee. The participant does not therefore receive any dividends on unvested KEEPP Deferred Shares or KEEPP Performance Shares.

5.8 Executive KMP share ownership

The Board considers it an important foundation of the Wesfarmers remuneration framework that the executive KMP hold or have a beneficial interest in a significant number of Wesfarmers shares to encourage them to behave like long-term owners. As discussed earlier in this report, this is supported with outcomes under the KEEPP predominantly being delivered in long-dated equity. Within five years of becoming an executive KMP, the Board expects that all executive KMP hold or have a beneficial interest in at least their respective FAR in (vested) Wesfarmers shares. As shown in the table below, all current executive KMP meet this expectation, even when only recently appointed to a KMP role.

The following table sets out the number of shares held directly, indirectly or beneficially by the current executive KMP (including their related parties) and provides a summary of the number of shares available to the executive and the number of shares that remain under restriction. For details of shares that vested and for which final expensing occurred during the 2026 financial year, refer to section 5.6(b).

					BREAKDOWN OF BALANCE AT YEAR-END		
NAME	OPENING BALANCE (AT 1 JULY 2025)[1]	ALLOCATED UNDER A REMUNERATION FRAMEWORK[2]	NET CHANGE[3]	CLOSING BALANCE (AT 30 JUNE 2026)[4]	NOT VESTED[5]	VESTED[6]	ORDINARY SHARES[7]
R G Scott	1,158,094	89,034	(3,660)	1,243,468]	179,755	510,140 of which 284,037] are restricted	553,573
A N Gianotti	505,939	52,696	(42,057)	516,578	103,982	157,278 of which 157,278 are restricted	255,318
M D Schneider	328,251	49,878	(63,953)	314,176	97,517	144,177 of which 144,177 are restricted	72,482
A Spaseska	75,516	29,348	-	104,864	66,869	37,995 of which 7,059 are restricted	-
Total	2,067,800	220,956	(109,670)	2,179,086	448,123	849,590	881,373

1 This number reflects the fully-paid ordinary shares held directly or nominally, unvested and vested equity under the incentive plans. The unvested equity may include the 2022 KEEPP Performance Shares, the 2023 KEEPP Performance Shares and the 2024 KEEPP Deferred Shares and Performance Shares, as appropriate.
2 The number of KEEPP Deferred Shares and KEEPP Performance Shares allocated under the 2025 KEEPP, as appropriate. Refer to section 5.7 for details.
3 Includes personal trades, shares received under the dividend investment plan or other corporate actions.
4 This number reflects the fully-paid ordinary shares held directly or nominally, unvested and vested equity under the incentive plans. Where an executive ceased to be a member of the executive KMP throughout the year, the balance at year-end reflects the balance of equity as at the date they ceased to be an executive KMP.
5 The unvested equity includes the 2023 KEEPP Performance Shares, the 2024 KEEPP Performance Shares and the 2025 KEEPP Deferred Shares and Performance Shares, as appropriate. For A Spaseska these amounts also reflect shares acquired under the WESAP in her prior roles.
6 Vested equity reflects any share-based awards received by the executive KMP that are now fully vested and includes shares that have vested but which remain subject to a restriction within the incentive plans.
7 This number reflects the fully-paid ordinary shares held directly outside of an equity plan by the executive KMP, including their related parties.

5.9 Executive service agreements

The remuneration and other terms of employment for the Group Managing Director, the Group Chief Financial Officer and other executive KMP are covered in formal employment contracts. All service agreements are ongoing and may be terminated immediately for serious misconduct. All executives are entitled to receive pay in lieu of any accrued but untaken annual and long service leave on cessation of employment.

ROLE	NOTICE PERIOD	RESTRAINT PERIOD
Group Managing Director [1]	12 months	12 months
Chief Financial Officer[1]	12 months	12 months
Divisional Managing Directors	12 months	12 months

1 The Group Managing Director and the Group Chief Financial Officer may terminate their employment within 30 days of an event giving rise to a fundamental change. This includes Mr Scott ceasing to be the most senior executive of the Group, a delisting of Wesfarmers or a material reduction in role, status or delegated authority.

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Non-executive director remuneration

6. Non-executive directors

6.1 Overview of non-executive director remuneration policy and arrangements

OUR POLICY OBJECTIVES AND GUIDING PRINCIPLES

1. **To provide market-competitive remuneration for non-executive directors**
2. **To safeguard and preserve independence**: to not include any performance-related element in remuneration

Aggregate fees approved by shareholders

The current maximum aggregate fee pool for non-executive directors of $4,000,000 was approved by shareholders at the 2024 AGM. Fees paid to Wesfarmers' non-executive directors for membership of the Wesfarmers Board and committees and superannuation contributions made on behalf of the non-executive directors in accordance with Wesfarmers' statutory superannuation obligations are included in this aggregate fee pool.

Regular reviews of remuneration

The Board annually reviews the level of fees paid to the non-executive directors, including consideration of external benchmarking. As foreshadowed in the 2025 Remuneration Report, in June 2025 the Board reviewed the Board fees and the committee fees payable to the non-executive directors and the Chairman of the Board having regard to benchmark data, market position and relative fees to apply from 1 July 2025. Benchmarking data of the ASX 25 indicated that the Board and Committee fees had become less competitive over time. As a result, after consideration, the Board made changes to realign the fees for the 2026 financial year. From 1 July 2025, the base Board member fee increased to $260,000 and the Chairman's fee increased to $950,000; the Remuneration Committee member fee increased to $35,000 and the Remuneration Committee Chairman's fee increased to $67,000; the Audit and Risk Committee Chairman's fee increased to $75,000. There were no other changes to the fees paid to non-executive directors during the 2026 financial year.

In June 2026, the Board undertook the annual review having regard to the same criteria. After consideration, there were no changes to the Chairman's fee, base Board fees or committee fees for the 2027 financial year.

6.2 Non-executive director fees and other benefits

The 2026 fees shown in the table below (inclusive of superannuation) took effect from 1 July 2025 and applied throughout the 2026 financial year. The 2025 fees are shown for comparison.

FEES/BENEFITS	DESCRIPTION	2025 ($)	2026 ($)
Board fees	Chairman – M A Chaney	825,000	950,000
	Members – all non-executive directors	240,000	260,000
Committee fees	**Audit and Risk Committee**		
	Chairman – S L Warburton	70,000	75,000
	Members – S W English, F von Oertzen, K M Munnings, K N MacKenzie[1]	40,000	40,000
	Remuneration Committee		
	Chairman – M Roche	60,000	67,000
	Members – M A Chaney,[2] A M Watkins, A J Cransberg, J A Westacott,[3] J A Coates, K N MacKenzie[1]	30,000	35,000
	Nomination Committee		
	Chairman – M A Chaney	No fees	No fees
	Members – all non-executive directors	No fees	No fees

[1] K N MacKenzie was appointed to the Board of Wesfarmers Limited on 1 June 2026. The Board has resolved to appoint Mr MacKenzie as Chairman from the conclusion of the 2026 Annual General Meeting, subject to shareholder approval. At this time, Mr MacKenzie will receive the Chairman's Board fee only and will not receive a separate fee for membership of any of the Board's committees.

[2] The Chairman of the Board does not receive a separate fee for membership of any of the Board's committees.

[3] J A Westacott retired from the Board of Wesfarmers Limited on 30 October 2025.

Non-executive directors' equity plan

The Wesfarmers Limited Non-Executive Director Equity Plan commenced in the 2026 financial year and provides non-executive directors with the opportunity, to salary sacrifice a portion of their fees to acquire share rights which, upon vesting, automatically exercise into Wesfarmers Limited ordinary shares. The plan assists non-executive directors to reach their minimum shareholding requirements (by allowing shares to be acquired in a shorter timeframe, as shares are acquired on a pre-tax basis) recognising that non-executive directors can often be limited in their ability to purchase shares due to Australian share trading laws. Participation is voluntary and participants can elect to sacrifice between 20 per cent and 100 per cent of their annual fees. Rights acquired in each financial year will vest and automatically exercise in two equal tranches at six monthly intervals. If a participating non-executive director ceases to hold their office before vesting, following cessation, their rights will be pro-rated based on service, with retained rights automatically exercised and the trading restrictions on allocated shares lifted. Any remaining rights will lapse.

6.3 Non-executive director remuneration

The fees paid or payable to the non-executive directors in relation to the 2026 financial year are set out below.

		FEES – WESFARMERS LIMITED[1] ($)	SUPERANNUATION[2] ($)	TOTAL FEES ($)	OTHER BENEFITS[3] ($)	GRAND TOTAL ($)
NON-EXECUTIVE DIRECTORS						
M A Chaney	**2026**	**920,000**	**30,000**	**950,000**	**24,322**	**974,322**
	2025	795,068	29,932	825,000	10,124	835,124
J A Coates	**2026**	**265,000**	**30,000**	**295,000**	**-**	**295,000**
	2025	40,359	4,641	45,000	-	45,000
A J Cransberg	**2026**	**265,000**	**30,000**	**295,000**	**2,955**	**297,955**
	2025	242,152	27,848	270,000	2,171	272,171
S W English	**2026**	**270,000**	**30,000**	**300,000**	**-**	**300,000**
	2025	251,121	28,879	280,000	-	280,000
K N MacKenzie[4]	**2026**	**25,417**	**3,050**	**28,467**	**-**	**28,467**
K M Munnings	**2026**	**270,000**	**30,000**	**300,000**	**-**	**300,000**
	2025	224,962	25,871	250,833	-	250,833
M Roche	**2026**	**319,500**	**7,500**	**327,000**	**-**	**327,000**
	2025	300,000	-	300,000	-	300,000
F von Oertzen	**2026**	**270,000**	**30,000**	**300,000**	**7,770**	**307,770**
	2025	188,341	21,659	210,000	-	210,000
S L Warburton	**2026**	**305,000**	**30,000**	**335,000**	**21,555**	**356,555**
	2025	280,068	29,932	310,000	-	310,000
A M Watkins	**2026**	**265,000**	**30,000**	**295,000**	**-**	**295,000**
	2025	242,152	27,848	270,000	3,639	273,639
FORMER NON-EXECUTIVE DIRECTORS						
A Sabharwal[5]	2025	93,333	-	93,333	5,369	98,702
V M Wallace[5]	2025	90,000	-	90,000	28,229	118,229
J A Westacott[6]	**2026**	**88,333**	**10,150**	**98,483**	**28,291**	**126,774**
	2025	248,132	28,535	276,667	19,876	296,543
TOTAL						
	2026	**3,263,250**	**260,700**	**3,523,950**	**84,893**	**3,608,843**
	2025	2,995,688	225,145	3,220,833	69,408	3,290,241

1 Fees include any amounts that non-executive directors elected to sacrifice under the Non-Executive Director Equity Plan.
2 Superannuation contributions are made on behalf of non-executive directors in accordance with Wesfarmers' statutory superannuation obligations, except where approval was obtained from the Australian Taxation Office by individual non-executive directors to be exempt from making superannuation contributions due to obligations being met by other employers. Also included is any part of a non-executive director's fees that have been sacrificed into superannuation.
3 Other benefits include the cost of other expenses, including fringe benefits tax, if applicable, such as travel or retirement gifts for retired directors.
4 K N MacKenzie was appointed as a non-executive director on 1 June 2026.
5 A Sabharwal and V M Wallace ceased to be non-executive directors effective 31 October 2024.
6 J A Westacott ceased to be a non-executive director effective 30 October 2025.

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6.4 Non-executive director share ownership

The Board considers it an important foundation of the Wesfarmers remuneration framework that the directors hold a significant number of Wesfarmers shares to encourage them to behave like long-term owners. Directors are required to hold a minimum of 1,000 Wesfarmers shares within two months of appointment and are also expected to increase their holdings in Wesfarmers shares to the equivalent of their annual base Board fee within five years of appointment.

The following table sets out the number of shares held directly, indirectly or beneficially by directors, in accordance with AASB 124 (including their related parties) and includes fully-paid ordinary shares held directly as well as vested and unrestricted equity under the Non-Executive Director Equity Plan. The inclusion of related party information may increase the shareholdings shown compared to other sources, such as director's interest notices lodged with the ASX.

NAME	BALANCE AT BEGINNING OF YEAR	NET CHANGE[1,2]	BALANCE AT YEAR-END	MINIMUM SHAREHOLDING REQUIREMENT COMPLIANCE
NON-EXECUTIVE DIRECTORS				
M A Chaney	50,253	(253)[3]	50,000	Compliant
J A Coates	3,685	315[4]	4,000	Compliant[5]
A J Cransberg[6]	4,473	908	5,381	Compliant[5]
S W English	5,501	168	5,669	Compliant
K N MacKenzie[7]	-	8,148	8,148	Compliant[5]
K M Munnings	1,375	-	1,375	Compliant[5]
M Roche	13,500	-	13,500	Compliant
F von Oertzen	2,000	665	2,665	Compliant[5]
S L Warburton[8]	7,536	1,031	8,567	Compliant
A M Watkins	9,000	-	9,000	Compliant[5]
FORMER NON-EXECUTIVE DIRECTORS				
J A Westacott[9]	6,788	-	6,788	
Total	**104,111**	**10,982**	**115,093**	

1 The net change includes changes due to any reason, including personal trades during the year and acquisitions under the Non-Executive Director Equity Plan.
2 The balances for A J Cransberg and S L Warburton include the rights and shares acquired under the financial year 2026 Non-Executive Director Equity Plan.
3 The net change for M A Chaney reflects shares held by a related party that are no longer reflected in his balance held.
4 The net change for J A Coates includes shares held by a related party that are no longer reflected in her balance held.
5 As at 30 June 2026, these directors were appointed to the Board within the last five years and therefore their minimum shareholding requirement is 1,000 shares. For all other directors, the minimum shareholding requirement is to hold shares equivalent in value to their annual main Board fee.
6 The balance for A J Cransberg includes 454 unvested rights and 454 shares, acquired under the 2026 Non-Executive Director Equity Plan. The 908 rights were granted on 3 December 2025 at an allocation price of $81.2038. The first tranche of rights vested on 20 February 2026.
7 The information for K N MacKenzie reflects his time since appointment to the Board and as a KMP, from 1 June 2026.
8 The balance for S L Warburton includes 515 unvested rights and 516 shares, acquired under the 2026 Non-Executive Director Equity Plan. The 1,031 rights were granted on 3 December 2025 at an allocation price of $81.2038. The first tranche of rights vested on 20 February 2026.
9 J A Westacott ceased to be a non-executive director effective 30 October 2025. Her 'Balance at year-end' reflects the balance of equity as at the date she ceased to be a director.

Other remuneration information

7. Remuneration governance

7.1 Role of the Board and the Remuneration Committee

The diagram below illustrates the roles of the Board, its committees and Wesfarmers management in making executive KMP remuneration decisions.

Wesfarmers Board

The Board is responsible for setting remuneration policy and determining non-executive director, executive director and executive KMP remuneration and ensuring policy is aligned with the Group's purpose, values, strategic objectives and risk management framework. In addition, the Board is responsible for approving the remuneration of and overseeing the performance review of the Group Managing Director, for approving the remuneration of the other executive KMP and approving all targets and performance conditions set under the KEEPP.

Remuneration Committee

The Remuneration Committee makes recommendations to the Board in relation to the overall approach to remuneration for the Group and regarding all aspects of executive KMP remuneration.

In relation to the KEEPP, this includes making recommendations in relation to the targets (including threshold and stretch performance targets) to be included in the KEEPP scorecards and in relation to setting performance conditions that attach to KEEPP Performance Shares (both the financial conditions and the other non-financial performance conditions). As part of setting performance conditions on the KEEPP Performance Shares for the divisional managing directors, the Remuneration Committee makes recommendations to the Board on whether the conditions should be set at a divisional or business level.

Additional information and data is sought from management and remuneration consultants, as required.

Further information regarding the objectives and role of the Remuneration Committee is contained in its charter, which is available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

Management

The Group Managing Director provides updates and makes recommendations to the Remuneration Committee on remuneration and performance matters in relation to his direct reports throughout the year, but is not involved in making recommendations in relation to his own remuneration. The Group Managing Director provides formal updates to the Remuneration Committee on a six-monthly basis.

Additional information and data is sought from management and remuneration consultants, as required.

Audit and Risk Committee Chairman

The Audit and Risk Committee Chairman attends the Remuneration Committee meetings and is formally involved in the remuneration outcomes recommendations, ensuring there is a tight linkage between behaviour, risk management and remuneration outcomes.

7.2 Non-executive director remuneration

Non-executive directors' fees, including committee fees, are reviewed annually. The Remuneration Committee and the Board (or only the Board if this relates to Remuneration Committee fees) consider benchmarking and other factors such as the reasonableness of any change to the fees in the context of the external environment and any regulatory changes impacting Board accountability, before proposing any increase in fees. The Remuneration Committee and the Board may seek an external opinion, where considered necessary. See section 6 for further information on non-executive director remuneration.

7.3 Use of remuneration consultants

To inform the Board and Remuneration Committee, and to assist with their decision-making processes, additional information and data is sought from management and remuneration consultants, as required.

While external advisors provided information, no remuneration recommendations as defined in section 9B of the *Corporations Act 2001* (Cth) were obtained from external remuneration consultants during the financial year ended 30 June 2026.

Remuneration Report (audited)

8. Further information on remuneration

8.1 Share trading restrictions

Wesfarmers' Securities Trading Policy reflects the *Corporations Act 2001* (Cth) prohibition on KMP and their closely related parties entering into any arrangement that would have the effect of limiting the KMP's exposure to risk relating to an element of their remuneration that remains subject to restrictions on disposal.

Wesfarmers directors, the Wesfarmers Leadership Team and certain members of their immediate family and controlled entities are also required to obtain clearance from the Wesfarmers Company Secretary for the sale, purchase or transfer of Wesfarmers securities (excluding any transfer of legal but not beneficial ownership) and for short selling, short-term trading, security interests, margin loans and hedging relating to Wesfarmers securities. The Wesfarmers Company Secretary refers all requests for clearance to at least two members of the Disclosure Committee. Clearance from the Chairman is also required for requests from Wesfarmers directors. Clearance cannot be requested for dealings that are subject to the *Corporations Act 2001* (Cth) prohibition referred to above.

The policy is available in the corporate governance section of the company's website at **wesfarmers.com.au/cg**

Breaches of the policy are subject to disciplinary action, which may include termination of employment.

8.2 Other transactions and balances with key management personnel

From time to time, the executive KMP and directors of the company or our controlled entities, or their related entities, may purchase goods or services from the Group. These purchases are on the same terms and conditions as those entered into by other Group team members or customers and are minor or domestic in nature.

There were no loans made during the financial year, or remaining unsettled at 30 June 2026, between Wesfarmers and our directors or executive KMP and/or their related parties.

9. Independent audit of Remuneration Report

The Remuneration Report has been audited by Ernst & Young. See page 198 for Ernst & Young's report on the Remuneration Report.

The Directors' Report, including the Remuneration Report, is signed in accordance with a resolution of the directors of Wesfarmers Limited.

M A Chaney AO
Chairman

R G Scott
Managing Director

Perth
26 August 2026

Financial statements

For the year ended 30 June 2026 – Wesfarmers Limited and its controlled entities

Financial statements

Notes to the financial statements

Income statement

For the year ended 30 June 2026

		CONSOLIDATED	
		2026	2025
	NOTE	$M	$M
Revenue	1	**47,274**	45,700
Expenses			
Raw materials and inventory		**(31,085)**	(29,939)
Employee benefits expense	2	**(6,939)**	(6,842)
Freight and other related expenses		**(787)**	(759)
Occupancy-related expenses	2	**(566)**	(561)
Depreciation and amortisation	2	**(1,844)**	(1,833)
Impairment expenses		**(30)**	(45)
Other expenses	2	**(1,816)**	(1,815)
Total expenses		**(43,067)**	(41,794)
Other income	1	**160**	363
Share of net profits of associates and joint ventures	20	**126**	196
		286	559
Earnings before finance costs and income tax expense		**4,493**	4,465
Interest on lease liabilities	10	**(309)**	(255)
Other finance costs	2	**(167)**	(157)
Profit before income tax expense		**4,017**	4,053
Income tax expense	3	**(1,143)**	(1,127)
Profit for the year attributable to equity holders of the parent		**2,874**	2,926
Earnings per share attributable to equity holders of the parent	16	**cents**	cents
Basic earnings per share		**253.4**	258.0
Diluted earnings per share		**253.4**	258.0

The accompanying notes form part of the consolidated financial statements.

Statement of comprehensive income

For the year ended 30 June 2026

		CONSOLIDATED	
		2026	2025
	NOTE	$M	$M
Profit for the year		**2,874**	2,926
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve	15		
Exchange differences on translation of foreign operations		**(76)**	6
Cash flow hedge reserve	15		
Fair value (losses)/gains on cash flow hedges		**(98)**	80
Gains on cash flow hedges reclassified to income statement		**(14)**	(3)
Share of associates and joint ventures reserves	20	**1**	-
Tax effect	3	**33**	(23)
Items that will not be reclassified to profit or loss:			
Financial assets reserve	15		
Changes in the fair value of financial assets designated at fair value through other comprehensive income		**9**	-
Share of associates and joint ventures reserves	20	**1**	-
Tax effect	3	**(3)**	-
Other comprehensive income for the year, net of tax		**(147)**	60
Total comprehensive income for the year, net of tax, attributable to equity holders of the parent		**2,727**	2,986

The accompanying notes form part of the consolidated financial statements.

Balance sheet

As at 30 June 2026

		CONSOLIDATED	
		2026	2025
	NOTE	$M	$M
ASSETS			
Current assets			
Cash and cash equivalents	4	**530**	638
Trade and other receivables	5	**2,418**	2,988
Inventories	6	**6,558**	6,038
Derivatives	19	**64**	31
Other		**241**	238
Total current assets		**9,811**	9,933
Non-current assets			
Inventories	6	**43**	15
Investments in associates and joint ventures	20	**1,058**	1,113
Deferred tax assets	3	**630**	631
Property, plant and equipment	7	**6,097**	5,580
Goodwill and intangible assets	8	**4,964**	4,957
Right-of-use assets	10	**5,982**	5,460
Derivatives	19	**63**	96
Other		**236**	196
Total non-current assets		**19,073**	18,048
Total assets		**28,884**	27,981
LIABILITIES			
Current liabilities			
Trade and other payables	11	**5,810**	5,440
Lease liabilities	10	**1,148**	1,149
Income tax payable		**241**	186
Provisions	12	**1,127**	1,126
Derivatives	19	**53**	88
Other		**395**	339
Total current liabilities		**8,774**	8,328
Non-current liabilities			
Interest-bearing loans and borrowings	17	**5,646**	4,719
Lease liabilities	10	**5,922**	5,300
Provisions	12	**440**	414
Derivatives	19	**92**	-
Other		**33**	31
Total non-current liabilities		**12,133**	10,464
Total liabilities		**20,907**	18,792
Net assets		**7,977**	9,189
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	15	**12,325**	13,574
Reserved shares	15	**(102)**	(102)
Retained earnings		**1,868**	1,807
Reserves	15	**(6,114)**	(6,090)
Total equity		**7,977**	9,189

The accompanying notes form part of the consolidated financial statements.

Cash flow statement

For the year ended 30 June 2026

	NOTE	CONSOLIDATED 2026 $M	CONSOLIDATED 2025 $M
Cash flows from operating activities			
Receipts from customers		**52,037**	50,471
Payments to suppliers and employees		**(46,273)**	(44,569)
Dividends and distributions received from associates, joint ventures and other investments		**73**	71
Interest received		**23**	22
Interest component of lease payments		**(309)**	(255)
Borrowing costs		**(153)**	(142)
Income tax paid		**(1,126)**	(1,030)
Net cash flows from operating activities	4	**4,272**	4,568
Cash flows from investing activities			
Payments for property, plant and equipment, intangibles and mineral exploration	4	**(1,194)**	(1,147)
Proceeds from sale of property, plant and equipment and intangibles[1]	4	**415**	48
Net proceeds from sale of businesses and other investments[2]		**857**	86
Investments in associates and joint ventures		**(73)**	(34)
Acquisition of subsidiaries, net of cash acquired[3]		**(281)**	(69)
Payments for other financial assets		**(4)**	(6)
Net cash flows used in investing activities		**(280)**	(1,122)
Cash flows from financing activities			
Net proceeds from borrowings		**-**	1,057
Net proceeds from/(repayment of) revolving facilities		**1,119**	(1,215)
Principal component of lease payments		**(1,098)**	(1,194)
Dividends paid		**(2,872)**	(2,291)
Capital return paid		**(1,249)**	-
Net cash flows used in financing activities		**(4,100)**	(3,643)
Net decrease in cash and cash equivalents		**(108)**	(197)
Cash and cash equivalents at beginning of year		**638**	835
Cash and cash equivalents at end of year	4	**530**	638

[1] The FY2026 proceeds from sale of property includes $379 million received from the sale of seven properties held by BPI No 1 Pty Ltd (BPI) after gaining control upon the wind up of the BPI structure.

[2] The FY2026 proceeds from sale of businesses and other investments primarily consists of $760 million from the sale of Coregas and $96 million from the sale of BWP Management Limited (net of transaction costs).

[3] The FY2026 cash outflows for the acquisition of subsidiaries relate to payments associated with the wind up of the BPI structure, resulting in Wesfarmers gaining control of BPI.

The accompanying notes form part of the consolidated financial statements.

Statement of changes in equity

For the year ended 30 June 2026

CONSOLIDATED	NOTE	ISSUED CAPITAL $M	RESERVED SHARES $M	RETAINED EARNINGS $M	RESERVES $M	TOTAL EQUITY $M
		ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				
Balance at 1 July 2025		13,574	(102)	1,807	(6,090)	9,189
Net profit for the year		-	-	2,874	-	2,874
Other comprehensive income						
Exchange differences on translation of foreign operations	15	-	-	-	(76)	(76)
Changes in the fair value of cash flow hedges, net of tax	15	-	-	-	(78)	(78)
Changes in the fair value of financial assets designated at fair value through other comprehensive income, net of tax	15	-	-	-	7	7
Total other comprehensive income for the year, net of tax		-	-	-	(147)	(147)
Total comprehensive income for the year, net of tax		-	-	2,874	(147)	2,727
Share-based payment transactions	15	-	-	-	19	19
Dividends	14	-	-	(2,872)	-	(2,872)
Transfer of cash flow hedge reserve to non-financial assets, net of tax	15	-	-	-	159	159
Transfer of cumulative gains on financial assets measured at fair value through other comprehensive income (FVOCI)	15	-	-	59	(59)	-
Capital return	14	(1,249)	-	-	-	(1,249)
Other	15	-	-	-	4	4
		(1,249)	-	(2,813)	123	(3,939)
Balance at 30 June 2026		12,325	(102)	1,868	(6,114)	7,977
Balance at 1 July 2024		13,574	(102)	1,173	(6,060)	8,585
Net profit for the year		-	-	2,926	-	2,926
Other comprehensive income						
Exchange differences on translation of foreign operations	15	-	-	-	6	6
Changes in the fair value of cash flow hedges, net of tax	15	-	-	-	54	54
Total other comprehensive income for the year, net of tax		-	-	-	60	60
Total comprehensive income for the year, net of tax		-	-	2,926	60	2,986
Share-based payment transactions	15	-	-	-	17	17
Dividends	14	-	-	(2,292)	-	(2,292)
Transfer of cash flow hedge reserve to non-financial assets, net of tax	15	-	-	-	(108)	(108)
Other	15	-	-	-	1	1
		-	-	(2,292)	(90)	(2,382)
Balance at 30 June 2025		13,574	(102)	1,807	(6,090)	9,189

The accompanying notes form part of the consolidated financial statements.

Notes to the financial statements: **About this report**

For the year ended 30 June 2026

About this report

Wesfarmers Limited (referred to as 'Wesfarmers') is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX). The nature of the operations and principal activities of Wesfarmers and its subsidiaries (referred to as 'the Group') are described in the segment information.

Basis of preparation

The consolidated financial report of the Group for the financial year ended 30 June 2026 (FY2026) was authorised for issue in accordance with a resolution of the directors on 26 August 2026. The directors have the power to amend and reissue the financial report.

The financial report is a general purpose financial report which:

- has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)
- has been prepared on a historical cost basis, except for investment properties held by associates and certain financial instruments, which have been measured at fair value. The carrying values of recognised assets and liabilities that are the hedged items in fair value hedge relationships, which are otherwise carried at amortised cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged
- is presented in Australian dollars with all values rounded to the nearest million dollars ($'000,000) unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183
- presents reclassified comparative information where required for consistency with the current year's presentation
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or before 1 July 2025
- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

Impacts of climate change

The impacts of climate change have been considered in the preparation of the financial statements, including the key estimates and judgements exercised by the Group. Additional disclosures have been included in the relevant notes to the financial statements where required.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. A list of material controlled entities (subsidiaries) at year-end is contained in note 21.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profits and losses resulting from intra-Group transactions have been eliminated.

Subsidiaries are consolidated from the date on which control is obtained to the date on which control is disposed. Acquisitions of subsidiaries which qualify as business combinations are accounted for using the acquisition method of accounting.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the income statement. Any investment retained is initially recognised at fair value.

The accounting policies relating to the Group's investments in associates and interests in joint arrangements are set out in note 20.

Key judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates in relation to future events.

Judgements and estimates which have the most significant effect to the financial statements are found in the following notes:

Page		
154	Note 1	Revenue and other income
156	Note 3	Income taxes
158	Note 5	Trade and other receivables
159	Note 6	Inventories
160	Note 7	Property, plant and equipment
161	Note 8	Goodwill and intangible assets
163	Note 9	Impairment of non-financial assets
165	Note 10	Leases
167	Note 12	Provisions
180	Note 20	Associates and joint arrangements

Foreign currency

The functional currencies of material overseas subsidiaries are disclosed in note 21. As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into Australian dollars at the rate of exchange ruling at the balance sheet date and the income statements are translated at the average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Exchange differences arising from the application of these procedures are taken to the income statement.

Other accounting policies

Accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

Notes to the financial statements: **About this report**

For the year ended 30 June 2026

New accounting standards and interpretations

New and amended accounting standards and interpretations adopted from 1 July 2025

A number of amended accounting standards became effective during the current reporting period. The adoption of these amendments did not result in any significant changes to the Group's accounting policies or require any retrospective adjustments. Accordingly, there was no material impact on the amounts recognised or disclosures presented in the Group's financial statements.

New and amended accounting standards and interpretations issued but not yet effective

The Group has not early adopted any new or amended accounting standards and interpretations issued but not yet effective. The assessment of the impact of new or amended accounting standards and interpretations is ongoing.

REFERENCE	DESCRIPTION
AASB 18 Presentation and Disclosure in Financial Statements	The application of this standard will be adopted by the Group on 1 July 2027 and replaces AASB 101 *Presentation of Financial Statements*. This new standard aims to improve comparability and transparency of the financial performance of similar entities within the financial statements and introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. The Group's assessment of the impact remains ongoing.
Amendments to the Classification and Measurement of Financial Instruments (Amendments to AASB 9 and AASB 7)	The application of this amendment will be adopted by the Group on 1 July 2026. The amendments clarify that financial liabilities and financial assets are derecognised on the settlement date, with an accounting election available for the derecognition of financial liabilities only. As detailed in note 4, the Group includes cash in transit within the balance of cash and cash equivalents. Following the adoption of these amendments, cash in transit will first be recognised as a receivable in the Group's financial statements and subsequently transferred to cash and cash equivalents on settlement.

Notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature
- it is important for understanding the results of the Group
- it helps to explain the impact of significant changes in the Group's business – for example, acquisitions, disposals and impairments
- it relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

- **Group performance**: provides a breakdown of individual line items in the income statement that the directors consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these line items.
- **Group balance sheet**: provides a breakdown of individual line items in the balance sheet that the directors consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these line items.
- **Capital structure and risk management**: provides information about the capital management practices of the Group and shareholder returns for the year. It also discloses the Group's exposure to various financial risks, explains how these affect the Group's financial position and performance and what the Group does to manage these risks.
- **Group information**: explains aspects of the Group structure and how changes have affected the financial position and performance of the Group, as well as disclosing related party transactions and balances.
- **Other**: provides information about items that are not directly related to specific line items in the financial statements but could potentially have a material impact on the Group's financial position and performance, and provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements.

Significant items impacting the current reporting period

Capital management

On 4 December 2025, a capital return of $1.10 per share and a fully-franked special dividend of $0.40 per share were paid to shareholders. The total amount of the distribution was $1,703 million. Shareholder approval for the distribution was obtained at the 2025 Annual General Meeting on 30 October 2025.

The form of the capital return was confirmed in a final class ruling issued by the Australian Taxation Office (ATO), which was received on 10 December 2025. Refer to note 14 for further information.

Transition of Industrial and Safety businesses into Bunnings Group

On 2 June 2026, Wesfarmers announced that the Industrial and Safety businesses, Blackwoods and Workwear Group, will transition into the Bunnings Group effective from 1 July 2026. As at 30 June 2026, Industrial and Safety remains a separate reportable segment consistent with reporting provided to the chief operating decision-makers and in accordance with AASB 8 *Operating Segments.* Subsequent to year-end, the segments were restructured to reflect these changes.

Notes to the financial statements: **Segment information**

For the year ended 30 June 2026

Segment information

The Group's operating segments are organised and managed separately according to the nature of the products and services provided.

Each segment represents a strategic business unit that offers different products and operates in different industries and markets. The Board and executive management team (the chief operating decision-makers) monitor the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on operating profit or loss (segment result) which is consistent with the way management monitors and reports the performance of these segments.

Interest income and other finance costs are not allocated to operating segments, as this type of activity is managed on a Group basis.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. Those transfers are eliminated on consolidation and are not considered material.

The operating segments and their respective types of products and services from which revenue is derived are as follows:

Bunnings Group

- Retailer of building materials and home, garden and lifestyle improvement products and services to households and commercial customers, including builders, tradespeople and businesses.

Kmart Group

- Kmart and Target are retailers of apparel and general merchandise, including toys, leisure, entertainment, home and consumables.
- Developer of Anko-branded products, which are sold in Kmart, Target and internationally, including a joint venture operating Anko retail stores in the Philippines.

Chemicals, Energy and Fertilisers (WesCEF)

- Manufacturer and marketer of chemicals for industry, mining and mineral processing.
- Manufacturer and marketer of broadacre and horticultural fertilisers.
- Producer and wholesale supplier of LPG and LNG.
- Distributor of PVC and manufacturer of wood-plastic composite decking and screening products.
- 50 per cent joint operating interest in the Mt Holland lithium project, which comprises an integrated mine, concentrator and downstream refinery.

Officeworks

- Retailer and supplier of office products, technology and solutions for households, small-to-medium sized businesses and the education sector.

Industrial and Safety

- Supplier and distributor of maintenance, repair, operating and industrial safety products and services, and manufacturer and distributor of workwear clothing in Australia and internationally.
- Manufacturer and marketer of industrial, specialty and medical gases and equipment (Coregas was disposed of on 26 June 2025).

Wesfarmers Health (Health)

- Wholesaler and retailer of pharmaceutical goods, health, wellness and beauty products.
- Provider of clinical cosmetic and skin care treatments.
- Provider of retail support services to pharmacies through Priceline Pharmacy franchises and banner brands.
- Provider of digital health services.

Catch

- Online retailer offering branded products on a first-party basis and a third-party online marketplace (ceased trading on 30 April 2025).

Other

Includes:

- **OneDigital**: includes the OnePass membership program, Group data asset, Group artificial intelligence initiatives and Group retail media capabilities.
- **Forest products**: joint control of Wespine Industries Pty Ltd.
- **Property**: interest in BWP Group, an associate.
- **Investment banking**: joint control of Gresham Partners Group Limited.
- **Loyalty program**: joint control of loyalty and data company Loyalty Pacific Pty Ltd (Flybuys).
- **Corporate**: includes treasury, central and administrative support functions and other corporate entity expenses. Corporate is not considered an operating segment and includes activities that are not allocated to other operating segments.

Revenue from contracts with customers by segment

	CONSOLIDATED			
	2026		2025	
	$M	%	$M	%
Bunnings Group	**20,395**	**43.3**	19,591	42.9
Kmart Group	**11,687**	**24.8**	11,361	24.9
WesCEF	**3,126**	**6.6**	2,955	6.5
Officeworks	**3,679**	**7.8**	3,547	7.8
Health	**6,465**	**13.7**	5,932	13.0
Industrial and Safety	**1,758**	**3.7**	1,998	4.4
Catch	**-**	**-**	161	0.4
Other	**30**	**0.1**	31	0.1
Total	**47,140**		45,576	

Segment result

	CONSOLIDATED			
	2026		2025	
	$M	%	$M	%
Bunnings Group	**2,455**	**58.8**	2,336	59.5
Kmart Group	**1,109**	**26.5**	1,046	26.6
WesCEF	**473**	**11.3**	399	10.2
Officeworks	**165**	**3.9**	212	5.4
Health	**76**	**1.8**	64	1.6
Industrial and Safety	**76**	**1.8**	104	2.6
Catch	**-**	**-**	(62)	(1.6)
Other	**(170)**	**(4.1)**	(168)	(4.3)
Total	**4,184**		3,931	

Notes to the financial statements: **Segment information**

For the year ended 30 June 2026

Segment information

	BUNNINGS GROUP		KMART GROUP		WESCEF	
	2026 $M	2025 $M	2026 $M	2025 $M	2026 $M	2025 $M
Revenue from contracts with customers	**20,395**	19,591	**11,687**	11,361	**3,126**	2,955
Other revenue	**4**	4	**64**	68	**12**	7
Segment revenue	**20,399**	19,595	**11,751**	11,429	**3,138**	2,962
EBITDA	**3,448**	3,290	**1,727**	1,645	**654**	562
Depreciation and amortisation	**(826)**	(818)	**(518)**	(515)	**(177)**	(162)
Interest on lease liabilities	**(167)**	(136)	**(100)**	(84)	**(4)**	(1)
Segment result	**2,455**	2,336	**1,109**	1,046	**473**	399
Items not included in segment result[4]	**-**	-	**-**	-	**-**	-
Other finance costs						
Profit before income tax expense						
Income tax expense						
Profit attributable to equity holders of the parent						
Other segment information						
Segment assets[5]	**9,440**	8,732	**5,986**	5,749	**4,698**	4,900
Investments in associates and joint ventures	**-**	29	**14**	10	**82**	79
Tax assets						
Total assets						
Segment liabilities[5]	**(6,135)**	(5,567)	**(4,566)**	(4,379)	**(796)**	(672)
Tax liabilities						
Interest-bearing loans and borrowings						
Total liabilities						
Net assets						
Capital expenditure[6]	**359**	416	**263**	153	**378**	392
Share of net profit or loss of associates and joint ventures[7]	**-**	13	**(8)**	(4)	**27**	25

1 The Coregas business was disposed of on 26 June 2025. Excluding Coregas, in 2025 Industrial and Safety generated revenue of $1,735 million, EBITDA of $131 million and EBT of $65 million.

2 Catch ceased to trade as a standalone operating business on 30 April 2025.

3 The 2026 Other result includes an operating loss of $73 million (2025: $63 million) in relation to OneDigital and supporting capabilities.

4 The 2025 Industrial and Safety segment result excludes the gain on sale of Coregas of $233 million. The 2025 Catch segment result excludes the one-off costs of $51 million associated with the wind down of the business. The 2025 Other segment result excludes the one-off profit associated with the BPI transaction of $97 million reflecting the fair value uplift associated with the properties and wind up of the property structure.

5 Segment assets and segment liabilities exclude intercompany financing arrangements and segment tax balances.

6 Capital expenditure includes capitalised interest and accruals for costs incurred during the year. The amount excluding movements in accruals is $1,194 million (2025: $1,147 million). Refer to note 4 for further details.

7 The Group's one-off profit for 2025 related to the BPI property structure wind up of $97 million includes $110 million within the share of net profit or loss of associates and joint ventures (Bunnings: $13 million, Other: $97 million), partially offset by $13 million of transaction-related costs recognised within the Bunnings segment.

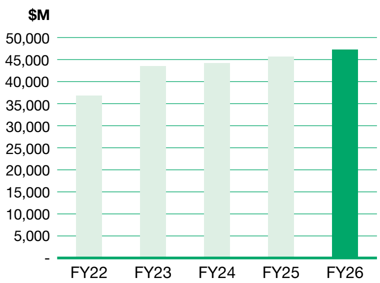
Notes to the financial statements: **Segment information**

For the year ended 30 June 2026

OFFICEWORKS		HEALTH		INDUSTRIAL AND SAFETY[1]		CATCH[2]		OTHER[3]		CONSOLIDATED	
2026 $M	2025 $M	2026 $M	2025 $M	2026 $M	2025 $M	2026 $M	2025 $M	2026 $M	2025 $M	2026 $M	2025 $M
3,679	3,547	**6,465**	5,932	**1,758**	1,998	**-**	161	**30**	31	**47,140**	45,576
19	18	**9**	1	**-**	-	**-**	6	**26**	20	**134**	124
3,698	3,565	**6,474**	5,933	**1,758**	1,998	**-**	167	**56**	51	**47,274**	45,700
334	375	**168**	150	**146**	191	**-**	(43)	**(140)**	(151)	**6,337**	6,019
(150)	(144)	**(80)**	(78)	**(65)**	(83)	**-**	(18)	**(28)**	(15)	**(1,844)**	(1,833)
(19)	(19)	**(12)**	(8)	**(5)**	(4)	**-**	(1)	**(2)**	(2)	**(309)**	(255)
165	212	**76**	64	**76**	104	**-**	(62)	**(170)**	(168)	**4,184**	3,931
-	-	**-**	-	**-**	233	**-**	(51)	**-**	97	**-**	279
										(167)	(157)
										4,017	4,053
										(1,143)	(1,127)
										2,874	2,926
2,346	2,355	**3,019**	2,718	**1,249**	1,251	**-**	-	**458**	532	**27,196**	26,237
-	-	**1**	1	**-**	-	**-**	-	**961**	994	**1,058**	1,113
								630	631	**630**	631
										28,884	27,981
(1,200)	(1,180)	**(1,160)**	(1,017)	**(432)**	(387)	**-**	-	**(731)**	(685)	**(15,020)**	(13,887)
								(241)	(186)	**(241)**	(186)
								(5,646)	(4,719)	**(5,646)**	(4,719)
										(20,907)	(18,792)
										7,977	9,189
105	63	**70**	60	**38**	68	**-**	2	**1**	9	**1,214**	1,163
-	-	**1**	1	**-**	-	**-**	-	**106**	161	**126**	196

Total revenue

$47,274M ↑ 3.4%



	$M
FY26	**47,274**
FY25	45,700
FY24	44,189
FY23	43,550
FY22	36,838

Geographical information

The table below provides information on the geographical location of revenue from contracts with customers and non-current assets (other than financial instruments, deferred tax assets and pension assets). Revenue from contracts with customers are allocated to a geography based on the location of the contracting entity selling the goods and services. Non-current assets are allocated to a geography based on the location of the operation.

	REVENUE		NON-CURRENT ASSETS	
	2026 $M	2025 $M	2026 $M	2025 $M
Australia[1]	**44,388**	42,782	**17,560**	16,538
New Zealand	**2,752**	2,794	**683**	712
Total	**47,140**	45,576	**18,243**	17,250

[1] Includes immaterial amounts of foreign revenue and non-current assets.

Notes to the financial statements: **Group performance**

For the year ended 30 June 2026

1. Revenue and other income

	CONSOLIDATED	
	2026 $M	2025 $M
Revenue from contracts with customers		
Sale of retail goods in store	**32,693**	31,709
Sale of retail goods online	**3,134**	3,009
Sale of wholesale goods	**6,062**	5,530
Sale of chemicals, fertilisers and commodities	**3,116**	2,945
Sale of industrial products	**1,718**	1,961
Services revenue	**417**	422
	47,140	45,576
Other revenue		
Interest revenue	**29**	22
Dividend revenue	**11**	16
Other	**94**	86
	134	124
Total revenue	**47,274**	45,700
Other income		
Gains on disposal of property, plant and equipment and other assets	**9**	1
Gain on sale of controlled entities[1]	**3**	237
Other	**148**	125
Total other income	**160**	363

[1] The FY2025 gain on sale of controlled entities includes the gain on sale of Coregas of $233 million.

Recognition and measurement

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group generates a significant proportion of its revenue from the following:

- **Sale of retail goods in store:** relates to merchandise sold direct to customers through the Group's instore retail operations. Control of goods typically passes at the point of sale.
- **Sale of retail goods online:** relates to merchandise sold direct to customers through online platforms. Control of goods typically passes upon delivery, or when collected by the customer.
- **Sale of wholesale goods:** includes revenue from wholesale distribution of pharmaceuticals, building materials, household and other retail goods. Control of goods typically passes upon delivery of goods to the customer.
- **Sale of chemicals, fertilisers and commodities:** includes revenue from the sale of chemicals, fertilisers and commodities either manufactured or purchased by the Group. Control of goods typically passes upon delivery, or when collected by the customer.
- **Sale of industrial products:** includes revenue for which the Group has distribution rights for products, principally related to industrial maintenance and industrial safety. Control of goods typically passes upon delivery, or when collected by the customer.
- **Services revenue:** includes revenue received from services provided to customers, such as clinical treatments, franchise services, marketing and brand support and marketplace commission. Revenue is recognised in the period in which the services are rendered.

The Group's contracts with customers for the sale of retail goods generally incorporate a single performance obligation. Payment is generally received at the point of sale. Any payment received in advance of the completion of the performance obligation is recognised on the balance sheet as a contract liability.

Where satisfaction of a performance obligation is completed over time, revenue is recognised in line with the progress towards complete satisfaction of the performance obligation.

A right of return is not a separate performance obligation and the Group recognises revenue net of estimated returns. A refund liability and a corresponding asset in inventory representing the right to recover the returned products from the customer is also recognised.

Other revenue

Interest revenue

Revenue is recognised as the interest accrues on the related financial asset. Interest is determined using the effective interest rate method, which applies the interest rate that discounts estimated future cash receipts over the expected life of the financial instrument.

Dividend revenue

Revenue from dividends, other than those arising from associates and joint ventures, is recognised when the Group's right to receive the payment is established.

Key estimate: gift cards

Revenue from the sale of gift cards is recognised when the card is redeemed and the customer purchases goods by using the card, or when the gift card is no longer expected to be redeemed (breakage). At 30 June 2026, $191 million of revenue is deferred in relation to gift cards (2025: $178 million) and is included within other current liabilities. Gift card liabilities are contract liabilities as payment has been received for a performance obligation to be completed at a future point in time.

The key assumption in measuring the contract liability for gift cards and vouchers is the expected breakage, which is reviewed annually based on historical information. Any reassessment of expected breakage in a particular year impacts on the revenue recognised from expiry of gift cards and vouchers (either increasing or decreasing). Any reasonably possible change in the estimate is unlikely to have a material impact.

Notes to the financial statements: **Group performance**

For the year ended 30 June 2026

2. Expenses

	CONSOLIDATED 2026 $M	2025 $M
Remuneration, bonuses and on-costs	**6,264**	6,203
Superannuation expense	**571**	533
Share-based payments expense	**104**	106
Employee benefits expense	**6,939**	6,842
Short-term and low-value lease payments	**23**	48
Variable lease payments	**62**	52
Non-lease components	**481**	461
Occupancy-related expenses	**566**	561
Depreciation and amortisation of property, plant and equipment	**574**	579
Amortisation of intangible assets	**143**	125
Depreciation of right-of-use assets	**1,127**	1,129
Depreciation and amortisation	**1,844**	1,833
Repairs and maintenance	**322**	319
Utilities and office expenses	**722**	706
Insurance expenses	**79**	81
Merchant fees	**153**	148
Other	**540**	561
Other expenses	**1,816**	1,815
Interest on interest-bearing loans and borrowings, net of borrowing costs capitalised	**145**	138
Other finance-related costs	**22**	19
Other finance costs	**167**	157

Recognition and measurement

Employee benefits expense

The Group's accounting policy for liabilities associated with employee benefits is set out in note 12. The policy relating to share-based payments is set out in note 28.

The majority of employees in Australia and New Zealand are party to a defined contribution superannuation scheme and receive fixed contributions from Group companies. The Group's legal or constructive obligation is limited to these contributions. Contributions to defined contribution funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Depreciation and amortisation

Refer to notes 7, 8 and 10 for details on depreciation and amortisation.

Insurance premiums

Insurance premiums are recognised as an expense over the period of insurance coverage. Acute weather events, such as extreme precipitation, flooding, storm surge and cyclones, may damage physical assets and disrupt operations, increasing the Group's cost of insurable risks through higher premiums, increased deductibles and broader policy exclusions.

Other finance costs

Other finance costs are recognised as an expense when they are incurred, except for interest charges attributable to major projects with substantial development and construction phases.

Provisions and other payables are discounted to their present value when the effect of the time value of money is significant. The impact of the discount unwinding and any changes to the discounting is shown as a discounting adjustment in other finance costs.

Capitalisation of borrowing costs

To determine the amount of borrowing costs to be capitalised as part of the costs of major construction projects, the Group uses the weighted average interest rate applicable to its outstanding borrowings, including lease liabilities, during the year. The weighted average interest rate applicable for FY2026 was 4.2 per cent (2025: 3.9 per cent) and $35 million (2025: $30 million) of interest was capitalised to property, plant and equipment for the Mt Holland lithium project. Capitalised borrowing costs are included within WesCEF's capital expenditure, refer to note 7.

Notes to the financial statements: **Group performance**

For the year ended 30 June 2026

3. Income taxes

The major components of income tax expense are:

	CONSOLIDATED	
	2026 $M	2025 $M
Income statement		
Current income tax expense		
Current year (paid or payable)	**1,226**	1,110
Adjustment for prior years	**(43)**	(16)
Deferred income tax expense		
Temporary differences	**(70)**	19
Adjustment for prior years	**30**	14
Income tax expense reported in the income statement	**1,143**	1,127
Statement of comprehensive income		
Net movement on revaluing cash flow hedges	**(33)**	23
Net movement on revaluing financial assets	**3**	-
Income tax reported in statement of comprehensive income	**(30)**	23
Reconciliation of income tax expense		
Profit before income tax expense	**4,017**	4,053
Income tax rate at the statutory rate of 30%	**1,205**	1,216
Adjustments relating to prior years	**(13)**	(2)
Non-deductible items	**5**	4
Share of results of associates and joint ventures	**(7)**	(31)
Non-assessable dividends	**(4)**	(5)
Utilisation of previously unrecognised tax losses	**(40)**	(21)
Non-assessable capital gains	**(1)**	(60)
Other	**(2)**	26
Income tax on profit before tax	**1,143**	1,127
Deferred income tax in the balance sheet relates to the following:		
Provisions	**108**	110
Employee benefits	**306**	303
Accruals and other payables	**79**	104
Interest-bearing loans and borrowings	**-**	80
Leases	**2,106**	1,907
Derivatives	**44**	26
Inventories	**76**	69
Property, plant and equipment	**288**	265
Other individually immaterial balances	**61**	55
Deferred tax assets	**3,068**	2,919
Accelerated depreciation for tax purposes	**303**	295
Derivatives	**38**	38
Accrued income and other	**91**	144
Intangible assets	**7**	9
Leases	**1,833**	1,628
Other individually immaterial balances	**166**	174
Deferred tax liabilities	**2,438**	2,288
Net deferred tax asset	**630**	631
Deferred income tax in the income statement relates to the following:		
Provisions, employee benefits and leases	**(15)**	12
Depreciation, amortisation and impairment	**(83)**	16
Other individually immaterial balances	**58**	5
Deferred tax expense	**(40)**	33

Recognition and measurement

Current taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date and any adjustment to tax paid in previous financial years.

Deferred taxes

Deferred income tax is provided using the full liability balance sheet method. Deferred income tax assets are recognised for all deductible temporary differences, carried forward unused tax assets and unused tax losses, to the extent it is probable that future taxable profits will be available to utilise them.

Notes to the financial statements: **Group performance**

For the year ended 30 June 2026

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided on temporary differences at the balance sheet date between accounting carrying amounts and the tax bases of assets and liabilities, other than for the following:

- Where they arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- Where taxable temporary differences relate to investments in subsidiaries, associates and interests in joint ventures:
  - i. Deferred tax liabilities are not recognised if the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
  - ii. Deferred tax assets are not recognised if it is not probable that the temporary differences will reverse in the foreseeable future and future taxable profits will not be available to utilise the temporary differences.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Offsetting deferred tax balances

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Key judgement: unrecognised deferred tax assets

Capital losses: The Group has unrecognised benefits relating to carried forward unused capital losses. Currently, it is not certain that the Group will generate sufficient future taxable capital gains required to recognise a deferred tax asset for these carried forward capital losses. The unrecognised deferred tax assets of $54 million (2025: $80 million) relate wholly to capital losses in Australia.

Key judgement: unrecognised deferred tax liabilities

Deferred tax liabilities have not been recognised in relation to indefinite life intangible assets for which the carrying value has been assessed as recoverable through sale, consistent with the Group's practice and strategy to maximise shareholder returns through value-adding transactions.

Pillar Two model rules

The Group is subject to the global minimum top-up tax under Pillar Two tax legislation which has been enacted or substantively enacted in a number of jurisdictions in which the Group operates. The Group has applied the mandatory exception to recognising and disclosing information about deferred taxes related to Pillar Two income taxes. As at 30 June 2026, no current tax liability in relation to Pillar Two has been recognised based on the assessment performed by the Group for the reporting period. This assessment concluded that all jurisdictions in which the Group operates have satisfied the transitional country-by-country safe harbour or have an effective tax rate that exceeds 15 per cent.

Tax consolidation

Wesfarmers and its 100 per cent owned Australian resident subsidiaries have formed a tax consolidated group with effect from 1 July 2002. Wesfarmers is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing agreement in order to allocate income tax expense to the wholly owned subsidiaries on a stand-alone basis. The tax sharing arrangement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. The possibility of such a default is considered remote at the date of this report.

Members of the tax consolidated group have entered into a tax funding agreement. The group has applied the group allocation approach in determining the appropriate amount of current taxes to allocate to members of the tax consolidated group. The tax funding agreement provides for each member of the tax consolidated group to pay a tax equivalent amount to or from the parent in accordance with their notional current tax liability or current tax asset. Such amounts are reflected in amounts receivable from or payable to the parent company in their accounts and are settled as soon as practicable after lodgement of the consolidated return and payment of the tax liability.

Tax transparency disclosures

The Group participates in the Australian Board of Taxation's voluntary Tax Transparency Code (TTC), which establishes principles and minimum standards for the public disclosure of tax information to enhance transparency and stakeholder confidence in corporate tax compliance.

A reconciliation of accounting profit to income tax paid or payable and the effective company tax rates for Australian and global operations of the Group are tabled below.

	CONSOLIDATED 2026 $M	2025 $M
Tax paid or payable reconciliation		
Accounting profit	**4,017**	4,053
Income tax at the statutory rate of 30%	**1,205**	1,216
Non-deductible items	**5**	4
Temporary differences: deferred tax	**70**	(19)
Associates and other	**(14)**	(70)
Utilisation of previously unrecognised tax losses	**(40)**	(21)
Current year tax paid or payable	**1,226**	1,110
Effective tax rate		
Effective tax rate for Australian operations	**28.6%**	28.3%
Effective tax rate for global operations	**28.5%**	27.8%

Notes to the financial statements: **Group balance sheet**

For the year ended 30 June 2026

4. Cash and cash equivalents

	CONSOLIDATED	
	2026 $M	**2025 $M**
For the purposes of the cash flow statement, cash and cash equivalents comprise the following:		
Cash on hand	**45**	43
Cash in transit	**110**	202
Cash at bank and on deposit	**342**	354
Cash held in joint operation	**33**	39
	530	638
Reconciliation of profit for the period to net cash flows from operating activities		
Profit for the period	**2,874**	2,926
Adjusted for		
Depreciation and amortisation	**1,844**	1,833
Impairment of assets	**30**	45
Share of net profits of associates and joint ventures	**(126)**	(196)
Dividends and distributions received from associates and joint ventures	**62**	55
Gain on disposal of business	**(3)**	(237)
Discounting adjustments in finance costs	**9**	9
Amortisation of debt establishment costs	**4**	4
Other	**(3)**	12
(Increase)/decrease in assets		
Trade and other receivables	**(225)**	(52)
Inventories	**(605)**	25
Prepayments	**(1)**	(44)
Deferred tax assets	**(39)**	34
Other assets	**(10)**	(14)
Increase/(decrease) in liabilities		
Trade and other payables	**386**	105
Income tax payable	**57**	63
Provisions	**17**	6
Other liabilities	**1**	(6)
Net cash flows from operating activities	**4,272**	4,568

Recognition and measurement

Cash in transit

Cash in transit includes physical cash in transit and receivables from electronic funds transfers, credit card and debit card point of sale transactions.

Cash at bank and on deposit

Cash and short-term deposits comprise cash at bank and deposits with an original maturity of three months or less and are classified as financial assets held at amortised cost. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective deposit rates.

Cash at bank and on deposit is held with banks and financial institutions with investment-grade credit ratings. Refer to note 18(D) for credit risk disclosures.

Cash held in joint operation

Cash held in joint operation is restricted and only available for use within the joint operation.

Cash capital expenditure by category

	CONSOLIDATED	
	2026 $M	**2025 $M**
Cash capital expenditure		
Payments for property	**46**	168
Payments for plant and equipment	**1,003**	865
Payments for intangibles	**140**	107
Payments for mineral exploration	**5**	7
	1,194	1,147
Proceeds from sale of property, plant, equipment and intangibles[1]	**(415)**	(48)
Net cash capital expenditure	**779**	1,099

[1] The FY2026 proceeds from sale of property includes $379 million received from the sale of seven properties held by BPI after gaining control upon the wind up of the BPI structure.

Cash capital expenditure by segment

	CONSOLIDATED			
	2026		**2025**	
	$M	**%**	**$M**	**%**
Bunnings Group	**359**	**30.1**	416	36.3
Kmart Group	**256**	**21.4**	136	11.8
WesCEF[1]	**365**	**30.5**	390	34.0
Officeworks	**105**	**8.8**	63	5.5
Health	**70**	**5.9**	62	5.4
Industrial and Safety	**38**	**3.2**	68	5.9
Catch	**-**	**-**	2	0.2
Other	**1**	**0.1**	10	0.9
Total	**1,194**		1,147	

[1] In FY2026, cash capital expenditure for WesCEF is net of $19 million (2025: $19 million) received from government grants and includes $35 million (2025: $30 million) of capitalised borrowing costs.

5. Trade and other receivables

	CONSOLIDATED	
	2026 $M	**2025 $M**
Trade and other receivables		
Trade receivables	**2,247**	2,052
Other debtors[1]	**225**	987
Allowance for credit losses	**(54)**	(51)
Total	**2,418**	2,988
Allowance for credit losses		
Movements in the allowance account for expected credit losses were as follows:		
Carrying amount at beginning of year	**(51)**	(60)
Net allowance for credit losses recognised	**(12)**	(5)
Acquisition of controlled entities	**-**	(1)
Write-offs	**9**	15
Carrying amount at the end of the year	**(54)**	(51)

[1] The FY2025 other debtors includes $772 million in relation to the proceeds on sale of the Coregas business, received on 1 July 2025.

5. Trade and other receivables (continued)

Recognition and measurement

Trade receivables and other debtors are classified as financial assets held at amortised cost, as they are held with the objective of collecting contractual cash flows, and those cash flows relate to payments of principal and interest on the principal amount outstanding.

Trade receivables

Trade receivables generally have terms of up to 30 days, extending up to 120 days. They are recognised initially in accordance with the Group's revenue policy and subsequently measured at amortised cost using the effective interest method, less an allowance for credit losses.

Other debtors

These amounts generally arise from transactions with the Group's suppliers. It is expected that other debtors' balances will be received when due.

Key estimate: recoverability of trade and other receivables

Management judgement is applied in assessing the recoverability of trade and other receivables on an ongoing basis. Recoverability of specific debtors is assessed with reference to the debtor's ability to repay, which includes:

- the anticipated liquidity of the debtor
- the estimated value of security held by the Group over the debtor's property and assets
- the estimated value of other security held, including retention of title of the inventory
- the ranking of the Group's debt compared to other creditors of the debtor.

The Group's exposure to potential bad debts is not significant and default rates have historically been low. Trade receivables are written off when there is no reasonable expectation of recovery, which may be indicated by the debtor failing to engage in a payment plan or failing to make timely contractual payments. Reasonably possible changes in these estimates are unlikely to have a material impact on the trade and other receivables balance.

Refer to note 18(D) for a description of the application of the simplified approach to determine lifetime expected credit loss (ECL) on trade receivables and details of the Group's credit risk exposure.

6. Inventories

	CONSOLIDATED	
	2026 $M	2025 $M
Current		
Raw materials	**83**	65
Finished goods	**6,475**	5,973
	6,558	6,038
Non-current		
Raw materials	**43**	15
	43	15
Total	**6,601**	6,053

Recognition and measurement

Inventories are valued at the lower of cost and net realisable value. The net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs to sell.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials**: cost on a weighted average basis.
- **Finished goods – manufactured**: cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- **Finished goods – wholesale and retail**: purchase cost on a weighted average basis, after deducting any settlement discounts and supplier rebates, and including logistics expenses incurred in bringing the inventories to their present location and condition.

Volume-related supplier rebates and supplier promotional rebates where they exceed spend on promotional activities are accounted for as a reduction in the cost of inventory and recognised in the income statement when the inventory is sold.

Raw materials classified as non-current represent inventories not expected to be consumed or processed within the next 12 months and relate to ore stockpiles at Mt Holland. These are measured at the lower of cost and net realisable value.

Key estimate: net realisable value

The key assumptions, which require the use of management judgement, are the variables affecting costs recognised in bringing the inventory to its location and condition for sale, estimated costs to sell and the expected selling price. These key assumptions are reviewed at least annually. The total net expense relating to inventory write-downs during the year was $17 million (2025: $20 million). Reasonably possible changes in these estimates are unlikely to have a material impact.

Key estimate: supplier rebates

The recognition of certain supplier rebates in the income statement requires management to estimate both the volume of purchases that will be made during a period of time and the related product that was sold and remains in inventory at the reporting date. Management's estimates are based on existing and forecast inventory turnover levels and sales. Reasonably possible changes in these estimates are unlikely to have a material impact.

Notes to the financial statements: **Group balance sheet**

For the year ended 30 June 2026

7. Property, plant and equipment

CONSOLIDATED	PROPERTY LAND $M	PROPERTY BUILDINGS $M	PLANT AND EQUIPMENT LEASEHOLD IMPROVEMENTS $M	PLANT AND EQUIPMENT PLANT, VEHICLES AND EQUIPMENT $M	PLANT AND EQUIPMENT MINE PROPERTIES $M	TOTAL $M
Year ended 30 June 2026						
Gross carrying amount - at cost	**466**	**724**	**1,133**	**9,428**	**1,024**	**12,775**
Accumulated depreciation and impairment	**-**	**(237)**	**(776)**	**(5,585)**	**(80)**	**(6,678)**
Net carrying amount	**466**	**487**	**357**	**3,843**	**944**	**6,097**
Movement						
Net carrying amount at the beginning of the year	**436**	**367**	**298**	**3,527**	**952**	**5,580**
Additions[1]	**4**	**42**	**141**	**860**	**20**	**1,067**
Disposals and write-offs[2]	**(161)**	**(241)**	**(3)**	**(6)**	**-**	**(411)**
Impairment	**-**	**-**	**-**	**(12)**	**-**	**(12)**
Depreciation and amortisation	**-**	**(21)**	**(73)**	**(443)**	**(37)**	**(574)**
Acquisition/(disposal) of controlled entities[2]	**198**	**313**	**(1)**	**(1)**	**-**	**509**
Other including foreign exchange movements	**(11)**	**27**	**(5)**	**(82)**	**9**	**(62)**
Net carrying amount at the end of the year	**466**	**487**	**357**	**3,843**	**944**	**6,097**
Assets under construction included above	**-**	**75**	**96**	**1,453**	**16**	**1,640**
Year ended 30 June 2025						
Gross carrying amount - at cost	436	588	1,026	8,787	991	11,828
Accumulated depreciation and impairment	-	(221)	(728)	(5,260)	(39)	(6,248)
Net carrying amount	436	367	298	3,527	952	5,580
Movement						
Net carrying amount at the beginning of the year	383	321	314	3,685	950	5,653
Additions[1]	79	89	59	786	31	1,044
Disposals and write-offs	(9)	(23)	(2)	(38)	-	(72)
Impairment	-	(2)	(1)	(22)	-	(25)
Depreciation and amortisation	-	(16)	(71)	(463)	(29)	(579)
Acquisition/(disposal) of controlled entities	(15)	(10)	(1)	(379)	-	(405)
Transfers	(3)	7	-	(44)	-	(40)
Other including foreign exchange movements	1	1	-	2	-	4
Net carrying amount at the end of the year	436	367	298	3,527	952	5,580
Assets under construction included above	-	113	40	1,256	6	1,415

1 The FY2026 additions include the capitalisation of $35 million (2025: $30 million) of borrowing costs.

2 The acquisition of controlled entities includes $511 million of properties acquired as part of the wind up of the BPI structure. Subsequently, seven of these properties were sold, resulting in disposals of $365 million.

Recognition and measurement

The carrying value of property, plant and equipment is measured as the cost of the asset, less accumulated depreciation and impairment. The cost of the asset includes the cost of replacing parts that are eligible for capitalisation and the cost of major inspections. The cost of mine properties comprises the mineral rights, subsequent construction costs, any costs directly attributable to bringing the asset into operation and, for qualifying assets, borrowing costs.

Depreciation and amortisation

Land is not depreciated. Items of property, plant and equipment are depreciated on a straight-line basis over their useful lives. The estimated useful life of buildings is between 20 and 40 years and plant, vehicles and equipment is between three and 25 years.

Leasehold improvements are amortised over the period of the lease or the anticipated useful life of the improvements, whichever is shorter.

Mine properties are depreciated over the life of mine, based on the rate of depletion of economically recoverable reserves, once production has commenced.

Derecognition

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Any gain or loss from derecognising the asset (the difference between the proceeds of disposal and the net carrying amount of the asset) is included in the income statement in the period the item is derecognised.

Impairment

Refer to note 9 for details on impairment testing.

7. Property, plant and equipment (continued)

Key estimates: property, plant and equipment

The estimations of useful lives, residual value and depreciation and amortisation methods require management judgement. Useful lives are reviewed annually and if they need to be modified, the change is accounted for prospectively from the date of reassessment until the end of the revised useful life (for both the current and future years). Such revisions are generally required when there are changes in economic circumstances impacting the specific assets or groups of assets, such as a change in store performance, life of mine, or implications from climate change strategy, targets and decarbonisation plans. These changes are limited to specific assets and as such, any reasonably possible change in the estimate is unlikely to have a material impact on the estimations of useful lives, residual values or depreciation and amortisation methods.

Key judgement: assets under construction

The Mt Holland lithium project (the Project) predominantly consists of mine properties and plant and equipment. The determination of when the individual components of the Project are substantially complete and ready for intended use requires management judgement, which considers the following factors:

- the level of capital expenditure incurred to date compared with the original construction cost estimates
- whether the majority of the assets are substantially complete and ready for use
- whether the completion of a reasonable period of testing for each asset has occurred
- whether the ability to produce mineral resources in a saleable form (within specifications) has been demonstrated
- whether the ability to sustain ongoing production has been demonstrated.

The Project's concentrator (within plant, vehicles and equipment) was determined to be in production and commenced depreciation in FY2024, with mine properties having commenced depreciation in FY2023. The refinery continues to be classified as assets under construction within plant, vehicles and equipment.

8. Goodwill and intangible assets

CONSOLIDATED	GOODWILL $M	BRAND $M	CONTRACTUAL AND NON-CONTRACTUAL RELATIONSHIPS $M	SOFTWARE $M	TOTAL $M
Year ended 30 June 2026					
Gross carrying amount - at cost	**3,793**	**1,355**	**102**	**1,466**	**6,716**
Accumulated amortisation and impairment	**(302)**	**(516)**	**(38)**	**(896)**	**(1,752)**
Net carrying amount	**3,491**	**839**	**64**	**570**	**4,964**
Movement					
Net carrying amount at the beginning of the year	**3,488**	**839**	**98**	**532**	**4,957**
Additions	**3**	**-**	**-**	**142**	**145**
Impairment	**-**	**-**	**-**	**(6)**	**(6)**
Amortisation	**-**	**-**	**(11)**	**(132)**	**(143)**
Acquisition/(disposal) of controlled entities[1]	**-**	**-**	**(23)**	**-**	**(23)**
Other including foreign exchange movements	**-**	**-**	**-**	**34**	**34**
Net carrying amount at the end of the year	**3,491**	**839**	**64**	**570**	**4,964**
Year ended 30 June 2025					
Gross carrying amount - at cost	3,790	1,355	126	1,310	6,581
Accumulated amortisation and impairment	(302)	(516)	(28)	(778)	(1,624)
Net carrying amount	3,488	839	98	532	4,957
Movement					
Net carrying amount at the beginning of the year	3,588	839	125	499	5,051
Additions	-	-	-	112	112
Impairment	-	-	-	(4)	(4)
Amortisation	-	-	(11)	(114)	(125)
Acquisition/(disposal) of controlled entities[1]	(100)	-	(16)	(1)	(117)
Transfers	-	-	-	40	40
Net carrying amount at the end of the year	3,488	839	98	532	4,957

[1] The movement in goodwill arising from the disposal of a controlled entity is presented net of accumulated impairment.

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For the year ended 30 June 2026

8. Goodwill and intangible assets (continued)

Recognition and measurement

Goodwill

Goodwill acquired in a business combination is initially measured at cost. Cost is measured as the cost of the business combination less the net fair value of the acquired and identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Intangible assets

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets not acquired as part of a business combination are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any impairment losses.

Intangible assets with finite lives are amortised on a straight-line basis over their useful lives and tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method are reviewed annually.

Intangible assets with indefinite useful lives are tested for impairment in the same way as goodwill.

A summary of the useful lives of intangible assets is as follows:

INTANGIBLE ASSET	USEFUL LIFE
Brand[1]	Indefinite
Contractual and non-contractual relationships[2]	Finite (up to 15 years)
Software	Finite (up to 10 years)

[1] Includes trade names and other intangible assets with characteristics of a brand.

[2] Contractual and non-contractual relationships are intangible assets that have arisen through business combinations and asset acquisitions. They represent the value of pre-existing customer and contractual relationships in the acquired company.

Assets with an assumed indefinite useful life are reviewed at each reporting period to determine whether this assumption continues to be appropriate. If not, it is changed to a finite life and accounted for prospectively as a change in accounting estimate.

Impairment

Refer to note 9 for details on impairment testing.

Key judgement: useful lives of intangible assets

Brands have been assessed as having indefinite useful lives on the basis of brand strength, ongoing expected profitability and continuing support.

Key judgement: capitalisation of software costs

Configuration and customisation costs incurred in cloud computing arrangements, including Software-as-a-Service (SaaS) arrangements, are recognised as an operating expense. The exception is where the Group has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits. Under this scenario, an intangible asset that the Group controls is created and therefore capitalised.

	CONSOLIDATED	
	2026 $M	2025 $M
Allocation of goodwill to groups of cash generating units		
Carrying amount of goodwill		
Bunnings Group	**883**	883
Kmart Group	**856**	856
WesCEF	**2**	2
Officeworks	**866**	866
Health	**628**	625
Industrial and Safety	**256**	256
Total	**3,491**	3,488
Allocation of indefinite life intangible assets to groups of cash generating units[1]		
Carrying amount of brand		
Bunnings Group	**14**	14
Kmart Group	**415**	415
Officeworks	**160**	160
Health	**228**	228
Industrial and Safety	**22**	22
Total	**839**	839

[1] Not included within the table is indefinite life intangible assets in FY2025 of $23 million related to contractual and non-contractual relationships allocated to Other.

9. Impairment of non-financial assets

Testing for impairment

The Group tests property, plant and equipment, goodwill and intangible assets, right-of-use assets and other assets for impairment:

- at least annually for goodwill and indefinite life intangible assets
- where there is an indication that the asset may be impaired, or
- where there is an indication that conditions causing a previously recognised impairment (on assets other than goodwill) may no longer exist.

Annual impairment testing of goodwill and indefinite life intangible assets is performed at 31 March each year to coincide with the timing of the annual corporate plan and business forecasts, which are prepared by management and approved by the Board. The corporate plans are typically based on a five-year outlook.

If the asset does not generate independent cash inflows and its value in use (VIU) cannot be estimated to be close to its fair value, the asset is tested for impairment as part of the cash generating unit (CGU) to which it belongs. CGUs are the smallest identifiable group of assets and liabilities that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Assets are impaired if their carrying amount exceeds their recoverable amount. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal (FVLCOD) and VIU.

Impairment calculations

Fair value less costs of disposal

In determining FVLCOD of an asset or CGU, a discounted cash flow model is used based on a methodology consistent with that applied by the Group in determining the value of potential acquisition targets, using market observed inputs where available.

Cash flow projections are based on Wesfarmers' corporate plans and business forecasts along with reasonably available market participant assumptions. Fair value measurements are categorised as Level 3 fair value based on the inputs in the discounted cash flow valuation models.

Value in use

In assessing VIU, the estimated future cash flows are discounted to their present value. Cash flow projections are based on Wesfarmers' corporate plans and business forecasts, incorporating the most recent Life of Mine (LOM) plan where applicable, and are adjusted to exclude the costs and benefits of strategic capital investments that are not currently forecasted or committed.

Discount rates

Discount rates used in both calculations are based on the weighted average cost of capital determined by prevailing or benchmarked market inputs, and risk adjusted where necessary.

Terminal value

Cash flows beyond the corporate plan period are extrapolated using estimated growth rates, which are based on Group estimates, taking into consideration historical performance as well as expected long-term operating conditions. Growth rates do not exceed the consensus forecasts of the growth rate for the industry in which the CGU operates.

Other

Other assumptions are determined with reference to external sources of information and use consistent estimates for variables, such as terminal cash flow multiples.

These calculations, classified as Level 3 on the fair value hierarchy, are compared to valuation multiples, or other fair value indicators where available, to ensure reasonableness.

Recognised impairment

During FY2026, impairment of $18 million, net of reversals, was recognised in respect of non-financial assets (2025: $40 million).

Reversal of impairment

An asset is tested for impairment reversal where there is an indication that previously recognised impairment losses may no longer exist or have decreased. Impairments recognised against goodwill are not reversed.

There were no material reversals of impairment during FY2026.

Climate-related risks

The Group's assessment of the potential financial impacts of climate-related risks, including the associated costs of achieving net zero Scope 1 and Scope 2 emissions targets for Bunnings, Kmart Group and Officeworks by 2030, Industrial and Safety and Health by 2035 and WesCEF by 2050, continues to mature.

The potential financial impacts of climate-related risks have been considered in the CGUs' impairment tests through the inclusion of costs for committed initiatives or through downside scenario analysis.

Cash flow forecasts used as the basis for impairment testing considers asset-specific risks, including climate-related risks and opportunities, and therefore the Group does not apply a separate climate-related risk adjustment in the Group's weighted average cost of capital.

As at 30 June 2026, this analysis did not indicate a climate-related risk of material impairment due to the current headroom in each of the Group's affected CGUs.

The financial impact of this risk will continue to be assessed.

Notes to the financial statements: **Group balance sheet**

For the year ended 30 June 2026

9. Impairment of non-financial assets (continued)

Key estimates: impairment of non-financial assets

Health CGU

The Health CGU represents the level at which goodwill has been allocated and tested for impairment.

The recoverable amount has been determined using a FVLCOD discounted cash flow model. The key assumptions used for assessing the recoverable amount of the Health CGU included a post-tax discount rate of 10.6 per cent (2025: 10.8 per cent) and a terminal growth rate of 3.0 per cent (2025: 3.0 per cent). The post-tax discount rate incorporates a risk adjustment relative to the risks associated with the post-tax cash flows being achieved, while the growth rates beyond the corporate plan are based on consensus forecasts of the growth rate for the health industry.

The FVLCOD calculation determined headroom in excess of 20 per cent of the CGU's carrying value.

The recoverable amount of the Health CGU is subject to successful execution of strategic initiatives and is sensitive to changes in the discount rate and the forecast terminal cash flow that drives the terminal value. A 1.3 percentage point increase in the discount rate or a 21 per cent reduction in its forecast terminal cash flow eliminates the headroom in the recoverable amount.

Mt Holland lithium CGU

The Mt Holland lithium CGU continues to be closely monitored for any indications of impairment utilising both external and internal sources of information given price volatility, immaturity of the lithium market and stage of the Project.

At 30 June 2026, the recoverable amount has been determined using a VIU discounted cash flow model. The Group concluded that there were no indications that the Mt Holland lithium CGU was impaired but that it remains sensitive to significant adverse movements in key assumptions. Key assumptions include the following:

- Lithium price assumptions reflecting the Group's view of global supply and demand for battery grade lithium hydroxide and spodumene concentrate, contracted pricing and volumes, and market forecaster pricing, including Benchmark Mineral Intelligence, Wood Mackenzie and Fastmarkets.
- Post-tax nominal discount rate reflecting the stage of the Project, including ongoing ramp up and commissioning of the refinery and the execution of expansion capital projects.
- Operating costs and production volumes, which are based on the latest LOM plan and reflect current reserves and resource estimates.
- The Group will continue to monitor the Mt Holland lithium CGU for indications of impairment as significant adverse movements in key assumptions may lead to future impairment.

Store and clinic CGUs

Individual store and clinic CGUs are reviewed for indicators of impairment using both external and internal sources of information. Detailed impairment testing is completed when the existence of an indication of impairment is identified. Where detailed impairment testing is required, the recoverable amount of the store or clinic CGU is determined using VIU calculations, based on forecast cash flows for the store over its remaining life.

Other CGUs

The Group has assessed the recoverable amounts of CGUs with material goodwill and other indefinite life intangible assets using a FVLCOD discounted cash flow model. Post-tax discount rates applied in the impairment testing for these CGUs ranged from 9.1 per cent to 11.8 per cent and terminal growth rates ranged from 2.5 per cent to 3.0 per cent. Key assumptions in the CGUs' cash flow projections include growth rates and gross margins, which are based on corporate plans that take into consideration historic performance, forecast macroeconomic conditions and the estimated effect of strategies.

Based on current economic conditions, the CGUs' performance and available headroom, no reasonably possible change in a key assumption used in the determination of the recoverable value of CGUs with material goodwill and other indefinite life intangible assets would result in a material impairment to the Group.

Notes to the financial statements: **Group balance sheet**

For the year ended 30 June 2026

10. Leases

Group as a lessee

The Group has leases primarily in relation to retail and distribution properties, in addition to leases for offices, motor vehicles and equipment. The lease terms vary significantly and can include escalation clauses, renewal or purchase options and termination rights. Escalation clauses vary between fixed rate, inflation linked, market rent and combination reviews. Changes to rental terms linked to inflation or market rent reviews typically occur on an annual or five-yearly basis.

Set out below are the carrying amounts of the right-of-use assets and the movements during the year.

	RIGHT-OF-USE ASSETS			
	LAND	BUILDINGS	VEHICLES AND OTHER	TOTAL
CONSOLIDATED	$M	$M	$M	$M
Year ended 30 June 2026				
Gross carrying amount - at cost	**129**	**12,638**	**92**	**12,859**
Accumulated depreciation and impairment	**(47)**	**(6,811)**	**(19)**	**(6,877)**
Net carrying amount	**82**	**5,827**	**73**	**5,982**
Movement				
Net carrying amount at the beginning of the year	**94**	**5,339**	**27**	**5,460**
Net additions[1]	**-**	**1,637**	**62**	**1,699**
Depreciation	**(8)**	**(1,103)**	**(16)**	**(1,127)**
Acquisition/(disposal) of controlled entities	**-**	**(2)**	**-**	**(2)**
Other including foreign exchange movements	**(4)**	**(44)**	**-**	**(48)**
Net carrying amount at the end of the year	**82**	**5,827**	**73**	**5,982**
Year ended 30 June 2025				
Gross carrying amount - at cost	134	11,295	43	11,472
Accumulated depreciation and impairment	(40)	(5,956)	(16)	(6,012)
Net carrying amount	94	5,339	27	5,460
Movement				
Net carrying amount at the beginning of the year	85	5,366	46	5,497
Net additions[1]	20	1,099	(9)	1,110
Impairment, net of reversals	-	(9)	-	(9)
Depreciation	(11)	(1,108)	(10)	(1,129)
Acquisition/(disposal) of controlled entities	-	(15)	-	(15)
Other including foreign exchange movements	-	6	-	6
Net carrying amount at the end of the year	94	5,339	27	5,460

[1] Includes new leases and remeasurements, net of terminated leases and lease incentives.

Set out below are the carrying amounts of the lease liabilities and the movements during the year:

	CONSOLIDATED	
	2026	2025
	$M	$M
Current	**1,148**	1,149
Non-current	**5,922**	5,300
Total lease liabilities	**7,070**	6,449
Movement		
Net carrying amount at the beginning of the year	**6,449**	6,522
Net additions[1]	**1,811**	1,131
Interest on lease liability	**309**	255
Gross lease payments	**(1,441)**	(1,449)
Acquisition/(disposal) of controlled entities	**(2)**	(17)
Other including foreign exchange movements	**(56)**	7
Net carrying amount at the end of the year	**7,070**	6,449

[1] Includes new leases and remeasurements, net of terminated leases.

The maturity profile of the Group's lease liabilities based on contractual undiscounted payments is provided in note 18(B).

Lease extension options are available in respect of 81 per cent (2025: 79 per cent) of the Group's land and building leases. The number and extent of available lease extension options differs considerably between leases. Where the Group has deemed the exercise of available option periods to be reasonably certain, those option periods have been included in the lease term and are therefore incorporated in the recorded lease liability of $7,070 million (2025: $6,449 million). A number of available option periods, which are exercisable at the discretion of the Group as lessee, have not been included in the recorded lease liability on the basis that they are not reasonably certain to be exercised and do not represent liabilities of the Group at 30 June 2026.

Notes to the financial statements: **Group balance sheet**

For the year ended 30 June 2026

10. Leases (continued)

The following are the lease-related amounts recognised in the income statement:

	CONSOLIDATED	
	2026	**2025**
	$M	**$M**
Depreciation of right-of-use assets	**1,127**	1,129
Interest on lease liabilities	**309**	255
Included in occupancy-related expenses:		
Short-term and low-value lease payments	**23**	48
Variable lease payments	**62**	52
Non-lease components	**481**	461
Total amount recognised in the income statement	**2,002**	1,945

Recognition and measurement

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, any restoration costs and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of the right-of-use land and building assets are between one and 42 years and right-of-use vehicles and other assets are between one and 20 years. The right-of-use assets are also subject to impairment, assessed in accordance with the Group's impairment policy.

Lease liabilities

Lease liabilities are recognised by the Group at the commencement date of the lease. Lease liabilities are measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option where it is reasonably certain to be exercised by the Group. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate (IBR) at the lease commencement date where the interest rate implicit in the lease is not readily determinable. After the commencement date, the lease liability is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment to purchase the underlying asset.

Short-term leases and lease of low-value assets

The Group applies the short-term lease and low-value recognition exemption. Payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

Lease liabilities by segment

	CONSOLIDATED			
	2026		**2025**	
	$M	**%**	**$M**	**%**
Bunnings Group	**3,755**	**53.1**	3,350	51.9
Kmart Group	**2,343**	**33.1**	2,242	34.8
WesCEF	**132**	**1.9**	66	1.0
Officeworks	**398**	**5.6**	414	6.4
Health	**266**	**3.8**	238	3.7
Industrial and Safety	**134**	**1.9**	95	1.5
Other	**42**	**0.6**	44	0.7
Total	**7,070**		6,449	

Key judgements and estimates: leases

Lease term

The lease term is considered to be a key judgement. At lease commencement, the Group considers an option to extend a lease to be reasonably certain when there is a clear economic incentive for extension, such as:

- favourable contractual terms and conditions in the option period compared to market rates
- leasehold improvements have recently been undertaken and are likely to have significant residual value at the end of the current lease period
- significant termination costs exist, or
- the underlying asset is important to the Group's operations.

After lease commencement, options to extend are reassessed upon the occurrence of a significant event or change in circumstance.

Discount rate

The discount rates applied in measuring the lease liability are a key estimate. As at 30 June 2026, the rates were between 1.3 and 6.5 per cent (2025: between 1.2 and 6.5 per cent) for the Group's land and buildings leases. On commencement of a lease, the future lease payments are discounted using the IBR where the interest rate implicit in the lease is not readily available. The lessee's IBR reflects the Group's IBR adjusted for lease tenure and the currency of the lease. Where there is a lease modification, a revised discount rate is applied in remeasuring the lease liability.

Stand-alone price of lease and non-lease components

As applicable, the calculated lease liability excludes an estimate of the gross lease payments allocated to non-lease components. This estimate is determined on a lease-by-lease basis on inception of the lease.

In determining the stand-alone price of the lease and non-lease components, consideration is given to benchmark property outgoings and historical information of the Group's lease portfolio.

Notes to the financial statements: **Group balance sheet**

For the year ended 30 June 2026

11. Trade and other payables

	CONSOLIDATED	
	2026 $M	**2025 $M**
Trade and other payables		
Trade payables	**5,738**	5,381
Other payables	**72**	59
Total	**5,810**	5,440

Recognition and measurement

Trade and other payables are carried at amortised cost and are recognised when goods and services are received, whether or not billed to the Group, prior to the end of the reporting period.

Supplier finance arrangements

The Group has a facility in place to assist its suppliers to manage their cash flows. Suppliers can elect to receive early payment of some or all of their invoices by electing to sell their invoices to third-party financiers. They typically receive payment the same business day or within one business day of election. Supplier participation in the program is optional and the Group does not use this as an opportunity to extend payment terms or obtain any commission or financial benefit. The relevant invoices continue to be payable on their original due dates and continue to be classified as trade and other payables in the balance sheet, as the prepayment arrangement is between the supplier, the financiers and the third-party platform provider.

The carrying amount of trade and other payables subject to supplier finance arrangements was $733 million at 30 June 2026 (2025: $707 million), all of which related to suppliers that had received payment from the finance provider. Trade payables subject to supplier finance arrangements have payment terms consistent with those of comparable trade payables that are not subject to such arrangements, ranging from 24 to 120 days (2025: 24 to 120 days) from either the invoice date or the end of the month in which the invoice is issued.

There were no significant non-cash changes in the carrying amount of trade payables subject to supplier finance arrangements during the year. For additional information about how these arrangements affect the Group's exposure to liquidity risk, see note 18(B).

12. Provisions

	CONSOLIDATED	
	2026 $M	**2025 $M**
Current		
Employee benefits	**955**	924
Self-insured risks	**100**	95
Restoration and restructuring	**39**	48
Other	**33**	59
	1,127	1,126
Non-current		
Employee benefits	**121**	112
Self-insured risks	**145**	137
Restoration and restructuring	**173**	164
Other	**1**	1
	440	414
Total	**1,567**	1,540

Recognition and measurement

Provisions are recognised when:

- the Group has a present obligation (legal or constructive) as a result of a past event
- it is probable that resources will be expended to settle the obligation
- a reliable estimate can be made of the amount of the obligation.

Key estimate: discounting

Provisions, other than employee benefits, are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability to the extent they are not included in the cash flows.

Employee benefits provision balances are calculated using discount rates derived from the high-quality corporate bond (HQCB) market in Australia provided by Milliman Australia. As at 30 June 2026, the rates were between 5.0 and 5.8 per cent (2025: between 3.9 and 5.3 per cent).

Employee benefits

The provision for employee benefits represents annual leave, long service leave entitlements and incentives accrued by employees.

Wages and salaries

Liabilities for wages, salaries, and incentives including non-monetary benefits expected to be settled within 12 months of the reporting date, are recognised in provisions and other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Annual leave and long service leave

The liability for annual leave and long service leave is recognised in the provision for employee benefits. The long service leave obligation is measured using the projected unit credit method. Expected future payments are discounted using market yields at the reporting date on HQCB with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Key estimate: long service leave

Management judgement is required in determining the following key assumptions used in the calculation of long service leave at the balance sheet date:

- future increases in salaries and wages
- future on-cost rates
- future probability of employee departures and period of service.

The total long service leave liability is $464 million (2025: $451 million). Given the magnitude of the liability and the nature of the key assumptions, any reasonably possible change in one or a combination of the assumptions is unlikely to have a material impact.

Notes to the financial statements: **Group balance sheet**

For the year ended 30 June 2026

12. Provisions (continued)

Self-insured risks

The Group is self-insured for workers' compensation and general liability claims. Provisions are recognised based on claims reported and an estimate of claims incurred but not reported. These provisions are determined on a discounted basis, using an actuarial valuation performed at each reporting date.

Key estimate: self-insured risks

The self-insured risk liability is based on a number of management estimates, including but not limited to:

- future inflation
- investment return
- average claim size
- claim development
- claim administration expenses.

These assumptions are reviewed periodically and any reassessment of these assumptions will affect workers' compensation or claims expense (either increasing or decreasing the expense). Any reasonable change in these assumptions is unlikely to have a material impact.

Restoration and restructuring

Make good

The Group recognises the present value of the estimated costs that may be incurred in restoring leased premises to their original condition at the end of the respective lease terms as a provision for make good. The costs are recognised as the obligation is incurred either at commencement of the lease or as a consequence of using the asset and are included in the cost of the right-of-use assets. This estimate is reviewed at each reporting date and adjusted for any known changes in the initial cost estimate or timing of when the make good would occur.

Mine and plant rehabilitation

The Group's mining activities create obligations for site closure and rehabilitation when the environmental disturbance occurs. Provisions for closure and rehabilitation have been measured by calculating the present value of future rehabilitation costs using a risk-free discount rate over a period of up to 25 years.

The measurement of rehabilitation provisions involves judgement and estimation uncertainty, particularly in relation to the timing, scope and cost of future rehabilitation activities, and the discount rates applied.

The extent, timing and cost of the Group's future rehabilitation activities may be affected by potential physical and transition climate-related impacts and will continue to be monitored.

Restructuring

Provisions for restructuring are recognised where steps have been taken to implement a detailed plan, including discussions with those impacted by it and relate principally to:

- the closure of retail outlets or distribution centres
- restructuring
- associated redundancies.

CONSOLIDATED	SELF-INSURED RISKS $M	RESTORATION AND RESTRUCTURING $M	OTHER $M	TOTAL $M
Carrying amount at 1 July 2025	**232**	**212**	**60**	**504**
Net provisions arising during the year	**112**	**6**	**8**	**126**
Utilised	**(99)**	**(6)**	**(34)**	**(139)**
Carrying amount at 30 June 2026	**245**	**212**	**34**	**491**
Carrying amount at 1 July 2024	218	217	77	512
Net provisions arising during the year	86	11	18	115
Utilised	(72)	(12)	(32)	(116)
Acquisition/(disposal) of controlled entities	-	(4)	(3)	(7)
Carrying amount at 30 June 2025	232	212	60	504

13. Capital management

The primary objective of Wesfarmers is to provide a satisfactory return to its shareholders. The Group aims to achieve this objective by:

- improving returns on invested capital relative to the cost of capital
- ensuring a satisfactory return is made on any new capital invested
- returning capital to shareholders when appropriate.

Capital allocation and funding

Wesfarmers' approach to capital allocation is based on the Group's objective and focus on long-term value creation. Capital is defined as the combination of shareholders' equity, reserves and debt (interest-bearing loans and borrowings, exclusive of lease liabilities, less cash and cash equivalents). The Board is responsible for monitoring and approving the capital management framework within which management operates. The purpose of the framework is to safeguard the Group's ability to continue as a going concern while optimising its debt and equity structure to improve returns. The Group aims to maintain a capital structure that is consistent with a stable investment-grade credit rating.

Both internal mechanisms and market-based incentives are used to support decarbonisation and inform capital allocation decisions. Investment cases include an internal carbon price assumption which takes into consideration uncertainty around the impact of climate change.

	CONSOLIDATED	
	2026 $M	**2025 $M**
Equity and reserves		
Issued capital	**12,325**	13,574
Reserved shares	**(102)**	(102)
Retained earnings	**1,868**	1,807
Reserves	**(6,114)**	(6,090)
Total	**7,977**	9,189
Debt (excluding lease liabilities)		
Total interest-bearing loans and borrowings	**5,646**	4,719
Less:		
Cash and cash equivalents	**(530)**	(638)
	5,116	4,081
Total capital	**13,093**	13,270
Net financial debt		
Total interest-bearing loans and borrowings	**5,646**	4,719
Less:		
Cash at bank and on deposit and cash held in joint operation[1]	**(375)**	(393)
Net debt	**5,271**	4,326
Add/(Less):		
Cross-currency interest rate swaps	**57**	(96)
Interest rate swaps	**(33)**	1
Net financial debt	**5,295**	4,231

[1] Exclusive of cash on hand and cash in transit. Refer to note 4 for further details.

The Group manages its capital through various means, including:

- adjusting the amount of dividends paid to shareholders
- maintaining a dividend investment plan
- raising or returning capital
- raising or repaying debt for working capital requirements, capital expenditure and acquisitions.

The Group regularly monitors its capital requirements using various benchmarks, with the main internal measures being free cash flow and debt to EBITDA ratio. The principal external measures are the Group's credit ratings from S&P Global Ratings and Moody's Ratings.

	CONSOLIDATED	
	2026 $M	**2025 $M**
Free cash flow		
Net cash flows from operating activities	**4,272**	4,568
Add/(Less):		
Capital expenditure	**(1,194)**	(1,147)
Net (acquisitions)/disposals	**499**	(23)
Add:		
Proceeds from sale of property, plant and equipment and intangibles	**415**	48
Free cash flow	**3,992**	3,446
Debt to EBITDA ratio[1]		
Total interest-bearing loans and borrowings	**5,646**	4,719
Total lease liabilities	**7,070**	6,449
Less:		
Cash and cash equivalents	**(530)**	(638)
Debt (inclusive of lease liabilities) (A)	**12,186**	10,530
Profit before income tax expense	**4,017**	4,053
Interest on lease liabilities	**309**	255
Other finance costs	**167**	157
Depreciation and amortisation	**1,844**	1,833
EBITDA (B)	**6,337**	6,298
Debt to EBITDA (times) (A/B)	**1.9**	1.7
Adjusted EBITDA (C)[2]	**6,337**	6,019
Debt to EBITDA (times) (A/C) (applying adjusted EBITDA)	**1.9**	1.7
Group credit ratings		
S&P Global Ratings	**A- (stable)**	A- (stable)
Moody's Ratings	**A3 (stable)**	A3 (stable)

[1] The calculation of debt to EBITDA ratio may differ from the metrics calculated by the credit rating agencies, which each have their own methodologies for adjustments.

[2] The FY2025 adjusted EBITDA excludes the profit on disposal of Coregas of $233 million and profit of $97 million relating to the wind up of BPI, offset by one-off costs relating to the wind down of Catch of $51 million.

Notes to the financial statements: **Capital structure & risk management**

For the year ended 30 June 2026

14. Dividends and distributions

	CONSOLIDATED	
	2026 $M	**2025 $M**
Determined during the year (dividends fully-franked at 30 per cent)		
Interim dividend for 2026: $1.02 (2025: $0.95) per share	**1,158**	1,078
Final dividend for 2025: $1.11 (2024: $1.07) per share	**1,260**	1,214
Special dividend for 2025: $0.40 per share[1]	**454**	-
Capital return for 2025: $1.10 per share[2]	**1,249**	-
	4,121	2,292
Proposed and unrecognised as a liability (dividends fully-franked at 30 per cent)		
Final dividend for 2026: $1.20 (2025: $1.11) per share	**1,362**	1,260
Special dividend for 2025: $0.40 per share[1]	**-**	454
Capital return for 2025: $1.10 per share[2]	**-**	1,249
	1,362	2,963
Franking credit balance		
Franking credits available for future years at 30 per cent adjusted for debits and credits arising from the payment of income tax payable/(receivable) and from recognised dividends receivable or payable	**824**	939
Impact on the franking account of dividends proposed before the financial statements were issued but not recognised as a distribution to equity holders during the year	**(584)**	(735)

[1] The fully-franked special dividend of $0.40 per share was paid on 4 December 2025.

[2] The capital return to shareholders of $1.10 per share was paid on 4 December 2025.

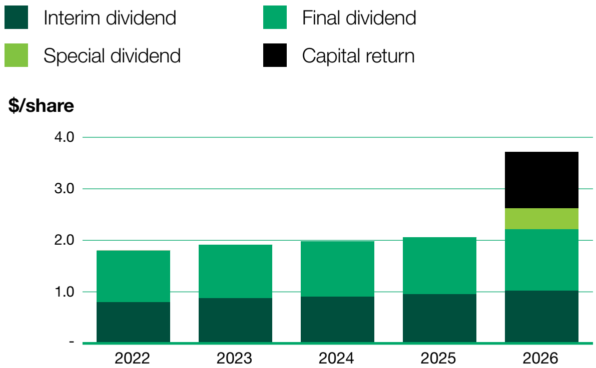
Wesfarmers' dividend policy considers availability of franking credits, current earnings, future cash flow requirements and targeted credit metrics.

Dividend investment plan

The Group operates a dividend investment plan which allows eligible shareholders to elect to invest their dividends in ordinary shares. All holders of Wesfarmers ordinary shares with addresses in Australia or New Zealand are eligible to participate in this plan. The allocation price for shares is based on the average of the daily volume-weighted average price of Wesfarmers ordinary shares sold on the ASX, calculated with reference to a pricing period as determined by the directors.

An issue of shares under the dividend investment plan could result in an increase in issued capital unless the Group elects to purchase the required number of shares on-market.

Shareholder distributions ($/share)[1]



[1] The final dividend is presented in the financial year to which it relates. The special dividend and capital return was proposed upon finalisation of the FY2025 results and paid in FY2026 after approval was obtained from shareholders at the Wesfarmers Annual General Meeting on 30 October 2025.

15. Equity and reserves

The nature of the Group's contributed equity

Ordinary shares are fully-paid and carry one vote per share and the right to dividends.

Reserved shares are ordinary shares that have been issued (including unquoted shares) or repurchased by the company and are being held to satisfy the Key Executive Equity Performance Plan (KEEPP).

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

MOVEMENT IN SHARES ON ISSUE	ORDINARY SHARES[1] '000	ORDINARY SHARES[1] $M	RESERVED SHARES '000	RESERVED SHARES $M
At 1 July 2025	**1,135,014**	**13,574**	**(1,177)**	**(102)**
KEEPP vested during the year	**-**	**-**	**268**	**-**
Issue of unquoted fully-paid ordinary shares for the purposes of KEEPP	**269**	**-**	**(269)**	**-**
Capital return	**-**	**(1,249)**	**-**	**-**
At 30 June 2026	**1,135,283**	**12,325**	**(1,178)**	**(102)**
At 1 July 2024	1,134,781	13,574	(1,275)	(102)
KEEPP vested during the year	-	-	226	-
Issue of unquoted fully-paid ordinary shares for the purposes of KEEPP	233	-	(233)	-
Forfeited shares reallocated to WESAP[2]	-	-	105	-
At 30 June 2025	1,135,014	13,574	(1,177)	(102)

[1] As at 30 June 2026, there were 709,961 unquoted fully-paid ordinary shares (2025: 709,103). The unquoted fully-paid ordinary shares rank equally with other ordinary shares but the payment of dividend entitlements is deferred until quotation.

[2] Wesfarmers Employee Share Acquisition Plan (WESAP). Refer to note 28 for details.

Notes to the financial statements: **Capital structure & risk management**

For the year ended 30 June 2026

15. Equity and reserves (continued)

The following table details the Group's reserves (net of tax), including the reserves' nature and purpose.

	CONSOLIDATED 2026 $M	2025 $M	NATURE AND PURPOSE
Cash flow hedge reserve	**9**	(72)	To recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the initial cost of inventory or reclassified to profit or loss as appropriate. The change in cash flow hedge reserve for the year ended 30 June 2026 includes the after-tax net movement in the market value of cash flow hedges from 30 June 2025, and comprised a $31 million (2025: $(23) million) movement in foreign exchange rate contracts, a $27 million (2025: $(23) million) movement in cross-currency interest rate swaps, a $23 million (2025: $(7) million) movement in interest rate swaps and nil (2025: $(1) million) movement in commodity swaps.
Demerger reserve	**(5,860)**	(5,860)	To recognise the gain on demerger of Coles and the demerger dividend.
Financial assets reserve	**17**	69	To record fair value changes on financial assets measured at fair value through other comprehensive income.
Foreign currency translation reserve	**(35)**	41	To record exchange differences arising from the translation of the financial statements of foreign subsidiaries.
Leasing reserve	**(514)**	(518)	To recognise the cumulative effect of applying AASB 16 *Leases* at the date of initial application.
Share-based payments reserve	**101**	82	To recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.
Other reserves	**168**	168	Includes the restructure tax reserve, capital reserve and general reserve.
Total reserves	**(6,114)**	(6,090)	

16. Earnings per share

	CONSOLIDATED 2026	2025
Profit attributable to ordinary equity holders of the parent ($m)	**2,874**	2,926
WANOS[1] used in the calculation of basic EPS (shares, million)[2]	**1,134**	1,134
WANOS[1] used in the calculation of diluted EPS (shares, million)[2]	**1,134**	1,134
Basic EPS (cents per share)	**253.4**	258.0
Diluted EPS (cents per share)	**253.4**	258.0

1 Weighted average number of ordinary shares.

2 The variance in the WANOS used in the calculation of the basic earnings per share (EPS) and the diluted EPS is attributable to the dilutive effect of unvested shares.

There have been no significant transactions involving ordinary shares between the reporting date and the date of completion of these financial statements.

Basic EPS

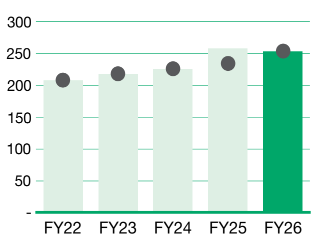
Basic EPS is calculated as net profit attributable to equity holders of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares.

Diluted EPS

Diluted EPS is calculated as basic earnings per share with an adjustment for the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares.

Basic earnings per share

253.4 CENTS



	REPORTED BASIC EPS	ADJUSTED BASIC EPS
FY26	**253.4**	**253.4**
FY25[1]	258.0	234.0
FY24	225.7	225.7
FY23	217.8	217.8
FY22	207.8	207.8

Reported basic EPS — Basic EPS adjusted for significant items

1 FY2025 EPS of 258.0 cents per share includes significant items relating to the sale of Coregas, wind down of Catch and wind up of the BPI property structure. Excluding these items, adjusted basic EPS is 234.0 cents per share.

Notes to the financial statements: **Capital structure & risk management**

For the year ended 30 June 2026

17. Interest-bearing loans and borrowings

CONSOLIDATED	2026 $M	2025 $M
Non-current		
Unsecured		
Bank debt	**2,696**	1,583
Capital markets debt	**2,950**	3,136
Total	**5,646**	4,719

Recognition and measurement

Capital markets debt includes unsecured foreign and domestic corporate bonds. All loans and borrowings are initially recognised at fair value, less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the liabilities are derecognised.

The carrying values of liabilities that are the hedged items in fair value hedge relationships, which are otherwise carried at amortised cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged. Fair value gains and losses are recognised in the income statement.

Funding strategies

The Group's funding strategy is to maintain diversity of funding sources and a presence in key financing markets, maintain an appropriate average maturity and balance exposures to fixed and floating rates.

Throughout the period, a number of bilateral bank agreements have been extended or entered into to maintain the Group's debt capacity and average maturity profile.

The Group had unused bank financing facilities available at 30 June 2026 of $1,725 million (2025: $1,747 million).

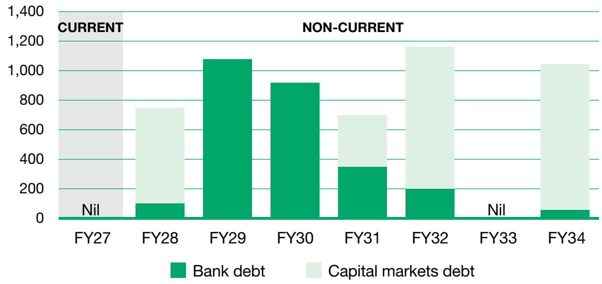
Sustainability and climate targets in sustainability-linked bonds and loans

As at 30 June 2026, the Group had outstanding Australian dollar and Euro denominated sustainability-linked bonds (SLBs) totalling $1,985 million (2025: $2,070 million). The SLBs highlight the significance of the Group's sustainability priorities in supporting long-term funding and value creation.

The interest rates payable on the SLBs were linked to two sustainability performance targets (SPTs). The SPTs relate to achieving 100 per cent renewable electricity in Bunnings, Kmart, Target and Officeworks by 31 December 2025 and limiting the CO_2e emissions intensity in ammonium nitrate production in the WesCEF division for the 24 months to 31 December 2025. Wesfarmers successfully met both SPTs as of 31 December 2025 and as a result the interest rates payable under the SLBs remain unchanged from their original levels.

The Group has sustainability-linked loans (SLLs) totalling $100 million (2025: $250 million). As at 30 June 2026, the Group had drawn $nil (2025: $50 million). The interest rates payable on the SLLs are linked to the Group's progress on Indigenous employment and emissions intensity in ammonium nitrate production in the WesCEF division consistent with the SLBs.

Outstanding loans and borrowings by financial year



CONSOLIDATED	BORROWINGS DUE AFTER ONE YEAR $M	DERIVATIVES HELD TO HEDGE BORROWINGS $M	TOTAL $M
Balance as at 1 July 2025	**4,719**	**(96)**	**4,623**
Cash inflows	**1,119**	**-**	**1,119**
Foreign exchange adjustments	**(86)**	**86**	**-**
Fair value changes, relating to hedged risk	**(102)**	**102**	**-**
Other changes	**(4)**	**(35)**	**(39)**
Balance as at 30 June 2026	**5,646**	**57**	**5,703**
Balance as at 1 July 2024	4,756	(5)	4,751
Cash inflows	1,057	-	1,057
Cash outflows	(1,215)	-	(1,215)
Foreign exchange adjustments	110	(110)	-
Fair value changes, relating to hedged risk	15	(15)	-
Other changes	(4)	34	30
Balance as at 30 June 2025	4,719	(96)	4,623

18. Financial risk management

The Group holds financial instruments for the following purposes:

- **Financing:** to raise finance for the Group's operations or, in the case of short-term deposits, to invest surplus funds. The types of instruments used include bank debt, capital markets debt, cash and short-term deposits.
- **Operational:** the Group's activities generate financial instruments, including cash, trade receivables and trade payables.
- **Risk management:** to reduce risks arising from the financial instruments described above, including cross-currency interest rate swaps, interest rate swaps, foreign exchange contracts and commodity swaps.

It is, and has been throughout the year, the Group's policy that no speculative trading in financial instruments shall be undertaken.

The Group's holding of these financial instruments exposes it to risk. The Board reviews and agrees the Group's policies for managing each of these risks, which are summarised in the table below.

RISK	EXPOSURE	MANAGEMENT
Liquidity risk (note 18(B))		
	The Group's exposure to liquidity risk arises through volatility of cash flows due to trading patterns or conditions, interruptions to cash flows due to technological incidents or banking system incidents, or interruptions to funding sources and markets. The Group's exposure also includes a risk that the Group may not be able to repay or refinance its interest-bearing loans and borrowings when due.	Liquidity risk is managed centrally by Group Treasury through detailed forecasting of the operating cash flows of the underlying businesses and maintenance of appropriate cash and bank facility arrangements to cover reasonably foreseeable events. The Group maintains diversity of funding sources and an appropriate average maturity. The Group aims to spread maturities to avoid excessive refinancing in any period. The Group also maintains investment-grade credit ratings from S&P Global Ratings and Moody's Ratings, which support its ability to raise additional debt in capital markets when necessary.
Market risk (note 18(C))		
Foreign exchange risk	The Group's primary currency exposure is to the US dollar and arises from sales or purchases by a division in currencies other than the division's functional currency. The Group is also exposed to the Euro through its capital markets debt. As a result of operations in New Zealand, the Group's balance sheet can also be affected by movements in the AUD/NZD exchange rate.	The objective of the Group's policy on foreign exchange hedging is to protect the Group from adverse currency fluctuations. Hedging is implemented for the following reasons: • protection of competitive position • greater certainty of earnings due to protection from sudden currency movements. The Group manages foreign exchange risk centrally by hedging material foreign exchange exposures for firm sales or purchases or when highly probable forecast transactions have been identified (including funding transactions). The level of hedging is higher for near-term forecast transactions than for longer-term forecast transactions. The Group also aims to hedge 100 per cent of capital expenditure-related foreign currency purchases to match expected payment dates and these may extend beyond 12 months. The Group mitigates the effect of its translational currency exposure to its New Zealand operations by borrowing in New Zealand dollars.
Interest rate risk	The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations that have floating interest rates.	The Group maintains a balance of exposure to floating and fixed rate debt, and aims to spread debt renewals to avoid all renewals occurring in the same period. The Group may hedge borrowings to fixed or floating rates as appropriate to manage exposure levels. These swaps are designated to hedge interest costs associated with underlying debt obligations.
Commodity price risk	The Group's exposure to commodity price risk mainly arises from changes in the prices of inputs and inventory used by divisions, including where the division must reimburse a third party for costs incurred by that party (for example, fuel costs as part of transport services). Some divisions also sell products that are in the nature of commodities or are priced with reference to commodity prices. Changes in relevant commodity prices may negatively impact the Group's cash flow or profitability.	When appropriate and effective, the Group manages commodity price risk centrally by hedging material commodity exposures. The foreign exchange risk component may be managed separately as part of the Group's foreign exchange risk management policies.

Notes to the financial statements: **Capital structure & risk management**

For the year ended 30 June 2026

18. Financial risk management (continued)

RISK	EXPOSURE	MANAGEMENT
Credit risk (note 18(D))		
	The Group is exposed to credit risk from its operating activities (primarily from customer receivables) and from its financing activities, including deposits with financial institutions, foreign exchange transactions and other financial instruments. Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument or customer contract that will result in a financial loss to the Group.	Customer credit risk is managed by each division subject to established policies, procedures and controls relating to customer credit risk management. The Group trades primarily with recognised, creditworthy third parties. Customers who wish to trade on credit terms are subject to credit verification procedures, including an assessment of their independent credit rating, financial position, past experience and industry reputation. **Trade and other receivables** Credit risk management practices include reviews of trade receivables ageing by days past due, the timely follow-up of past due amounts and the use of credit securities, such as credit insurance, retention of title and letters of credit. **Financial instruments and cash deposits** Credit risk from deposits with banks and financial institutions is managed by Group Treasury in accordance with Board-approved policy. Deposits are made within credit limits assigned to each counterparty according to their credit rating, which must be an investment-grade credit rating. The carrying amount of financial assets represents the maximum credit exposure. There are no significant concentrations of credit risk within the Group.

18(A) Offsetting financial instruments

The Group presents its derivative assets and liabilities on a gross basis. Derivative financial instruments entered into by the Group are subject to enforceable master netting arrangements, such as an International Swaps and Derivatives Association (ISDA) master netting agreement. In certain circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under an ISDA agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The amounts set out in note 19 represent the derivative financial assets and liabilities of the Group that are subject to the above arrangements, and are presented on a gross basis.

18(B) Liquidity risk

As at 30 June 2026, the Group had unused bank financing facilities available of $1,725 million (2025: $1,747 million).

The table on the following page classifies the Group's financial liabilities, including net and gross settled financial instruments and lease liabilities, into relevant maturity periods based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows and will not reconcile with the amounts disclosed in the balance sheet.

Trade and other payables and lease liabilities are recognised at the gross contractual cash flows to be paid using the spot currency exchange rates applicable at the reporting date. Expected future interest payments on loans and borrowings exclude accruals recognised in trade and other payables at the reporting date and have been estimated using forward currency exchange rates and forward interest rates applicable at the reporting date. For loans and borrowings before swaps, hedge cross-currency interest rate swaps, hedge interest rate swaps, hedge foreign exchange contracts and hedge commodity swaps, the amounts disclosed are the gross contractual cash flows to be paid and are estimated using forward currency exchange rates, forward interest rates and forward commodity prices applicable at the reporting date.

Early payment facility for suppliers

As described in note 11, the Group has a facility in place to assist its suppliers to manage their cash flows. The Group does not face a significant liquidity risk as a result of its supplier finance arrangements given the Group's payment terms for trade payables covered by the arrangement are identical to the payment terms for other trade payables.

18(B) Liquidity risk (continued)

CONSOLIDATED	ON DEMAND OR <3 MONTHS $M	3-12 MONTHS $M	1-5 YEARS $M	>5 YEARS $M	TOTAL CONTRACTUAL CASHFLOWS $M	CARRYING AMOUNT (ASSETS)/ LIABILITIES $M
As at 30 June 2026						
Trade and other payables	**5,525**	**285**	**-**	**-**	**5,810**	**5,810**
Lease liabilities	**348**	**1,127**	**4,748**	**2,202**	**8,425**	**7,070**
Expected future interest payments on loans and borrowings	**34**	**159**	**504**	**75**	**772**	**-**
Loans and borrowings before swaps	**-**	**-**	**3,450**	**2,515**	**5,965**	**5,646**
Hedge cross-currency interest rate swaps (gross settled)	**15**	**31**	**172**	**(196)**	**22**	**57**
Hedge interest rate swaps (net settled)	**(3)**	**(13)**	**(19)**	**-**	**(35)**	**(33)**
Hedge foreign exchange contracts (gross settled)	**5**	**(11)**	**1**	**-**	**(5)**	**(6)**
Total	**5,924**	**1,578**	**8,856**	**4,596**	**20,954**	**18,544**
As at 30 June 2025						
Trade and other payables	5,135	305	-	-	5,440	5,440
Lease liabilities	307	1,086	4,403	1,755	7,551	6,449
Expected future interest payments on loans and borrowings	18	109	346	132	605	-
Loans and borrowings before swaps	-	-	2,239	2,757	4,996	4,719
Hedge cross-currency interest rate swaps (gross settled)	11	21	122	(318)	(164)	(96)
Hedge interest rate swaps (net settled)	(1)	1	1	-	1	1
Hedge foreign exchange contracts (gross settled)	14	45	(1)	-	58	56
Total	5,484	1,567	7,110	4,326	18,487	16,569

18(C) Market risk

Foreign exchange risk

The Group's financial assets and financial liabilities with exposure to the US dollar and Euro (prior to hedging contracts) at the reporting date were as follows:

	2026		2025	
CONSOLIDATED	USD A$M	EUR A$M	USD A$M	EUR A$M
Financial assets				
Cash and cash equivalents	**21**	**-**	25	-
Trade and other receivables	**27**	**-**	53	-
Hedge cross-currency interest rate swaps	**-**	**35**	-	96
Hedge foreign exchange contracts	**59**	**-**	31	-
Financial liabilities				
Trade and other payables	**(1,480)**	**(12)**	(1,407)	(11)
Interest-bearing loans and borrowings	**-**	**(1,959)**	-	(2,148)
Cross-currency interest rate swaps	**-**	**(92)**	-	-
Hedge foreign exchange contracts	**(53)**	**-**	(87)	-

Notes to the financial statements: **Capital structure & risk management**

For the year ended 30 June 2026

18(C) Market risk (continued)

Group's sensitivity to foreign exchange movements

The sensitivity analysis below shows the impact that a reasonably possible change in foreign exchange rates over a financial year would have on profit after tax and equity, based solely on the Group’s foreign exchange risk exposures existing at the balance sheet date. The following exchange rates have been used in performing the sensitivity analysis.

	2026		2025	
CONSOLIDATED	USD	EUR	USD	EUR
Actual	**0.69**	**0.60**	0.65	0.56
+10% (2025: +10%)	**0.76**	**0.66**	0.72	0.61
-10% (2025: -10%)	**0.62**	**0.54**	0.59	0.50

The impact on profit and equity is estimated by applying the hypothetical changes in the US dollar and Euro exchange rate to the balance of financial instruments at the reporting date.

The below sensitivity analysis does not include the impact on the Group's equity from the translation of subsidiaries with differing functional currencies (primarily the New Zealand dollar) to the Group's presentation currency.

The results of the foreign exchange rate sensitivity analysis are driven by three main factors:

- the impact of applying the above foreign exchange movements to financial instruments that are not in hedge relationships will be recognised directly in profit
- to the extent that the foreign currency-denominated derivatives on the balance sheet form part of an effective cash flow hedge relationship, any fair value movements caused by applying the above sensitivity movements will be deferred in equity and will not affect profit
- movements in financial instruments forming part of an effective fair value hedge relationship will be recognised in profit. However, as a corresponding entry will be recognised for the hedged item, there will be no net impact on profit.

At 30 June 2026, had the Australian dollar moved against the US dollar and Euro, as illustrated in the table above, with all other variables held constant, the Group’s profit after tax and other equity would have been affected by the change in value of its financial assets and financial liabilities as shown in the table below.

	CONSOLIDATED	
	2026 A$M	2025 A$M
AUD/USD +10% (2025: +10%)		
- impact on profit after tax	**7**	5
- impact on equity	**(148)**	(161)
AUD/USD -10% (2025: -10%)		
- impact on profit after tax	**(9)**	(6)
- impact on equity	**181**	202
AUD/EUR +10% (2025: +10%)		
- impact on profit after tax	**-**	-
- impact on equity	**5**	7
AUD/EUR -10% (2025: -10%)		
- impact on profit after tax	**-**	-
- impact on equity	**(7)**	(9)

Interest rate risk

As at the reporting date, the Group had financial assets and liabilities with exposure to interest rate risk as shown in the table below. Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument. The classification between fixed and floating interest takes into account applicable hedge instruments.

	CONSOLIDATED	
	2026 $M	2025 $M
Financial assets		
Fixed rate		
Finance advances and loans	**3**	3
Floating rate		
Cash at bank, on deposit and held in joint operation	**375**	393
Financial liabilities		
Fixed rate		
Capital markets debt	**2,950**	2,373
Unsecured bank debt	**299**	697
Floating rate		
Capital markets debt	**-**	763
Unsecured bank debt	**2,397**	886

At 30 June 2026, after taking into account the effect of interest rate swaps and economic hedging relationships, approximately 42 per cent of the Group’s borrowings are exposed to movements in variable rates (2025: approximately 36 per cent).

Group's sensitivity to interest rate movements

The following sensitivity analysis shows the impact that a reasonably possible change in interest rates over a financial year would have on profit after tax and equity. The impact is determined by assessing the effect that such a reasonably possible change in interest rates would have had on interest income and expense and the impact on financial instrument fair values existing at the balance sheet date.

The results of the sensitivity analysis are driven by three main factors, as outlined below:

- for unhedged floating rate financial instruments, any increase or decrease in interest rates will impact profit
- to the extent that derivatives form part of an effective cash flow hedge relationship, there will be no impact on profit and any increase/(decrease) in the fair value of the underlying derivative instruments will be deferred in equity
- movements in the fair value of derivatives in an effective fair value hedge relationship will be recognised directly in profit. However, as a corresponding entry will be recognised for the hedged item, there will be no net impact on profit.

18(C) Market risk (continued)

The following sensitivity analysis is based on the Australian variable interest rate risk exposures in existence at the balance sheet date. If interest rates had moved by +/- 100 bps (basis points) (2025: +/- 100 bps) and with all other variables held constant, the Group's profit after tax and equity would have been affected as shown in the table below.

	CONSOLIDATED 2026 $M	2025 $M
+100 bps (2025: +100 bps)		
- impact on profit after tax	**(15)**	(10)
- impact on equity	**59**	64
-100 bps (2025: -100 bps)		
- impact on profit after tax	**15**	10
- impact on equity	**(62)**	(68)

18(D) Credit risk

The carrying amount of current trade and other receivables represents the Group's maximum credit exposure.

The Group applies the simplified approach in measuring ECLs for trade receivables and other short-term debtors, whereby an allowance for impairment is considered across all trade receivables and other short-term debtors, regardless of whether a credit event has occurred, based on the expected losses over the lifetime of the receivable. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established the following provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to debtors and the economic climate.

TRADE AND OTHER RECEIVABLES DAYS PAST DUE	CONSOLIDATED ESTIMATED TOTAL GROSS CARRYING AMOUNT AT DEFAULT $M	EXPECTED CREDIT LOSS RATE %	LIFETIME EXPECTED CREDIT LOSS $M
2026			
Current (not yet due)	**1,887**	**0.4**	**7**
Under one month	**341**	**1.2**	**4**
One to two months	**45**	**2.2**	**1**
Two to three months	**16**	**12.5**	**2**
Over three months	**183**	**21.9**	**40**
Total	**2,472**		**54**
2025			
Current (not yet due)	2,734	0.1	3
Under one month	190	0.5	1
One to two months	38	2.6	1
Two to three months	15	26.7	4
Over three months	62	67.7	42
Total	3,039		51

18(E) Fair values

The carrying amounts and estimated fair values of all the Group's financial instruments in the financial statements are materially the same with the exception of the following:

Interest-bearing loans and borrowings

	2026 $M	2025 $M
Capital markets debt: carrying amount	**2,950**	3,136
Capital markets debt: fair value	**2,725**	2,882

The fair value of capital markets debt as outlined above has been calculated using quoted market prices or dealer quotes for similar instruments. The fair value of bank debt is calculated by discounting the expected future cash flows at prevailing interest rates using market observable inputs and is not materially different to the carrying amount.

The methods and assumptions used to estimate the fair value of other financial instruments are as follows.

Cash

The carrying amount is equivalent to fair value due to the asset's liquid nature.

Receivables/payables

Due to the short-term nature of these financial rights and obligations, carrying amounts are estimated to represent fair values.

Derivatives

The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment-grade credit ratings. Foreign exchange contracts, interest rate swaps, cross-currency interest rate swaps and commodity swaps are all valued using forward pricing techniques. These include the use of market observable inputs, such as foreign exchange spot and forward rates, yield curves of the respective currencies, interest rate curves and forward rate curves of the underlying commodity. Accordingly, these derivatives are classified as Level 2 in the fair value measurement hierarchy.

Valuation of financial instruments

For all fair value measurements and disclosures, the Group uses the following to categorise the method used:

- Level 1: the fair value is calculated using quoted prices in active markets.
- Level 2: the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The Group's financial instruments were primarily valued using market observable inputs (Level 2), with the exception of financial assets measured at fair value through other comprehensive income (FVOCI) (Level 3), which were $36 million at 30 June 2026 (2025: $23 million).

For financial instruments that are carried at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between Level 1 and Level 2 during the year.

Notes to the financial statements: **Capital structure & risk management**

For the year ended 30 June 2026

19. Derivatives

Types of hedging instruments

The Group is exposed to risk from movements in foreign exchange, interest rates and commodity prices. As part of its risk management strategy set out in note 18, the Group holds the following types of derivative instruments as at 30 June 2026:

Foreign exchange contracts: contracts denominated in US dollars, Euro and other foreign currencies to hedge highly probable sale and purchase transactions (cash flow hedges).

Interest rate swaps: to manage the Group's exposure to fixed and floating interest rates arising from borrowings. These hedges incorporate cash flow hedges, which fix future interest payments, and fair value hedges, which reduce the Group's exposure to changes in the value of its assets and liabilities arising from interest rate movements.

Cross-currency interest rate swaps: to manage the Group's exposure to foreign exchange rate variability in its interest repayments on foreign currency-denominated borrowings (cash flow hedges) or to hedge against movements in the fair value of those liabilities due to foreign exchange and interest rate movements (fair value hedges). The borrowing margin on cross-currency interest rate swaps has been treated as a cost of hedging and deferred into equity. These costs are then amortised to the income statement as a finance cost over the remaining life of the borrowing.

CONSOLIDATED	2026 NOTIONAL	2026 WEIGHTED AVERAGE HEDGED RATE	2026 ASSET A$M	2026 LIABILITY A$M	2025 NOTIONAL	2025 WEIGHTED AVERAGE HEDGED RATE	2025 ASSET A$M	2025 LIABILITY A$M
Foreign exchange contracts								
Cash flow hedge - sales (AUD)	**US$166m**	**Asset: 0.69; Liability: 0.70**	**1**	**-**	US$62m	Asset: 0.63; Liability: 0.66	3	-
Cash flow hedge - purchases (AUD)	**US$2,525m**	**Asset: 0.71; Liability: 0.67**	**48**	**(53)**	US$2,403m	Asset: 0.67; Liability: 0.64	27	(78)
Cash flow hedge - purchases (NZD)	**US$194m**	**Asset: 0.59; Liability: 0.57**	**10**	**-**	US$189m	Asset: 0.62; Liability: 0.59	1	(9)
Cross-currency interest rate swaps								
Cash flow hedge	**€600m**	**3.04% fixed**	**35**	**-**	€600m	3.04% fixed	81	-
Fair value hedge	**€600m**	**BBSW + 1.24%**	**-**	**(92)**	€600m	BBSW + 1.24%	15	-
Interest rate swaps								
Cash flow hedge	**A$1,857m**	**3.29% fixed**	**33**	**-**	A$1,757m	3.23% fixed	-	(1)
Total derivative asset/(liability)			**127**	**(145)**			127	(88)

Recognition and measurement

Recognition

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value as set out in note 18(E). The method of recognising any remeasurement gain or loss depends on the nature of the item being hedged. For hedging instruments, any hedge ineffectiveness is recognised directly in the income statement in the period in which it is incurred.

Hedge accounting

At the start of a hedge relationship, the Group formally designates and documents the hedge relationship, including the risk management strategy for undertaking the hedge. This includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). Hedge accounting is only applied where there is an economic relationship between the hedged item and the hedging instrument and the hedge ratio of the hedging relationship is the same as that resulting from actual quantities of the hedged item and hedging instrument used.

For the purposes of hedge accounting, hedges are classified as:

- fair value hedges when they hedge the exposure to changes in the fair value of a recognised asset, liability or firm commitment that could affect profit or loss, or
- cash flow hedges when they hedge a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions. A hedge of the foreign exchange risk of a firm commitment is accounted for as a cash flow hedge.

The Group will discontinue hedge accounting prospectively only when the hedging relationship or part of the hedging relationship no longer qualifies for hedge accounting, which includes where there has been a change to the risk management objective and strategy for undertaking the hedge and instances when the hedging instrument expires or is sold, terminated or exercised. For these purposes, the replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such a replacement or rollover is consistent with our documented risk management objective.

19. Derivatives (continued)

Hedges that meet the criteria for hedge accounting are classified and accounted for as follows:

Fair value hedges

The Group uses fair value hedges to mitigate the risk of changes in the fair value of foreign currency-denominated borrowings from foreign currency and interest rate fluctuations over the hedging period. Where these fair value hedges qualify for hedge accounting, gains or losses from remeasuring the fair value of the hedging instrument are recognised within finance costs in the income statement, together with gains or losses in relation to the hedged item where those gains or losses relate to the risk intended to be hedged.

If the hedged item is an unrecognised firm commitment, the subsequent cumulative change in the fair value of the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instrument are also recognised in profit or loss.

	CONSOLIDATED	
	2026	2025
	FOREIGN BONDS	FOREIGN BONDS
	$M	$M
Change in fair value of the hedged item used for measuring ineffectiveness	**(102)**	15

Cash flow hedges

The Group uses cash flow hedges to mitigate the risk of variability of future cash flows attributable to foreign currency fluctuations over the hedging period associated with our foreign currency-denominated borrowings and ongoing business activities, predominantly where we have highly probable purchase, sale or settlement commitments in foreign currencies. The Group uses cash flow hedges to hedge variability in cash flows due to interest rates on some of our borrowings and commodity hedges to hedge variability in cash flows due to commodity price movements on some of our sales.

For cash flow hedges, the portion of the gain or loss on the hedging instrument that is effective is recognised directly in equity, while the ineffective portion is recognised in profit or loss. The net amount recognised in the income statement in FY2026 was less than $1 million (2025: less than $1 million). The maturity profile of these hedges is shown in note 18(B) with the recognition of the gain or loss expected to be consistent with this profile.

	2026				2025			
	TRADE	FOREIGN BONDS	DOMESTIC DEBT	SPODUMENE CONCENTRATE SALES	TRADE	FOREIGN BONDS	DOMESTIC DEBT	SPODUMENE CONCENTRATE SALES
CONSOLIDATED	$M	$M	$M	$M	$M	$M	$M	$M
Change in fair value of the hedged item used for measuring ineffectiveness	**62**	**(46)**	**34**	**-**	(45)	76	(10)	(2)

Amounts recognised in equity are transferred to the income statement when the hedged transaction affects profit or loss, such as when hedged income or expenses are recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Notes to the financial statements: **Group information**

For the year ended 30 June 2026

20. Associates and joint arrangements

	CONSOLIDATED	
	2026 $M	**2025 $M**
Investments in associates	**800**	655
Investments in joint ventures	**258**	458
Total	**1,058**	1,113
Movement in associates and joint ventures		
Net carrying amount at the beginning of the year	**1,113**	938
Share of net profits	**126**	196
Dividends received	**(66)**	(55)
Acquisition[1]	**39**	-
Additional investment	**73**	34
Disposal[2]	**(230)**	-
Movements in reserves	**2**	-
Impairment	**-**	(2)
Other	**1**	2
Net carrying amount at the end of the year	**1,058**	1,113
Total comprehensive income from associates and joint ventures		
Share of net profits of associates and joint ventures	**126**	196
Other comprehensive gains of associates and joint ventures	**2**	-
Total comprehensive income for the year	**128**	196

[1] FY2026 includes the acquisition of $39 million of BWP Group securities, reflecting the value of shares received on completion as partial consideration for the disposal of the Group's interest in BWP Management Limited.

[2] FY2026 includes the disposal of the Group's $230 million investment in BPI following the wind up of the BPI structure.

Recognition and measurement

Investments in associates

The Group's investments in its associates, being entities in which the Group has significant influence and are neither subsidiaries nor joint arrangements, are accounted for using the equity method. Under this method, the investments in the associates are carried in the balance sheet at cost plus any post-acquisition changes in the Group's share of the net assets of the associates.

Goodwill relating to associates is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's investment. The income statement reflects the Group's share of the results of the operations of the associates.

Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this in the statement of comprehensive income.

Where the reporting dates of the associates and the Group vary, the associates' management accounts for the period to the Group's balance date are used for equity accounting. The accounting policies of associates are consistent with those used by the Group for like transactions and events in similar circumstances.

Investment properties owned by associates are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are recognised in the profit or loss of the associate, in the year in which they arise. This is consistent with the Group's policy.

BWP Group

At 30 June 2026, the Group had a 23.44 per cent (2025: 22.29 per cent) interest in BWP Group. The Group's interest in BWP Group is accounted for using the equity method in the consolidated financial statements.

The fair value of the Group's interest, by reference to the closing unit price of BWP Group on 30 June 2026, materially approximated its carrying value (Level 1 in the fair value hierarchy). The following table summarises the financial information of the Group's investment in BWP Group.

	2026 $M	**2025 $M**
Summarised balance sheet (100%)		
Current assets	**137**	64
Non-current assets	**4,097**	3,682
Current liabilities	**(112)**	(250)
Non-current liabilities	**(759)**	(656)
Net assets	**3,363**	2,840
Group's share of BWP Group's net assets	**788**	633
Fair value adjustment	**(22)**	(22)
Carrying amount at end of year	**766**	611
Summarised income statement (100%)		
Revenue	**209**	203
Expenses	**(72)**	(73)
Unrealised gains in fair value of investment properties	**271**	139
Remeasurement to fair value of derivatives	**-**	(3)
Profit attributable to the unit holders of BWP Group	**408**	266
Group's share of profit for the year	**96**	59

Interests in joint arrangements

Joint operations

The Group recognises its share of the assets, liabilities, income and expenses from the use and output of its joint operations.

Joint ventures

The Group's investments in its joint ventures are accounted for using the equity method.

Key judgement: control and significant influence

The management agreements establish whether the Group has control, joint control or significant influence. The Group assesses whether it has the power to direct the relevant activities of the investee, including the rights it holds to appoint or remove key management, other decision-making rights and scope of powers specified in the contract.

Notes to the financial statements: **Group information**

For the year ended 30 June 2026

20. Associates and joint arrangements (continued)

INTERESTS IN ASSOCIATES AND JOINT ARRANGEMENTS				OWNERSHIP	
				2026	2025
ASSOCIATES	PRINCIPAL ACTIVITY	REPORTING DATE	COUNTRY OF INCORPORATION/PLACE OF BUSINESS	%	%
BWP Group	Property investment	30 June	Australia	**23.4**	22.3
Geared Up Culcha Pty Ltd	Industrial workwear supplier	30 June	Australia	**49.0**	49.0
Gresham AC Trust No. 2	Investment trust	30 June	Australia	**(a)**	(a)
Tecsa Limited	Data consultants	30 September	United Kingdom	**27.0**	27.0
World's Biggest Garage Sale Pty Ltd (in liquidation)	Restoration and resale of used goods	30 June	Australia	**21.4**	21.4
JOINT OPERATIONS					
Andreeva Enterprises Pty Ltd & Venture in Broadmeadows Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC Altona Gate Pty Ltd & Venture in Altona Gate Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
Mt Holland Lithium	Lithium producer	31 December	Australia	**50.0**	50.0
Sodium Cyanide	Sodium cyanide manufacture	30 June	Australia	**75.0**	75.0
JOINT VENTURES					
ANKO JV Company, Inc.	Retailing of general merchandise products	31 December	Philippines	**50.0**	50.0
ASC Brunswick Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC Cannon Hill Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC Coomera Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC Epping Franchise Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC Greensborough Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC Kawana Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC Lismore Pty Ltd (sale of 50% of shares completed on 1 July 2025)	Aesthetics clinic	30 June	Australia	**50.0**	(b)
ASC Mt Ommaney Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC North Lakes Joint Venture Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
ASC West End Pty Ltd (sale of 50% of shares completed on 1 February 2026)	Aesthetics clinic	30 June	Australia	**50.0**	(b)
ASC Yamanto Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
BPI No 1 Pty Ltd	Property investment	30 June	Australia	**(c)**	(c)
Clearskincare Cronulla Pty Ltd (sale of 50% of shares completed on 1 January 2026)	Aesthetics clinic	30 June	Australia	**50.0**	(b)
Clearskincare Quentin Ave Pty Ltd (sale of 50% of shares completed on 1 June 2026)	Aesthetics clinic	30 June	Australia	**50.0**	(b)
Covalent Lithium Pty Ltd	Management company	31 December	Australia	**50.0**	50.0
Gresham Partners Group Limited	Investment banking	30 September	Australia	**50.0**	50.0
Loyalty Pacific Pty Ltd	Loyalty programs	28 June	Australia	**50.0**	50.0
Queensland Nitrates Management Pty Ltd	Chemical manufacture	30 June	Australia	**50.0**	50.0
Queensland Nitrates Pty Ltd	Chemical manufacture	30 June	Australia	**50.0**	50.0
Silk Albury Pty Ltd	Aesthetics clinic	30 June	Australia	**(d)**	50.0
Silk Tea Tree Plaza Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Ascot Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Baldivis Pty Ltd (sale of 50% of shares completed on 1 July 2025)	Aesthetics clinic	30 June	Australia	**50.0**	(b)
SLC Bass Hill Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Bunbury Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Bundaberg Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Carousel Pty Ltd (sale of 50% of shares completed on 1 June 2026)	Aesthetics clinic	30 June	Australia	**50.0**	(b)
SLC Castletown Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0

Notes to the financial statements: **Group information**

For the year ended 30 June 2026

20. Associates and joint arrangements (continued)

INTERESTS IN ASSOCIATES AND JOINT ARRANGEMENTS				OWNERSHIP	
				2026	2025
JOINT VENTURES	PRINCIPAL ACTIVITY	REPORTING DATE	COUNTRY OF INCORPORATION/PLACE OF BUSINESS	%	%
SLC Casuarina Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Charlestown Pty Ltd	Aesthetics clinic	30 June	Australia	**47.5**	47.5
SLC Chermside Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Cockburn Pty Ltd	Aesthetics clinic	30 June	Australia	**47.5**	47.5
SLC Doncaster Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Eastlands Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Hornsby Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Hurstville Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Lennox Heads Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Marion Pty Ltd	Aesthetics clinic	30 June	Australia	**42.5**	47.5
SLC Miranda Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Morayfield Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Palmerston Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Riverton Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	-
SLC Rockingham Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Southland Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Toowong Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Toowoomba Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Townsville Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
SLC Wagga Pty Ltd	Aesthetics clinic	30 June	Australia	**47.5**	47.5
SLC West Lakes Pty Ltd	Aesthetics clinic	30 June	Australia	**50.0**	50.0
Wespine Industries Pty Ltd	Pine sawmillers	30 June	Australia	**50.0**	50.0

(a) Gresham AC Trust No. 2: While the Group's interest in the unit holders' funds of Gresham AC Trust No. 2 amounts to greater than 50.0 per cent, it is not a controlled entity as the Group does not have the practical ability to direct its relevant activities.

(b) Entity was a subsidiary as at 30 June 2025.

(c) BPI No 1 Pty Ltd: The Group gained control of BPI No 1 Pty Ltd on 9 September 2025 following the wind up of the BPI structure. At 30 June 2025, the Group had joint control of BPI No 1 Pty Ltd which was established through the terms of the residual value notes.

(d) Entity is a subsidiary as at 30 June 2026.

Notes to the financial statements: **Group information**

For the year ended 30 June 2026

21. Subsidiaries

Listed below are the material subsidiaries of Wesfarmers Limited and the wholly owned Australian subsidiaries that have entered into a Deed of Cross Guarantee (the Deed) (together referred to as the Closed Group), as defined in ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (the Instrument). The effect of the Deed is that each entity that has entered into the Deed has guaranteed to pay any deficiency in the event of the winding up of any of the members of the Closed Group.

Pursuant to the Instrument, the wholly owned subsidiaries within the Closed Group are relieved from the requirement to lodge separate financial reports, directors' reports, auditor's reports and sustainability reports.

ENTITY		2026 %	2025 %
A.N.N. 112 719 918 Pty Ltd		**100**	100
ANKO GCC (India) Private Limited (formerly KAS Services India Private Limited)	●	**100**	100
ANKO Global Holdings Pty Ltd	+	**100**	100
ANKO Sourcing (Bangladesh) Private Limited (formerly KAS International Sourcing Bangladesh Pvt Ltd)	□	**100**	100
ANKO Sourcing (Hong Kong) Pty Limited (formerly KAS Pty Limited)	♦	**100**	100
ANKO Sourcing (India) Private Limited (formerly KAS Direct Sourcing Private Limited)	●	**100**	100
API Financial Services Australia Limited (formerly API Financial Services Australia Pty Limited)	@	**100**	100
API Victoria Pty Ltd	+	**100**	100
Australian Gold Reagents Pty Ltd		**75**	75
Australian International Insurance Limited (deregistered on 22 October 2025)	&	**-**	100
Australian Light Energy Limited	+	**100**	100
Australian Light Minerals Pty Ltd	+	**100**	100
Australian Pharmaceutical Industries (Queensland) Pty Ltd	+	**100**	100
Australian Pharmaceutical Industries Pty Ltd	+	**100**	100
Australian Underwriting Holdings Limited	+	**100**	100
Australian Vinyls Corporation Pty Ltd	+	**100**	100
AVC Holdings Pty Ltd	+	**100**	100
AVC Trading Pty Ltd	+	**100**	100
BBC Hardware Limited	+	**100**	100
BUKI (Australia) Pty Ltd	&	**100**	100
Bullivants Pty Limited	+	**100**	100
Bunnings Group Limited	+	**100**	100
Bunnings Limited	■	**100**	100
Bunnings Management Services Pty Ltd	+	**100**	100
Bunnings Properties Pty Ltd	+	**100**	100
C S Holdings Pty Limited	+	**100**	100
Catch Group Holdings Limited	+	**100**	100
Catch.com.au Pty Ltd	+	**100**	100
CGNZ Finance Limited	■	**100**	100
Chemical Holdings Kwinana Pty Ltd	+	**100**	100
Clearskincare Clinics Australia Pty Ltd	+	**100**	100
Clearskincare Clinics Payroll Pty Ltd	+	**100**	100

ENTITY		2026 %	2025 %
CSBP Limited	+	**100**	100
CSC Holdings Australia Pty Ltd	+	**100**	100
Cuming Smith and Company Limited	+	**100**	100
Fosseys (Australia) Pty Ltd	&	**100**	100
Howard Smith Limited	+	**100**	100
J. Blackwood & Son Pty Ltd	+	**100**	100
Kmart Australia Limited	+	**100**	100
Kmart Holdings Pty Ltd	+	**100**	100
Kmart NZ Holdings Limited	■	**100**	100
Liftco Pty Limited	+	**100**	100
Loggia Pty Ltd	+	**100**	100
M3K Holdings Pty Ltd	+	**100**	100
Manacol Pty Limited	+	**100**	100
MH Gold Pty Limited	+	**100**	100
New Price Retail Finance Pty Ltd	+	**100**	100
New Price Retail Pty Ltd	+	**100**	100
NZ Finance Holdings Pty Limited	■	**100**	100
Officeworks Businessdirect Pty Ltd		**100**	100
Officeworks Holdings Pty Ltd	+	**100**	100
Officeworks Ltd	+	**100**	100
One Digital Pty Ltd	+	**100**	100
Pailou Pty Ltd	+	**100**	100
Priceline Proprietary Limited	+	**100**	100
PT Blackwoods Indonesia	❍	**100**	100
Retail Investments Pty Ltd		**100**	100
R.J. Beaumont & Co. Pty Ltd	+	**100**	100
Silk Laser & Skin Group Pty Ltd	+	**100**	100
Silk Laser & Skin Holdings Pty Ltd	+	**100**	100
Silk Laser Australia Pty Ltd	+	**100**	100
Silk Laser Franchise Holdings Pty Ltd	+	**100**	100
Synapse Finance Pty Ltd	+	**100**	100
Target Australia Pty Ltd	+	**100**	100
Target Holdings Pty Ltd	+	**100**	100
The Priceline Unit Trust		**n/a**	n/a
The Westralian Farmers Limited	+	**100**	100
The Workwear Group Holding Pty Ltd	+	**100**	100
The Workwear Group Pty Ltd	+	**100**	100
Ucone Pty Ltd	+	**100**	100
Valley Investments Pty Ltd	+	**100**	100
Wesfarmers Agribusiness Limited (deregistered on 21 January 2026)	&	**-**	100
Wesfarmers Bengalla Pty Ltd (deregistered on 21 January 2026)	&	**-**	100

Notes to the financial statements: **Group information**

For the year ended 30 June 2026

21. Subsidiaries (continued)

ENTITY		2026 %	2025 %
Wesfarmers Bunnings Limited	+	**100**	100
Wesfarmers Chemicals, Energy & Fertilisers Limited	+	**100**	100
Wesfarmers Coal Resources Pty Ltd	&	**100**	100
Wesfarmers Department Stores Holdings Pty Ltd	+	**100**	100
Wesfarmers Energy (Gas Sales) Limited	+	**100**	100
Wesfarmers Fertilizers Pty Ltd	+	**100**	100
Wesfarmers Gas Limited	+	**100**	100
Wesfarmers Industrial & Safety NZ Limited	■	**100**	100
Wesfarmers Industrial and Safety Pty Ltd	+	**100**	100
Wesfarmers Insurance Investments Pty Ltd	+	**100**	100
Wesfarmers International Holdings Pty Ltd		**100**	100
Wesfarmers Kleenheat Gas Pty Ltd	+	**100**	100
Wesfarmers Lithium Pty Ltd	+	**100**	100
Wesfarmers Loyalty Management Pty Ltd	&	**100**	100
Wesfarmers LPG Pty Ltd	+	**100**	100
Wesfarmers New Energy Holdings Pty Ltd	+	**100**	100
Wesfarmers One Pass Pty Ltd	+	**100**	100
Wesfarmers Online Retail Holdings Pty Ltd	+	**100**	100
Wesfarmers Resources Pty Ltd	+	**100**	100
Wesfarmers Retail Holdings Pty Ltd	+	**100**	100
Wesfarmers Retail Pty Ltd	+	**100**	100
Wesfarmers Transport Limited	+	**100**	100
Westralian Farmers Superphosphates Limited	+	**100**	100
WFM Investments Pty Ltd	+	**100**	100

+ An ASIC-approved deed of cross guarantee has been entered into by Wesfarmers Limited and these entities.

@ Entities added to the Closed Group by way of an Assumption Deed during the period. Refer to note 23 for details.

& Entities removed from the Closed Group during the period. Refer to note 23 for details.

All subsidiaries are incorporated in Australia unless identified by one of the following symbols:

- □ Bangladesh
- ◆ Hong Kong
- ● India
- ❍ Indonesia
- ■ New Zealand

All entities listed utilise the functional currency of the country of incorporation.

22. Parent disclosures

	PARENT 2026 $M	PARENT 2025 $M
Assets		
Current assets	**16,024**	16,406
Non-current assets	**564**	699
Total assets	**16,588**	17,105
Liabilities		
Current liabilities	**480**	440
Non-current liabilities	**5,865**	4,896
Total liabilities	**6,345**	5,336
Net assets	**10,243**	11,769
Equity		
Equity attributable to equity holders of the parent		
Issued capital	**12,218**	13,467
Retained earnings[1]	**1,526**	1,871
Restructure tax reserve	**150**	150
Hedging reserve	**12**	(37)
Share-based payments reserve	**101**	82
Demerger reserve	**(3,764)**	(3,764)
Total equity	**10,243**	11,769
Profit attributable to equity holders of the parent	**2,527**	2,380
Total comprehensive income for the year, net of tax, attributable to equity holders of the parent	**2,478**	2,410
Contingencies[2]		
Trading guarantees	**178**	181

1 At 30 June 2026, retained earnings included a dividends reserve of $1,426 million (30 June 2025: $1,771 million). The dividends reserve was created by the parent entity for the purposes of segregating profits from which dividends to shareholders can be paid.

2 Contingent liabilities at balance date are not included in the balance sheet.

Contingent liabilities

Wesfarmers is party to various legal actions that have arisen in the normal course of business. It is expected that any liabilities arising from such legal action would not have a material adverse effect on the Parent's financial statements.

Guarantees

Wesfarmers Limited and certain Australian controlled entities are parties to the Deed. Refer to note 23 for further details.

Parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of the parent.

Notes to the financial statements: **Group information**

For the year ended 30 June 2026

23. Deed of cross guarantee

The subsidiaries identified with a '+' in note 21, as well as those identified with a '@', are parties to a Deed of Cross Guarantee under which each party has guaranteed to pay any deficiency in the event of the winding up of any of the members in the Closed Group. By entering into the Deed, the wholly owned entities have been relieved from the requirement to lodge separate financial reports, directors' reports, auditor's reports and sustainability reports under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.

These subsidiaries and Wesfarmers Limited together referred to as the 'Closed Group', either originally entered into the Deed on 27 June 2008, or have subsequently joined the Deed by way of an Assumption Deed. Entities which joined the Closed Group by way of an Assumption Deed throughout the year are identified with a '@' in note 21. Entities which left the Closed Group throughout the year are identified with a '&'.

The consolidated income statement and retained earnings of the entities that are members of the Closed Group is as follows:

CONSOLIDATED INCOME STATEMENT AND RETAINED EARNINGS	DEED 2026 $M	2025 $M
Profit before income tax expense	3,773	3,440
Income tax expense	(1,027)	(1,036)
Net profit for the year	**2,746**	2,404
Retained earnings at beginning of year	495	418
Adjustment for companies transferred into/out of the Closed Group	99	(35)
Transfer of cumulative gains on financial assets measured at fair value through other comprehensive income (FVOCI)	59	-
Total available for appropriation	3,399	2,787
Dividends provided for or paid	(2,872)	(2,292)
Retained earnings at end of year	**527**	495

The consolidated statement of comprehensive income of the entities that are members of the Closed Group is as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	DEED 2026 $M	2025 $M
Profit for the year	2,746	2,404
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Changes in the fair value of cash flow hedges, net of tax	(78)	54
Items that will not be reclassified to profit or loss:		
Changes in the fair value of financial assets designated at FVOCI, net of tax	2	-
Other comprehensive income for the year, net of tax	(76)	54
Total comprehensive income for the year, net of tax	**2,670**	2,458

The consolidated balance sheet of the entities that are members of the Closed Group is as follows:

CONSOLIDATED BALANCE SHEET	DEED 2026 $M	2025 $M
Assets		
Current assets		
Cash and cash equivalents	85	270
Trade and other receivables	1,962	2,524
Related party receivables	2,311	2,131
Inventories	6,065	5,509
Derivatives	64	31
Other	220	182
Total current assets	10,707	10,647
Non-current assets		
Investment in controlled entities	828	738
Investment in associates and joint ventures	109	448
Related party receivables	-	5
Inventories	43	15
Deferred tax assets	750	706
Property, plant and equipment	5,637	5,232
Goodwill and intangible assets	4,581	4,549
Right-of-use assets	5,494	4,980
Derivatives	63	96
Other	115	126
Total non-current assets	17,620	16,895
Total assets	**28,327**	27,542
Liabilities		
Current liabilities		
Trade and other payables	5,227	5,046
Related party payables	51	50
Lease liabilities	1,043	1,031
Income tax payable	175	159
Provisions	1,035	1,034
Derivatives	53	88
Other	357	290
Total current liabilities	7,941	7,698
Non-current liabilities		
Related party payables	125	34
Interest-bearing loans and borrowings	5,589	4,695
Lease liabilities	5,451	4,844
Provisions	427	401
Derivatives	92	-
Other	33	32
Total non-current liabilities	11,717	10,006
Total liabilities	**19,658**	17,704
Net assets	**8,669**	9,838
Equity		
Issued capital	12,325	13,574
Reserved shares	(102)	(102)
Retained earnings	527	495
Reserves	(4,081)	(4,129)
Total equity	**8,669**	9,838

Notes to the financial statements: **Group information**

For the year ended 30 June 2026

24. Related party transactions

	CONSOLIDATED	
	2026 **$'000**	**2025** **$'000**
Transactions with related parties		
Associates		
Lease rent paid	**(166,837)**	(164,503)
Receipts from associates	**2,873**	21,947
Payments to associates	**(1,064)**	(1,469)
Joint ventures		
Receipts from loyalty program	**95,253**	46,946
Payments for loyalty program	**(116,892)**	(94,914)
Receipts from joint ventures	**48,591**	33,670
Payments to joint ventures	**(50,749)**	(70,035)
Outstanding balances with related parties		
Associates		
Amounts receivable from associates	**12,132**	17,582
Amounts owing to associates	**(166)**	(1,113)
Joint ventures		
Amounts receivable from joint ventures	**23,665**	28,770
Amounts owing to joint ventures	**(156,721)**	(169,067)

The Group entered into transactions with related parties during the year, including the following:

- Rent for retail stores and warehouses has been paid by the Group to an associate, BWP Group.
- Transitional services fees were received from BWP Group under the Cooperation and Services Agreement for a maximum period of five years. Management fees have been received from BWP Group on normal commercial terms and conditions until 1 August 2025.
- Rent for retail stores and warehouses has been paid and management fees have been received by the Group from a joint venture, BPI until 9 September 2025.
- Amounts have been paid to and received from Loyalty Pacific Pty Ltd for the operation of the Flybuys loyalty program.
- Purchase of goods from Wespine Industries Pty Ltd, a joint venture, on normal commercial terms and conditions.
- Management fees and other charges were incurred relating to Covalent Lithium Pty Ltd, a joint venture, under normal commercial terms and conditions for services related to the management of the Mt Holland lithium project.
- Sale of goods to ANKO JV Company, Inc., a joint venture, on normal commercial terms and conditions. The Group also received brand fee income from the joint venture.
- Amounts relating to franchise arrangements were received from joint ventures operating as an aesthetics clinic under normal commercial terms and conditions. Shareholder loans were offered to the joint ventures on an interest-free basis.
- Partly-owned subsidiaries of a joint venture of the Group, Gresham Partners Group Limited, provided advisory services to Wesfarmers and were paid fees of $2,614 thousand (2025: $nil).

In addition to amounts disclosed within the table:

- On 1 August 2025, the internalisation of BWP Trust's management arrangement was completed. As part of the transaction, the Group sold its 100 per cent interest in BWP Management Limited to BWP Group for total consideration of $142,600 thousand, comprising a cash component of $100,000 thousand and newly issued BWP Group stapled securities valued at $42,600 thousand. As part of the transaction, Bunnings and BWP Group have also agreed to an extension and variation of Bunnings' leases with BWP Group. In addition, BWP Group committed to undertake store expansion capital expenditure of $56,000 thousand and network upgrade expenditure of $30,000 thousand, with the network upgrade expenditure to be funded equally by BWP Group and Bunnings.
- On 9 September 2025, Wesfarmers completed the wind up of the BPI property structure, taking full ownership of the 15 Bunnings properties that were in the structure and repaying all BPI noteholders for $282,854 thousand.
- The Group received $3,300 thousand (2025: $15,400 thousand) from an associate, BWP Group, relating to the reimbursement of capital expenditure by the Group on properties owned by BWP Group.

25. Director and executive disclosures

Compensation of key management personnel

The remuneration disclosures are provided in sections one to nine of the Remuneration Report on pages 114 to 142 of this Annual Report designated as audited and forming part of the Directors' Report.

	CONSOLIDATED	
	2026 **$'000**	**2025** **$'000**
Short-term benefits	**11,685**	11,461
Long-term benefits	**124**	131
Post-employment benefits	**381**	345
Share-based payments	**13,317**	12,342
Total	**25,507**	24,279

Other transactions with key management personnel

From time to time, directors of Wesfarmers or its controlled entities, or their director-related entities, may purchase goods or services from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers and are trivial or domestic in nature.

Notes to the financial statements: **Other**

For the year ended 30 June 2026

26. Commitments and contingencies

	CONSOLIDATED 2026 $M	2025 $M
Capital commitments[1]		
Within one year	**434**	329
Greater than one year but not more than five years	**15**	81
	449	410
Commitments for leases not yet commenced (undiscounted)[1, 2]		
Within one year	**24**	40
Greater than one year but not more than five years	**306**	380
More than five years	**598**	690
	928	1,110
Contingencies[1]		
Trading guarantees	**178**	181

[1] Capital commitments, commitments for leases not yet commenced (undiscounted) and contingencies at balance date are not included in the balance sheet.

[2] Commitments mainly relate to lease agreements associated with new stores, distribution centres and offices.

Guarantees

The Group has issued a number of bank and other guarantees to third parties for various operational and legal purposes. It is not expected that these guarantees will be called on.

Contingent liabilities

Certain companies within the Group are party to various legal actions that have arisen in the normal course of business. It is expected that any liabilities arising from such legal action would not have a material adverse effect on the Group.

27. Auditors' remuneration

	CONSOLIDATED 2026 $'000	2025 $'000
Fees to Ernst & Young (Australia)		
Fees for the audit and review of the reports of the Group and any controlled entities		
Audit and review of financial reports	**5,085**	5,251
Sustainability assurance	**775**	518
Fees for other services		
Agreed-upon-procedures and other assurance	**290**	317
Tax compliance	**667**	610
Other	**49**	120
	6,866	6,816
Fees to other overseas network firms of Ernst & Young (Australia)		
Fees for the audit and review of the reports of the Group and any controlled entities	**484**	460
Fees for other services		
Tax compliance	**31**	128
	515	588
Total auditors' remuneration	**7,381**	7,404

Other assurance and agreed-upon-procedures services and other services represent 14.1 per cent (2025: 15.9 per cent) of the total fees paid or payable to Ernst & Young and related practices for the year ended 30 June 2026.

Auditors' remuneration includes amounts reimbursed to the auditors for incidental costs incurred in completing their services.

Notes to the financial statements: **Other**

For the year ended 30 June 2026

28. Share-based payments

The Group provides benefits to employees (including the executive director) through share-based incentives. Employees are paid for their services or incentivised for their performance in part through shares or rights over shares. The expense arising from these transactions is shown in note 2. The total number of ordinary Wesfarmers shares acquired on-market during the 2026 financial year to satisfy employee incentive schemes was 1,343,617 (2025: 1,503,932) at an average price of $81.55 per share (2025: $69.09).

Recognition and measurement

Share-based payments can either be equity-settled or cash-settled. If the employee is provided a choice of settlement options then the scheme is considered to be cash-settled.

Equity-settled transactions

The cost of equity-settled transactions with employees is measured using their fair value at the date at which they are granted. In determining the fair value, only performance conditions linked to the price of the shares of Wesfarmers Limited (market conditions) are taken into account.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the proportion of the awards that are expected to ultimately vest. No expense is recognised for awards that do not ultimately vest due to a non-market performance condition not being met. The expense is recognised in full if the awards do not vest due to a market performance condition not being met.

Where the terms of an equity-settled award are modified, at a minimum, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described above.

Equity-settled awards outstanding

The following table includes shares vested but subject to trading restrictions:

	KEEPP (SHARES)	WESAP (SHARES)
Outstanding at the beginning of the year	**1,353,119**	**5,666,855**
Granted during the year	**268,600**	**1,238,434**
Vested during the year	**(337,877)**	**(1,970,366)**
Forfeited during the year	**(6,663)**	**(86,089)**
Other adjustments	**-**	**(14,399)**
Outstanding at the end of the year	**1,277,179**	**4,834,435**

Cash-settled transactions

The ultimate expense recognised in relation to cash-settled transactions will be equal to the actual cash paid to the employees, which will be the fair value at settlement date. The expected cash payment is estimated at each reporting date and a liability recognised to the extent that the vesting period has expired and in proportion to the amount of the awards that are expected to ultimately vest.

Additional information on award schemes

Key Executive Equity Performance Plan (KEEPP)

The KEEPP was introduced in September 2016. Under the 2025 KEEPP, eligible executives were invited to receive Performance Shares and Deferred Shares in the company. Since the 2022 financial year, newly issued unquoted fully-paid ordinary shares are allocated under the KEEPP. The company will apply for quotation of the shares upon vesting or forfeiture of the shares.

The KEEPP is a single total incentive established for each participant that operates over seven years. The quantum of the KEEPP award is determined against an individually personalised 12-month scorecard, split into financial and safety performance measures and individual performance objectives.

2025 KEEPP Performance Shares

For the Group Managing Director and the Group Chief Financial Officer, the performance conditions are Wesfarmers' total shareholder return (TSR) relative to the TSR of the ASX 100 (80 per cent weighting) and portfolio management and investment outcomes (20 per cent weighting) over a four-year performance period. For the other participants, the performance conditions are Wesfarmers' TSR relative to the TSR of the ASX 100 (50 per cent weighting) and divisional financial performance (50 per cent weighting) over a four-year performance period.

The fair value of the Performance Shares with a TSR condition is determined using an option pricing model with the following inputs:

Grant date	**30 Oct 2025**
Grant date share price ($)	**86.13**
Volatility (%)	**20.74**
Risk-free rate (%)	**3.67**
Fair value ($)	**52.83**

28. Share-based payments (continued)

Key Executive Equity Performance Plan (KEEPP) (continued)

2025 KEEPP Deferred Shares

The 2025 KEEPP Deferred Shares are subject to a 12-month service condition (the forfeiture period). If an executive resigns or is terminated for cause during the forfeiture period, the Deferred Shares will be forfeited. The fair value of the award at grant date is expensed over the one-year forfeiture period.

The grant date share price is the fair value of both the Deferred Shares and Performance Shares with divisional financial performance conditions or the portfolio management and investment outcomes condition.

Further details of the KEEPP and of the terms of the grants made during the 2026 financial year are provided in the Remuneration Report.

Wesfarmers Employee Share Acquisition Plan (WESAP)

The WESAP was introduced in October 2009. Under the plan, all eligible employees are invited to acquire fully-paid ordinary shares in the company. The shares are granted as an award, subject to the Group achieving a net profit after tax performance condition. Eligibility for an award of shares is dependent upon an in-service period with a participating division and being a permanent employee.

The plan qualifies as a non-discriminatory employee share scheme complying with the requirements of Division 83A of the *Income Tax Assessment Act 1997* (as amended) for Australian resident employees.

WESAP – Executives

In November 2016, the WESAP was introduced to eligible executives. Under the 2025 offer, eligible executives were invited to receive Performance Shares and Deferred Shares in the company.

2025 WESAP Performance Shares

The performance condition (with 100 per cent weighting) is Wesfarmers' TSR relative to the TSR of the ASX 100 over a four-year performance period.

The fair value of the Performance Shares with a TSR condition is determined using an option pricing model with the following inputs:

Grant date	**30 Oct 2025**
Grant date share price ($)	**86.13**
Volatility (%)	**20.74**
Risk-free rate (%)	**3.67**
Fair value ($)	**52.83**

2025 WESAP Deferred Shares

Deferred Shares are subject to a three-year forfeiture period. If an executive resigns or is terminated for cause within three years, the Deferred Shares will be forfeited.

The grant date share price is the fair value of the Deferred Shares and the award is expensed over the forfeiture period.

Annual incentive

In August 2025, eligible executives received a restricted (mandatory deferred) share award under the WESAP as part of their annual incentive. If an executive resigns or is terminated for cause within one year of the share allocation, the Board may decide to forfeit that share allocation. The fair value of the award at grant date is expensed over the forfeiture period.

Other equity plans

WESAP – salary sacrifice

The WESAP provides qualifying employees with the opportunity to purchase Wesfarmers ordinary shares through a pre-tax salary sacrifice plan. The Group pays the associated brokerage costs.

Wesfarmers Non-executive Directors' Equity Plan

The Non-executive Director Equity Plan was introduced in the 2026 financial year. Under the plan, non-executive directors of Wesfarmers Limited may acquire rights over shares through the sacrifice of pre-tax fees. Upon vesting, the rights are automatically exercised into fully-paid ordinary shares in Wesfarmers Limited.

29. Events after the reporting period

Mt Holland lithium expansion project – final investment decision

On 22 July 2026, Wesfarmers and Sociedad Química y Minera de Chile S.A. (SQM) announced their joint approval of the final investment decision to expand the Mt Holland lithium project. The expansion is expected to approximately double annual spodumene concentrate production and includes construction of a second concentrator and an integrated ore sorting facility. Wesfarmers' share of the estimated capital expenditure is between $645 million and $715 million (excluding capitalised interest), which is expected to be funded from existing cash and debt facilities.

Sale of Cm3 Contractor Management Pty Ltd

On 24 July 2026, Wesfarmers announced that it had entered into an agreement to sell Cm3, a wholly owned subsidiary, to Achilles Group. Completion of the sale remains subject to approval by the Australian Foreign Investment Review Board.

Dividends

A fully-franked final dividend of $1.20 per share resulting in a dividend payment of $1,362 million was determined with a payment date of 7 October 2026. The final dividend has not been provided for in the 30 June 2026 full-year financial statements.

Consolidated entity disclosure statement

As at 30 June 2026

Set out below is a list of entities that are consolidated in the financial statements at the end of the financial year.

Consolidated entities incorporated/formed in Australia and Australian tax residents

NAME OF ENTITY		% OF SHARE CAPITAL 2026
A.C.N. 112 719 918 Pty Ltd	▶	100
A.C.N. 645 670 711 Pty Ltd	▶	100
A.C.N. 645 674 102 Pty Ltd	▶	100
A.C.N. 673 505 434 Pty Limited	▶	100
ACN 643 264 199 Pty Ltd	▶	100
Aesthetics Skincare Pty Ltd	▶	100
ANKO Global (Australia) Pty Ltd	▶	100
ANKO Global Holdings Pty Ltd	▶	100
ANKO PH Holdings Pty Ltd	▶	100
API (Canberra) Pty Ltd	▶ •	100
API Financial Services Australia Limited	▶	100
API Leasing Pty Ltd	▶	100
API Owned CSC Pty Ltd	▶	100
API Services Australia Pty Ltd	▶	100
API Victoria Pty Ltd	▶	100
ASC Bendigo Pty Ltd	▶	55
ASC Emporium Melbourne Pty Ltd	▶	75
ASC Hold Co Pty Ltd	▶	100
ASC IP Holdings Pty Ltd	▶	100
ASC Master Franchise Pty Ltd	▶	100
Australian Gold Reagents Pty Ltd	▶	75
Australian Light Energy Limited	▶	100
Australian Light Minerals Pty Ltd	▶	100
Australian Pharmaceutical Industries (Queensland) Pty Ltd	▶	100
Australian Pharmaceutical Industries Pty Ltd	▶	100
Australian Skin Clinics Marketing Fund Pty Ltd	▶	100
Australian Underwriting Holdings Limited	▶	100
Australian Vinyls Corporation Pty Ltd	▶	100
AVC Holdings Pty Ltd	▶	100
AVC Trading Pty Ltd	▶	100
BBC Hardware Limited	▶	100
BBC Hardware Properties (NSW) Pty Ltd	▶	100
BBC Hardware Properties (Vic) Pty Ltd	▶	100
Beaumont Australia Pty Limited	▶	100
Beaumont Bathrooms Renovator (SA) Pty Limited	▶	100
Beaumont Tiles (Vic) Pty Limited	▶	100
Beaumont's Discount Tile Warehouse Pty Limited	▶	100
Beauty Services Holdings Pty Ltd	▶	100
Blackwoods 4PL Pty Ltd	▶	100
BOB IP Pty Ltd	▶	100
Box of Books Holdings Pty Limited	▶	100
Box of Books Pty Limited	▶	100
BPI Management Pty Ltd	▶	100
BPI No 1 Pty Ltd	▶	100
BrandsExclusive (Australia) Pty Ltd	▶	100
Bresnahan Exploration Pty Ltd	▶	100
BUKI (Australia) Pty Ltd	▶	100
Bullivants International Pty Ltd	▶	100
Bullivants Pty Limited	▶	100
Bunnings Group Limited	▶	100
Bunnings Jewel Pty Ltd	▶	100
Bunnings Joondalup Pty Ltd	▶	100
Bunnings Management Services Pty Ltd	▶	100
Bunnings Properties Pty Ltd	▶	100
C S Holdings Pty Limited	▶	100
Campbells Hardware & Timber Pty Limited	▶	100

NAME OF ENTITY		% OF SHARE CAPITAL 2026
Canberra Pharmaceutical Supplies Trust	▷	n/a
Catch Essentials Pty Ltd	▶	100
Catch Group Holdings Limited	▶	100
Catch.com.au Pty Ltd	▶	100
Chemical Holdings Kwinana Pty Ltd	▶	100
Clearskincare Bendigo Pty Ltd	▶	100
Clearskincare Bondi Junction Pty Ltd	▶	100
Clearskincare Brighton Pty Ltd	▶	100
Clearskincare Carindale Pty Ltd	▶	100
Clearskincare Chatswood Pty Ltd	▶	100
Clearskincare Chermside Pty Ltd	▶	100
Clearskincare Chirnside Park Pty Ltd	▶	100
Clearskincare Clarence Street Pty Ltd	▶	100
Clearskincare Clinics Australia Pty Ltd	▶	100
Clearskincare Clinics Payroll Pty Ltd	▶	100
Clearskincare Clinics Pty Ltd	▶	100
Clearskincare Cockburn Gateway Pty Ltd	▶	100
Clearskincare Collins Street Pty Ltd	▶	100
Clearskincare Cremorne Pty Ltd	▶	100
Clearskincare Doncaster Pty Ltd	▶	100
Clearskincare Fremantle Pty Ltd	▶	100
Clearskincare Hurstville Pty Ltd	▶	100
Clearskincare Macarthur Square Pty Ltd	▶	100
Clearskincare Miranda Pty Ltd	▶	100
Clearskincare Moonee Ponds Pty Ltd	▶	100
Clearskincare Mt Lawley Pty Ltd	▶	100
Clearskincare Northland Pty Ltd	▶	100
Clearskincare Norwood Pty Ltd	▶	100
Clearskincare Parramatta Pty Ltd	▶	100
Clearskincare QV Melbourne Pty Ltd	▶	100
Clearskincare Robina Pty Ltd	▶	100
Clearskincare South Yarra Pty Ltd	▶	100
Clearskincare Southland Pty Ltd	▶	100
Clearskincare Southport Pty Ltd	▶	100
Clearskincare Sunshine Plaza Pty Ltd	▶	100
Clearskincare Toowong Pty Ltd	▶	100
Clearskincare Ventures Pty Ltd	▶	100
Clinic Leasing Pty Ltd	▶	100
Cm3 Contractor Management Pty Ltd	▶	100
Coo-ee Investments Pty Limited	▶	100
Crosby Tiles Pty Ltd	▶	100
CSBP Ammonia Terminal Pty Ltd	▶	100
CSBP Limited	▶	100
CSC Ashfield Mall Pty Ltd	▶	100
CSC Bayside Frankston Pty Ltd	▶	100
CSC Camberwell Pty Ltd	▶	100
CSC Forest Hill Pty Ltd	▶	100
CSC Forrest Chase Pty Ltd	▶	100
CSC Holdings Australia Pty Ltd	▶	100
CSC Joondalup Pty Ltd	▶	100
CSC Manuka Pty Ltd	▶	100
CSC Mordialloc Pty Ltd	▶	100
CSC Mt Ommaney Pty Ltd	▶	100
CSC Northbridge Pty Ltd	▶	100
CSC Port Melbourne Pty Ltd	▶	100
CSC Products Pty Ltd	▶	100
CSC Riverton Pty Ltd	▶	100

Consolidated entity disclosure statement

As at 30 June 2026

Consolidated entities incorporated/formed in Australia and Australian tax residents (continued)

NAME OF ENTITY		% OF SHARE CAPITAL 2026
CSC Shared Services Pty Ltd	▶	100
CSC West Lakes Pty Ltd	▶	100
CSC Whitford Pty Ltd	▶	100
CTE Pty Ltd	▶	100
Cuming Smith and Company Limited	▶	100
Dairy Properties Pty Ltd	▶	100
Davyston Exploration Pty Ltd	▶	100
Dowd Corporation Pty Ltd	▶	100
Eden Holding Company Pty Ltd	▶	100
Eden Laser Clinics (005) Pty Ltd	▶	100
Eden Laser Clinics (007) Pty Ltd	▶	100
Eden Laser Clinics Pty Ltd	▶	100
FIF Investments Pty Limited	▶	100
Forward Scout Enterprises Pty Ltd	▶	100
Fosseys (Australia) Pty Ltd	▶	100
Geeks2U Holdings Pty Limited	▶	100
Geeks2U International Pty Limited	▶	100
Geeks2U IP Pty Limited	▶	100
Geeks2U Pty Limited	▶	100
HouseWorks Co Pty Ltd	▶	100
Howard Smith Limited	▶	100
InstantCosmetics Australia Pty Ltd	▶	100
InstantScripts Pty Ltd	▶	100
IS Retail Services Pty Ltd	▶	100
J. Blackwood & Son Pty Ltd	▶	100
James Patrick & Co Pty Ltd (in liquidation)	▶	100
Kidman Gold Pty Ltd	▶	100
Kleenheat Pty Ltd	▶	100
Kmart Australia Limited	▶	100
Kmart Group Asia Pty Ltd	▶	100
Kmart Holdings Pty Ltd	▶	100
Kwinana Nitrogen Company Proprietary Limited	▶	100
Life's Tiles Pty Ltd	▶	100
Liftco Pty Limited	▶	100
Loggia Pty Ltd	▶	100
M.L.E. Unit Trust	▷	n/a
M3K Holdings Pty Ltd	▶	100
M3K Services Pty Ltd	▶	100
Making Life Easy - Mobility and Independent Living Superstore Pty Ltd	▶ •	100
Manacol Pty Limited	▶	100
Meredith Distribution (NSW) Pty Ltd	▶	100
Meredith Distribution Pty Ltd	▶	100
MH Gold Pty Limited	▶	100
Modwood Technologies Pty Ltd	▶	100
Montague Resources Australia Pty Ltd	▶	100
Moonyoora Minerals Pty Ltd	▶	100
Mumgo Pty Ltd	▶	100
Neat N' Trim Uniforms Pty Ltd	▶	100
New Price Retail Finance Pty Ltd	▶	100
New Price Retail Pty Ltd	▶	100
New Price Retail Services Pty Ltd	▶	100
Nitrates Investments Pty Ltd	▶	100
Officeworks Businessdirect Pty Ltd	▶	100
Officeworks Holdings Pty Ltd	▶	100
Officeworks Ltd	▶	100
Officeworks Property Pty Ltd	▶	100
One Data Pty Ltd	▶	100

NAME OF ENTITY		% OF SHARE CAPITAL 2026
One Digital Pty Ltd	▶	100
P4L Corporation Pty Ltd	▶	100
Pailou Pty Ltd	▶	100
Patrick Operations Pty Ltd	▶	100
Petersen Bros Pty Ltd	▶	100
Pharmacy Services Co. Pty Ltd	▶	100
Pharma-Pack Pty Ltd	▶	100
Premier Power Sales Pty Ltd	▶	100
Priceline Proprietary Limited	▶ •	100
Protector Alsafe Pty Ltd	▶	100
Retail Investments Pty Ltd	▶	100
R.J. Beaumont & Co. Pty Ltd	▶	100
Second Priceline Unit Trust	▷	n/a
Sellers (SA) Pty Ltd	▶	100
Share Nominees Limited	▶ •	100
Silk Albury Pty Ltd	▶	100
Silk Laser & Skin Group Pty Ltd	▶	100
Silk Laser & Skin Holdings Pty Ltd	▶	100
Silk Laser Australia Pty Ltd	▶	100
Silk Laser Clinic Adelaide Pty Ltd	▶	100
Silk Laser Clinic Elizabeth Pty Ltd	▶	75
Silk Laser Clinic Glenelg Pty Ltd	▶	55
Silk Laser Clinic Hyde Park Pty Ltd	▶	75
Silk Laser Clinic Noarlunga Pty Ltd	▶	100
Silk Laser Clinic Norwood Pty Ltd	▶	100
Silk Laser Clinic Trust	▷	n/a
Silk Laser Clinics Australia Pty Ltd	▶	100
Silk Laser Clinics Pty Ltd	▶	100
Silk Laser Corporate Pty Ltd	▶ •	100
Silk Laser Franchise Holdings Pty Ltd	▶	100
Silk Laser Franchising Pty Ltd	▶	100
SiSU Wellness Pty Ltd	▶	100
SLC Bankstown Pty Ltd	▶	55
SLC Bateau Bay Pty Ltd	▶	100
SLC Belconnen Pty Ltd	▶	100
SLC Belmont Pty Ltd	▶	100
SLC Bondi Junction Pty Ltd	▶	75
SLC Booragoon Pty Ltd	▶	100
SLC Burleigh Pty Ltd	▶	75
SLC Burnside Pty Ltd	▶	51
SLC Canberra Pty Ltd	▶	100
SLC Eastgardens Pty Ltd	▶	100
SLC Ellenbrook Pty Ltd	▶	75
SLC Fairfield Pty Ltd	▶	62.5
SLC Figtree Pty Ltd	▶	75
SLC Hobart Pty Ltd	▶	75
SLC Innaloo Pty Ltd	▶	100
SLC Ipswich Pty Ltd	▶	60
SLC Joondalup Pty Ltd	▶	75
SLC Karingal Pty Ltd	▶	75
SLC Karrinyup Pty Ltd	▶	100
SLC Leasing Pty Ltd	▶	100
SLC Liverpool Pty Ltd	▶	100
SLC Macarthur Pty Ltd	▶	100
SLC Mackay Pty Ltd	▶	90
SLC Mandurah Pty Ltd	▶	100
SLC Maroochydore Pty Ltd	▶	52
SLC Midland Gate Pty Ltd	▶	75

Consolidated entity disclosure statement

As at 30 June 2026

Consolidated entities incorporated/formed in Australia and Australian tax residents (continued)

NAME OF ENTITY		% OF SHARE CAPITAL 2026
SLC Morley Pty Ltd	▶	100
SLC Ocean Keys Pty Ltd	▶	60
SLC Penrith Pty Ltd	▶	70
SLC Perth Pty Ltd	▶	100
SLC Rockhampton Pty Ltd	▶	75
SLC Rundle Place Pty Ltd	▶	75
SLC Sandy Bay Pty Ltd	▶	75
SLC Strathpine Pty Ltd	▶	75
SLC Warringah Mall Pty Ltd	▶	75
SLC Warwick Pty Ltd	▶	100
SLC Whitford City Pty Ltd	▶	100
SLC Woden Pty Ltd	▶	100
Sotico Pty Ltd	▶	100
Soul Pattinson (Manufacturing) Pty Ltd	▶	100
Synapse Finance Pty Ltd	▶	100
Target Australia Pty Ltd	▶	100
Target Holdings Pty Ltd	▶	100
The Advanced Skills Academy Pty Ltd	▶	100
The Builders Warehouse Group Pty Limited	▶	100
The Franked Income Fund	▷	n/a
The Priceline Unit Trust	▷	n/a
The Westralian Farmers Limited	▶	100
The Workwear Group Holding Pty Ltd	▶	100
The Workwear Group Pty Ltd	▶	100
Tilers Plus Pty Limited	▶	100
Tilewerx Pty Limited	▶	100
Tincorp Holdings Pty Ltd	▶	100
Ucone Pty Ltd	▶	100
Valley Investments Pty Ltd	▶	100
Venture in Altona Gate Pty Ltd	▶	100
Venture in Broadmeadows Pty Ltd	▶	100
Viking Direct Pty Limited	▶	100
Wesfarmers Built Pty Ltd	▶	100
Wesfarmers Bunnings Limited	▶	100
Wesfarmers Chemicals, Energy & Fertilisers Limited	▶	100
Wesfarmers Coal Resources Pty Ltd	▶	100
Wesfarmers Department Stores Holdings Pty Ltd	▶	100
Wesfarmers Emerging Ventures Pty Ltd	▶	100
Wesfarmers Employee Share Trust	▷	n/a
Wesfarmers Employees Investment Trust	▷	n/a
Wesfarmers Energy (Gas Sales) Limited	▶	100
Wesfarmers Fertilizers Pty Ltd	▶	100
Wesfarmers Gas Limited	▶	100
Wesfarmers Holdings Pty Ltd	▶	100
Wesfarmers Industrial and Safety Pty Ltd	▶	100
Wesfarmers Insurance Investments Pty Ltd	▶	100
Wesfarmers International Holdings Pty Ltd	▶	100
Wesfarmers Investments Pty Ltd	▶	100
Wesfarmers Kleenheat Gas Pty Ltd	▶	100
Wesfarmers Limited	▶	n/a
Wesfarmers Lithium Pty Ltd	▶	100
Wesfarmers Loyalty Management Pty Ltd	▶	100
Wesfarmers LPG Pty Ltd	▶	100
Wesfarmers New Energy Holdings Pty Ltd	▶	100
Wesfarmers Oil & Gas Pty Ltd	▶	100
Wesfarmers One Pass Pty Ltd	▶	100
Wesfarmers OneReach Pty Ltd	▶	100
Wesfarmers Online Retail Holdings Pty Ltd	▶	100
Wesfarmers Provident Fund Pty Ltd	▶	100
Wesfarmers Resources Pty Ltd	▶	100
Wesfarmers Retail Holdings Pty Ltd	▶	100
Wesfarmers Retail Pty Ltd	▶	100
Wesfarmers Securities Management Pty Ltd	▶ •	100
Wesfarmers TCS Investments Pty Ltd	▶	100
Wesfarmers Transport Limited	▶	100
Weskem Pty Ltd	▶	100
Westralian Farmers Superphosphates Limited	▶	100
WEV Capital Investments Pty Ltd	▶	100
WFCL Investments Pty Ltd	▶	100
WFM Investments Pty Ltd	▶	100
WIS International Pty Ltd	▶	100
WIS Solutions Pty Ltd	▶	100
WPEQ Pty Ltd	▶	100
Yakka Pty Limited	▶	100
Zelora Assetco Pty Ltd	▶	100
Zelora Holdco Pty Ltd	▶	100
Zelora Mezzco Pty Ltd	▶	100
Zelora Opco Pty Ltd	▶	100
Zelora Topco Pty Ltd	▶	100

For personal use only

Consolidated entity disclosure statement

As at 30 June 2026

Consolidated entities incorporated/formed in countries other than Australia and foreign tax residents

NAME OF ENTITY		% OF SHARE CAPITAL 2026	COUNTRY OF INCORPORATION	JURISDICTION FOR FOREIGN TAX RESIDENT
ANKO GCC (India) Private Limited	▶	100	India	India
ANKO Global (France) SAS	▶	100	France	France
ANKO Global (US) Incorporated	▶	100	United States	United States
ANKO Sourcing (Bangladesh) Private Limited	▶	100	Bangladesh	Bangladesh
ANKO Sourcing (Hong Kong) Pty Limited	▶	100	Hong Kong	Hong Kong
ANKO Sourcing (India) Private Limited	▶	100	India	India
ANKO Sourcing (Shanghai) Limited	▶	100	China	China
ANKO Sourcing (Singapore) Pte. Ltd.	▶	100	Singapore	Singapore
Anko Sourcing (Vietnam) Limited Liability Company	▶	100	Vietnam	Vietnam
API Healthcare Holdings (NZ) Limited	▶	100	New Zealand	New Zealand
Beaumont Tiles NZ Pty Limited	▶	100	New Zealand	New Zealand
Bunnings (NZ) Limited	▶	100	New Zealand	New Zealand
Bunnings Limited	▶	100	New Zealand	New Zealand
Bunnings Technologies India Private Limited	▶	100	India	India
CGNZ Finance Limited	▶	100	New Zealand	New Zealand
Clearskincare Newmarket Limited	▶	100	New Zealand	New Zealand
Clearskincare Takapuna Limited	▶	100	New Zealand	New Zealand
CSC Auckland Limited	▶	100	New Zealand	New Zealand
CSC Holdings New Zealand Limited	▶	100	New Zealand	New Zealand
CSC Ponsonby Limited	▶	100	New Zealand	New Zealand
Garrett Investments Limited	▶	100	New Zealand	New Zealand
Geeks2U NZ Limited	▶	100	New Zealand	New Zealand
KAS Global Trading Pty Limited	▶	100	Hong Kong	Hong Kong
Kmart NZ Holdings Limited	▶	100	New Zealand	New Zealand
NZ Finance Holdings Pty Limited	▶	100	New Zealand	New Zealand
Officeworks GCC (India) Private Limited	▶	100	India	India
Officeworks NZ Limited	▶	100	New Zealand	New Zealand
Priceline (NZ) Pty Limited	▶	100	New Zealand	New Zealand
PSM Healthcare Limited	▶	100	New Zealand	New Zealand
PT Blackwoods Indonesia	▶	100	Indonesia	Indonesia
Target Australia Sourcing (Shanghai) Co Ltd	▶	100	China	China
Target Australia Sourcing Limited	▶	100	Hong Kong	Hong Kong
Wesfarmers Industrial & Safety Holdings NZ Limited	▶	100	New Zealand	New Zealand
Wesfarmers Industrial & Safety NZ Limited	▶	100	New Zealand	New Zealand
Wesfarmers Risk Management (Singapore) Pte Ltd	▶	100	Singapore	Singapore
WIS Supply Chain Management (Shanghai) Co Ltd	▶	100	China	China

- ▶ Body corporate
- ▷ Trust
- ● Trustee of a trust in the consolidated entity

Consolidated entity disclosure statement

Directors' declaration

Wesfarmers Limited and its controlled entities

In accordance with a resolution of the directors of Wesfarmers Limited, we state that:

1. In the opinion of the directors:

   1.1 the financial statements, notes and the additional disclosures included in the Directors' Report designated as audited, of the consolidated entity for the full-year ended 30 June 2026 are in accordance with the *Corporations Act 2001*, including:

   (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the year ended on that date; and

   (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

   1.2 the financial statements and notes comply with International Financial Reporting Standards as disclosed in the notes to the financial statements on page 149 of the 2026 Annual Report; and

   1.3 there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

   1.4 the consolidated entity disclosure statement as disclosed on pages 190 to 193 of the 2026 Annual Report and required by section 295(3A) of the *Corporations Act 2001* is true and correct.

2. This declaration has been made after receiving the declaration required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2026.

3. In the opinion of the directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group comprising the company and the controlled entities marked '+' or '@' as identified in note 21 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee referred to in note 23.

On behalf of the Board:

M A Chaney AO
Chairman

R G Scott
Managing Director

Perth
26 August 2026

Independent auditor's report

To the Members of Wesfarmers Limited

Shape the future with confidence

Ernst & Young
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Perth WA 6000 Australia
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Independent auditor's report to the members of Wesfarmers Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Wesfarmers Limited ('the Company') and its subsidiaries (collectively, 'the Group'), which comprises the consolidated balance sheet as at 30 June 2026, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Independent auditor's report

To the Members of Wesfarmers Limited

1. Inventory valuation and existence

Why significant

At 30 June 2026, the Group held inventory balances of $6,601 million, as disclosed in Note 6 Inventories.

Inventories are valued at the lower of cost and net realisable value ('NRV'). The NRV of inventories is the estimated selling price in the ordinary course of business less estimated costs to sell, the determination of which requires significant judgement by the Group.

Key matters of judgement include:

- The estimated costs to bring the inventory to its location and condition for sale
- Estimated costs to sell
- The expected selling price.

In addition, the distribution of the Group's inventory across a high number of locations and the quantum of the inventory balances may result in an increased risk in relation to existence.

We consider this to be a key audit matter because of the quantum of the inventory balances, and the significant judgements involved, as described above.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Assessing the inventory management, procurement and commercial income processes, including an evaluation of the effectiveness of relevant controls
- Testing the accuracy of inventory costing on a sample basis
- Observing stocktakes at a sample of locations and assessing the stocktake processes for compliance with internal policies
- Testing the subsequent reconciliation of the stock count results into the inventory records and general ledger
- Evaluating management's assessment of stock obsolescence and shrinkage provisions
- Evaluating the adequacy and appropriateness of the disclosures in the Notes to the financial report.

2. Information Technology (IT) systems and controls over financial reporting

Why significant

A significant part of the Group's financial reporting process is primarily reliant on a range of diverse IT systems across the Group's divisions, which have automated processes and controls relating to the capture, valuation and recording of a high volume of transactions.

A fundamental component of these IT systems and controls is ensuring that risks relating to inappropriate user access management, unauthorised program changes and IT operating protocols are addressed.

We consider this to be a key audit matter as our audit approach is dependent on the effective operation of the IT control environment.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Focusing on those IT systems and controls that are significant to the financial reporting process
- Involving our IT specialists, as audit procedures over IT systems and controls require specific expertise
- Assessing the design and implementation effectiveness of IT controls. Where IT controls were designed and implemented effectively, and were relevant to our audit strategy, we tested the operating effectiveness of those controls, including those related to:
  - General security settings and authentication
  - User access management and revalidation
  - Change and release management
- Where we identified design and/or operating deficiencies in the IT control environment, we assessed the integrity and reliability of the systems and data related to financial reporting through the following audit procedures:
  - Assessed compensating or mitigating controls that were not reliant on the IT control environment,
  - Performed direct testing of IT application controls and/or IT dependent manual controls; or
  - Varied the nature, timing and extent of substantive procedures performed.

Independent auditor's report

To the Members of Wesfarmers Limited

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2026 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon in this auditor's report, with the exception of the Remuneration Report and our related assurance opinion. We have issued a separate auditor's report on selective sustainability information and subject matter included in the Sustainability Report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Independent auditor's report

To the Members of Wesfarmers Limited

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 117 to 142 of the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Wesfarmers Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

F M Campbell
Partner
Melbourne

26 August 2026

M P Cunningham
Partner
Perth

26 August 2026

Independent auditor's report

To the Members of Wesfarmers Limited

Shape the future with confidence

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Review conclusion on selective sustainability information

We have conducted a review of the following information in the Sustainability Report of Wesfarmers Limited (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2026 (the 'selective reviewed sustainability information') in accordance with Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) issued by the Auditing and Assurance Standards Board (AUASB):

Selective reviewed sustainability information	Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Governance	Paragraph 6	Pages 58 to 59
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Pages 64 to 73, Climate-related risk and opportunity description and risk type (physical or transition)

The requirements of AASB S2 identified in the table above form the criteria relevant to the selective reviewed sustainability information and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the selective reviewed sustainability information specified in the table above does not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Audit opinion on selective sustainability information

We have conducted an audit of the following information in the Sustainability Report of Wesfarmers Limited (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2026 (the 'selective audited sustainability information') in accordance with ASSA 5010:

Selective audited sustainability information	Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2)	Page 82, "Group performance" table (Columns "AASB S2 location-based & market-based")
	and 29(a)(ii) to (v)	Page 81 (paragraphs 2 to 6); Page 82 (paragraphs 1 and 2); Pages 88 to 89

The requirements of AASB S2 identified in the table above form the criteria relevant to the selective audited sustainability information and apply under Division 1 of Part 2M.3 of the Act.

In our opinion, the selective audited sustainability information specified in the table above is prepared in accordance with the *Corporations Act 2001*, including:

a. Subsection 296A(2) (contents of climate statements); and

b. Section 296C (compliance with Australian Sustainability Reporting Standard S2 Climate-related Disclosures issued by the Australian Accounting Standards Board and any Ministerial legislative instrument); and

c. Section 296D (climate statement disclosures).

The selective reviewed sustainability information and selective audited sustainability information are collectively referred to as the 'selective sustainability information.'

Independent auditor's report

To the Members of Wesfarmers Limited

Review conclusion on subject matter

We have conducted a review of selected information in the Annual Report of Wesfarmers Limited (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2026 (the 'subject matter'). Refer to **Appendix A** for further details of the subject matter.

Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matter in the course of our review that makes us believe that the subject matter outlined in **Appendix A** for the Group is not prepared, in all material respects, in accordance with the criteria for the year ended 30 June 2026.

Basis for conclusions and opinion

Basis for conclusions

Our reviews have been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our reviews include obtaining limited assurance about whether the selective reviewed sustainability information and subject matter are free from material misstatement.

In applying the relevant criteria for the selective reviewed sustainability information, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusions are based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the *Summary of the Work performed for our review engagements* section of our report.

Basis for opinion

Our audit has been conducted in accordance with ASSA 5000. Our audit includes obtaining reasonable assurance that the selective audited sustainability information is free from material misstatement.

Basis for conclusions and opinion

Our responsibilities under ASSA 5000 are further described in the *Auditor's responsibilities* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Act and the ethical requirements of *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), that are relevant to reviews and audits of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions and opinion.

Other matters

Comparative information excluding scope 1 & 2 greenhouse gas emissions was not subject to an assurance engagement in the prior period. Scope 1 & 2 greenhouse gas emissions comparative information were subject to review in the prior period. In connection with our review and audit on the selective sustainability information, and our review on the subject matter, our responsibility is to determine whether the comparative information is appropriately presented, by evaluating its consistency with the disclosures presented in the prior period and the consistency of the criteria with the criteria applied in the current period. Our conclusions and opinion are not modified in respect of this matter.

Other information

The directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, including the Financial Report and the Sustainability Report, but does not include the selective sustainability information and subject matter, and our review and audit report thereon.

Our conclusion and opinion on the selective sustainability information, and our conclusion on the subject matter, does not cover the other information and we do not express any form of assurance conclusion thereon in this review and audit report. We have issued a separate auditor's report on the Financial Report. We have also issued a separate audit report on the Remuneration Report.

In connection with our review and audit of the selective sustainability information, and our review of the subject matter, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the selective sustainability information and the subject matter, or our knowledge obtained when conducting the reviews and audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the selective sustainability information and subject matter

The directors of the Company are responsible for:

- The preparation of the selective sustainability information in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the selective sustainability information, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Management of the Company are responsible for:

- The identification, selection and development of suitable criteria for the subject matter;
- The preparation of the subject matter in accordance with the criteria; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the subject matter, in accordance with the criteria that is free from material misstatement, whether due to fraud or error.

Independent auditor's report

To the Members of Wesfarmers Limited

Inherent limitations

As discussed on pages 92 and 93 of the Report, climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The Report contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor's responsibilities

Our objectives are to:

- Plan and perform the reviews to obtain limited assurance about whether the selective reviewed sustainability information and subject matter, defined in the *Review conclusions* section of our report, is free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusions.
- Plan and perform the audit to obtain reasonable assurance about whether the selective audited sustainability information, defined in the *Audit opinion* section of our report, is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the selective sustainability information and subject matter.

As part of our audit and review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- For a review engagement:
  - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
  - Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- For an audit engagement:
  - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the assertion level for the disclosures but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
  - Design and perform procedures responsive to assessed risks of material misstatement at the assertion level for the disclosures. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed for our review engagements

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the selective reviewed sustainability information and the subject matter. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

The procedures we performed for the review of the selective reviewed sustainability information included, but were not limited to:

- Considered the completeness of Wesfarmers Limited's assessment of climate-related risks and opportunities
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selective reviewed sustainability information during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to climate-related disclosures
- Assessed the appropriateness of the reporting boundaries applied
- Undertook analytical review procedures to support the reasonableness of the selective reviewed sustainability information
- Agreed the selective reviewed sustainability information disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the selective reviewed sustainability information against the requirements of AASB S2

The procedures we performed for the review of the subject matter included, but were not limited to:

- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the subject matter during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to the subject matter
- Assessed the appropriateness of the reporting boundaries applied
- Undertook analytical review procedures to support the reasonableness of the subject matter
- Agreed the subject matter disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the subject matter against the requirements of the criteria

Ernst & Young

Ernst & Young

Fiona Campbell
Partner
Melbourne

Patrick Miller
Partner
Melbourne

26 August 2026

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Independent auditor's report

To the Members of Wesfarmers Limited

Appendix A: Subject Matter

Subject Matter	Criteria	Location in Annual Report
Wesfarmers' approach to defining report content ('impact materiality assessment')	• Global Reporting Initiative (GRI) Reporting Principles for defining report content, as set out in GRI 1: Foundation 2021 • GRI 3: Material Topics 2021	Page 55 in the 2026 Wesfarmers Limited Annual Report
Wesfarmers' reported alignment with the 'in accordance with' requirements of the Global Reporting Initiative's Sustainability Reporting Standards ('GRI Standards')	• The requirements for reporting *'in accordance with the GRI Standards'* set out in GRI 1: Foundation 2021.	Page 55 in the 2026 Wesfarmers Limited Annual Report
Selected material performance metrics set out below:		
Environment: 1. Scope 3 Greenhouse gas emissions (tonnes CO2-e) 2. Energy use (petajoules) 3. Water use (megalitres) 4. Operational waste disposed (kilotonnes) 5. Operational waste recovered (kilotonnes)	• The measurement principles of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard • National Greenhouse and Energy Reporting (Measurement) Determination 2008 and the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard • Wesfarmers' own publicly disclosed criteria, as informed by GRI 303: Water and Effluents 2018 and GRI 306: Waste 2020	Tab **'Environment'** in the 2026 Wesfarmers Sustainability Databook as referenced on page 55 in the 2026 Wesfarmers Limited Annual Report
Safety, health and wellbeing: 1. Total Recordable Injury Frequency Rate (TRIFR) 2. Workers Compensation Claims (#)	• Wesfarmers' own publicly disclosed criteria, as informed by GRI 403: Occupational Health & Safety 2018	Tab **'Safety, health and wellbeing'** in the 2026 Wesfarmers Sustainability Databook as referenced on page 55 in the 2026 Wesfarmers Limited Annual Report
Community Contributions: 1. Direct community contributions ($million) 2. Indirect community contributions ($million)	• Wesfarmers' own publicly disclosed criteria	Tab **'Community Contributions'** in the 2026 Wesfarmers Sustainability Databook as referenced on page 55 in the 2026 Wesfarmers Limited Annual Report
People, diversity & inclusion: 1. Team members by gender and region (#) 2. Team members by employment type (#) 3. Team members by gender and age (%) 4. Team members turnover rate (%) 5. Female representation in leadership roles (% female) 6. New team member hires by gender (#) 7. New team member hires by region (#)	• Wesfarmers' own publicly disclosed criteria, as informed by GRI 401: Employment 2016 and GRI 405: Diversity and Equal opportunity 2016	Tab **'People, diversity and inclusion'** in the 2026 Wesfarmers Sustainability Databook as referenced on page 55 in the 2026 Wesfarmers Limited Annual Report
Advancing reconciliation: 1. Aboriginal and Torres Strait Islander employment (#) 2. Aboriginal and Torres Strait Islander Procurement Spend ($million) 3. Instances of cultural awareness training (#) 4. Cultural Awareness Training Hours (#)	• Wesfarmers' own publicly disclosed criteria, as informed by: GRI 405: Diversity and Equal opportunity 2016	Tab **'Advancing Reconciliation'** in the 2026 Wesfarmers Sustainability Databook as referenced on page 55 in the 2026 Wesfarmers Limited Annual Report
Ethical sourcing & human rights: 1. Monitoring data: a. Number of suppliers (#) b. Number of suppliers in the ethical sourcing program (#) c. Number of sites in the ethical sourcing program (#) d. Number of suppliers monitored in the ethical sourcing program (#) e. Number of sites monitored in the ethical sourcing program (#) f. Number of sites with reportable breaches (#) g. Number of reportable breaches (#) h. Number of suppliers or their sites exited where remediation of ethical sourcing concerns could not be achieved (#) i. Number of sites with a grievance mechanism deployed (#) j. Number of countries with a grievance mechanism (#) k. Number of factory workers at a site with a grievance mechanism (#) 2. Sourcing locations of own brand goods: a. Number of own-brand supplier sourcing locations (#) b. Top 10 own-brand supplier sourcing locations (country) 3. Modern slavery and ethical sourcing training and capacity building: a. Number of suppliers trained (#) b. Number of team members trained (#) c. Supplier training hours (#) d. Team member training hours (#)	• Wesfarmers' own publicly disclosed criteria	Tab **'Ethical sourcing & human rights'** in the 2026 Wesfarmers Sustainability Databook as referenced on page 55 in the 2026 Wesfarmers Limited Annual Report

Five-year financial performance and key metrics

Group performance and key metrics

ALL FIGURES IN $M UNLESS SHOWN OTHERWISE	2026	2025[1]	2024	2023	2022
Summarised income statement					
Revenue from contracts with customers	**47,140**	45,576	44,047	43,417	36,679
Other revenue	**134**	124	142	133	159
Total revenue	**47,274**	45,700	44,189	43,550	36,838
Operating profit before depreciation and amortisation, finance costs and income tax	**6,337**	6,298	5,789	5,564	5,208
Depreciation and amortisation	**(1,844)**	(1,833)	(1,800)	(1,701)	(1,575)
Interest on lease liabilities	**(309)**	(255)	(236)	(219)	(217)
EBIT (after interest on lease liabilities)	**4,184**	4,210	3,753	3,644	3,416
Other finance costs	**(167)**	(157)	(166)	(135)	(96)
Income tax expense	**(1,143)**	(1,127)	(1,030)	(1,044)	(968)
Operating profit after income tax attributable to equity holders of Wesfarmers Limited	**2,874**	2,926	2,557	2,465	2,352
Capital and dividends					
Ordinary shares on issue as at 30 June (number) (000's)	**1,135,283**	1,135,014	1,134,781	1,134,514	1,134,145
Paid up ordinary capital as at 30 June	**12,325**	13,574	13,574	13,574	13,574
Fully-franked dividend per ordinary share (determined) (cents)	**222**	206	198	191	180
Fully-franked special dividend per ordinary share (paid) (cents)[2]	**40**	-	-	-	-
Capital return per ordinary share (paid) (cents)[3]	**110**	-	-	-	-
Financial performance					
Earnings per share (weighted average) (cents)	**253.4**	258.0	225.7	217.8	207.8
Earnings per share growth (%)	**(1.8)**	14.3	3.6	4.8	(1.2)
Return on average ordinary shareholders' equity (R12) (excluding significant items) (%)	**35.5**	31.2	31.3	31.4	29.4
Financial position as at 30 June					
Total assets	**28,884**	27,981	27,309	26,546	27,286
Total liabilities	**20,907**	18,792	18,724	18,265	19,305
Net assets	**7,977**	9,189	8,585	8,281	7,981
Net tangible asset backing per ordinary share ($)	**2.66**	3.73	3.12	3.17	2.91
Net debt to equity (%)[4]	**66.1**	47.1	49.8	48.4	56.3
Total liabilities/total assets (%)	**72.4**	67.2	68.6	68.8	70.8
Market capitalisation as at 30 June	**102,630**	96,192	73,965	55,977	47,532

1 The summarised income statement for 2025 includes significant items relating to the following pre-tax (post-tax) items: a $233 million ($233 million) gain on the sale of Coregas, a $97 million ($75 million) profit on the wind up of the BPI property structure and $51 million ($35 million) in costs associated with the wind down and transition of Catch.

2 A special dividend to shareholders of $0.40 per share was paid on 4 December 2025.

3 A capital return to shareholders of $1.10 per share was paid on 4 December 2025.

4 Net debt includes total interest-bearing loans and borrowings less cash at bank and on deposit and held in joint operation. Excludes cash on hand, cash in transit and lease liabilities.

Five-year financial performance and key metrics

Divisional performance and key metrics

ALL FIGURES IN $M UNLESS SHOWN OTHERWISE	2026	2025	2024	2023	2022
Bunnings Group					
Revenue	**20,399**	19,595	18,968	18,539	17,754
Earnings before tax[1]	**2,455**	2,336	2,251	2,230	2,204
Return on capital employed (R12) (%)[1]	**69.2**	71.5	69.2	65.4	77.2
Capital expenditure (cash basis)	**359**	416	268	405	349
Safety (R12, TRIFR)	**12.5**	13.7	17.0	16.5	11.3
Scope 1 and Scope 2 (market-based) emissions (ktCO2e)	**14.9**	24.6	49.4	59.9	104.9
Scope 1 and Scope 2 (location-based) emissions (ktCO2e)	**163.1**	167.1	178.4	187.5	220.5
Aboriginal and Torres Strait Islander team members	**1,778**	1,742	1,531	1,246	1,288
Operational waste diverted from landfill (%)	**64.9**	60.8	60.6	57.1	54.9
Kmart Group					
Revenue	**11,751**	11,429	11,107	10,635	9,129
Earnings before tax	**1,109**	1,046	958	769	505
Return on capital employed (R12) (%)	**68.3**	67.6	65.7	47.0	32.2
Capital expenditure (cash basis)	**256**	136	136	127	105
Safety (R12, TRIFR)	**6.8**	6.1	6.5	7.4	8.5
Scope 1 and Scope 2 (market-based) emissions (ktCO2e)	**6.6**	161.3	184.6	218.1	250.9
Scope 1 and Scope 2 (location-based) emissions (ktCO2e)	**208.9**	222.1	230.3	239.1	277.3
Aboriginal and Torres Strait Islander team members	**2,043**	1,959	2,200	1,986	1,847
Operational waste diverted from landfill (%)	**82.4**	82.1	82.1	82.0	80.6
WesCEF					
Revenue	**3,138**	2,962	2,747	3,306	3,041
Earnings before tax	**473**	399	440	669	540
Return on capital employed (R12) (%)	**12.6**	11.2	13.4	21.6	21.6
Return on capital employed (R12) (%) (excluding ALM)[2]	**29.0**	30.8	31.4	39.7	36.3
Capital expenditure (cash basis)[3]	**365**	390	447	518	455
Safety (R12, TRIFR)	**0.6**	5.6	2.7	3.8	4.2
Scope 1 and Scope 2 (market-based) emissions (ktCO2e)[4]	**767.0**	792.9	833.5	849.5	795.4
Scope 1 and Scope 2 (location-based) emissions (ktCO2e)[4]	**777.8**	805.1	840.4	846.4	804.3
Aboriginal and Torres Strait Islander team members	**55**	55	53	50	48
Operational waste diverted from landfill (%)[5]	**31.3**	45.2	44.9	87.4	85.9

1 Includes net property contribution for 2026 of nil; 2025 of $(2) million; 2024 of $2 million; 2023 of $38 million; and 2022 of $52 million.

2 Australian Light Minerals (ALM) is the company holding WesCEF's 50 per cent share in Covalent Lithium and is responsible for the sales and marketing of lithium products as well as undertaking exploration activities in existing and adjacent markets.

3 Includes WesCEF's share of capital expenditure for the development of the Covalent lithium project of $20 million in 2026; $161 million in 2025; $250 million in 2024; $394 million in 2023; and $304 million in 2022. It also includes capitalised interest of $35 million in 2026; $30 million in 2025; $26 million in 2024; $42 million in 2023; and $34 million in 2022.

4 2022 Scope 1 and Scope 2 emissions include the impact of the scheduled ammonia plant shutdown.

5 In 2024, the reported waste diversion rate of 90.1 per cent included wastewater, which has been reclassified. Excluding wastewater, the adjusted 2024 diversion rate is 44.9 per cent. This change was driven by an update to Wesfarmers' reporting methodology, introduced to better align with GRI and TNFD standards.

Five-year financial performance and key metrics

Divisional performance and key metrics (continued)

ALL FIGURES IN $M UNLESS SHOWN OTHERWISE	2026	2025	2024	2023	2022
Officeworks					
Revenue	**3,698**	3,565	3,434	3,357	3,169
Earnings before tax	**165**	212	208	200	181
Return on capital employed (R12) (%)	**13.0**	17.9	18.7	18.3	17.8
Capital expenditure (cash basis)	**105**	63	64	71	68
Safety (R12, TRIFR)	**6.0**	6.9	5.1	5.4	5.8
Scope 1 and Scope 2 (market-based) emissions (ktCO2e)	**0.2**	11.2	25.0	27.1	30.8
Scope 1 and Scope 2 (location-based) emissions (ktCO2e)	**28.3**	29.4	30.2	31.5	37.2
Aboriginal and Torres Strait Islander team members	**256**	290	271	302	323
Operational waste diverted from landfill (%)	**86.3**	87.4	87.3	87.8	80.8
Health[1]					
Revenue	**6,474**	5,933	5,624	5,312	1,240
Earnings before tax	**76**	64	50	45	(25)
Return on capital employed (R12) (%)	**4.2**	3.8	3.2	4.2	n.r.
Capital expenditure (cash basis)	**70**	62	38	41	3
Safety (R12, TRIFR)	**4.0**	4.6	4.6	6.6	n.r.
Scope 1 and Scope 2 (market-based) emissions (ktCO2e)[2]	**5.3**	9.0	10.9	11.6	13.8
Scope 1 and Scope 2 (location-based) emissions (ktCO2e)[2]	**8.8**	10.7	10.9	12.1	15.0
Aboriginal and Torres Strait Islander team members	**34**	15	11	3	n.r.
Operational waste diverted from landfill (%)[3]	**86.1**	81.4	80.4	73.0	n.r.
Industrial and Safety[4]					
Revenue	**1,758**	1,998	2,022	1,992	1,925
Earnings before tax[5]	**76**	104	109	100	92
Return on capital employed (R12) (%)[5]	**9.8**	8.2	8.3	8.0	7.9
Capital expenditure (cash basis)	**38**	68	79	73	64
Safety (R12, TRIFR)	**2.4**	2.5	1.8	3.3	3.5
Scope 1 and Scope 2 (market-based) emissions (ktCO2e)	**7.3**	25.8	26.7	27.2	26.4
Scope 1 and Scope 2 (location-based) emissions (ktCO2e)	**7.6**	26.2	26.8	26.9	26.4
Aboriginal and Torres Strait Islander team members	**89**	100	102	97	92
Operational waste diverted from landfill (%)	**45.7**	34.7	38.6	40.4	41.6
Catch[6]					
Gross transaction value	**-**	374	524	733	989
Revenue	**-**	167	227	354	510
Earnings before tax[7, 8]	**-**	(62)	(96)	(163)	(88)
Capital expenditure (cash basis)	**-**	2	5	10	45
Safety (R12, TRIFR)	**-**	3.6	10.0	4.7	2.1
Scope 1 and Scope 2 (market-based) emissions (ktCO2e)	**-**	1.4	1.9	2.8	3.0
Scope 1 and Scope 2 (location-based) emissions (ktCO2e)	**-**	1.6	2.1	3.4	3.8
Aboriginal and Torres Strait Islander team members	**n.r.**	n.r.	2	2	-
Operational waste diverted from landfill (%)	**n.r.**	94.7	57.2	66.2	72.7

1 2022 includes API's results from 31 March 2022 to 30 June 2022.
2 2022 full-year emissions estimated for comparison purposes.
3 2025 and 2024 includes actual operational waste data for distribution centres and estimated operational waste data for retail stores and clinics. 2023 operational waste data is for distribution centres only.
4 2025 includes results from Coregas for the full financial year. 2023 includes results from Greencap prior to its divestment on 1 August 2022.
5 Earnings in 2025 excludes the pre-tax gain on sale of the Coregas business of $233 million.
6 Catch ceased trading on 30 April 2025.
7 Earnings in 2025 excludes $51 million of one-off costs associated with the wind down and transition of Catch.
8 2024 includes a non-cash impairment to Catch's brand value of $18 million and restructuring costs of $5 million. 2023 includes restructuring costs of $40 million.

Shareholder information

Substantial shareholders

As at the date of this report, the following shareholders are substantial shareholders for the purposes of Part 6C.1 of the *Corporations Act 2001*:

- BlackRock Group (BlackRock Inc. and subsidiaries) holding 6.04 per cent;
- The Vanguard Group, Inc. holding 6.00 per cent; and
- State Street Corporation (and subsidiaries) holding 7.14 per cent.

Voting rights

Wesfarmers fully-paid ordinary shares carry voting rights of one vote per share.

Distribution of members and their holdings

SIZE OF HOLDINGS	NUMBER OF SHAREHOLDERS	% OF ISSUED CAPITAL
1 – 1,000	378,652	10.01
1,001 – 5,000	79,300	14.59
5,001 – 10,000	8,969	5.48
10,001 – 100,000	4,543	7.98
100,001 and over	126	61.94

There were 9,506 shareholders that held less than a marketable parcel of Wesfarmers ordinary shares.

There were 0.88 per cent of shareholders with registered addresses outside Australia.

Twenty largest shareholders

The 20 largest shareholders of ordinary shares on the company's register as at 26 August 2026 were:

NAME	NUMBER OF SHARES	% OF ISSUED CAPITAL
HSBC Custody Nominees (Australia) Limited	298,735,347	26.33
J P Morgan Nominees Australia Pty Limited	152,963,137	13.48
Citicorp Nominees Pty Limited	124,065,916	10.94
BNP Paribas Noms Pty Ltd	25,851,761	2.28
BNP Paribas Nominees Pty Ltd (Agency Lending A/C)	22,635,954	2.00
HSBC Custody Nominees (Australia) Limited (Nt-Comnwlth Super Corp A/C)	8,379,164	0.74
BNP Paribas Nominees Pty Ltd (HUB24 Custodial Serv Ltd)	6,540,956	0.58
Netwealth Investments Limited (Wrap Services A/C)	5,779,708	0.51
Australian Foundation Investment Company Limited	4,597,000	0.41
Citicorp Nominees Pty Limited (Colonial First State Inv A/C)	4,488,707	0.40
Citicorp Nominees Pty Limited (Citibank NY ADR DEP A/C)	4,120,441	0.36
Argo Investments Pty Ltd	3,905,000	0.34
Mutual Trust Pty Ltd	2,731,191	0.24
IOOF Investment Services Limited (IPS Superfund A/C)	2,099,000	0.19
BNP Paribas Noms (NZ) Ltd	2,011,765	0.18
IOOF Investment Services Limited (IOOF IDPS A/C)	1,950,662	0.17
BNP Paribas Noms Pty Ltd Deutsche Bank TCA	1,737,707	0.15
Mr Peter Alexander Brown	1,556,000	0.14
HSBC Custody Nominees (Australia) Limited	1,258,804	0.11
Netwealth Investments Limited (Super Services A/C)	1,111,688	0.10

The percentage holding of the 20 largest shareholders of Wesfarmers ordinary shares was 59.65.

Investor information

Managing your shareholding

The company's share registry is managed by Computershare Investor Services Pty Limited (Computershare).

The Investor Centre website is the fastest, easiest and most convenient way to view and manage your shareholding. Investor Centre enables a shareholder to:

- view the company share price;
- change your banking details;
- change your address (for non-CHESS sponsored holdings);
- update your dividend instructions;
- update your Tax File Number (TFN), Australian Business Number (ABN) or exemption;
- select your email and communication preferences;
- view your transaction and dividend history; and
- generate a holding balance letter.

Visit **computershare.com/au** and click on 'Investor Centre Login' for (i) portfolio membership or (ii) to select the link from the 'Quick Links' sub-menu to 'Single Holding' to view your Wesfarmers shareholding information.

When communicating with Computershare or accessing your holding online you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on your Issuer Sponsored/CHESS statements.

You can also contact Computershare by:

Post GPO Box 2975 Melbourne, Victoria 3001 Australia

Telephone Australia 1300 558 062

Telephone International (+61 3) 9415 4631

Website computershare.com/au

Tax File Numbers

While it is not compulsory to provide a TFN, if shareholders have not provided a TFN and Wesfarmers pays an unfranked or partly-franked dividend, the company will be required to deduct tax from the unfranked portion of the dividend at the top marginal rate plus the Medicare levy. Shareholders can go online to update their TFN by visiting **computershare.com/au** and clicking on 'Investor Centre Login'.

Change of name or consolidation of holdings

Name changes or consolidation of multiple holdings into one single holding must be made in writing by using the required forms, which can be downloaded from **computershare.com/au** by clicking on the link to 'Investor Centre Login' and selecting the 'Printable Forms' button.

Uncertificated Share Register: The Wesfarmers share register is uncertificated. Two forms of uncertificated holdings are available to shareholders:

- **Issuer-sponsored holdings** – these holdings are sponsored by Wesfarmers and there is no need for shareholders to be sponsored by a stockbroker; and
- **Broker-sponsored holdings** – shareholders may arrange to be sponsored by a stockbroker who will require a signed sponsorship agreement.

Holding statements are issued to shareholders within five business days after the end of any month in which transactions occur that alter the balance of their holding. Shareholders can also access details of their shareholdings and dividends paid on their holdings by visiting **computershare.com/au**

Information on Wesfarmers

Wesfarmers website

Up-to-date information on the company can be obtained from the company's website **wesfarmers.com.au**

Securities Exchange listing

Wesfarmers shares are listed on the Australian Securities Exchange under the code WES.

Share prices can be accessed from major Australian newspapers, on the Wesfarmers website or at **asx.com.au**

Dividend investment plan

The company's dividend investment plan was reinstated with effect from 27 February 2007. Details of the plan can be obtained from Computershare or the Wesfarmers website.

Privacy

A copy of the Wesfarmers Privacy Policy is available on the Wesfarmers website.

Corporate directory

Wesfarmers Limited ABN 28 008 984 049

Registered office

Level 14, Brookfield Place Tower 2
123 St Georges Terrace
Perth, Western Australia 6000

Telephone (+61 8) 9327 4211
Facsimile (+61 8) 9327 4216
Website wesfarmers.com.au
Email wesinfo@wesfarmers.com.au

Executive director

Rob Scott
Group Managing Director and Chief Executive Officer

Non-executive directors

Michael Chaney AO
Chairman

Julie Coates

Alan Cransberg

The Right Honourable Sir Bill English KNZM

Ken MacKenzie (from 1 June 2026)
Chairman Elect

Kate Munnings

Mike Roche

Tom von Oertzen

Sharon Warburton

Alison Watkins AM

Chief Financial Officer

Anthony Gianotti

Company Secretary

Sheldon Renkema

Share registry

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067

Telephone Australia 1300 558 062
Telephone International (+61 3) 9415 4631
Facsimile (+61 3) 9473 2500
Website computershare.com/au

Financial calendar+

Record date for final dividend	2 September 2026
Final dividend paid	7 October 2026
Annual general meeting	29 October 2026
Half-year end	31 December 2026
Half-year profit announcement	February 2027
Record date for interim dividend	February 2027
Interim dividend payable	March 2027
Year-end	30 June 2027

+ Timing of events is subject to change.

Annual General Meeting

The 45th Annual General Meeting of Wesfarmers Limited will be held on Thursday 29 October 2026 at 1:00pm (Perth time) at the Perth Exhibition and Convention Centre and shareholders will also be able to participate in the meeting through an online platform. Further details will be provided in the 2026 Notice of Meeting.

Website

To view shareholder and company information, news announcements, background information on Wesfarmers' businesses and historical information, visit the Wesfarmers website at **wesfarmers.com.au**

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